

ESTIMATES COMMITTEE - Thursday 26 June 2003

**In committee in continuation:**

**DEPARTMENT OF HEALTH AND COMMUNITY SERVICES**

**Mr CHAIRMAN:** Good morning, it being 9 am, we will make a start. First of all, let me welcome everyone to the third day sittings of the Estimates Committee. I welcome the minister, and invite the minister to introduce the officials accompanying her, and also give the opportunity to the minister, if she so wishes, to make an opening statement on behalf of the Department of Health and Community Services. Thank you, minister.

**Mrs AAGAARD:** Thank you, Mr Chairman. I am the minister responsible for the Health and Community Services portfolio. I will answer questions in relation to the Health and Community Services budget in order of output groups and outputs. Questions across the whole of the department will be answered once individual outputs are completed, as advised by the Treasurer. As previously highlighted, I will answer questions regarding the general scope of capital works programs and my colleague, Minister Vatskalis, will answer questions in regard to the contractual arrangements for capital works that are delivered by the Department of Infrastructure, Planning and Environment.

Joining me this morning is my CEO, Mr Robert Griew and members of the departmental executive. In addition, members of the department's senior management team will also join the executive members to assist the committee through its deliberations. The executive members include: Deputy CEO, Mr Graham Symons; Assistant Secretary Community Services, Ms Carol Peltola; Assistant Secretary Acute Care, Mr Peter Campos; Assistant Secretary Office of Aboriginal Health, Mr Shane Houston; Assistant Secretary Health Services, Dr David Ashbridge; and Assistant Secretary Corporate Development and Accountability, Mr Rod Smith.

Mr Chairman, before I commence I take this opportunity to recognise the hard work that has gone into preparing for these estimates, and to congratulate and thank members of my department for their commitment over the past year.

**Mr CHAIRMAN:** Thank you very much, minister. Are there any questions in respect of the minister's opening statement. The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2003-04 as they relate to the Department of Health and Community Services. I will now call on questions in respect of Output 1.0, Output Group 1.1, Admitted Patient Services.

**OUTPUT 1.0 – Acute Services**  
**Output Group 1.1 – Admitted Patient Services**

**Ms CARTER:** Minister, given the significant increase in funding provided to the hospital area during the year 2002-03 - and I am quite specific here, in the budget for 2002-03 which was handed down last August - the Acute Hospital sector was provided with \$272m. Estimates in the new budget show that for that period of time of the last financial year, it is estimated that that area will spend \$306m. That is an increase of \$34m between what was budgeted and now the estimated spend for that time. Can you advise which program areas were cut in order to find that money?

**Mrs AAGAARD:** Mr Chairman, the member would realise that, in fact, we have put in \$15m in this current financial year, plus \$7.1m through the current budget as well. So, there has been an increase of \$34m into the portfolio this current financial year. Of course, there have also been efficiencies made, as I announced when presenting the review in February this year.

**Ms CARTER:** That amounts to \$21m, so \$34m extra was found for the hospital sector. What areas have been cut in order to find that money?

**Mrs AAGAARD:** Mr Chairman, there was \$14.709m of additional funding for increased costs, pressures and demands, as I said before, from the \$15m that was put in in February plus from the

\$7.1m that was part of the current budget. There was \$0.302m in revised repairs and maintenance; \$0.588m in additional Commonwealth subsidy for highly specialised drugs; \$0.558m additional Commonwealth funding for special outreach programs at Royal Darwin Hospital; \$1.2m in addition expenses occurred as a result of the Bali bombing - Health is currently seeking recovery of these costs from the Commonwealth and I must say that I sincerely hope that the Commonwealth come to the party on that; \$0.14m Commonwealth funding to participate in national hospital cost data collection and national hospital demonstration program; \$8.453m realignment and refinement costs allocation across the outputs; and \$0.063m Commonwealth funding for the Structured Training Education program, education program; and \$0.92m funding from the Institute for International Health Research undertaken last year for an ICU research program.

There was also a transfer of \$1.405m.

**A witness:** That is corporate long service leave.

**Mrs AAGAARD:** Long service leave. There was \$0.29m recognition of PowerWater cost recovery for sublet premises at Royal Darwin Hospital; and there was a transfer of funding for the Department of Community Development, Sport and Cultural Affairs from the Department of Health and Community Services for the Aboriginal Interpreter Services. This variation is 11.5% on the original budget.

**Ms CARTER:** So, what you are saying is that since the budget was handed down last August, all of these additional funds have been added into it almost unknown to you at that time last August and that no areas within your department had to be cut in their funding in order to fund the hospitals?

**Mrs AAGAARD:** We are talking about output 1, is that correct?

**Ms CARTER:** Yes, that is right.

**Mrs AAGAARD:** We are talking about the hospital funding not the general budget?

**Ms CARTER:** That is right, yes.

**Mrs AAGAARD:** So, obviously I have just told you about the variations in those figures, just then.

**Ms CARTER:** What you are saying is that no operational areas within your department had to have their funds cut in order to fund what appeared to be a budget blow-out in the hospital sector?

**Mrs AAGAARD:** I think you are actually mixing up the next part of this output area which is the non-admitted patient services, Ms Carter ...

**Ms CARTER:** No, not at all.

**Mrs AAGAARD:** ... because I think in that there was a transfer, realignment and refinement of costs across the output of \$13.106m. Is that what you are referring to?

**Ms CARTER:** No. I am saying that according to the budget books the acute sector hospital area received \$34m each. I am asking where it came from. You have given them \$14m from Treasury, so there is \$20m missing, and I am asking what program areas were obviously cut in order to fund the hospitals?

**Mrs AAGAARD:** Ms Carter, the acute accrues both admitted patient services and non-admitted patient services. During the year the majority of the kind of thing you are talking about relates to the realignment between the outputs of admitted patient services and non-admitted patient services largely to do with the transfer of patient travel from community health programs to this.

**Ms CARTER:** This is a general question to do with acute services. In the budget last year that was handed down in August, you gave \$272m to that area. It is estimated that they will spend \$306m, an increase of \$34m for acute services, whether it is admitted patients or non-admitted patients to that area. I am asking where did the \$34m come from. You have given us about \$14m. Therefore, my view is that services had to be cut in other areas of the department in order to fund acute services.

**Mrs AAGAARD:** Admitted patient services is \$24.716m and non-admitted patient services is \$9.549m, that is \$34m.

**Ms CARTER:** Can you say that again?

**Mrs AAGAARD:** Admitted patient services is \$24.716m – that is the variation – and the non-admitted patient services is \$9.549m.

**Ms CARTER:** All right. So that is the variation ...

**Mrs AAGAARD:** That is the \$34m.

**Ms CARTER:** ... you are saying, between the budget last year and what the estimate is now?

**Mrs AAGAARD:** And I just accounted for that money when I read out those lists.

**Ms CARTER:** Okay. In a nine months' period of time there has been a significant change in money that has come from somewhere. I do not think that you have been able to adequately say where it has come from. My view is that areas of the department have been cut, that are not in the acute area, and it appears that ...

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

**Ms CARTER:** It appears that the minister is not going to ...

**Ms Lawrie:** Is it a question?

**Ms CARTER:** It is a question, all right. The view is areas within the department have been cut, quite obviously, and I take it that is your answer as it stands at the moment? You are not going to divulge where the money came from?

**Mrs AAGAARD:** Excuse me. Mr Chairman, first of all, I have not said there have been cuts. I have just outlined to you that there is \$24.716m in admitted patient services, and non-admitted patient services is \$9.549m. I am not quite sure what it is you cannot understand about that. I also indicated that the ...

**Ms CARTER:** \$34m.

**Mrs AAGAARD:** Excuse me. I am answering this question. I also indicated that patient assisted travel was transferred during this time. I am not absolutely certain where you are getting at but you are really going down a very strange path here, Ms Carter. I am telling you those are the figures for that area. I might add too, that we know perfectly well that earlier this year the government put in \$15m extra into this budget. I am not quite sure what it is that you think you are coming at here, because \$15m is what we announced earlier this year. There is nothing new in this. Nothing new whatsoever.

**Ms CARTER:** All right. In February you were told by the Treasurer, in the mid-year report, that you had an extra \$1m and now you are saying you have scored an extra \$14m.

**Mrs AAGAARD:** The \$15m put in, in February, was for the whole of the department, not for acute care services. We have made that clear. We have now said in February – it has been mentioned so many times in the House and publicly - it did not all go into acute care services, clearly. You are confusing things – apparently deliberately, I suppose – but I have given you the answer on this.

**Ms CARTER:** I think your comment there is gratuitous. We had articles in the newspaper telling us there were going to be cuts made. I have been asking you now where were the cuts made? Acute services, obviously, scored the money and I have asked you where the cuts are, in order to ...

**Mrs AAGAARD:** You are talking about the savings measures, Ms Carter, which we announced in February. Is that what you are referring to?

**Ms CARTER:** Yes. Savings measures, cuts, whatever you want to call it. Purely, what I am asking is where did the ...

**Mrs AAGAARD:** The savings measures? Do you mean the \$5m across the entire portfolio, savings measures, and the ones that refer to acute care for the current budget, for the 2002-03 budget; is that right?

**Ms CARTER:** I am sure, as we go through the rest of the questions, we will explore this issue further.

**Mrs AAGAARD:** I am just trying to clarify what it is you are asking. You are asking what were the savings measures for the 2002-03 budget relating to the acute care budget. Is that what you are asking me?

**Ms CARTER:** My view is – I am asking you is ...

**Mrs AAGAARD:** Is that what you are asking, Ms Carter?

**Ms CARTER:** I am asking you whether or not you have cross-subsidised into the hospital services and the acute services by having to cut funding in other areas of your department?

**Mrs AAGAARD:** Mr Chairman, I will just go over this again. We put in \$15m across the entire portfolio. There was a careful consideration of where the blow-outs had been in relation to the budget earlier this year, and there were proportional savings measures across the department, yes, making up \$5m.

**Ms CARTER:** So, even though the difference was \$34m, we get blow-outs and \$15m accounted for. I will move on. Minister, given the rate of increase in hospital funding, do you believe that rate is sustainable?

**Mrs AAGAARD:** It is absolutely true that hospital growth is greater than inflation, and I do not think I have made any secret of that. That has been the case for a very long time and it is why, when we are considering funding for this portfolio, that it is so important that we get the core services properly funded throughout the portfolio. That is exactly what has happening in this budget.

**Ms CARTER:** Really, this year you have only been given the same amount of money as you had last year plus CPI. Given the increase last year between when the budget came down and what ended up being estimated as the spend of \$34m extra, are you going to have to cut other areas of the department in order to find this funding this year?

**Mrs AAGAARD:** Mr Chairman, the government has never said we were not looking for an efficient system. All along, we have been looking at efficiencies across the portfolio. We had a review last year; we announced a review this year. We put in \$15m. We have consistently said that we are

asking this department to work as efficiently as possible. Might I say that Territorians expect us to spend every dollar in the health sector in the best possible way. One of the things that we have found on coming to government is that we inherited a very, very poor administrative system in terms of management structures and financial systems. Since we announced the results of the review of my department in February this year, we have been working determinedly to make sure those systems are put in place. We have had a special consultant auditing the whole department, including in the hospital area, and we have been significantly improving in those areas.

The review told us that we needed to focus on a number of different areas, and that we needed to work much more efficiently. So the budget, in the acute care sector, works on the factor that we will be working more efficiently. I cannot see anything wrong with that. Governments are expected to use the money they receive, which it is, in fact, Territorians' money, in the best possible fashion. Yes, we expect efficiencies across this sector and we will be delivering on those.

**Ms CARTER:** So, your view is that it is sustainable? That was the question.

**Mrs AAGAARD:** My view is that it is sustainable for the reason that we are looking at a much more efficient system. In this budget, we are bringing together all the hospitals. For the first time we are going to have an acute care sector, all the hospitals are going to be coming together, and we are looking at how we can work more efficiently. Obviously, as part of that, and it is a very big budget for hospitals, \$251m, we are asking the hospitals to work more efficiently. We have a plan on how we are going to do that. I might just pass over to Mr Griew now to outline the specific things because many of them are operational matters.

**Mr GRIEW:** The way the hospitals budget is built up for 2003-04 actually starts with the estimated expenditure for this year, so we are not starting from some amount in the past. That is a good news story for the hospitals in the first place, because they actually start from a point of certainty.

In the build-up of the cost estimates for the hospitals, we have incorporated funds to cover increases in the cost of labour amounting to 3%, and goods and services amounting to 2.5%. We have also allowed for the additional recurrent cost of occupying the new clinical areas of the Royal Darwin Hospital, and funding also to introduce new renal initiatives and to study increasing renal service demand across the Territory. That is \$3.58m for the new clinical areas, and \$2.55m for renal demand.

Overall, the budget built up that way provides for an increase in expenditure compared to the estimated outcome for 2002-03 of 5.25% growth. So it is actually more than estimated inflation. There are some one-off costs that we absorbed in 2002-03 in the hospitals area, including the cost of the Bali exercise that the minister mentioned, and some other costs, which we do not anticipate making this year so that, in fact, increases the purchasing power further, up to about 6%. Then there are some measures the minister mentioned that are designed both to extend that money further by more actively pursuing revenue from third parties, such as insurers, motor vehicle accidents, workers compensation, and so on. That should bring in another \$2m in revenue across the system and has set a target of efficiency measures that we anticipate would raise, effectively, another \$2.5m. When all of that is taken into account, the cumulative impact of that building up the budget and those measures brings us over 7% in the anticipated extra purchasing power of the hospitals' budget for this year.

**Ms CARTER:** Thank you for that. My next question goes to the area of efficiencies and performance. In the performance measures for the Admitted Patient Services, given that that area is going to get an extra nearly \$11m this year, I noted that the WIES measure is virtually static. That is on page 197 of Budget Paper No 3. The measure stays the same despite the extra \$1m. Can you explain why \$11m will equate to no changes in performance outputs? For this current year, it was estimated that the separations would be 42 847, for the next year it is 43 000, an increase of about 150 separations a year. Why is there no improvement for the extra \$11m?

**Mrs AAGAARD:** Mr Chairman, I would ask Mr Carl Putt from Hospital Policy Services to respond to that question.

**Mr PUTT:** Carl Putt, Acting Director of Hospital Services. In response to that question, I would have to say that we have had, particularly over the last 18 months, in improving or maintaining an accurate predictor of outcomes in relation to WIES, and the 43 000 was based on the data we had to the end of March. When you are looking at WIES, WIES requires coding of all the outputs of all the patients in the various five hospitals in the Territory. There is normally a lag of 60 days in ensuring that the discharge summaries of all the patients treated have been performed and completed, and the coding has been completed. So there is a lag. Even with the last year, we had an estimate of a proportion of those caseloads performed to that date, an estimate of what they would convert to in weeks, and based upon that, we predicted the outcome for this year and conservatively maintained a similar sort of figure for next year. More recent data that I have received would indicate a 1.5% increase, or 1% to 1.5% increase on this 43 000. At this point in time that is the best available estimate we could make.

**Mr GRIEW:** I am sorry to reinforce the point that one of the points that I think you made Ms Carter that hospital cost inflation does absorb a significant amount of the increase in funding to produce the same set of outputs given increasing costs in technology and labour costs, and so on. So there is not a one to one match between increase in dollars and ...

**Ms CARTER:** So there will not be any real efficiencies and you will not see any increase in services for that money?

**Mr GRIEW:** With that there are increases and efficiencies that are built in to the build up of that budget which I outlined and those include, for example, improving staff ratios, the better use of staff. To say that there are no efficiencies there does not add up with the figures that we have provided.

**Mr PUTT:** There are two things about this that you need to look at. One is an indicator that the most recent estimates are that it will be the 1.5% on that figure we have provided. And secondly, it is not in our interests to continually increase inpatient work. That had never been our objective and one thing we are trying to do is ensure that patients are treated in the most appropriate location. Now we think that some of the things we are trying to do in the coming year will add to efforts in that direction. Therefore, I am reasonably comfortable with that figure of 1.5%, and I do not think that we ought to be concerned about the fact of the inpatient work is not increasing at a faster rate.

**Ms CARTER:** Minister, it appears with regard to inpatient work, in the last budget that was handed down, the WIES separations for that budget were 45 000, whereas it is predicted that this year, despite an extra about \$40m it is going to drop to 43 000. That is a significant fall in the separations out of the hospitals of people who have been treated for all that extra money.

**Mrs AAGAARD:** Mr Chairman, during 2002-03 the estimated activity was revised downward to 42 847, using a forecasting methodology which gives greater way to performance over the most recent months. The forecast continue to be advised as the agency gains experience and becomes more accurate in estimating these finances which is what Mr Putt referred to.

**Ms CARTER:** Minister, would we be able to get that accurate data?

**Mrs AAGAARD:** I have just given you that, then. Just read that into the ...

**Ms CARTER:** The 45 000 you have said you have to work on in order to make it more accurate ...

**Mrs AAGAARD:** No, Mr Chairman, the one in this budget is the accurate figure.

**Ms CARTER:** An interesting comment from the CEO, minister, was that efficiencies will be made. And one of the efficiencies will be to increase the staff ratio which usually means staff/patient ratio which to my mind might mean the number of patients for example nurses had to look after. Are we going to see ever increasing pressure on our health staff in light of the budget problems?

**Mrs AAGAARD:** Mr Chairman, first thing to say is that there is no budget problems. You are just suggesting that. We are actually talking about a very efficient budget here where we are looking at

efficiencies throughout the budget, and indeed, might I just say, that that is what governments are expected to do.

Mr Chairman, I actually come from the private sector and have spent my entire life in the private sector, and these are things which are common place out there beyond this building. The people out there want us to spend every single dollar appropriately. They are concerned about health because they want to know that every dollar spent in this area is spent properly. And that includes being efficient. That includes using money efficiently. There is no question about that.

Some of the things we are actually looking at in relation to measures include maximising revenue by ensuring that all patients with the capacity to have accounts paid by a third party are identified, including those who are Veterans Affairs patients, workers compensation and motor car accident patients, and payment will be pursued from insurance companies with privately insured patients be encouraged to use their insurance.

I would have to say that one of the things that was highlighted in the review of my department is the fact that we inherited a system where this did not happen. Obviously, we were paying for things that quite appropriately and properly should have been paid for by a third party. We will be making sure that those things are looked at very carefully over the coming years and we have already started looking at that. We are also exploring service model savings. For example, the introduction of five day wards will be investigated to ensure economies of scale over weekends or during periods of low occupancy, and other staffing efficiencies by a physical reconfiguration of wards will also be explored across the hospital network.

Once again, I just have to say that it is the responsibility of government to make sure that every single cent is being appropriately spent. Just because something has been done in a way in the past does not mean that that is the way it has to be done in the future. It is our responsibility to look at all things that are being done with public money and make sure it is being spent in the most efficient fashion.

We will also be doing benchmarking of clinical and non-clinical support services against similar services in other hospitals to assess the comparative efficiency of Territory hospitals; centralising and rationalising procurement of goods and services; releasing savings; enhancing medical and nursing administration to optimise recruitment and deployment of staff; and identifying improvements in work practices in conjunction with monitoring an active case management of workers' compensation cases. These initiatives have the potential to improve our safety record and reduce overall costs. In addition, we will be enhancing the management of PATS and special outreach services by ensuring that provision of specialist outreach services are managed to minimise the need for patients in regional centres to have to travel to receive services.

Mr Chairman, we have been very carefully looking at how we can work in the hospital area more efficiently and that is what we will be delivering for Territorians.

**Ms CARTER:** Thank you, minister, for that statement. I noticed in page 291 of Budget Paper No 3 that that revenue will probably raise in the vicinity of \$300 000, which brings me back to my actual question which was to do with staff/patient ratios which the CEO did mention then. I want to know whether or not the aim is to increase the workload on staff, particularly nursing staff?

**Mrs AAGAARD:** We are expecting to raise \$2m from the measures that I just outlined in relation to recouping money from third parties.

**Ms CARTER:** All right. Can we now go to my question with regard to staff ratios? Is the view to increase them?

**Mrs AAGAARD:** The answer is no. What we talked about was reconfiguring wards to better use current staff.

**Ms CARTER:** So why would the CEO have used that term 'staff ratios'?

**Mrs AAGAARD:** He chose to answer the question in the way that he chose to do so. I am quite happy with the response that he gave.

**Ms CARTER:** I am exploring it a little further.

**Mrs AAGAARD:** I have given you my response, Ms Carter.

**Ms CARTER:** So you are not going to answer that question?

**Mrs AAGAARD:** I have answered the question.

**Ms CARTER:** Not to my satisfaction. Obviously, nursing staff are under extreme pressure in our hospitals. We have a major problem with recruitment and retention of staff. We are competing with interstate agencies and we need to provide the best working conditions we can for staff. The last thing we need to do is increase the workload for nursing staff. Your CEO used the term 'staff/patient ratios' and I am wondering what he meant?

**Mrs AAGAARD:** Mr Chairman, I have already explained about reconfiguration of wards to look at how we can work more efficiently. We are not talking about the things that you are talking about, Ms Carter, and we have already explained that to you. We are talking about reconfiguration of wards. It is clear that you are neither happy with my answer nor Mr Griew's answer, so I am going to be asking the General Manager of the Royal Darwin Hospital to come in and explain about reconfiguration of wards.

**Ms GEYTENBEEK:** We use a system within the hospital that we monitor the workload that all the staff work with. It goes into a system that we bring back to work out the average hours per patient day that we staff our wards and units with. There is no thought that we will be reducing staffing numbers. We monitor that regularly and we work to that.

**Ms CARTER:** Thank you for the answer. My next question is: for some weeks this year, surgery at both Royal Darwin Hospital and Alice Springs Hospital was curtailed. How many cases were put on hold for Royal Darwin Hospital?

**Mrs AAGAARD:** First, surgery was not curtailed; it was slowed. You have repeatedly used this line, which is inaccurate. You have used it in public, in the House, and you have repeatedly misled Territorians. There is a big difference between stopping ...

**Ms Carter:** Can you define the difference?

**Mrs AAGAARD:** Excuse me! I am answering the question. There is a big difference between stopping surgery and slowing surgery because of particular issues. I have already answered this question several times in the House. I am extremely sorry that you have been unable to understand these responses. I will provide the exact details. You know the answers, though, and I am sorry that you are having a lot of trouble with this.

**Ms CARTER:** My question was: minister, due to a slowing of surgery at Royal Darwin Hospital, how many patients had their surgery put on hold?

**Mrs AAGAARD:** There has been a reduction in the average number of urgent patients per month on urgent elective surgery wait lists at Royal Darwin Hospital; a slight increase in semi-urgent; and a decrease in the average number of patients per month on non-elective surgery as well.

**Ms CARTER:** Are you able to provide the figures?



**Mrs AAGAARD:** In the first category, there was a decrease of urgent surgery of one patient; semi-urgent - this is per month - increased by 24 patients; and non-urgent ...

**Ms CARTER:** We are happy if you table that.

**Mrs AAGAARD:** No, I am sorry, the information has a lot of personal notes on it. We will not be tabling it. And 45 at Royal Darwin Hospital.

**Ms CARTER:** And 45 what, sorry?

**Mrs AAGAARD:** Non-urgent.

**Ms CARTER:** Were slowed?

**Mrs AAGAARD:** This is an average for the whole year. We do not have specific figures for the period you are talking about, which, as I understand it, is three weeks.

**Ms CARTER:** So, despite the increased funding over the previous 12 months, there has actually been fewer surgical patients dealt with, and I guess that is a result of the slowing of services?

**Mrs AAGAARD:** No. This is elective surgery we are talking about here.

**Ms CARTER:** So, due to the slowing, approximately 70 cases.

**Mrs AAGAARD:** No, this is the entire year, Ms Carter, not the period that you are talking about.

**Ms CARTER:** All right, so over the year. Alice Springs Hospital?

**Mrs AAGAARD:** This is per month in urgent elective: Alice Springs Hospital decreased by 12 patients; semi-urgent increased by 15 patients; and non-urgent decreased in Alice Springs by 61 patients. I add that all surgery, overall at Royal Darwin Hospital, was up by 7.7%, so increased by 7.7% across all of surgery at the Royal Darwin Hospital.

**Ms CARTER:** Last year, during the estimates process, we were able to be provided with a lot of details in tabulated form. Would it be possible to get this sort of information provided by the department in table form?

**Mrs AAGAARD:** No, not at this stage. We are happy to provide you with the information as we go.

**Ms CARTER:** So, if I were to write to you, for example, with these sort of questions, you would provide that information?

**Mrs AAGAARD:** I am providing you with the information now, Ms Carter.

**Ms CARTER:** Well, it is the sort of thing, orally ...

**Mrs AAGAARD:** Orally is quite acceptable.

**Ms CARTER:** It is probably better on a whiteboard or something like that.

**Mrs AAGAARD:** I do not think we should be bringing whiteboards into this kind of conversation, Ms Carter.

**Ms CARTER:** It is my point of view that this is taxpayers' money being spent on health. During the year, we had a slowing of surgery, and I am asking, I think quite rightly, questions such as how many patients had their surgery slowed. This sort of verbal provision of information is not easy to take on board and it would be much more understandable in some sort of a written format.

**Mrs AAGAARD:** This is an oral hearing. I am providing you with the answers. I have said to you that at the Royal Darwin Hospital there has been a 7.7% increase in surgery. I have provided you with the answers that you have asked for.

**Ms CARTER:** No, you have not actually. You have said you have slowed down surgery. Now, quite logically, if you slow surgery down, people are going to be slowed. They are not going to have, for example, their varicose veins done on a particular date that they have been waiting three years for, or whatever it might be, and instead they have been slowed. I have then asked, how many patients were slowed, instead of daring to use the word 'cancelled'. This sort of information should be reported regularly to the public. It is taxpayers' money, and I do not know why it cannot be.

**Mrs AAGAARD:** Ms Carter, it is reported in the annual report, and it will be there this coming year as it is now.

**Ms CARTER:** So, it will be in the annual report because I ...

**Mrs AAGAARD:** I am providing you with the information as we go through this. I have said to you that at Royal Darwin Hospital there has been a 7.7% increase in overall surgery, and I might say that I think that is an excellent result.

**Ms CARTER:** But during the curtailment period, you are not prepared to provide the information for that time. How many people were disappointed when their surgery was put on hold, sorry, postponed?

**Mrs AAGAARD:** Mr Chairman, I would like Dr Notaras, the Medical Superintendent at the Royal Darwin Hospital, to join us at the table to discuss how these surgical lists are organised, and in relation to that period, but also the ebbs and flows over the year, which are obviously quite variable.

**Dr NOTARAS:** To answer your question, Ms Carter, the so-called slowing was a deliberate strategy. It responded deliberately to the work load that occurred after Bali, and the stress that was placed upon the staff and, indeed, a very difficult period as far as Royal Darwin Hospital was concerned during the month of February this year. A similar situation occurred in Alice Springs where, due to a shortage of anaesthetists at a particular time, it was necessary to strategically stage the way in which surgery was approached. If you look at an overall approach, a whole of year approach, there is actually an increase. You asked the question of how many at that particular period were deferred. There was a small number of people deferred. We recognise that inconvenience, but it was for a very specific reason, as minister suggests. The reason being the fall-out of the Bali disaster tragedy and the work performed there and, indeed, the exceptional workload that occurred during the month of February.

There will be a similar slowing as the result of the move to the new facility, but it is a staged process and intended to minimally inconvenience patients, and indeed taxpayers.

**Ms CARTER:** You said there was a small number of people inconvenienced. Can you give an indication of how many people were inconvenienced?

**Mr CHAIRMAN:** Minister?

**Mrs AAGAARD:** Dr Notaras, I understand that those people have actually received surgery since.

**Dr NOTARAS:** Certainly, the majority of those people have received surgery. In category 1, which is the most urgent or urgency category, no patient was actually inconvenienced. There is a statistical error that mentions one, and that comes out of Bali disaster patient. There were no patients inconvenienced in that category. In the non-urgent category it was approximately 40. Those people were assigned other dates and have since had their procedures performed.

**Ms CARTER:** Thank you, that was actually the answer I was looking for. With regard to Alice Springs Hospital, was that 40 Royal Darwin Hospital? Alice Springs Hospital?

**Dr NOTARAS:** That was for Darwin, yes.

**Mrs AAGAARD:** Mr Chairman, there has been a reduction in numbers of people awaiting for elective admissions for procedures at Alice Springs Hospital overall. Reduction of the waiting list has been achieved by streamlining processes, substituting day admissions for overnight stays, where possible, and offering patients standby with short notice of their admissions during temporary lulls in emergency work.

**Ms CARTER:** We have just heard there were 40 elective or non-urgent cases for Royal Darwin Hospital. How many for Alice Springs Hospital were curtailed, slowed?

**Mrs AAGAARD:** My response then was about the whole year and about how waiting lists have been reduced over the whole year.

**Ms CARTER:** Dr Notaras was able to provide it for Royal Darwin Hospital. I wonder if he can provide it for Alice Springs?

**Mrs AAGAARD:** We do not have the specific figure here, but we can ...

**Ms CARTER:** Would you take it on notice?

**Mrs AAGAARD:** We can get the answer by the end of the session.

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#### Question on Notice

**Mr CHAIRMAN:** Just to assist for Hansard purposes, member for Port Darwin, would you please repeat that question?

**Ms CARTER:** Minister, could you advise how many non-urgent cases in Alice Springs had to be put on hold earlier this year?

**Mr CHAIRMAN:** Minister, are you prepared to accept that question on notice?

**Mrs AAGAARD:** Yes.

**Mr CHAIRMAN:** That being so, the question is 7.1. Thank you.

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**Ms CARTER:** Thank you.

Minister, yesterday it was reported to me that an elderly woman rang the eye clinic at Royal Darwin Hospital to make a booking for a cataract operation. The phone was apparently answered by a medical officer who said, and I quote: 'I can't help you. We are in total disarray. This is not a bus

queue, you know. It might take 11 months for you to get this operation'. Minister, why would a medical officer describe his work area as being in 'total disarray'? What I am getting at, of course, is, is the eye clinic having major problems at the moment?

**Mrs AAGAARD:** First of all, what is the relevance here to the budget? Is it an appropriation question?

**Ms CARTER:** Talking about service - it is an example of how the public are perceiving the service. I am asking you, you have a budget here providing a service. It is an indication that something could be wrong in one of the specific areas of Royal Darwin Hospital, the eye clinic. You have said you are going to have efficiencies. Is this an illustration of it?

**Mrs AAGAARD:** Ms Carter, if it is a really serious issue involving a particular person, obviously I do not have details of particular people here and it would be totally inappropriate. Perhaps this is something you could write me a letter about, in relation to a particular patient. In relation to allegations that a medical person at the Royal Darwin Hospital made some kind of comment ...

**Ms Carter** interjecting.

**Mrs AAGAARD:** ... to a patient - excuse me - made some kind of comment such as you have stated, I have no reason to believe that that is either true or untrue. This is actually not a court here and to suggest that officers in my department are behaving in such a fashion, without having the opportunity to discuss this matter with my CEO, without having the opportunity to discuss this matter with the General Manager of the hospital, or with medical officers at the hospital, is completely inappropriate and not at all related to the budget.

**Ms CARTER:** But would it not illustrate to you that given we obviously embarked on a quest of efficiencies that - like, to my mind for a medical officer to use the word 'disarray', his work area is in 'disarray', is most unusual and would be an indication of severe stress, for example. Are you having problems at the eye clinic, for example?

**Mrs AAGAARD:** Ms Carter, I am unable to make comments on perhaps allegations that an officer in my hospital may or may not have made a comment regarding work practices at that hospital.

I would just like to put on the record that the Royal Darwin Hospital is an excellent hospital, with excellent staff who work very hard and who do not deserve this type of verballing in this arena. This is not a court of law. This is not an appropriate question for the budget.

I will take questions specifically on the eye clinic. I can ask one of the staff from the department to discuss that. In relation to individual matters which are clearly totally irrelevant to this process, it is ridiculous that you would raise such a matter with me in this arena. However, if you wish to, please write me a letter regarding that and we can follow it up in the appropriate channel. But this is not a budget question. If you would like to ask me something specifically relating to the eye clinic, we can assist you.

**Ms CARTER:** Is the eye clinic currently functioning at a level of service that you are satisfied with?

**Mrs AAGAARD:** I will ask Dr Notaras, the Medical Superintendent at the Royal Darwin Hospital, to discuss - not direct staffing matters that Ms Carter raised in relation to certain allegations - but simply the operational matters relating to the eye clinic.

**Dr NOTARAS:** The issues that have been raised in this inquiry in reference to the eye clinic involves a re-organisation that is occurring as we speak in terms of clerical support staff in the eye clinic itself. There is an issue that occurred with two resignations earlier this year; those resignations involved senior medical officers for family and personal reasons. We are in the process of putting in a new structure that has been recommended by a senior medical officer, and that will be in place. The General Manager and I are actually putting that into place.

**Ms CARTER:** Minister, the waiting list to have, for example, cataracts done - how long does it take to get a cataract operation done now, as compared to, say, three years ago?

**Ms AAGAARD:** Three years ago, of course, is not part of these budget deliberations, but we will – I will just check on those figures.

**Dr NOTARAS:** Mr Chairman, there is an extended length of time compared to this time last year. In the last 12 months there has been an extension in the time for a cataract operation to be performed at Royal Darwin. Indeed, it is still considerably less, approximately half the time it is other centres in this country. Having said that, it is a direct result of the resignation of two senior medical officers who, for personal reasons in both cases - one moving to Tasmania, and the other one moving to private practice - have actually created that particular circumstance.

To answer your question very succinctly, the cataract waiting list remains approximately a third of the waiting time at Royal Darwin Hospital as compared to Sydney, Adelaide or any other major centre in this country.

**Ms CARTER:** Thank you. Minister, how many beds are currently closed in Territory hospitals? Could you provide a figure for each hospital?

**Mrs AAGAARD:** All the beds are available.

**Ms CARTER:** So, when I tour, for example, a place like Alice Springs Hospital and I see doors shut and beds empty and unmade, they are not closed?

**Mrs AAGAARD:** Mr Chairman, I am not sure what the member for Port Darwin is talking about here, but all beds are being used. I am not quite sure what it is you are seeing there, but all beds are currently being used.

**Ms CARTER:** Minister, can you advise how much was spent on maintaining each of the public hospitals in the Territory this year? The total for each hospital would be good.

**Mrs AAGAARD:** The estimated outcome for Alice Springs Hospital for 2002-03 is \$67.840m; Gove District Hospital ...

**Ms CARTER:** As in millions or thousands in maintenance?

**Mrs AAGAARD:** Is it maintenance you are talking about?

**Ms CARTER:** Maintenance.

**Mrs AAGAARD:** Sorry. No, they are not falling down. I thought you meant maintaining in its general context.

**Ms CARTER:** No, building maintenance.

**Mrs AAGAARD:** We will have this information by the end of this session.

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**Question on Notice**

**Ms CARTER:** The question is: how much was spent on maintenance for each of the Territory's hospitals this financial year, and how much is budgeted for the next financial year? Is that all right?

**Mr CHAIRMAN:** For *Hansard* purposes, and this process has been followed throughout the Estimates Committee, the member for Port Darwin has asked a question. I ask the minister if she is prepared to take that question on notice?

**Mrs AAGAARD:** Yes.

**Mr CHAIRMAN:** Thank you, minister. That is 7.2.

**Ms CARTER:** Minister, our psychiatric in-patient service in Darwin, known as Cowdy Ward, has 25 beds. Given its frequent high occupancy rate of about 150%, when they try to accommodate up to 30 patients, will you be committing funds in the near future to increase the permanent beds at Cowdy Ward?

**Mrs AAGAARD:** Mr Chairman, we actually manage that area through the Mental Health output, so you might ask that question later.

**Ms CARTER:** Minister, some time ago you advised Territorians of the imminent arrival of Filipino nurses to address our current nursing shortage. Can you advise how many there will be, when they will commence, how long they will stay, where they will be stationed, what will be their registration status, and how their rate of pay will be calculated?

**Mrs AAGAARD:** Mr Chairman, there are around 50 nurses coming from the Republic of Ireland, who are Filipino nationals. They will start arriving in August this year. They will be paid award wages, just the same as every other nurse in the Northern Territory. I will ask Ms Carol Mirco, the Acting Principal Nurse Consultant to join us. This is not just hospital nurses; Miss Mirco would like to respond on the issues relating to the Filipino nurses.

**Ms MIRCO:** I guess I need to ask you to ask ...

**Ms CARTER:** The next one is, how long will they stay?

**Ms MIRCO:** The contract is for the two years.

**Ms CARTER:** Where will they be positioned in the Territory?

**Ms MIRCO:** Royal Darwin Hospital, Katherine, Tennant Creek and Alice Springs hospitals.

**Ms CARTER:** What will their registration status be?

**Ms MIRCO:** Full registration status.

**Ms CARTER:** The minister has said that they will be paid award wages. Will years of prior service be recognised?

**Ms MIRCO:** Yes, it will.

**Ms CARTER:** Thank you very much. Minister, how would you describe the current situation with regards to the provision of specialist medical services in the Territory?

**Mrs AAGAARD:** Mr Chairman, I would say that in the Northern Territory we have done remarkably well in regard to medical specialists. Currently, 36 individual specialist medical services are provided in hospitals. At Royal Darwin we have intensive care, coronary care, emergency care, general medicine, cardiology, dermatology, endocrinology, gastroenterology, geriatrics, haematology,

immunology, infectious diseases, neurology, oncology, medical oncology, radiation, rehabilitation, renal medicine, respiratory medicine, rheumatology, anaesthetics, general surgery, burns, cardiothoracic surgery, day surgery, ENT, gynaecology, ophthalmology, orthopaedics, plastic surgery, urology, vascular surgery, obstetrics, neonatal, paediatric medicine, and paediatric surgery.

At Alice Springs, there is intensive care, coronary care, emergency services, general medicine, cardiology, dermatology, endocrinology, gastroenterology, infectious diseases, neurology, oncology, medical rehabilitation, renal medicine, respiratory medicine, rheumatology, anaesthetics, general surgery, day surgery, ENT, gynaecology, ophthalmology, orthopaedics, plastic surgery, urology, obstetrics, neonatal, paediatric, and paediatric surgery.

In relation to the other hospitals, Katherine Hospital has emergency, general medicine, cardiology, neurology, rehabilitation, renal medicine, anaesthetics, general surgery, day surgery, ENT, gynaecology, ophthalmology, orthopaedics, obstetrics, and paediatric medicine. Tennant Creek: emergency, general medicine, rehabilitation, renal medicine, general surgery, day surgery, ENT, gynaecology, ophthalmology, orthopaedics, paediatric medicine, and paediatric surgery; and at the Gove District Hospital, emergency, general medicine, cardiology, gastroenterology, general surgery, day surgery, ENT, gynaecology, ophthalmology, orthopaedics and paediatric medicine.

**Ms CARTER:** Thank you, minister, for that very extensive list of specialty services available in the Territory. Which brings me to my next question, according to last year's annual report on page 182 there has been a massive increase in the cost of Territorians being sent interstate for health care, an increase of \$12.6m: from \$9.1m in 2000-01 to a whopping \$21.8m in 2001-02. Could you explain what is going on, given that we are meant to be encouraging specialists to the Territory to avoid this cost and can the department sustain the increase in sending people interstate for care?

**Mrs AAGAARD:** I am sorry, Mr Chairman, would you mind if the member repeated the question? It was page ...

**Ms CARTER:** It is page 182 of last year's annual report. The question is: there has been a massive increase in the cost of Territorians being sent interstate for health care, an increase of \$12.6m. What is going on?

**Mrs AAGAARD:** Thank you, Mr Chairman. I was just confirming that in fact what actually happened was the bills for the previous year were rolled over into the following budget and that is why there is that increase. It is an artificial inflation.

**Ms CARTER:** So, it is not a key variation in your budget, this huge amount of money? We are talking \$12m.

**Mrs AAGAARD:** In fact, we are talking about the year before that.

**Ms CARTER:** Because it takes six months for bills to get through, that is why they do not appear as quickly.

**Mrs AAGAARD:** The actual estimated outcomes for this year are \$15m and we have budgeted about \$15.5m, so I guess that is an increase of about \$2.48m. What you are actually talking about was bills that were paid in the following year thereby artificially inflating the figure.

**Ms CARTER:** So you are confident that in this financial year your PAT spending and all of that will stay within the budget?

**Mrs AAGAARD:** This is not PATS, this is the cross-border.

**Ms CARTER:** All right, the treatment interstate.

**Mrs AAGAARD:** I have just given the figures that are around the estimates.

**Ms CARTER:** I notice that you have a table there with all of the figures on it. Would you be prepared to table that here, if you are confident?

**Mrs AAGAARD:** No, I have given you the figures into the *Hansard*.

**Mr DUNHAM:** Can I make a point of order, Mr Chairman? The minister has now on two occasions given oral evidence that is very difficult to follow because it is normally tabulated. It has been a tradition with this particular portfolio area, and certainly going back many years, that because of the complex nature of some of these statistical devices that they should be tabled. Indeed, the question that she refused to table the chart on takes up two pages of our last year's *Hansard*. I would ask that if the minister has it available and it is in front of her, and if she has nothing to hide, she should be able to provide it for this committee.

**Mr CHAIRMAN:** Thank you very much, member for Drysdale. I would just make very clear that there are a number of options open in terms of this particular issue, but the bottom line is that the minister can choose to answer the question as she sees fit. That is all I have to say to that.

**Ms CARTER:** Minister, what you are saying then is that in year 2000-01 when \$9.1m was spent, in the following year 2001-02 when \$21m was spent, that \$21m was an aberration and we will not see that sort of thing again?

**Mrs AAGAARD:** That is what I said, Ms Carter, and I am just reminding you that that is actually not part of these discussions, 2000-01

**Ms CARTER:** No, this is the most recent annual report. We are looking for a trend. You are saying that in the most recent annual report, which reports on the year 2001-02, that the \$21m is not going to happen this year, and instead you have been dropped back to \$15m, and that that \$15m will be sufficient. Is that right?

**Mrs AAGAARD:** That is correct.

**Ms CARTER:** So, even though it is \$6m less than what was spent in the year the annual report talks about, you will have enough money for care interstate?

**Mrs AAGAARD:** Can I just clarify: you are talking about 2000-01, or are you talking about variation between 2002-03?

**Ms CARTER:** In 2000-01, according to the annual report from the year before, there was \$9m spent. Then the latest annual report for the next year says \$21m, which is a significant increase of \$12m.

**Mrs AAGAARD:** It is as I explained, that in fact the accounts were paid in the following financial year and that is why that is inflated, but that is not the case at this stage.

**Ms CARTER:** So, you are saying that accounts from 2000-01 were paid in 2001-02 which artificially bumped the figures up to \$21m, and that this year \$15m will be sufficient to cover treatment interstate?

**Mrs AAGAARD:** Yes.

**Ms CARTER:** Well, given that even \$15m still indicates an increase in a trend, not that we have the figures of course to look at that, given all of the specialists that we have here in the Territory, why



does there seem to be an ever increasing trending-up of spending money interstate for care?

**Mrs AAGAARD:** Ms Carter, through the Chair, 2.5% is not a particularly huge increase in cross-border charges. It seems to be reasonable.

**Ms CARTER:** Well, it is \$9m to \$15m over a couple of years.

**Mrs AAGAARD:** The \$9m of course was not all the bills and so, obviously, in the year that was inflated that included costs on the previous year, so it probably averages out about the same amount as it currently is.

**Ms CARTER:** Okay, we will be interested to see how that travel is in the next year or so. Minister, another question. For the year 2001-02, could you provide detail by clinical category of patients for transfer interstate for medical procedures? We would be happy to take that on a table.

**Mrs AAGAARD:** 2001-02?

**Ms CARTER:** Yes, 2001-02. The reason being, as I said, the bills take six months to get in which is why you cannot get the details for this current financial year. We know that you cannot provide the detail for this financial year, or we assume you cannot.

**Mrs AAGAARD:** I am sorry, are you talking about patient travel or are you talking about cross-border charges?

**Ms CARTER:** The cost to send somebody interstate. All right, I will take it as cross-border charges for a range of procedures for which people go interstate, by category. I am happy to take that in a table form. It has been asked in previous estimates and budget processes. It should be available. Expenditure by clinical category.

**Mrs AAGAARD:** Mr Chairman, that is not actually within the domain of this inquiry.

**Members** interjecting.

**Dr LIM:** A point of order, Mr Chairman! Whenever the member for Port Darwin asks questions about a year or two ago, the minister says it is not within the scope of this inquiry. Yesterday, we had minister Henderson ranging from 1998, 1997 and so on. We have to make a ruling here. Either it is all open, or it is not. We cannot have one minister saying this and another minister saying that.

**Mr CHAIRMAN:** Member for Greateorex, as I say, I am not going to make a ruling at all in regards to this. The ...

**Mr Dunham:** That would be right.

**Mr CHAIRMAN:** Sorry, member for Drysdale?

**Mr DUNHAM:** I said under my breath: 'That would be right'.

**Mr CHAIRMAN:** That may well be your view. I am trying to maintain some consistency in this whole exercise ...

**Mr Dunham:** Yes, that is what I am asking for.

**Mr CHAIRMAN:** Do you mind? ... as opposed to suggestions at will, or at their own whim, on the part of some members of this committee. Very clearly, the minister can choose to answer a question as

she decides and, as I say, there are other options available to members in respect of securing information. That is all I am saying.

**Dr LIM:** Speaking to the point of order, Mr Chairman, if the minister refuses to answer questions pertaining to other years, then she can refuse to do so, but not say that it is not within the scope of this inquiry.

**Mr CHAIRMAN:** I am not going to dictate to the minister in terms of what she said any more than I will dictate to you in terms of how you wish to ask a question. Minister, please continue.

**Ms CARTER:** The reason I am not asking for the current financial year is because you do not have the bills from interstate yet. The best figures you will have are for the previous 12 months, which we do not yet have. The question has been asked previously in other processes similar to this. The information is usually provided in a table. I am happy to take it on notice. We are happy to take this year if you have them. We are looking, obviously, for trends, which we monitor over the years of your government. It is the expenditure by clinical category of patients who have been sent interstate for procedures and treatment.

**Mrs AAGAARD:** Mr Chairman, naturally we have come here looking at the current budget and the 2003-04 budget.

**Ms CARTER:** I would be happy to take it on notice.

**Mr DUNHAM:** Give us the current one. Give us the best figures you have.

**Mrs AAGAARD:** I have something here that was used last year and says: 'The utilisation of interstate hospitals in 2000-01 increased by 3% when compared to 1999-2000 and weighted separations increased by 11% indicating an increase in episodes of care with higher activity'.

**Ms CARTER:** In previous years we have been able to get it by category in a tabulated form. Would you be prepared to take the question on notice to provide that? A lot of money is being spent in the area. Happy to take it on notice to get the table.

**Mrs AAGAARD:** Mr Chairman, I will take that on notice. I would say that the public servants who are here assisting me have actually gone to an extraordinary amount of trouble to put together the briefs. This relates to a previous year, and it is fairly unreasonable for them to have to look at previous years when you have ...

**Dr Lim:** It is not unreasonable. This is a system that you set up.

**Mrs AAGAARD:** ... the opportunity to ask, last year, these questions. And I might add too, you said they were in tabulated form in the *Hansard*. That is simply because we had written questions and written answers, which were then tabled ...

**Ms Carter:** The good old days.

**Mrs AAGAARD:** ... totally tabled, Ms Carter, and a completely different scenario. I am just saying to you that we have a system here which has been agreed to by all parties. You are asking oral questions; I am answering the questions. I have every right to answer the questions as I choose.

**Mr CHAIRMAN:** Thank you very much, minister. I understand that you are prepared to take that question on notice. Member for Port Darwin, would you like to repeat that question, for *Hansard* purposes.

**Ms CARTER:** For *Hansard* purposes, for the year 2001-02, detail expenditure by clinical category of patient care interstate.

**Mr CHAIRMAN:** Minister, you will take that on notice?

**Mrs AAGAARD:** Yes.

**Mr CHAIRMAN:** That is question 7.3.

**Ms CARTER:** I would like to make a comment, as well. I felt that the estimates went very well last year. In this area of health, where there is a lot of expenditure in different categories, to be provided with the information in a tabulated form was very, very beneficial. I am well aware of the work that the public service has done over the last couple of weeks. I find it frustrating the fact that I know a lot of information is available and yet it is very hard for us to get from you the tabulated documents. As the opposition, our role is to be a scrutineer of the budget process. We are tracking things as they go through the years of the government's term. I felt last year went very, very well, and I was very grateful for the information I received then. This year will not be quite so useful in the information we get. I hope it is not a strategy, but I am aware of the work, minister, that your department has done in preparation for this estimates, and I do appreciate it.

Minister, you have been allocated \$3m in the 2003-04 budget for the building of a hospice at Royal Darwin Hospital. What amount of progress do you think will have been made on this project by this time next year? What will the \$3m buy? Where will we be in 12 months' time?

**Mrs AAGAARD:** Mr Deputy Chairman, the government has allocated \$3m towards the development of a hospice in the grounds of the Royal Darwin Hospital. In the current budget, \$3m is allocated for the capital works relating to the hospice. There has been a working party developing that. There has been quite a saga in relation to the hospice. What has happened is that the working party has gone ahead, it has come up with an option, it was costed, and the option was \$1.86m greater than the \$3m allocated for this facility. The issue then is, as a minister looking after this portfolio, that, in fact, only \$3m was allocated. So we have had to go back and ask the department to look at options that fit into the \$3m budget. That is what is happening at the moment. I expect to receive a submission relating to options, which fit within the \$3m, over the next month or so. I would expect that that facility will be functional towards the end of the coming financial year, depending on the option that we go with.

**Ms CARTER:** By that do you mean, that by, say, June 2004 you would expect it to be built?

**Mrs AAGAARD:** Depending on the option we go with, that is right.

**Ms CARTER:** Minister, the community group behind the development of the hospice, the NT Hospice and Palliative Care Association, are concerned that \$1.2m of the \$3m allocated will have to be used to run services like power, water and oxygen to the site. The association is concerned that \$3m is inadequate for this project and are seeking \$5m. What are your considerations on that matter?

**Mrs AAGAARD:** The government has allocated \$3m to this project. We believe that \$3m is appropriate for the size of a palliative care facility for Darwin. We will be working on the \$3m as the budget for this facility.

**Ms CARTER:** I am sure the community group will be disappointed to hear that. However, when the hospice building is complete who will run it?

**Mrs AAGAARD:** The Bansemer Review looked at this whole area of the hospice and who should be running it, and it was recommended that it be incorporated and managed by the Royal Darwin

Hospital. The rationale for this decision is based on this arrangement leading to greater flexibility of staffing, cost efficient management structures and seeing the service provision over the continuum of care required for palliative care patients.

**Ms CARTER:** You will not be outsourcing it to another service provider?

**Mrs AAGAARD:** At this stage that is what we are looking at.

**Ms CARTER:** You are not expecting in the next few years that it will be taken over by a community-based organisation?

**Mrs AAGAARD:** Through the Deputy Chairman, at this stage the hospice is being designed. We are coming up with options, and we are looking at it being run through the Royal Darwin Hospital at this stage. I think that let us just get the thing built and then we can look at things down the track at another time, but at this stage this is what we are looking at.

**Ms CARTER:** You run the risk, of course, having, say, a 12 bed facility adjacent to the hospital and under the hospital's management, that it loses its primacy as a hospice and begins to become a step-down facility for patients that the hospital itself chooses to remove from its area and put into the hospice area. Do you think that is a valid risk or will it be quarantined for palliative care only?

**Mrs AAGAARD:** Mr Griew will answer this question.

**Mr GRIEW:** There are several hospices around the country providing excellent hospice care that are run by hospitals. There are two questions, essentially. One is the commitment of management in the institution to the philosophy of palliative care and, as the minister mentioned, to the seamlessness of the connection between the community palliative care and hospice care. I have had a lot to do with hospices in Sydney that run very well through hospitals. The key thing is the philosophy. If the work that we are doing produces hospice under the management of the Royal Darwin Hospital's administration, I know they are highly committed to doing so in a way that is completely consistent with palliative care philosophy and highly integrated with the community palliative care team. There would be a very clear accountability for both quality and for budgets that ensured that we were not misusing the resource.

**Ms CARTER:** Could you give a guarantee that the hospice would be quarantined for palliative care patients only?

**Mr GRIEW:** Let me be clear: hospice care includes respite palliative care and it also includes the sharing of expertise into other sites, including nursing homes, community, and so on. We would not seek a hospice that was isolated from the rest of the care sector. It is also the case that people in hospices often require good quality acute care as well. With those provisos, it is okay to give such a guarantee, but we actually would not philosophically want to establish a moat around the service.

**Ms CARTER:** The concern that I am pursuing here is one held by the community group which is involved with hospice is that hospitals sometimes find themselves with patients who end up being with them for a long period of time because no one else in the community is prepared to accept them. For example, a non-government organisation, a very difficult patient, someone for example with some sort of mental problem, and the concern is that the hospice may end up as an area where some of those people who may live for years and years could end up inappropriately.

**Mr GRIEW:** Wherever you put hospice you have that problem. If you put a hospice in a community setting adjacent to a nursing home you also have the problem of people who require a little extra nursing care that can be provided in a nursing home ending up being moved into it. The point is to make sure that you do not do that. My guarantee was only conditional that we do not want to philosophically have a hospice which is separate from the other services. People who need hospice care need – not that we would in any way would want to dilute what a hospice is there for.

**Ms CARTER:** But, philosophically, there is a need to quarantine it from becoming a dumping ground for cases that no one else is prepared to take.

**Mr GRIEW:** We would not be doing that.

**Ms CARTER:** Good. So, that is a guarantee?

**Mr GRIEW:** Yes.

**Ms CARTER:** Excellent. Thank you. Minister, it is reported that the Northern Territory government has provided significant assistance to a group of GPs to set up an after hours GP service at Alice Springs Hospital. What is the extent of that assistance?

**Mr CHAIRMAN:** I might just take this opportunity to advise that we will have a break at 11.15 am for about 10 minutes.

**Mrs AAGAARD:** Mr Chairman, if we could take that question under the community health output, because that is where we ...

**Ms CARTER:** Yes. Minister, what is the staffing establishment for pharmacists at Alice Springs Hospital and are all positions filled?

**Mrs AAGAARD:** We will take that question on notice.

**Mr CHAIRMAN:** I understand that question will be taken on notice.

**Ms CARTER:** It has a second barrel. Do you want to hear it before you take that?

**Mrs AAGAARD:** Yes.

**Ms CARTER:** The second barrel is: has the number of pharmacist positions at Alice Springs Hospital varied in the last three years? Are you happy to take that as part of it?

**Mrs AAGAARD:** The last three years?

**Ms CARTER:** Yes, the staff - in the last three.

**Mrs AAGAARD:** If we are able to find the data.

**Ms CARTER:** Are you prepared to take that on notice?

**Mrs AAGAARD:** Bearing in mind that it may be difficult to find it for the last three years, yes.

**Mr CHAIRMAN:** That being so, member for Port Darwin, would you like to incorporate those two questions into one?

**Ms CARTER:** Yes, and I will.

#### **Question on Notice**

**Ms CARTER:** Minister, what is the staffing establishment for pharmacists at Alice Springs Hospital? Are all positions currently filled? Can you provide a table indicating the staffing level for pharmacists

at Alice Springs Hospital over the last three years?

**Mr CHAIRMAN:** Minister, will you take that on notice?

**Mrs AAGAARD:** I take that on notice, bearing in mind that it may be difficult for the year 2000-01.

**Mr CHAIRMAN:** That becomes question 7.4. Thank you, member for Port Darwin.

**Mr CHAIRMAN:** Are there any further questions in respect of Output 1.1?

**Mr WOOD:** Minister, Dr Notaras mentioned the problems you had with the eye clinic and the loss of specialists. What is the present situation regarding people visiting that service at Palmerston, and what is the proposed future operation of eye services from Palmerston?

**Mrs AAGAARD:** I call on Dr Notaras to respond.

**Dr NOTARAS:** The current situation has been impacted by the resignation of Dr Masoud Mahmoud and indeed the moving of Dr Nitin Verma to Tasmania. Having said that, Rob McKay, the eye specialist who is currently in Darwin, intends, as soon as we can get this structure I mentioned earlier in place, to continue the high quality of eye service at Palmerston. Indeed, the General Manager Royal Darwin Hospital and I signed off some additional equipment only in the last two weeks to go to Palmerston specifically for the provision of a quality eye service at Palmerston available to constituents out there.

**Mr WOOD:** Another question. Minister, what is the total number of doctors employed by Territory Health Services, and what is the total cost of employing those doctors, including fringe benefits?

**Mrs AAGAARD:** This is a cross-portfolio question because it is not just relating to Acute Services.

**Mr WOOD:** Well, I can put it on notice for later. I suppose I looked at the biggest figure there for Acute Services, which is the ...

**Mrs AAGAARD:** But you wanted to know the number of doctors employed across the portfolio, which is a cross-agency general question.

**Mr WOOD:** I would prefer cross-agency.

**Mrs AAGAARD:** What I am saying is that we are now in ...

**Mr WOOD:** If you can do it per output, that would be okay, but I am quite happy to take one lump figure, that is all the doctors you employ and total cost.

**Mr McADAM:** Through the Chair, can I just make a suggestion there? It may assist; I do not know. Would the member for Nelson be prepared to put that question in the non-output specific budget area?

**Mr WOOD:** If you guarantee I will have that question by half past ...

**Mr McADAM:** I cannot guarantee anything; I am just making a suggestion.

**Mrs AAGAARD:** Mr Chairman, I can give the figure for medical. It was 342 doctors in May this year.

**Mr WOOD:** I am happy to put it on the non-specific items.

**Mrs AAGAARD:** Apparently there is an increase of 37 over the year before.

**Mr WOOD:** And would you be able to provide what it cost to employ that number of doctors?

**Mr Griew:** Is that practising doctors?

**Mr WOOD:** Anyone who is a doctor.

**Mr CHAIRMAN:** Let us confine the question to the question at hand.

**Mrs AAGAARD:** We do not have that figure here. Apparently it is quite complicated to get the information. I may not be able to get it by the end of this session.

**Mr WOOD:** I will ask the Chair for clarification. Can I put it on notice, or will I put it on notice when you get to that?

**Mrs AAGAARD:** Mr Chairman, I am willing to take it on notice, I am indicating that I have been advised that it is fairly complex and so you will not have the information today.

**Mr WOOD:** That is okay.

**Mr CHAIRMAN:** This is probably a little confusing. I understand the minister has indicated that she is prepared to take the question on notice. That being the case, member for Nelson, would you like to ask the question?

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#### **Question on Notice**

**Mr WOOD:** Minister, how many doctors are employed by Territory Health Services, and what is the total cost of employing these doctors, including fringe benefits?

**Mr CHAIRMAN:** Do you accept that, minister?

**Mrs AAGAARD:** Yes. I have just been advised it is around \$43m but we do not have the exact figure.

**Mr CHAIRMAN:** That is question 7.5.

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**Mr CHAIRMAN:** That concludes output 1.1, Admitted Patient Services.

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

**Mr CHAIRMAN:** We now move to output 1.2, Non-Admitted Patient Services.

**Ms CARTER:** I have no questions specific to that area.

**Mr CHAIRMAN:** Are there any other questions? That concludes output group 1.0.

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

**Mr CHAIRMAN:** We now move on to output group 2.0

#### **Output 2.1 - Community Health Services**

**Mrs AAGAARD:** Mr Chairman, I will ask a few of the senior staff to sit at the table to make it easier. I will ask the CEO to introduce them.

**Mr GRIEW:** Mr Chairman, Jenny Cleary, currently Assistant Secretary for Hospitals, Aboriginal Health and Community Health, and David Ashbridge, the Regional Director for Top End Service Network.

**Ms CARTER:** Thank you, Mr Chairman. Minister, in 2002-03, you allocated Community Health \$109.6m in the budget. Ten months later, in the budget papers for 2003-04, you detailed an estimated spending for the year 2002-03 of only \$98.9m - a loss of \$10m for that area. Why wasn't the budgeted money spent?

**Mrs AAGAARD:** The key variation here was patient travel and retrieval services are now recognised against the non-admitted patient services output which we discussed earlier.

**Ms CARTER:** So you are saying that patient travel moved from Community Health's budget into the Acute budget.

**Mrs AAGAARD:** That is right; in to the non-admitted patients services output.

**Ms CARTER:** And does that equate to \$10m?

**Mrs AAGAARD:** No, it is much more than that. In fact it is \$19.823m but in addition to that there was additional funding for pressures and service demands put in to there. There was a revised estimate for repairs and maintenance which was \$702m; Commonwealth funding for extended primary health care services under the remote communities initiative with the communities of Milyakburra and Angurugu; there was Commonwealth funding for extended primary health care services under the remote communities initiative for the Robinson River community; and there was an adjustment to section 100 of the Chronic Disease Strategy to recognise projected expenditure as planned over the term of the project rather than aligned to receipt of revenues.

There was additional Commonwealth funding for the Health Connect trial; additional expenditure capacity for provision of services purchased by the Katherine West and Tiwi Island Health Boards, and Gapuwiyak and Umbakumba Community Councils; increased Commonwealth funding for 2002-03 for the operational cost of the Tiwi Health Board; additional contribution by the Commonwealth towards the 2002-03 blood transfusion service; additional Commonwealth funding for the remote care initiative in Central Australia; and there was a transfer of long service leave to a corporate account. They are the main variations.

**Ms CARTER:** So, because of those variations between last year's budget in August, of \$109m and this year's estimated spend of \$98m, you believe that all of those factors equal the \$10m and no services in community health were cut.

**Mrs AAGAARD:** I will ask Mr Griew to answer that question.

**Mr GRIEW:** When you equal out all of the factors, the intra and inter portfolio transfers that the minister was discussing and the variations to Commonwealth and external revenue, we nett approximately \$1.6m more demand through that program than we budgeted to at the beginning.

**Ms CARTER:** Given the substantial amount of money being discussed now, why didn't that appear as a key variation in the budget?

**Mr GRIEW:** I think I understand the question correctly. The principle transfers the minister is talking about are transfers between outputs. They are not changes in the level of expenditure.



**Ms CARTER:** At what time during the last 10 months did responsibility for the interstate costing of care literally transfer into the acute services area?

**Mrs AAGAARD:** Mr Chairman, it was not a change in management responsibility. It was simply a change in where we had accounted for the ....

**Ms CARTER:** And at what stage during the last 12 months did that happen?

**Mr GRIEW:** This is what I am advised: this is a process of refinement of the accounting against our outputs that has been going on all year. So exactly when that particular decision was made I do not think we recall. It is not a process that had an exact date. As you will see in these variations there are many such refinements, minor and major.

**Ms CARTER:** My concern is that say that happened in April-May, it is only then a very recent change in where the funding allocation was. My concern is that even though you are saying that it equates to \$10m and covers this difference in a lack of spending in that area of the department, if that transfer of money happened late in this 10 month period it would indicate to me that some services which were normally provided by Community Health were not provided in an effort to curtail the budget problems.

**Mr GRIEW:** I think I get the gist of the question. Essentially, we were making a decision - this goes back to, probably, February, the beginning of this calendar year - we were making a decision about how to code the costs against outputs for the 2003-04 year. In order to do that effectively you have to back cast those changes into the current year. I think the answer to your question of when did we do it is: about February, or so.

I will just introduce another officer who has joined us on the end of the table. Sue Korner, the Regional Director from Central Australia.

**Mr CHAIRMAN:** Welcome, Sue.

**Ms CARTER:** You are confident, minister, that in the area of Community Health no services had to be cut or reduced, which we are aware of, in order to meet what was obviously a budget shortfall during the year?

**Mrs AAGAARD:** There have been efficiencies put in throughout the whole portfolio. This area, like the rest of the portfolio as I discussed in the earlier output area, also had efficiency measures as part of the year's budget.

**Ms CARTER:** Would those efficiency measures have equated to a reduction in services to the public in these areas?

**Mrs AAGAARD:** We actually increased the budget by \$1.648m in terms of increasing service demand.

**Ms CARTER:** Thank you. Minister, I go now to a question that I asked before and has been placed into this area, with regard to Alice Springs Hospital and the GP service. It is reported that the Northern Territory government has provided significant assistance to a group of GPs to set up an after hours service at Alice Springs Hospital. What was the extent of that assistance?

**Mrs AAGAARD:** Mr Chairman, one-off we provided, in 2002-03, the refurbishment of the facilities in the Alice Springs Hospital, plus providing cleaning, security, and power and water. The total for 2002-03 is \$95 955. For 2003-04 ongoing, beyond cleaning, security, power, water services provided, rental waived and those services provided, we estimate to be around \$32 000 per annum.

**Ms CARTER:** Sorry, did you say rental waive?

**Mrs AAGAARD:** Yes, we are not going to charge them rent. The estimated rent was around \$12 000 per year.

**Ms CARTER:** How long do you envisage that the assistance will continue for?

**Mrs AAGAARD:** At this stage it is ongoing. I will ask Ms Sue Korner, who knows this particular area, to make some comment on this.

**Ms KORNER:** The project for the after hours is for two years with the Commonwealth funding. What we are doing is providing the free rental, which is \$12 000 a year, and the ongoing cleaning, power, water, security, which is estimated at \$20 000 a year.

**Ms CARTER:** It could go for a few years at the very least?

**Ms KORNER:** Yes.

**Ms CARTER:** There is some disquiet, minister, that the GPs concerned are not going to bulk bill, and instead are going to charge very high fees. Given that taxpayers have contributed significantly to the establishment of this service, how do you feel about the high fee these doctors are planning to charge?

**Mrs AAGAARD:** It was my understanding when this was being established that it was going to be a bulk billing service. I understand that was also the understanding of the Commonwealth. When these fees were initially announced, I must say I was extraordinarily surprised by that. We have been attempting to negotiate with the doctors concerned.

However, the issue of charges really is a business decision by the local GPs and the research is telling us that the proposed charges are in keeping with charges for similar services elsewhere in Australia. I agree that it should be bulk billing service, and I am quite concerned. I do think this is too expensive. I understand that is the view of the Commonwealth as well. We are looking at whether this can be changed; perhaps whether the Commonwealth may be interested in putting more funding into this. However, at this stage it is a business decision and the funding for the service is Commonwealth.

**Ms CARTER:** Do you have to sign a contract with them to guarantee a continuation of the assistance that the Northern Territory government is going to provide for any set period of time?

**Ms KORNER:** At this stage, there has not been an agreement signed. However, I am aware that, as part of the project, the Commonwealth has also funded the Central Australian Aboriginal Congress to extend their hours until 10 pm as well.

**Ms CARTER:** Thank you. Minister, could you detail – and I would be happy to take this on notice, to get a table – by non-government organisations and for what services the grants for 2002-03 are? What is the grant allocation budgeted for the non-government sector for the coming financial year?

**Mrs AAGAARD:** May I clarify that question? Are you talking about those non-government organisations funded for this output area, or the entire portfolio?

**Ms CARTER:** If you feel that it is more appropriate for me to ask this question at the end of the session, I am happy to do that.

**Mrs AAGAARD:** Obviously, we fund a range of organisations. I think it would be more appropriate across outputs.

**Ms CARTER:** All right. Do you feel that questions generally about non-government organisations should be put to you later in the program this morning?

**Mrs AAGAARD:** I think they would be more appropriate then, simply because it covers several outputs.

**Ms CARTER:** Yes. That is all right. Minister, on dental services, could you detail waiting lists, staff vacancies and expenditure by region for the year 2002-03? I would be happy to take it on notice and receive a table in response.

**Mrs AAGAARD:** I do not have this in a tabular form, Ms Carter. The waiting time for dental treatment in Darwin is currently 28 months. This is a significant reduction of 38% since March last year when it was 45 months. There is no waiting time for dentures in Darwin. It is 18 months for dental treatment in Katherine. I will hand over to Ms Jenny Cleary, who looks after this area, to give you more detailed information.

**Ms CLEARY:** Can I clarify, was it waiting numbers or time?

**Ms CARTER:** What is the average waiting time in each region for dental services.

**Ms CLEARY:** At June 2003, the waiting time in Darwin Dental Clinic is 28 months. As the minister pointed out, that is a 38% reduction since March. In Katherine, it is an 18 month waiting period. Nhulunbuy, there is no wait, and in Alice Springs, an 18 month wait. In Tennant Creek there is no wait.

**Ms CARTER:** The next question was, how many positions are vacant in each region in the area of dental services?

**Mr CHAIRMAN:** Is that to the minister?

**Ms CARTER:** To the minister, of course.

**Mrs AAGAARD:** I will ask Ms Cleary to respond.

**Mr CHAIRMAN:** Jenny, can I ask, as a reminder, that when officials are responding, as requested by the minister, could they possibly identify themselves for *Hansard* purposes.

**Ms CLEARY:** I beg your pardon. Jenny Cleary, Assistant Secretary, Community Health, Aboriginal Health and Hospital Services. I am outlining dentist vacancies: in Darwin, there is one vacancy out of nine positions; in Katherine there is one vacancy out of one position; in Gove there are two vacancies, both positions are vacant; in Tennant Creek there are no vacancies.

**Ms CARTER:** How many staff do you have there?

**Ms CLEARY:** One. In Alice Springs, there are two vacancies in four positions.

**Ms CARTER:** Sorry, for Alice Springs, two vacancies out of four?

**Ms CLEARY:** Two in four. So there are six vacancies in 17 positions.

**Ms CARTER:** Minister, could you detail how much money is allocated in this financial year for the dental services for each region?

**Mrs AAGAARD:** I will ask Ms Cleary to answer that question.

**Ms CLEARY:** The question is, allocation for ...

**Ms CARTER:** The new financial year.

**Ms CLEARY:** At this point in time, to my understanding, we have budgeted down to the Top End and Central Australia, so it is regional budgeting, and there is \$4.508m budgeted for Top End.

**Ms CARTER:** 4.8?

**Ms CLEARY:** No, \$4.508m. Central Australia, \$1.114m.

**Ms CARTER:** Thank you very much. Minister, the question then is, we have a significant number of dental vacancies at the moment, what is being done to overcome this problem?

**Mrs AAGAARD:** First, this is an area which was identified in the Bansemer Review as a priority area. The government has moved to increase the budget in this area, with \$400 000 of new funding into oral health services this coming year. As an Australian Health Minister I can assure you that oral health services around Australia are very concerning. In fact, it is my understanding that just last year in Australia, only 221 dentists graduated from Australian universities. It is the position of Australian health ministers that that is an inadequate number to cover those dentists who are resigning, retiring or dying. So what we are looking at is a significant issue over the coming years and, certainly for remote and regional places such as the Northern Territory, we do have increased problems with that. Which is one of the reasons why we are looking at legislation to allow dental therapists to work in greater areas other than their current fixed work in primary schools. We are looking at that whole area and that will be coming up in legislation in this coming financial year.

We have also, as I said, put in more money into this area. I will also be taking the issues of oral health services to the next Australian Health Minister's Conference to get it on the national agenda. It is something which, certainly, the federal government needs to be considering in relation to funding of positions for dental students in Australia. We are looking at a very serious situation and we already are in the Northern Territory.

Nevertheless, we are putting in extra funding into this area in an attempt to attract dentists. There are a number of initiatives that we are putting in place, particularly in relation to how we pay dentists in the public system. It is more attractive to be a dentist in the private system and you can earn considerably more money. One of the issues is how can we balance that as public dentists and we are looking at systems such as employing perhaps younger dentists who do not have the funding to establish a private clinic themselves; and how can we encourage younger dentists to come, use public facilities for private practice as well as public dentistry. We are in the process of formulating a policy on that at the moment. There is also an EBA which is almost completed and we are looking at increased funding for dentists, the actual salary amounts as well.

I absolutely agree: waiting lists are far too high. Sadly, they are far too high everywhere in Australia. In some places in Australia they have actually totally removed the public dentistry from the equation. I would not like to see that happening in the Northern Territory. I can assure you this is a priority area and over the next few years we will be putting a considerable amount of extra funding into this area to improve it.

**Ms CARTER:** And I think the results of that speak for themselves. In Tennant Creek you have a dentist who works public/private out of the hospital and that is looking very good.

Minister, on another topic. In August last year, you promised in your budget speech 25 more health professionals to work exclusively on child health issues in rural and remote areas. Were these new positions created and if so, where are they located?

**Mrs AAGAARD:** Yes, Mr Chairman, we have been developing an appropriate framework document for child health and well-being initiative. As part of that the objectives of the initiative have included staff training and support; fully implementing existing evidence based programs such as growth assessment, and action in healthy school aged kids programs, and further program development with an emphasis on facilitating local family and community based responses to improve child health and well-being.

I understand that all the positions have been advertised and will soon be working to improve the child health in remote communities. Of the current positions currently allocated, five positions are going to health zones and 10.5 the department in the Top End and eight to the department in Central Australia.

**Ms CARTER:** So, even though those 25 positions were allocated in the current financial year and talked about in August last year, they are only just being advertised now; is that right?

**Mrs AAGAARD:** Not all of them, Ms Carter. Some of them are certainly – I will ask Mr Griew to respond.

**Mr GRIEW:** A number of the positions that are based around the health zones; the health zones have funded for now. There were a small number that we were taking on to do the development work and the process of containing their rate of growth in expenditure in the second half of this year did slow down the filling of the other positions which are now being allowed to go ahead.

**Ms CARTER:** I guess that is one example of how the budget situation - which I was looking for before, budget cuts and transferring of money - equalled a reduction in service. It is quite obvious then, with the slowdown that you have just mentioned, that this is one area that that change in money has affected, in that you have not had the money to fill these positions this financial year.

**Mrs AAGAARD:** Mr Chairman, we used the time to actually develop the appropriate policy and framework for this program, and I think it was time well spent.

**Ms CARTER:** My point stands. With regard to community health centres, minister, can you advise what sort of services does the Darwin Central Community Health Centre, located in Mitchell Street, currently provide?

**Mrs AAGAARD:** I will ask Dr David Ashbridge to respond to that.

**Dr ASHBRIDGE:** The Darwin clinic is managed under the Casuarina clinic. The services that are provided within the Darwin urban centre is a combination of services provided through the Casuarina service as well as services provided throughout the clinic itself. The clinic itself is a small clinic which, basically, provides determined child health services and immunisation services.

**Ms CARTER:** Thank you. Minister, can you advise approximately how many children under five receive a service from the Darwin Community Care Centre?

**Mrs AAGAARD:** We would have to take that on notice.

**Ms CARTER:** If you could take that on notice that would be great.

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#### Question on Notice

**Mr CHAIRMAN:** For Hansard purposes, member for Port Darwin, would you repeat the question?

**Ms CARTER:** Minister, can you advise approximately how many children under five receive a service from the Darwin Community Health Centre?

**Mr CHAIRMAN:** The minister has agreed; that becomes question 7.6.

**Ms CARTER:** Minister, is it true that you plan to close this community health centre shortly?

**Mrs AAGAARD:** Mr Chairman, we are in the process of reviewing all our community health services and no decisions have been made regarding this service or any other one. Let me just go back to what I said earlier. Throughout the portfolio we are looking for efficiencies and simply because something has been done in a particular way in the past or in the present does not mean that that is the way it needs to be done for ever and ever. Quite rightly, we are looking at the whole area of community care centres. We are making sure that the services are in the most appropriate place and providing the right kind of services for the people of Darwin with the centres themselves.

**Ms CARTER:** Given the push to increase the number of people living in the CBD and the fact that, for example, 20% of children attending Larrakeyah Primary School live in high-rises in the CBD, will you be providing child health services in the city if you close the community health centre?

**Mrs AAGAARD:** Mr Chairman, I have not, at any stage, said anything of the sort. What I have said is, we are looking at the whole community care centres for Darwin and Palmerston, looking at how efficient they are; will it be better for a service, for example, for Casuarina to look after, say, the Karama Clinic rather than Palmerston looking after Karama; the numbers of nurses at each clinic. We are looking at the whole scenario. We are not looking at one clinic; we are looking at all the centres.

**Ms CARTER:** Which brings me to my question: will you be closing the Karama Health Clinic as well?

**Mrs AAGAARD:** No.

**Ms CARTER:** So that is a definite no for Karama?

**Mrs AAGAARD:** We are looking at all of the clinics, but, no, we are not closing the Karama Clinic.

**Ms CARTER:** But Darwin is a maybe?

**Mrs AAGAARD:** We are looking at all the clinics now, member for Port Darwin.

**Mr CHAIRMAN:** It might be an appropriate time for taking a break. We will reconvene at 11.25 am.

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The Committee suspended.

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**Mr CHAIRMAN:** Thank you. We will continue on output 2.1. I understand the shadow spokesperson has completed the questions. I now call for other questions. Member for Braitling.

**Mrs BRAHAM:** Thank you, Mr Chairman. My question relates to the Alice Springs Breast Screening Service that has been reduced from four times a year to two times only. As this service is federally funded, could the minister advise what has happened to the savings to that federal funding previously allocated to a regional service and could she also advise whether the mobile service to Tennant Creek, Katherine, and Nhulunbuy will continue?

**Mrs AAGAARD:** I understand, Mr Chairman, that that is actually in our public health output. Does the member have a timing issue or do you ...

**Mrs BRAHAM:** Well, if it could be asked now I will leave, but if you wish me to come back I will come back and ask then.

**Mrs AAGAARD:** We just do not have the staff person here at the moment.

**Mr DUNHAM:** Point of order, Mr Chairman. I am not sure this is smart.

**Mr CHAIRMAN:** Sorry?

**Mr DUNHAM:** Do you want to skip now to another output area?

**Mrs BRAHAM:** I am sorry. I thought it was under community health. If you wish me to come back and ask my question later, I will.

**Mr DUNHAM:** It will just – reconfiguring the table and everything is going to take – introducing people.

**Mr CHAIRMAN:** I think that might be the best way to approach it. If you were to perhaps ask that question in the appropriate output.

**Mrs AAGAARD:** I do not mind answering the question. The Speaker may well be quite busy. We have the officer at the table now.

**Mrs BRAHAM:** I am happy not to interrupt the ...

**Mr CHAIRMAN:** I think it might be best to comply ...

**Mrs BRAHAM:** Can you let me know when they get ...

**Mr CHAIRMAN:** Thank you, member for Braitling. I think it might be best to comply with the outputs as prescribed. The member for Drysdale.

**Mr DUNHAM:** Thank you. Minister, can you tell us why, in Budget Paper No 3 which details your budget appropriation, the key variations do not reflect the key variations?

**Mrs AAGAARD:** They do.

**Mr DUNHAM:** They do. Can you tell us why then the discussion on Community Health took up some time discussing why you had transferred money – some millions of dollars of monies out of that output area and into the acute sector output area – and it is not mentioned anywhere in that sector. We are talking \$20m.

**Mrs AAGAARD:** The variation ends up at minus the \$25 000 and it mentions the key variations at the bottom of the page.

**Mr DUNHAM:** Well, the key – you have restructured your budget. You have moved some tens of millions of dollars from one output area to another, and your budget papers are totally silent on it. I would have thought that you would have been listening to the Chief Minister when she said to one of our members that if you go to the key variations you will understand why these changes have occurred. Can you tell me why that was excised from your budget?

**Mrs AAGAARD:** I will ask Mr Griew to respond.

**Mr GRIEW:** The transfer of \$19.8m from Community Health to Acute Care, essentially, we have seen as a technical change in where the money is counted. It does not change the level of service. I guess that is the reason for which we did not include it in the key variations. The key variations draw attention in the document to changes in service output.

**Mr DUNHAM:** Okay. So, when you talk about changes like, for instance, activities that you used to fund that have transferred to the Chief Minister's Department, which are only some several thousand dollars, it is a key variation, but when we are talking about \$19m this variation is not even mentioned. Who gets to choose whether a \$19m variation is not mentioned in your budget papers and one that is only a couple of thousand gets star billing?

**Mr GRIEW:** Essentially, a change between portfolios is of note to describing the Health and Community Services portfolio. The other thing, I think, is that the change we are talking about within 2002-03, the \$19.8m, the key variations recorded in the budget papers are targeting information about the move to the 2003-04 year rather than the 2002-03 year. So, there would be two reasons why that would have been included but the other excluded.

**Mr DUNHAM:** So, when would it have been divulged to parliament and through which process?

**Mr GRIEW:** Essentially, through ...

**Mrs AAGAARD:** It is actually through this process and you have just heard it.

**Mr DUNHAM:** Thank you. So, you are going to tell us about the transfer of the \$19m through these budget papers and they are totally silent on them. What? You were going to wait for the annual report or, how were you going to do this?

**Mrs AAGAARD:** This is why we have an estimates process and that is exactly what we are doing now.

**Mr DUNHAM:** Thank you! So it is a voyage of discovery on our part, is that what you are telling us? We had to find it in here, bring it to your attention and you were going to confirm or deny? So, instead of telling us, instead of being up front about \$19m, you were waiting for us to find it? Is that correct?

**Mrs AAGAARD:** I am not suggesting there was any finding or anything. I actually told you. I read out a whole list of variations. It is not a question of finding those, Mr Dunham, and it is technical variations which result in minus \$25 000 on the overall budget.

**Mr DUNHAM:** Okay, so in Budget Paper No 2, for instance, where there is a description about the Australian Health Care Agreement, it talks about the Territory's share being \$16m additional, which incidentally is way above the \$14m additional that Mr Stirling has given you. Can you tell us why that was not a key variation? The \$16m additional from the Australian Health Care Agreement.

**Mrs AAGAARD:** This was part of the acute care output, Mr Dunham. We are into the next output area.

**Mr DUNHAM:** That is right and we are describing why it is key variations between, at least in this case, the output we are talking about, which is community health, and the acute sector, have not been listed. I have so far found \$19m - it has gone from one bookkeeping system to another - another \$16m you have not even brought to book. How much else do we have to find in here on this little voyage of discovery, or will you tell us up front?

**Mrs AAGAARD:** Mr Chairman, I would just like to remind Mr Dunham this is in fact part of the acute



care budget. The estimates for the health care agreement, nonetheless, are in the budget papers.

**Mr DUNHAM:** \$16m, is that correct? Budget Paper No 2 calls it \$16m, is that correct?

**Mrs AAGAARD:** Despite this being in a completely wrong output area, I will just disabuse you of that particular fact. It is \$13.679m ...

**Mr DUNHAM:** Okay.

**Mrs AAGAARD:** ... of which \$9.128m is not Territory money.

**Mr DUNHAM:** Oh, okay. So, in Budget Paper No 2, page 66, where it says, 'The Commonwealth's offer is considered by all states to be inadequate. Nationally, the proposal is \$1 billion less than a continuation of the existing funding and indexation arrangements.' The quote is, 'The Territory's share of this cut is \$16m. Other concerns with the proposal include ...'.

**Mrs AAGAARD:** And the question?

**Mr DUNHAM:** I suppose what I am saying is, we will have to go to the general output groups to actually reconcile this budget that you have given us, given that there have been bookkeeping changes of enormous magnitude that have not been determined in here. And we will have to go line by line to find out where you have laundered the money.

**Mrs AAGAARD:** Excuse me, Mr Chairman, there has been no suggestion of anything of the sort. This budget is open and transparent; we have before us today an estimates process to look at the entire budget. There is no suggestion ...

**Mr Dunham** interjecting.

**Mrs AAGAARD:** Yes, indeed, Mr Dunham, we will look at it, which is what we are doing at the moment. I have very graciously answered questions about the output area which we have just finished. Perhaps if you wish to ask general questions across the agency, you can wait until the end.

**Mr DUNHAM:** Thank you for your graciousness. That is all for now.

**Mr WOOD:** Minister, with regards to Community Health Services at Palmerston, I have had concerns that Danila Dilba is trying to establish also a community health centre there. I gather the Northern Territory government would provide land for that particular health service, even though Danila Dilba is funded by the government. Would you think it was, if we are looking from an efficiency point of view, more ideal if Danila Dilba and the paramedical centre were basically sharing resources? I am not saying they should not operate under their own administration but, where possible, don't you think that would be better, at least from an efficiency aspect?

**Mrs AAGAARD:** Regional indigenous health planning studies have indicated a high need for health services to the Aboriginal people of Palmerston and the rural area. The Northern Territory government has provided land to Danila Dilba in Palmerston. Funding and relocation are matters for Danila Dilba and the Commonwealth Department of Health and Ageing. The Northern Territory government has made no further commitments to this proposed course of action, except to indicate that as much as possible the sharing of expensive infrastructure with that of the Palmerston precinct would be encouraged.

**Mr WOOD:** But, minister, the key aspect is that the Northern Territory government provides the land. Now, if the land is not adjacent to the Farrar Medical Centre, then I do not believe you can achieve that sharing of resources. Was there any consideration to giving land right next to Farrar Medical Centre?

**Mrs AAGAARD:** Apparently, we are looking at sharing resources between our community care centre and Danila Dilba.

**Mr WOOD:** I presume Danila Dilba is a medical centre as well. It is going to be a community health centre?

**Mrs AAGAARD:** Yes.

**Mr WOOD:** And you want the Farrar Medical Centre there as well?

**Mrs AAGAARD:** Yes. Can I just clarify what specifically you are wanting to know?

**Mr WOOD:** When this came up for planning in the Palmerston area, the siting of Danila Dilba, it was raised by a number of people who thought it was strange that we would have two medical centres 200 metres apart - not next to one another, but one down the road and one up here. There were concerns about the resources. One of the concerns they had is that they did not think that would be helpful towards maintaining racial harmony in the community; they would see two separate health services, one an indigenous service and one a non-indigenous. People felt that here was an opportunity to try to maintain or even improve racial harmony by having the two medical centres working together.

I am not saying they could not have their own administration because I support that idea of indigenous people providing health service to indigenous people as a good way for the system to work. But why cannot we at least have the two working on the same campus?

**Mrs AAGAARD:** Danila Dilba is, in fact, the incorporated body and, as the minister for Health in the Northern Territory, I do not have a lot of authority over that body.

In relation to the land itself, it is a transfer of services from the Darwin area out to Palmerston and it is a service which, I understand, here in Darwin does actually provide services for non-indigenous people as well and it is a bulk billing service, one of the few in Darwin.

You refer to the Farrar Medical Clinic as opposed to the Community Care Centre. That clinic is a private GP practice and is quite separate from government, except that we have a single grant to that Palmerston clinic for after hours services. What we are doing is looking at the relationship between the Community Care Centre, which is the responsibility of government, and Danila Dilba, bearing in mind that Danila Dilba is Commonwealth funded and the Community Care Centre is funded by us. But we are looking at how we can share resources.

I do not think that they cancel each other out. I agree with you that it is good to share resources wherever that is possible, and for people to be able to access both services. I understand that would be the case, as it is at the Danila Dilba service here in Darwin.

**Mr WOOD:** The reason I was asking the question is because you are the health minister in the Northern Territory government and would have a fair amount of influence on the Commonwealth. I see this as an important policy matter. The reason I was asking is because I see an opportunity that your government could play in developing a health precinct operating at its most efficient and at the same time bringing the community together. I thought here was an opportunity for you, as minister, and your government to look ahead a bit and try to combine the two services.

**Mrs AAGAARD:** Yes, I agree with the spirit of what you are talking about here. AMSANT is very keen to work closely with us. But, Danila Dilba is a separate, incorporated body and receives funding directly from the Commonwealth. Our centre is separate. That does not mean that we cannot work closely together to get good outcomes for all people of the area, which is what we will be looking at. I understand the spirit of the thing. You obviously want them to be co-located. That is not possible at

this stage. We are looking at how we work closely together. Danila Dilba is quite a large service and, apart from anything else, most likely to not actually fit into the Palmerston Health Precinct. If you have been to where they are in Darwin, it is quite a large service.

**Mr WOOD:** Well, there is an awful lot of lawn on that site. I think there is plenty of room there, minister. I have given my views, and I really would like you to at least consider them. Most of our money for health whether it goes to Danila Dilba or the NT government, comes from the Commonwealth. It is in different areas, that is all.

**Mr REED:** Minister, it is now over a year since Katherine had a public dentist. We find now that the action you are going to take to overcome that matter; and problems in similar areas which lack a dentist, is that you are going to talk to health ministers at the next Health Ministers Conference. What recruitment action has been undertaken over the past year to attract a dentist to Katherine, and did that include any incentive packages?

**Mrs AAGAARD:** I will give a general response to this. I have already outlined that there is a significant issue with dentists in Australia. I am sure that this would not be news to the former health minister, that there have been significant issues with dentistry and getting dentists across the Northern Territory for possibly around a decade, and certainly since the Commonwealth pulled out funding in 1997 for dental services across Australia, including significant cuts to Territory funding for dentists as well in that time.

I have been advised that we did manage to recruit a dentist last year to Katherine but, sadly, that dentist did not enjoy the sights of Katherine as much as we would have liked as Territorians, and in fact left after two or three weeks. Since then, we have been working very hard to attract a dentist to that area. I have to say, Mr Reed, I am sorry that we have not been able to attract a dentist at that stage. However, Katherine West Health Board has recruited a full-time dentist. We are collaborating with them so that, although we do not have a public dentist at the moment, the Katherine West Health Board, which has just employed a public dentist, has offered us the services of their full-time dentist.

**Mr REED:** Thank you, minister. Minister, through you, Mr Chair, that was the next point I was going to raise, that the Katherine West Health Board has in fact been successful in attracting a dentist in an atmosphere where you find it impossible to do so. If a non-government agency can be successful, how can you explain your inability to perform in this area. The people of Katherine are sick of excuses from you. You have been giving them excuses for over a year as to why they do not have a dentist. With all the resources of government, you have been singularly unsuccessful in attracting a dentist to Katherine when a non-government agency has been successful.

**Mrs AAGAARD:** In relation to the dental service in Katherine itself, yes, we are making this arrangement with Katherine West Health Board which will improve dental services in the area. We have also had rosters of dentists from the Darwin area going to the Katherine region, so we have been maintaining services in the Katherine region. There is no question about that. You query the capacity of the government to recruit dentists as opposed to the non-government sector. I would have to say that this appears to be quite common across Australia; and certainly was during your years in government. In fact, it has always been easier for a non-government organisation, particularly in remote services, to attract staff. It is just that some people seem to think it is more interesting to work for an organisation such as the Katherine West Health Board, which is a smaller organisation. Some people just prefer to work for that kind of organisation. Certainly, there is a lot more flexibility as well, in relation to working for a non-government organisation as opposed to a government.

**Mr REED:** Minister, you have alluded to arrangements that will be put in place to provide a fill-in service. What are those arrangements, in terms of the time that will be provided to service those low income earners in Katherine to gain dental treatment without having to travel to Darwin, firstly, from the assistance of the Katherine West Health Board; and, secondly, the visiting dentist from Darwin? Will that visiting dentist from Darwin continue, given that you now also have some assistance from the Katherine West Health Board?

**Mrs AAGAARD:** Mr Chair, I will ask Dr David Ashbridge to answer that question.

**Dr ASHBRIDGE:** There are two components to that question. The first one relating to the visiting service, and that is intrinsically linked to our dentists that we were able to recruit to Darwin itself. When we were close to full establishment in Darwin, which we are at the moment – I think we have eight out of nine positions – then we were able to establish a visiting roster. I cannot give you the specifics of what day or how often, but when we are close to full establishment in dental then we can operate the dental services in a regional capacity, which is how it has been set up in the Top End regional service. Services are then distributed on a needs basis. I will be fully expecting, now we have close to a full establishment of dentists in Darwin, that that will translate into increased services in the regional centres.

Secondly, I have received the letter from the dentist who works in the Katherine West Health Board – we received it a couple of days ago – and it is certainly my intention to enter into good, direct negotiations with that service to see what arrangements we can come into to supplement the visiting service. I am not in a position to determine exactly what that will be, because it is just a recent development.

**Mr REED:** Thank you, Dr Ashbridge.

Just to finally put the point for the people of Katherine, minister. That, to the people of Katherine, is unsatisfactory. Regardless of the number of people servicing Darwin, the people of Katherine and elsewhere in the region believe that they too have an entitlement to a dental service. They would expect nothing less than at least some indication that there will two days, three days, four days, five days a month so that they can get some service rather than none, and that, just like they have had to go without for the last 12 months, perhaps the people of Darwin can go without for four or five days or at least have their appointments shrunk back. Would you care to take that on board and give it some consideration?

**Mrs AAGAARD:** Mr Chairman, I have indicated that we are, in fact, recruiting for the position ...

**Mr REED:** You have indicated your incompetence.

**Mrs AAGAARD:** ... of a dentist in Katherine - there is no question about that - in the same way that your government also attempted to recruit for dentists over many years...

**Mr REED:** You were going to solve all the problems.

**Mrs AAGAARD:** Over many years there has been a great deal of fluctuation in the number of dentists. I know that in the Katherine that, in fact, there have been periods over a very long period of time when there have not been dentists. Sadly, this is one of them as well.

**Mr REED:** This is excuses. It is not helping peoples' dental problems, your excuses.

**Mrs AAGAARD:** Mr Reed, through the Chair, I am saying to you that we are ...

**Mr REED:** Doing nothing.

**Mrs AAGAARD:** ...recruiting a dentist. We are working to recruit a dentist. We are negotiating with the Katherine West Health Board ...

**Mr REED:** You told me that a year ago.

**Mr CHAIRMAN:** Member for Katherine, the question has been asked and the minister is responding. Perhaps we could allow that to occur.

**Mrs AAGAARD:** We are providing the service through the Darwin Dental Clinic.

**Mr REED:** I think Dr Ashbridge was prepared to give some more information in relation to that. Would you allow him to do so?

**Mrs AAGAARD:** Mr Chair, also that we are providing a dentist for four afternoons per week and after 18 July the fortnightly visit will resume until the position is recruited.

**Mr REED:** I am sorry? The last part?

**Mrs AAGAARD:** Fortnightly visits will resume until the position is recruited.

**Mr REED:** Fortnightly visits of a day, is it?

**Mrs AAGAARD:** I beg your pardon?

**Mr REED:** Fortnightly visits of how long?

**Mrs AAGAARD:** Four afternoons a week.

**Mr REED:** Four afternoons a week, thank you.

**Mrs AAGAARD:** I will just get Mr Griew to clarify that.

**Mr GRIEW:** I think David Ashbridge said before but did not get it clear: from 23 June to 18 July, a visiting service four afternoons a week. From 18 July fortnightly visits will resume until the position is recruited to. That is the current plan. The direct answer.

**Mr REED:** I am sorry, can you give me that again. From 23 June to 18 July it will be four afternoons a week, fortnightly?

**Mr GRIEW:** No, there are two things. Up until 18 July four afternoons per week; after 18 July, fortnightly.

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

**Mr DUNHAM:** Just a quick one, sorry. Minister, you said that Danila Dilba was the transfer of a service, quite a large service. Are you aware that this service has been largely sponsored by taxpayer dollars and that by giving free land you are in fact allowing that service to double dip? You gave them the land here, now you are giving them the land there and they are going to sell this land.

**Mrs AAGAARD:** I am sorry, the land issue is not actually in my portfolio. You need to ask Minister Vatskalis about that.

**Mr DUNHAM:** He may well have to declare an interest seeing as he worked for that organisation.

**Mrs AAGAARD:** He is the minister who looks after land matters.

**Mr DUNHAM:** Okay.

**Mr CHAIRMAN:** Thank you very much. I understand that now completes Output Group 2.

**OUTPUT GROUP 3.0 – Family and Children's Services**

**Mr DEPUTY CHAIRMAN:** We move on to Output Group 3.0 which is Family and Children's Services. I now call for questions on Output Group 3.0 - Family and Children's Services. Minister, would you like to introduce the new departmental people who are with you in regards to this output group.

**Mrs AAGAARD:** Mr Griew would like to introduce them.

**Mr GRIEW:** Mr Anthony Burton and Ms Jenny Scott. Anthony Burton is the Policy Director, Family and Children's Services, and Jenny Scott, Director, Services Development Division. We may also call on the Regional Directors depending on the nature of the questions.

### **Output 3.1 - Child Care, Early Childhood Development and Parent Support Services**

**Mr DEPUTY CHAIRMAN:** Thank you. The committee will now consider Output 3.1 – Child Care, Early Childhood Development and Parent Support Services. Are there any questions?

**Ms CARTER:** Yes, thank you. Minister, last year you provided \$410 000 to a private child care provider. Was this money a grant or a repayable loan? If it was a loan, what were the terms of the loan?

**Mrs AAGAARD:** If the member could actually advise me what child care centre you are talking about?

**Ms CARTER:** Yes, I think it was the Tiwi. It is the one out at Tiwi. In this document it just says: '\$410 000 will be provided to assist the redevelopment of a childcare facility in Tiwi, Darwin'. So, with regards to the term 'assist', was it a loan or a grant?

**Mrs AAGAARD:** Is it a capital works question? It is in the ...

**Members** interjecting.

**Mr DEPUTY CHAIRMAN:** Perhaps if you direct the minister to a publication.

**Ms CARTER:** It is in *Building Our Community*.

**Mrs AAGAARD:** Can we just clarify, though, if you are thinking it is capital works or ...

**Mr Dunham:** It is your description. You tell us what it is.

**Ms CARTER:** It is a booklet provided by your government last year called *Building Our Community* on page 8. It is a budget book. It does not give any specific detail, it just says: 'A childcare facility in Tiwi' will get nearly \$0.5m. Was it a grant or a loan?

**Mrs AAGAARD:** I will take that question on notice.

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### **Question on Notice**

**Mr DEPUTY CHAIRMAN:** To assist *Hansard*, would you ask that question again, member for Port Darwin.

**Ms CARTER:** Last year, you provided \$410 000 to a private childcare provider, and it is detailed on page 8 of the booklet *Building Our Community*. Was the money a grant or a repayable loan? If it was a loan, what are the terms of the loan?

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

**Mrs AAGAARD:** Yes.

**Mr DEPUTY CHAIRMAN:** For the purposes of *Hansard*, the question is 7.7.

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**Ms CARTER:** Minister, how does the Northern Territory's rate of payment to foster parents compare with those who are foster parents interstate, say, by comparing the Territory's fortnightly rate of payment with New South Wales?

**Mrs AAGAARD:** Mr Anthony Burton.

**Mr BURTON:** I do not have with me the comparison notes for other jurisdictions, but my understanding would be that we are in the mid-range. It is difficult to compare across states because some states pay rates that vary with age, and I think New South Wales has transferred to one rate across the age ranges. I could give you an indication of the extent to which our rates vary. For a child under four years, a standard payment would be about \$94.

**Ms CARTER:** Is that a fortnight?

**Mr BURTON:** That is weekly and that goes up incrementally, where a teenager, 15 to 17 year old, would be getting \$167.

**Ms CARTER:** How much, sorry?

**Mr BURTON:** \$167.

**Ms CARTER:** \$167 a week?

**Mr BURTON:** I think that is right, yes.

**Ms CARTER:** Minister, would you be prepared to take a question on notice to find some sort of data on that, like a comparison between the Territory's rate and the interstate rate of payment?

**Mr BURTON:** There was a national report done that compares the cost of care which includes a table. I am not sure if that is something that you have seen, but we could provide it.

**Ms CARTER:** No, I have not see it. That would be fine.

**Mr DEPUTY CHAIRMAN:** Is that a question then or will you provide that?

**Mrs AAGAARD:** As long as it is a table to find, we will take it on notice.

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#### Question on Notice

**Mr DEPUTY CHAIRMAN:** If the member could restate the question for the purpose of *Hansard*.

**Ms CARTER:** Yes. Minister, could you provide details, and a table would be wonderful, allowing me to compare foster parent payments in the Territory compared with other jurisdictions?

**Mr DEPUTY CHAIRMAN:** Can you take that question, minister?

**Mrs AAGAARD:** Yes. I will just clarify that we will provide the table, to which Mr Burton has alluded, from another source.

**Mr DEPUTY CHAIRMAN:** For *Hansard* purposes, that question is allocated number 7.8.

**Ms CARTER:** Minister, the reason I am pursuing this issue is that I understand that there are difficulties in recruiting foster parents in the Northern Territory. It has been put to me that one of the reasons that we have trouble is that compared to other jurisdictions, our rate of payment is not good.

**Mrs AAGAARD:** We have just heard that our payments are mid-range. I expect that that must be the same scenario across Australia. This is an area where people are very dedicated. They put in a lot of hours, there is not question about that. In a sense, no level of funding would ever be acceptable. It is a question of balancing across the entire output area and the entire portfolio how much we are able to put into this area. We have just heard from Mr Burton that we contribute a mid-range amount of funding to this.

**Ms CARTER:** Is your department finding it more and more difficult to recruit foster parents?

**Mrs AAGAARD:** Mr Burton.

**Mr BURTON:** I think it is true to say that the Northern Territory, as well as nationally, has difficulty in recruiting foster carers. One of the things that we do is run occasional recruitment campaigns. When we do those campaigns, we did one earlier in the financial year, we were successful in attracting a number of recruits. We are currently working with all other state governments to develop a national plan for foster care. The Commonwealth is involved in that process as well. One of the issues that is identified there is, how can we have a better national approach to recruitment of foster carers. I will give an example. The Commonwealth has recently agreed that foster carers would be eligible for a child care benefit. Those kinds of small initiatives can make quite a difference in recruitment. This national plan which will go back to ministers before the end of the year for consideration is designed to address some of those problems.

**Ms CARTER:** Thank you for that. Minister, on another topic. Last year in the Assembly, in August, you promised in your budget speech eight extra Family and Children's Services staff. Were these new positions created? And, if so, where were they located?

**Mrs AAGAARD:** Mr Burton.

**Mr BURTON:** That announcement was made at the end of July initially, and then reiterated in the parliament. For the year to date, we have created 10 positions through that additional funding. We have done it in two steps. We realised that we were getting into the year and it is very difficult to recruit child protection workers, so what we did was allocate the money to appropriate regional offices, and I will run through that in a moment, and then also make provision to trial an after hours service later in the year. I will run through the positions that were created. We created two positions in Alice Springs. In Darwin urban, we created one position. In Palmerston, we created one. In Darwin remote, one. In Katherine, one. Then a further four positions in Darwin urban to pilot the after hours. All of those positions have been recruited to, except for two in Darwin which, to my understanding, is that both those recruitments are pending.

**Ms CARTER:** Thank you very much.

**Mr DEPUTY CHAIRMAN:** Are there any more questions on this particular output?

**Mr DUNHAM:** Could you tell us about the money that was in your budget for the trial Youth Activity



Programs at Nightcliff and Borroloola, listed last year at \$0.31m? Is that ongoing?

**Mrs AAGAARD:** Yes.

**Mr DUNHAM:** It is ongoing. The money is in the budget again this year?

**Mrs AAGAARD:** That is right.

**Mr DUNHAM:** Can you tell us why your colleague, the Minister for Community Development, claimed that the reduction to sport programs was because he had to transfer this money to your program area?

**Mrs AAGAARD:** I understand that, originally, the money had mistakenly been put into Minister Ah Kit's portfolio and was transferred to mine.

**Mr DUNHAM:** Last year, or this year?

**Mrs AAGAARD:** Last year. Subsequently, the Borroloola money, which is half of this amount, has been transferred from my portfolio to Police, Fire and Emergency Services, because it is being used for diversionary programs in Borroloola.

**Mr DUNHAM:** Can we get this straight? Last year it was called a Health initiative, but put in the Community Development minister's budget. It was transferred during last year back to your budget, at a cut to the Community Development minister's budget, and it now appears as a recurrent item in your budget.

**Mrs AAGAARD:** It has always actually been in this portfolio. It was just not put into the right portfolio to begin with. It now has been.

**Mr DUNHAM:** Right, so, I say again, even though it was a Health initiative, the funds were incorrectly appropriated to the wrong minister last year, and there has been a transfer which shows corresponding decrease to his sport budget and an increase to your health budget, is that correct?

**Mrs AAGAARD:** Yes.

**Mr DUNHAM:** Okay. Very interesting.

**Mr DEPUTY CHAIRMAN:** Are there any more questions on this particular output? That being the case we will now move on to output 3.2, Support Service for Individuals and Families in Crisis.

**Output 3.2 - Support Service for Individuals and Families in Crisis**

**Mr DEPUTY CHAIRMAN:** Are there any questions? There being no questions for output 3.2, we will now close that and move on to output 3.3, Child Protection Services.

**Output 3.3 – Child Protection Services**

**Mr DEPUTY CHAIRMAN:** Are there any questions with regard to this output? Member for Drysdale.

**Mr DUNHAM:** I understand that the police power to pick up children off the street was to be derived under legislation that you hold in the *Community Welfare Act* which would be consideration of a child in want of care, or a child neglected. Is that how the police are undergoing this program of removing children from the street after hours?

**Mrs AAGAARD:** I would just say that you probably should have asked the minister for Police about this ...

**Mr DUNHAM:** It is your act.

**Mrs AAGAARD:** ... but I can – yes, it is indeed. However, you are actually asking about police as opposed to anything in my portfolio, but I will ask Mr Burton to answer.

**Mr BURTON:** Under the *Community Welfare Act* either police officers or people authorised under the act can take children into custody if it is deemed that they are in need of care.

**Mr DUNHAM:** Could we please have the data on all the children, after hours, who have been taken into care by police?

**Mrs AAGAARD:** Mr Chairman, I have been advised that the police would have that data.

**Mr DUNHAM:** I thought these would be formal notifications to you, minister, under your act, or are they not formal notifications?

**Mrs AAGAARD:** Mr Burton advises that we would have the notifications data.

**Mr DUNHAM:** Could we have that data, please?

**Mr BURTON:** Could I just make ...

**Mr DUNHAM:** I do not want identifiers. Statistical data.

**Mr BURTON:** No, just to clarify a comment. Sometimes the police will have contact with a young person and then they will not make a notification because they have resolved the matter, so we will not have any information on that although the police may have. What we will have is where we received notifications from the police under our protocols ...

**Mr DUNHAM:** I understood when it was - and I can understand the minister's seeming confusion in this area because there it was announced by a different minister but in announcing it, it would seem that the power for the police would come from the act the minister is responsible for. I am merely asking if the data is available to the minister about how successful this program has been in terms of the number of juveniles who are on the street at night being reported through appropriate agencies by the police?

**Mrs AAGAARD:** I will just make a comment on that. Of course we can advise on statistics but we cannot really make conclusions on ...

**Mr DUNHAM:** I am not looking for identifiers.

**Mrs AAGAARD:** And also through the Chair, that we are in fact reviewing the *Community Welfare Act* and there will be considerable time over the next 12 months to look at a lot of these issues as well.

**Mr DEPUTY CHAIRMAN:** Minister, do you accept the question on notice?

**Mrs AAGAARD:** Yes.

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**Question on Notice**

**Mr DUNHAM:** The question on notice: could the minister provide comprehensive statistical, non-identifying data relating to the government's announced programs addressing juveniles on the street

at night, that will have the intervention of the police under her *Community Welfare Act*.

**Mrs AAGAARD:** Mr Chairman, that is not what we agreed to take on notice. We agreed to take on notice those people who had been notified under the act, and I am quite happy to take that on notice, those notified by police.

**Mr DEPUTY CHAIRMAN:** Minister, the question that was posed to you by the member for Drysdale you will not take on notice. Do you wish to restate the question?

**Mr DUNHAM:** I do not want to get all the child abuse statistics. I want to get the statistics that are clean, that have been washed, so that we can see the efficacy of this program that was announced to remove children from the street at night. I would like to have the statistics that relate directly to that. Is it possible to identify?

**Mrs AAGAARD:** I am not actually certain that we actually do have that kind of thing. We have the kind of material which Mr Burton referred to, which was those people who are notified through the police. What you are talking about I do not think we would keep statistics of and it would be very complicated. I am quite happy to provide the notifiable things as I indicated earlier, but the rest of it I think is not possible.

**Mr DUNHAM:** Okay. The next question to the minister is ...

**Mr DEPUTY CHAIRMAN:** Member for Drysdale, I am not sure that any question has been picked up on notice yet. You seem to be talking about two different things. Now, is there an agreement between you and the minister as to what the exact question is being put on notice?

**Mr DUNHAM:** That is what I am trying to clarify. Is there a means, minister, where we can identify whether this program is having any effect through some statistical basis?

**Mrs AAGAARD:** Can I just clarify. Are you actually talking about the Youth Night Patrol – the Darwin Youth Beat, is that what you are talking about?

**Mr DUNHAM:** No. I am talking about your announcement that the police would intervene for gangs, particularly in Palmerston, who are under age, and the police would use, as their capacity for intervention, your *Community Welfare Act*.

**Mrs AAGAARD:** I think that the only information I can provide, Mr Chairman, is through the notifications, as I have indicated, and I am happy to provide that.

**Mr DUNHAM:** We will take the advice you can.

**Mr DEPUTY CHAIRMAN:** Could you please restate the question for the purposes of *Hansard*, very clearly.

**Mr DUNHAM:** Could the minister please provide as much data as she can on a comprehensive, statistical, non-identifiable basis relating to notifications of child abuse in the Northern Territory?

**Mr DEPUTY CHAIRMAN:** I do not think that was the question before.

**Mrs AAGAARD:** Mr Chairman, that could be an encyclopedia. What I am saying that we can provide is the notifications.

**Mr DUNHAM:** I am sure it is in that book. I am sure if you go through there you will find there is a piece about it.

**Mr DEPUTY CHAIRMAN:** I am not moving on from this question until we get it down clear what the member for Drysdale is asking that you accept. Otherwise there will be confusion. So let's get it sorted out between us.

**Mr DUNHAM:** Can you tell me what it is you are happy to give me and I will tell you what I am happy about?

**Mr DEPUTY CHAIRMAN:** It is up to you to ask the question rather than the minister.

**Mr DUNHAM:** Well, I have asked three lots of questions and she is not answering. I want to know what you are happy ...

**Mr DEPUTY CHAIRMAN:** Member for Drysdale, I am clear that you have asked three different questions in all of this. Now really, if you can sort it out between yourselves, that would be appreciated.

**Mrs AAGAARD:** Mr Chairman, what we can provide is those referrals from the police as provided for under the *Community Welfare Act*.

**Mr DUNHAM:** For the category of neglect?

**Mrs AAGAARD:** For the category of neglect? Yes, we will take that.

**Mr DUNHAM:** Of course you do, sexual abuse, physical abuse, emotional abuse and neglect. Just give me the neglect one. You have four categories.

**Mr DEPUTY CHAIRMAN:** Is everyone happy that they understand the question before I move on? What is the question, member for Drysdale?

**Mr DUNHAM:** I understand that the minister has the capacity to provide me with child abuse statistics relating to referrals from the police on the basis of neglect under the *Community Welfare Act*. Could I have those statistics, please?

**Mrs AAGAARD:** Yes.

**Mr DUNHAM:** Thank you.

**Mr DEPUTY CHAIRMAN:** For the purposes of *Hansard* we will not need to repeat it. Question 7.9.

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**Mr DEPUTY CHAIRMAN:** Any more questions? There are no further questions.  
**OUTPUT GROUP 4.0 – Aged and Disability Services**

**Mr DEPUTY CHAIRMAN:** We will now move to output group 4.0, Aged and Disability Services; output group 4.1, Disability. Minister, there is a new member at your table, would you care to introduce him?

**Mrs AAGAARD:** Mr Griew, could you please do the introduction?

**Mr GRIEW:** Damien Conley has come to the table. He is the Director of the Ageing Industry Policy area.

**Mr DEPUTY CHAIRMAN:** Thank you. We are addressing output 4.1. Are there any questions?

#### **Output 4.1 – Disability**

**Ms CARTER:** Yes. Minister, your department administers the taxi subsidy scheme, a very worthwhile program. Could you advise how much the scheme cost this financial year, and how much has been budgeted for the next?

**Mrs AAGAARD:** I will take that question on notice.

#### **Question on Notice**

**Mr DEPUTY CHAIRMAN:** Could you please restate the question?

**Ms CARTER:** Yes. Could you advise how much the taxi scheme cost this financial year, and how much has been budgeted for the next?

**Mr DEPUTY CHAIRMAN:** Minister, are you prepared to take the question?

**Mrs AAGAARD:** Yes.

**Mr DEPUTY CHAIRMAN:** The question is 7.10 for recording purposes.

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**Ms CARTER:** Minister, I understand that Western Australia has decided to accept the Commonwealth's offer on the Commonwealth-State/Territory Disability Agreement. Does this mean that the Territory will, too, and what will it mean for the Territory?

**Mrs AAGAARD:** Yesterday, I signed the Territory's part of the Commonwealth-State/Territory Disability Agreement. Essentially, it backdates the funding for this financial year. I am sad to say that it is certainly not an agreement which I would have chosen to sign, but given that the Commonwealth, over 18 months, has chosen not to budge even so much as a dollar in its offer to the Northern Territory and as we did not want to disadvantage Territorians who are disabled, I was in the position of needing to sign this, so I signed it yesterday.

**Ms CARTER:** And what will it mean for the Territory?

**Mrs AAGAARD:** In the first year of the agreement, that is 2002-03, the Commonwealth growth and indexation is \$0.343m, Northern Territory growth and indexation is \$1.159m. In the second year of the agreement, 2003-04, it is \$0.182m from the Commonwealth, including their indexation, and \$0.757m from the Territory. In the third year of the agreement, 2004-05, it is \$0.180m from Commonwealth, and \$0.799m from the Territory. In the fourth year of the agreement, 2005-06, it is \$0.183m and from the Territory, \$0.814m. The fifth year of the agreement, 2006-07, will be \$0.188m from the Commonwealth and \$0.726m from the Territory.

So, the Commonwealth is contributing, including indexation, \$1.076m, and the Northern Territory is contributing in \$4.255m. That is in extra funds. It is very disappointing. The Territory government contributes considerably more funds for disability than the Commonwealth, and this is an indication of the mean spiritedness of the Commonwealth. In negotiation of all of these agreements in areas such as this where we have had some of the most disadvantaged people in Australia, they are physically not willing to attend meetings or even take phone calls from ministers around Australia. This has made negotiating a bit of a farce. Regrettably, I had to sign this, although it does include some growth, but not what we wanted as the Territory government.

**Ms CARTER:** Minister, I am looking at Budget Paper No 3 at the moment on page 282, and in the area for this item, you have budgeted for this year \$5.69m as being what you expected from this agreement. Is that what you received? Or is it more or less?

**Mrs AAGAARD:** Sorry, what page was it?

**Ms CARTER:** Page 282 of Budget Paper No 3. You have budgeted \$5.6m. Is that what you received, or is it ...

**Mrs AAGAARD:** Yes is the answer.

**Ms CARTER:** Yes, that is what you received. Minister, can you advise how long it takes for someone to be assessed by the Time Scheme?

**Mrs AAGAARD:** I will ask Mr Conley to respond.

**Mr CONLEY:** I guess it is no different from any other program with aged and disability services; it depends on the people wait listed for assessment. The advice that I have been given is that of late, assessments have been extremely rapid and there has not been an extensive wait list for those assessments. I have had no indication from my staff or indeed the sector that there has been a significant wait list.

**Ms CARTER:** I spoke yesterday to someone who is a representative within the disability sector, and his view is that the wait is three months.

**Mrs AAGAARD:** I think Mr Conley has answered that question, but if he has further information.

**Mr CONLEY:** I am unaware, obviously, of that situation you put before us. As I said before, information from peak bodies, service, consumers and advocates is that the response from the department has been quite rapid.

**Ms CARTER:** Would you consider, minister, three months not to be a definition of rapid, would that be considered slow?

**Mrs AAGAARD:** Through the Chair, you have just presented, once again, an anecdotal piece of information. We do not know who that has come from. We do not know anything about it. We have Mr Conley here, who has given a response. What I am saying is, this is not a court of law here, once again. It is very easy to just bring up anecdotal things. It does not mean it is actually what is happening. I think Mr Conley has answered the question.

**Ms CARTER:** The situation, when you are in the shadow business, is that your information comes from other sources, as it is not permissible for you to pick up the phone, without ministerial scrutiny, to ring members of the public services. Yesterday, I was told by a person who runs one of the peak body areas that it is a three month wait for the Time assessment. Mr Conley has used the term 'rapid'. I am wondering what 'rapid' covers. It may be three months. That may be considered rapid.

**Mrs AAGAARD:** I have been advised that, in fact, it is usually three to four weeks.

**Ms CARTER:** Okay then. Thank you. I will pass that on to the industry.

Minister, does the new budget have enough in it to permit the Northern Territory to qualify for the top level of Commonwealth funding for HAC, given, as I understand, that the Commonwealth matches us roughly \$2 to every \$1 that we provide? Will we be able to maximise the money from the Commonwealth?

**Mrs AAGAARD:** Mr Chair, the Commonwealth offer for HAC funding in 2003-04 was only received in my office on 10 June 2003. Given this delay, the Northern Territory commitment to match the

Commonwealth HAC offer was not included in the budget papers. Having now received the offer from the federal Minister for Ageing, the Hon Kevin Andrews, I can advise that the Northern Territory will be matching the Commonwealth offer in 2003-04, and the additional matching amount will be funded by the Northern Territory, \$227 000, and will be funded ...

**Ms CARTER:** Sorry? Could you slow down, please?

**Mrs AAGAARD:** \$227 000 and will be funded from within existing resources.

**Ms CARTER:** Thank you.

**Mr DEPUTY CHAIRMAN:** Are there any further questions in regard to output 4.1? There being no further questions we will move on to output 4.2, Support for Senior Territorians and Pensioner Concessions.

#### **Output 4.2 - Support for Senior Territorians and Pensioner Concessions**

**Mr DEPUTY CHAIRMAN:** Are there any questions?

**Ms CARTER:** No.

**Mr DEPUTY CHAIRMAN:** There being no further questions on that particular output group I will now close off output group 4 and move on to output group 5, output 5.1, Mental Health Services.

**Mr WOOD:** Did you just go from 4.1 to 4.2?

**Mr DEPUTY CHAIRMAN:** Yes.

**Mr WOOD:** Yes, I had one question on output 4.2. Sorry, Madam Speaker whispered in my ear at the moment you spoke.

**Mr DEPUTY CHAIRMAN:** We will go back to that. I will open it up again. In future, member for Nelson – and you know I am flexible on these things ...

**Members** interjecting.

**Mr DEPUTY CHAIRMAN:** I told you, you would come around, member for Nelson. I want you to know that I do not hold grudges, so we will, for the purposes of *Hansard*, reopen 4.2 with the minister's agreement?

**Mrs AAGAARD:** Yes.

**Mr WOOD:** Thank you. Minister, as you know many rural people would prefer to retire in the rural area. There are actually many people moving out at the present time. Has the government given any consideration to aged care facilities in the rural area? Some of these aged care facilities will have to come from you to start with, the design or the request for it.

**Mrs AAGAARD:** Essentially, no provider of aged care services has approached the government in relation to providing services for the rural area. I suppose Terrace Gardens at Palmerston might be considered to be the service available for the people in the rural area. Essentially, to run an aged care facility it really is the responsibility of the provider to indicate an interest and a demand and therefore seek funding from both the Commonwealth and the Territory government if it is necessary. I would say at this stage I have not been approached any aged care providers. I will just ask if there is further information I can give you. Look, I might just ask Mr Conley who has more information about community care packages which may be of relevance to this answer.

**Mr CONLEY:** The Territory government in consultation with Commonwealth over the last three or four years has been extremely successful in receiving an increased allocation of community aged care packages which are in the vicinity of about \$13 000 to enable a person to stay at home and purchase a range of cares on top of HAC services. It has also enabled us to cash out existing aged care beds that have not been accepted by the industry. This jurisdiction has the highest number of community aged care packages per jurisdiction and the highest number in rural areas. So, generally, the commitment of providing services in a person's home rather than inappropriate and institutionalised has been embraced by the sector and those packages have been generously distributed in rural areas.

**Mr WOOD:** I might write to the minister in more detail about that.

**Mr DEPUTY CHAIRMAN:** That concludes consideration of Output 4.0.

#### **OUTPUT GROUP 5.0 - Mental Health Services**

**Mr DEPUTY CHAIRMAN:** I will now move onto Output 5.0 – Mental Health Services. Minister, I ask you to introduce the new member on the table.

**Mrs AAGAARD:** Yes, could Mr Griew introduce the staff?

**Mr GRIEW:** Cheryl Furner is the Policy Director responsible for a number of functions, one of which is mental health.

#### **Output 5.1 – Mental Health Services**

**Mr DEPUTY CHAIRMAN:** Are there any questions on Output Group 5.0 - Mental Health Services, Output 5.1 – Mental Health Services. Are there any questions?

**Ms CARTER:** Minister, our psychiatric in-patient service here in Darwin, known as Cowdy Ward, has 25 beds. Given its frequent high occupancy rate of 150% where they try to accommodate up to 30 patients, will you be committing funds in the near future to increase the permanent beds at Cowdy Ward?

**Mrs AAGAARD:** Mr Chairman, I will ask Miss Furner to explain the actual occupancy rates at Cowdy Ward.

**Ms FURNER:** Cheryl Furner, Director of the Social and Emotional Wellness Branch. I would just like to start by explaining about the data that we have for the past 12 months is the financial year's - the data falls slightly short of the 12 month period. Essentially, the average occupancy rate over the last 12 months for the data that we have is 86% for the Cowdy Ward occupancy rate.

**Ms CARTER:** Thank you. That is for the 25 beds.

**Ms FURNER:** 26 beds.

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

**Mr REED:** Through you, Mr Deputy Chairman, minister, the budget includes some additional funding for mental health services. Could you inform me as to what level of services may be increased in the Katherine region from that budget increase?

**Mrs AAGAARD:** Mr Chairman, in relation to Katherine, I have been advised that we are putting in - in fact, we have figures here for Katherine and Tennant Creek: \$320 000 for mental health nursing positions in Katherine and Tennant Creek - I am sorry - and two senior Aboriginal mental health coordinator positions as well. One in the Top End and one in central Australia. The member for



Katherine was interested in Katherine in particular.

**Mr REED:** The Katherine region. Could you indicate the timing for the appointment, the filling of those positions, and the establishment of those additional services?

**Mrs AAGAARD:** Immediately.

**Mr REED:** Immediately? So, if it is immediately, then recruitment action is already underway?

**Mrs AAGAARD:** Yes, it will be, as soon as we pass the Appropriation Bill, Mr Reed.

**Mr REED:** Of the Aboriginal mental health workers, does that include funding for the position for which, I understand, funding finishes at the end of this month?

**Mrs AAGAARD:** Yes.

**Mr REED:** So that position will continue?

**Mrs AAGAARD:** Yes.

**Mr REED:** And there will be one additional position in that field?

**Mrs AAGAARD:** Can we just clarify the question?

**Mr REED:** Well, as I understand it, there is an Aboriginal mental health worker currently funded. Funding for that position ceases at the end of this month. Will new funding be provided to be able to continue on with that position?

**Mrs AAGAARD:** Yes. The answer is yes.

**Mr REED:** The answer is yes. Can you just give me an overall view in relation to the current staffing levels in the mental health area in the Katherine region, and the increases that are to apply with these new initiatives?

**Mrs AAGAARD:** Ms Furner.

**Ms FURNER:** My understanding is that there are approximately three clinical positions and one Aboriginal mental health worker position in Katherine.

**Mr REED:** Presently?

**Ms FURNER:** Presently. I would need to confirm that, though.

**Mr REED:** And that will increase, too?

**Ms FURNER:** I will just confirm. I would need to check the full time clinical equivalent. I know there has been some recent ...

**Mrs AAGAARD:** I think we will take that question on notice because we do not have the information here.

**Question on Notice**

**Mr DEPUTY CHAIRMAN:** Member for Katherine, could you just re-state that for *Hansard*?

**Mr REED:** Yes. The question is: Could the minister provide details of the current establishment and position numbers in the mental health area in the Katherine region? And, also, those increased numbers, the additional numbers that are to flow from the funding provided this year, and the recruitment action that the minister has alluded to? So, the total for this year, and the total for next year.

**Mr DEPUTY CHAIRMAN:** Minister, do you accept the question?

**Mrs AAGAARD:** Yes, Mr Deputy Chairman.

**Mr DEPUTY CHAIRMAN:** The question is 7.11.

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**Mr WOOD:** Minister, in the Budget Overview on page 3 it states that \$900 000 extra will be spent on mental health services in the Territory. Budget Paper No 3, on page 196, shows the increase for mental services is \$183 000. Can you direct me to the other \$700 000 in the budget, please?

**Mrs AAGAARD:** There are variations in this. There is \$900 000 additional funding for the first stage of the major upgrade of Mental Health Services across the Northern Territory; \$0.214m adjustment for wages and CPI; there is a cessation of Commonwealth funding for the Mental Health Information Project in 2002-03; there is a \$0.25m reduction in distribution of corporate service expenses in 2003-04; there are various other things to do with administrative efficiency measures and the output share of cost reductions to do with administrative things. So there is a 1% variation.

**Mr WOOD:** Correct me if I am wrong, minister. It says there is a \$900 000 increase. Shouldn't there be a \$900 000 increase between the 2002-03 estimate, which I presume is what the real figure was for this year, and what we will spend? That should show the \$900 000 there under Mental Health Services.

**Mrs AAGAARD:** It is in there, I can assure you. I will ask Mr Griew to further expand on this.

**Mr GRIEW:** The new initiatives are one of the things that impacts on the move from last year's outcome to the amount of money we need next year, and then there are various other ons and offs, and the minister has gone through those. Essentially, they include variations in what we are getting in terms of external revenue from the Commonwealth, with some grants from the Commonwealth that are finishing. There is also the move of corporate support costs that have been redistributed around the department, and there a number of efficiency measures outside of the hospital sector that are basically part of what the minister referred to as continued efficiency measures across the department. The nett effect of all of those is \$183 000 according to this, because there are other offs.

**Mr WOOD:** This is the book for the average Joe Blow. This is the book for the scientist. The average Joe Blow would believe that you had a \$900 000 increase. It seems to me that that is very hard for the normal person to understand, and maybe there is good reason ...

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

**Mr WOOD:** The question is: shouldn't it be a bit more clearer than it is?

**Mr Dunham:** Key variations, Gerry. Call it key variations, mate.

**Mrs AAGAARD:** Mr Chairman, Mr Griew would like to respond there.

**Mr GRIEW:** There is \$900 000 new capacity for programs, which is what Ms Furner was outlining. There are also other impacts on that. There is never only one impact. There is \$900 000 more purchasing power in that budget, but there are also efficiency measures and there are Commonwealth grants that are finishing. You stop the activity when the grant finishes, so you still have the extra money. It just means that you do not have the money in the budget the second year. So to get a year to year comparison, you have to take the money out of both sides of that or you have apples and oranges, not apples and apples to compare.

**Mr WOOD:** One other question - I forgot to turn the page. In Budget Paper No 3, minister, under the performance measures, it says that the Health Department expects to provide community-based public mental health services to 4600 people in the next financial year, the same as this year. This is despite the prominent increase in funding for mental health services. Why isn't the department expecting to provide services to more people next year with an increased funding? Page 202, I think.

**Mrs AAGAARD:** Mr Chairman, it looks like Mr Wood has picked up something. Perhaps the figure that is in the papers is one which was put in prior to us putting in the extra money. We will come back with that question on notice, if you like, with that information.

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**Question on Notice**

**Mr DEPUTY CHAIRMAN:** Could you restate the question?

**Mr WOOD:** In Budget Paper No 3, page 202, under Performance Measures, it says that the Health Department expects to provide community-based public mental health services to 4600 people next financial year, the same as this year. This is despite the promised increase in funding for Mental Health Services. Why isn't the department expecting to provide services to more people next year with this increased funding?

**Mrs AAGAARD:** The answer is, yes, we will take it on notice, but saying yes, we do expect that to be an increase.

**Mr DEPUTY CHAIRMAN:** For the purposes of *Hansard*, the question is No 7.12

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**Ms LAWRIE:** Thank you, Mr Deputy Chairman. Minister, there has obviously been a bit of interest in the budget in terms of mental health care. What is provided in terms of the budget for the improvement of mental health care in the Territory?

**Mrs AAGAARD:** It is well documented that mental health is one of the major health priorities, both in Australia and internationally. Mental ill health constitutes an increasing component of morbidity, economic and health burden for the Northern Territory. This was an area which was identified by Bansemer Review as being an area which needed significant improvement in the Northern Territory. There is an increasing awareness in the community of mental health issues, a greater willingness to seek help, and high expectations that services will meet basic standards. Measures taken in this year's budget leave no doubt that under this government mental health is a priority. The government will inject an additional \$7.2m into Mental Health Services over the next three years and will substantially upgrade mental health care in the Northern Territory. This represents the most significant boost to Mental Health Services funding in the past decade.

The new funding will be used to boost clinical mental health care, and strengthen consumer and carer support services and, as I said before, is in line with the recommendations of the Bansemer Review of the Department of Health and Community Services released earlier this year. The government will start the job of fixing the mess it inherited from the opposition, in 2003-04, followed by an additional \$6.3m over the next two years. That is \$2.4m in 2004-05 and \$3.9m in 2005-06.

**Mr Dunham:** Oh, it was our fault!

**Mrs AAGAARD:** I would pick up on the interjection from the member for Drysdale. We were left with a situation where our per capita funding in mental health was between the second lowest and lowest in Australia. I would say this is not a wonderful thing to inherit, and perhaps the member for Drysdale should actually be hanging his head in shame and not going on about this kind of thing ...

**Mr Dunham:** At least I told you what the numbers were.

**Mrs AAGAARD:** ... which we are trying to fix up. We will be putting in a lot of effort and a lot of money to this area. The extra funding will increase assessment, case management and treatment services in a number of priority areas, including specialist child and youth mental health care, mental health care for indigenous people and residents of remote and rural areas, non-government funding for consumer and carer health initiatives, and forensic mental health care for individuals with mental illness in the criminal justice system.

**Ms LAWRIE:** Thank you.

**Mr DUNHAM:** I was interested, minister, that you have again told us that the budget papers are wrong, in that in answer to the member for Nelson, you said that even though you anticipate only treating 4600 people next year, that is actually wrong, it will be more. I went back a year, and last year you said you would treat 4700. So there are actually 100 less people being treated, and your budget blew out by \$4m, \$4.5m in fact. Tell us why you need an extra \$4.5m to treat 100 fewer people?

**Mrs AAGAARD:** Mr Chairman, once again the member for Drysdale just tries to wriggle out of the fact that he left the Northern Territory with the most woeful state of mental health services in Australia.

**Mr DUNHAM:** Tell us about the numbers?

**Mrs AAGAARD:** We are also looking at scenarios where we have the only place in Australia where there was an increase in the suicide ...

**Mr DUNHAM:** Tell us about the people you are treating, not the people you are not treating.

**Mrs AAGAARD:** ... and I think that you need to be perhaps a little bit more humble about this when we are trying to sort out one of the many issues that you have left us with.

**Mr DUNHAM:** Well, tell me how you are doing it then? 100 less people for \$4.5m.

**Mr CHAIRMAN:** The member for Drysdale, please.

**Mrs AAGAARD:** We are trying to sort it out. We are putting in significant funding and we will ...

**Mr DUNHAM:** We know that. You are treating less people. Start with why you blew out by \$4.5m and then tell us why you are treating less people.

**Mrs AAGAARD:** In 2002-03, the budget estimate was 4700. In the 2001-02 annual report it was listed as 4520 with the actual performance being 4784. Performance in 2002-03 indicates a utilisation of 4600 in 2003-04. This is not due to an expected reduction in the number of clients but changes in the methodology for counting clients ...

**Mr DUNHAM:** The papers are wrong again.

**Mrs AAGAARD:** ... which is still being refined to distinguished between individuals and overall

number of contacts.

**Mr DUNHAM:** So, this is a theme in your answers: the numbers in here needed refinement, and we looked at them again, and we now have a more scientific method, and the more scientific method is less, and it is not because we are seeing less people, it is because you are getting more accurate in predicting. It has gone down 100 on your numbers. No one else's, these are your budget papers.

**Mr CHAIRMAN:** What is the question, member for Drysdale?

**Mr DUNHAM:** I want to know why the minister is satisfied with a blow-out of \$4.5m in mental health, given she treated 100 less clients on her own admission?

**Mrs AAGAARD:** Mr Chairman, we put in an additional \$800 000 for increased cost pressures and service demand. That was from the \$7.1m from the current budget ...

**Mr DUNHAM:** Okay, that is \$800 000.

**Mrs AAGAARD:** ... and \$15m that is from those two areas – the \$15m in February – there was also a realignment and refinement of the cost allocation across the cross outputs and \$3.877m, and there is no reduction in the number of people seeking or receiving services at all. I am afraid you just made that up.

**Mr DUNHAM:** No, I have used the budget paper – government's Budget Paper No 3 of 2002-03 at page 214, minister - if you would like to go to that – and I have used Budget Paper No 3 for 2003-04, if you go to page 202. They are the two figures I am using, both sourced from your budget papers. I was interested when you tried to explain the \$4.5m blow-out. You said it was budget refinement. You can understand why the opposition uses the word 'laundering' when it is very difficult to find any of these variations in your key variations. Why don't you tell us where the money has gone?

**Mrs AAGAARD:** Mr Chairman, can I just say that there is absolutely no laundering in this. How absolutely ridiculous. I have explained this. I have given you an explanation in relation to the number of people. I am sorry if you do not like the answer. I will ask Mr Griew to go over it slowly so that you can understand it. Perhaps that will help you a bit more. Mr Griew.

**Mr GRIEW:** The \$3.8m reallocation: basically corporate costs were allocated prior to that reallocation on a pro rata basis, not on the basis of use across the different outputs. The work that has been done is to actually try to allocate corporate costs on the basis of use. So, that has effectively pushed them up in some places and down in others. It does not change the amount of corporate overheads being allocated. It is a notoriously difficult thing if you do not have corporate service costs attributed to a separate output of its own; you have to allocate them correctly across the other outputs and they had been allocated in a way that did not bear a relationship to their use by different output groups and the staff in those areas. This simply reflects that but, again, it does not change the level of activity.

**Mr DUNHAM:** Through the Chairman, nonetheless, it is a variation, isn't? Even if it is a bookkeeping variation? When you are talking about some millions coming out of one output group into another output group, you would think, in the interests of reconciling your budget and for the information and edification of the public, that you would at least have that as a variation, so that people could decide whether services had diminished or increased?

**Mrs AAGAARD:** Mr Chairman, it is not a variation; it is merely a reallocation across the output area.

**Mr DUNHAM:** A reallocation. Okay.

**Mr CHAIRMAN:** Are there any other questions? That concludes the output group 5.0

**OUTPUT GROUP 6.0 – Public Health Services**

**Mr CHAIRMAN:** We now move on to output group 6.0, Public Health Services. Output 6.1 is ...

**Mr WOOD:** Is it possible to talk on 6.0?

**Mr CHAIRMAN:** Yes, of course. 6.1, Environmental Health Services.

**Mr WOOD:** No, 6.0 - Public Health Services *per se*.

**A member:** That is the non-specific budget ...

**Mr WOOD:** It is not really. You have a number for it.

**Mr CHAIRMAN:** My understanding is that the number 6.0 basically indicates the function or the heading, and then we have the subgroups, which are the outputs. The group output is 6.0 and then 6.1 which is environmental health services, which is incorporated under public health services. So the questions will now be asked in respect to output 6.1.

#### **Output 6.1 – Environmental Health Services**

**Ms CARTER:** In August last year, you presented a health budget which provided the area of public health services with \$39.825m. Now, in the new budget books, that area is shown to have incurred spending for the year of only \$35.463m, a loss of \$4m. Could you provide me with the variations which have resulted in that under-spend?

**Mr CHAIRMAN:** If I may too, minister, at this point in time? I understand there are some new people at the table. Perhaps they could be introduced. Just a reminder, that when do speak identify yourselves.

**Mr DUNHAM:** Minister, the question is to you.

**Mrs AAGAARD:** Mr Griew, please introduce ...

**Mr DUNHAM:** Don't you know who he is?

**Mr CHAIRMAN:** No, no, no. Member for Drysdale, I know the question is to the minister but I am just asking if the minister would like to introduce the people who have just come to the table.

**Mr DUNHAM:** Pleased to meet you.

**Mr GRIEW:** Dr Ashbridge is back and Xavier Schobben, who is the Director, Environmental Health.

**Mr CHAIRMAN:** Thank you. That is all I wanted.

**Mrs AAGAARD:** Thank you, Mr Chairman. I am sorry for that interruption. Just remind me of the question. Sorry about that.

**Ms CARTER:** That is all right. Minister, in August last year you presented a health budget which provided the area of public health services with \$39.825m. Now, in the new budget books, that area has been shown to have incurred spending for the year of only \$35.463m, a loss of \$4m. Could you provide me with the variations which have resulted in that under-spend?

**Mrs AAGAARD:** Mr Chairman, there have been many variations in this area: additional Commonwealth funding for food safety tour operators have been an adjustment; Commonwealth

funded public health outcomes funding agreement; there was realignment and refinement cost allocations across outputs; a revised estimate for repairs and maintenance; the use of existing operating account balances for pre-committed projects; additional Commonwealth revenue was received in 2001-02 but not expended, for example the combined Hep C and illicit drugs national indigenous pneumococcal program; a deferral of the Commonwealth and externally funded program to 2003-04; \$1.92m additional funding for Commonwealth and externally funded programs in 2002-03; and a re-alignment and refinement of allocations across outputs.

The most significant thing in this area is the area of health promotion is now not considered as a separate output but recognises this function as a necessary element of other outputs. We are looking at how we do not need to duplicate those services. They are the main variations.

**Ms CARTER:** Those variations that you have listed, did they equate to a cut of \$4m to that budget area? Were they all negatives?

**Mrs AAGAARD:** No they do not, because the money has been transferred elsewhere.

**Ms CARTER:** So, health promotion, has that disappeared as a unit?

**Mrs AAGAARD:** It is going to be put across the entire portfolio. We are looking at refocussing that whole program. Once again, in the review documents, Mr Bansemer referred to this area and said that it needed significant refocussing. There has been a process by which we are looking at this whole area of health promotion and how it can best be focussed in the department. We are looking at health promotion being put across all the output areas so we can have more concentration of it in individual areas with other people working across the portfolio.

**Ms CARTER:** Health promotion, historically, has not been one of the major areas of cost in the department and certainly would not go anywhere near \$4m. What sort of things add up to the \$4m? What sort of services - and I am asking for the main ones - add up to that \$4m that was not spent in that area? Or was the money transferred out of public health and into acute services? I am happy to have that tabled, minister.

**Mrs AAGAARD:** This is not specific about that; there are a lot of other things. Mr Griew will answer that question.

**Mr GRIEW:** If I am understanding the question correctly, there was not a \$4m underspend against public health this year. We have backed health promotion out as an output, but that means that those costs have been recorded across other outputs.

**Ms CARTER:** But they are a small area within the department as far as costs are concerned. What were some of the big ones that would account for \$4m? Last year in August, they were going to get a certain amount of money. Now we are told that \$4m has not been spent. Why wasn't it spent? Obviously, I am looking to see what services were not provided which initially you thought would be provided.

**Mr DUNHAM:** Mr Chairman, if it is more than one, I wonder if the minister could table it for us. Having these numbers read out like this makes it very difficult to have follow up questions. You obviously need written information. Given the kilograms of paper in this room, I cannot see why you would not divulge that to a parliamentary committee. Could you table it, please?

**Mr CHAIRMAN:** Member for Drysdale, it is the minister's prerogative.

**Mrs AAGAARD:** Mr Chairman, I would like to say, this is not actually a diagram relating to what the member is talking about. We are taking information from different sources. It is not a tabular table. Mr Griew will respond.

**Mr GRIEW:** Other than health promotion services being backed out, the other significant impacts are increases in Commonwealth revenue and some deferral of Commonwealth expenditure which significantly offset each other, but not entirely. Those would be the two most significant variations.

**Mr DUNHAM:** What were those Commonwealth programs called?

**Mr GRIEW:** They are largely in the disease control area.

**Mr DUNHAM:** Were they Hepatitis C and illicit drug initiatives?

**Mrs AAGAARD:** Yes.

**Mr GRIEW:** For example, there is deferral of Commonwealth and externally funded programs 2003-04, \$1m in disease control.

**Mr DUNHAM:** Which ones?

**Mr GRIEW:** That is what I am seeking some advice on. There are a number of them here.

**Mr DUNHAM:** Remote sexual health? Highly specialised drugs, perhaps? Meningococcal C vaccination program?

**Ms CARTER:** See, my problem is that the hospital appears to be like a vortex, sucking money in at the expense of community health and public health. If we are trying to prevent disease, and the hospital area seems to be sucking the money in, can you give us a sense of assurance that that is not the case?

**Mrs AAGAARD:** I have already given you that assurance in the earlier question on that particular area.

In relation to these deferrals in Commonwealth funding, there is a public health outcomes funding agreement that is minus \$215 000; AZT treatment, minus \$113 000; CDC PHOFA, minus \$43 000; notifiable disease surveillance, minus \$15 000; OZ Food Net project, minus \$39 000; flu immunisation promotion, minus \$5000; childhood pneumococcal, minus \$265 000, combined Hep C and illicit drugs, minus \$45 000; national donovanosis eradication project, minus \$56 000; measles, mumps, rubella, young adult program, minus \$351 000; rheumatic heart disease register, minus \$92 000.

**Ms CARTER:** Thank you, minister.

**Mr GRIEW:** These are programs that have been rolled over. Deferred, not ending.

**Ms CARTER:** It seems like the movement of money, but not the acknowledgment that the money is going to the hospital at the cost of public health and community health. I will move on.

Minister, the number of syringes being handed out in Alice Springs as part of the needle syringe program has dropped dramatically in the last 12 months. I have spoken to service providers involved in this sort of activity, and they are attributing the drop to the fact that there is no primary needle syringe program in Alice Springs since Life Choices closed last year. Minister, how do you explain the drop in syringes being distributed? Do you see it as a problem, and what are you doing about it?

**Mrs AAGAARD:** Mr Chairman, I introduce Dr Vicki Krause, the Director of the Centre for Disease Control. I think it would be more appropriate if Dr Krause responded to this.



**Dr KRAUSE:** You are right that the historical service in Alice Springs has actually withdraw the services. Commonwealth funding has been stopped to fund the primary needle and syringe program there. In the meantime, Clinic 34 in Alice Springs is providing the primary and secondary service to give additional resources to enhance their program. We have also had to appoint of an employer who is acting as a community worker in this program. I mean it is acknowledged, as we all know, it is difficult to find people to do the jobs and to do the jobs in difficult areas. It is a priority and we are looking to find a primary service but in the meantime the department is taking on the role.

**Mr CHAIRMAN:** I have just conferred with the member for Port Darwin, and she has actually asked a question in respect to output 2. Output 6.1 - are there any questions in respect of that area?

**Mr WOOD:** Minister, does the department fund any facilities for the storage or destruction of unwanted agricultural chemicals?

**Mrs AAGAARD:** No.

**Mr WOOD:** What do people do with them?

**Mrs AAGAARD:** That is probably a primary industries question. In fact, the minister for primary industries has just said that it is a primary industries question.

**Mr CHAIRMAN:** There are no other questions in respect to 6.1, so therefore that is now closed.

#### **Output 6.2 – Disease Control Services**

**Mr CHAIRMAN:** We will move to Output 6.2 – Disease Control Services.

**Ms CARTER:** Minister, the rate of sexually transmitted infections in young urban Territorians continues to grow. Why is your department not advertising Clinic 34 and the service it offers?

**Mr DUNHAM:** It used to. Locally produced, that advertisement.

**Ms CARTER:** That's right, the turtle. The turtle used to be everywhere.

**Mrs AAGAARD:** Mr Chairman, Mr Griew will introduce the two new staff members who have joined us.

**Mr GRIEW:** Dr Tarun Weeramanthri, Acting Chief Medical Officer; and Linda Hipper, Head of the Drugs Policy Area, which is about being efficient with the time, so he is ready when you are.

**Ms CARTER:** So, Clinic 34 – advertising?

**Mrs AAGAARD:** Dr Krause will respond.

**Dr KRAUSE:** I believe that we do advertise our sexual health services throughout the Territory. Can you be more specific in your question?

**Ms CARTER:** Well, take for example Clinic 34 which is located here in Darwin. Why don't we see advertisements for Clinic 34? We used to see them. I mean, the turtle. Why is it not advertised as it used to be?

**Dr KRAUSE:** The turtle has been around for a long time. We have actually changed some of our tactics on how we are promoting sexual health in the Northern Territory. You would be aware that also the areas of focus have changed. The people at risk have been evolving, for instance, young women never thought they were particularly at risk from sexually transmitted diseases or, specifically, HIV.

Because we have actually realised that heterosexual transmission of HIV for instance has been 7 out of 8 cases in the last year; which is a major shift from men having sex with men, there is a new focus for having to run campaigns. Hence, there has been a bit of a shift in the focus of the campaign, but it still highlights that there are sexual services available. So I think it might be mincing words where we do not just talk about Clinic 34 but we certainly promote sexual services in the NT.

**Ms CARTER:** Minister, Clinic 34 is located in block 4 at Royal Darwin Hospital which is hard for anybody to find. Young people would have trouble knowing what Clinic 34 is and where it is. Admittedly, I am not in that cohort anymore but it is not an area that I ever see advertised in any way. Could you explain how it is promoted then to that sort of a group?

**Mrs AAGAARD:** Dr Krause just answered that question. She did in fact say that – Mr Griew is just going to respond.

**Mr GRIEW:** It does not really add to what Dr Krause just said but I was just reading about the outcomes of one of the recent safe sex campaigns targeting young heterosexuals. Interestingly, one of the outcomes was an increase in presentations of that group at Clinic 34. It does not mean that there is not more to do, but it does suggest that the message is getting through on Clinic 34's behalf, at least to some extent.

**Ms CARTER:** Okay. That is all the questions I had to ask.

**Mr WOOD:** Mr Chairman, I am asking this question on behalf of the member for Braitling. Minister, Alice Springs Breast Screen Service has been reduced from four times a year to twice a year. As the service is heavily funded, could the minister advise what has happened to the savings due to this decreased service? I have three supplementaries to that. Through you, Chair, should I ask the rest?

**Mrs AAGAARD:** Can we just do one at a time?

**Mrs AAGAARD:** Ms Sue Korner, Regional Director for Central Australia is rejoining us at the table. Essentially, the answer is there are not any savings from the change in service delivery.

**Mr WOOD:** Even if it is being done less? The member for Braitling was saying because it has been reduced from four times a year to twice a year, naturally there would be a saving. That is a fair assumption.

**Mrs AAGAARD:** Ms Korner will answer that question.

**Ms KORNER:** You are quite right. The number of block screenings has actually reduced to two times. However, the number of people being screened at each time has actually increased. So what we have is where we have a locum radiographer and they are actually spending a lot more time – it is a full-time service – screening a large number of people over that particular time. In actual fact, there is absolutely no savings. It is just a different model.

**Mr WOOD:** Minister, will the mobile service to Tennant Creek, Katherine and Nhulunbuy be continued and when?

**Ms KORNER:** I can certainly speak for Alice Springs and Tennant Creek. The answer is that it is still part of the service that we provide, which is a mobile service to Tennant Creek.

**Mrs AAGAARD:** The remote service continues for Katherine and Nhulunbuy as well.

**Mr WOOD:** I think you have answered my next question. The next question is was there a reduction in numbers – and I think you answered it, there was not.

**Mrs AAGAARD:** No, in fact for 2002-03, Top End Service Network there was 3108 and for the Central Australian Services Network it was 1110. So no, compared with that 790 for Central Australia previously.

**Mr WOOD:** So the question then, minister, is was what reduction in number of screenings has occurred due to this reduced service?

**Mrs AAGAARD:** The answer is there is no reduction. It has gone from 790 in 2001-02 to 1110 in 2002-03.

**Mr WOOD:** Through you, Mr Chairman, the last question minister. What guarantee can the minister give that women in Alice Springs are not being actively disadvantaged by this reduction?

**Mrs AAGAARD:** There is not a reduction so they are not being disadvantaged. Might I say, too, that I think that services for women, particularly in this area of breast screening are essential to the Northern Territory. Having increased the numbers of women in parliament, including the member for Brailling, it does highlight the importance of these services. Having more women in parliament also means we take more interest in some of these services. We will continue to promote and improve services across the portfolio for women.

**Mr CHAIRMAN:** Output 6.2 is complete.

#### **Output 6.3 – Alcohol and Other Drugs Services**

**Mr CHAIRMAN:** We will now move to Output 6.3 – Alcohol and Other Drugs Services. We have 25 minutes left.

**Mr WOOD:** Minister, under Alcohol and Other Drug Services, you have a figure which shows a decline in admissions to sobering up shelters. Is this a sign of success, or is there some reason that admissions are being refused?

**Mrs AAGAARD:** Would Mr Wood mind clarifying what page he is looking at.

**Mr WOOD:** Sorry, page 205 of the budget paper under Alcohol and Other Drug Services and the line, under quantity, of admissions into sobering up shelters.

**Mr McLAY:** Alec McLay, Section Head, Alcohol and Drug Program. The 2003-04 estimate that you have, 19 100, the estimate we were required to make was actually made based on an estimate of the figures that we already had of actuals. The problem with that is that data that we have is generally three to six months behind, and some of the data is not actually complete, so we do not have actual numbers to make a hard estimate. So, this is exactly that: an estimate.

**Mr WOOD:** Do you have any records of which admissions are repeat admissions and how many times those people repeat so that you can have an accurate figure as regards the actual client that goes through the sobering up shelter?

**Mrs AAGAARD:** We do not have the data here. We can provide you with a briefing on that.

**Mr WOOD:** All right. I will take the briefing. The next line, clients accessing services, that figure has gone up. I was going to ask the same question: how many of those clients are repeat clients? It is important to analyse those figures. Could I seek a briefing on that?

**Mrs AAGAARD:** Once again, we do not have that. Some of the things that we have put into this budget, and Minister Ah Kit was questioned regarding the Itinerant Strategy, is we are putting a lot more money into this area of alcohol and itinerancy. One of the issues is looking at how we can do exactly what you are talking about, which is to identify people who are repeat clients being picked up

at sobering up shelters and how we can effectively see that they are referred to appropriate rehabilitation services. It is something we are working on as a model. It is something that has been lacking in the past. We are looking at, particularly those people picked up by the Darwin Community Patrol or whatever in various parts of the Territory, how we then move on to make sure that we do not just keep picking them up, putting them in the sobering up and then they go out the next day. We are looking at how we can effectively counsel those people and provide them with adequate services, and that is all part of the itinerant strategy.

**Mr WOOD:** Mr Chairman, am I right to believe that funding has actually gone down? In the budget 2002-03 it is \$15.8m, and the budget for 2003-04 is \$15.5m. Is there any reason why, in such an important area, we have a decline in funding?

**Mrs AAGAARD:** I will read out the adjustments in this area, if you are interested. It is \$0.326m adjustment CPI on wages; \$0.15m carried forward for funding for implementation of financing the illicit drugs task force; and a reduction of \$27 000 reduced distribution of public service expenses in 2003-04 due to one-off funding in 2002-03. There are various administrative matters. There is a \$0.351m deferral of Commonwealth funding for the National Illicit Drug Strategy in 2002-03 to 2003-04. There is a cessation of the Commonwealth funded National Illicit Drug Strategy. There is reduced funding from the Commonwealth for the Family Coping Project, and there is one-off additional expenditure which was incurred in 2002-03 for revenue received in 2001-02 for Family Coping Project.

**Mr CHAIRMAN:** That concludes output group 6.0.

#### **OUTPUT GROUP 7.0 – Health Research**

##### **Output 7.1 – Health Research**

**Mr CHAIRMAN:** We now move onto output group 7.0; Output 7.1 –Health Research. Member for Port Darwin.

**Ms CARTER:** I have no questions in health research.

**Mr CHAIRMAN:** Are there any other questions in regards to health research?

**Mr WOOD:** No.

**Mr CHAIRMAN:** Thank you. So that concludes output group 7.0.

#### **Non-Output Specific Budget Questions**

**Mr CHAIRMAN:** We now move onto non-output specific budget questions.

**Mrs AAGAARD:** Mr Chairman, before we do that, I do have some of the responses back on questions.

**Ms CARTER:** We are happy for you to table.

**Mrs AAGAARD:** Some of them are not in a tabling form, to be quite honest. They are handwritten notes, a lot of them. I would prefer to go through them.

**Ms CARTER:** My concern is that we have 15 minutes left and this might take some time.

**Mr CHAIRMAN:** I was going to say, of course it is the minister's prerogative in terms of whether she wishes to read those questions out. It may be appropriate just to read the number.

**Mrs AAGAARD:** Just read the number?

**Mr CHAIRMAN:** My understanding is that these are to be incorporated into *Hansard*.

**Mrs AAGAARD:** Yes. Question 7.1 - this was: could you advise the number of non-urgent, you do not want the question read out?

**Ms LAWRIE:** May I make a suggestion that these occur at the end, the responses back to be read into *Hansard*, perhaps at the end of the explanations.

**Mr CHAIRMAN:** Are you happy to do that minister?

**Mrs AAGAARD:** Yes.

**Mr CHAIRMAN:** We will move to non-output specific budget questions.

**Ms CARTER:** Thank you. Minister, you have been given a budget increase for the year 2003-04 of only \$14.2m, which just covers the CPI rate of 2.5%. Surely you are going to be in real trouble during the year 2003-04 because the annual increase in health costs in Australia is running at 7.2% according to the Australian Bureau of Statistics.

**Mrs AAGAARD:** As I mentioned in my earlier remarks, certainly in acute care services, one of the things that the budget does in helping community services is based on making sure that funding for basic services – that is, core services of the department – are properly funded. This is in terms of building up the budget so that we can be assured the budget for the Department of Health and Community Services does meet the needs of Territorians. What we did was look at the core services and how we could ensure that they would be adequately funded. Then we looked at the review documents and made sure that all of the priority areas which were identified in that and agreed to by the government were going to be targeted in this budget and in coming budgets.

In that sense we have looked at oral health, renal health, mental health, HIV/Aids and child protection as the key areas we wanted to ensure that the budget would address. That is what the budget is based on: making sure that the priority areas that have been identified by the review are put in place and that we are funding those over a series of years. I wish that we could have another \$100m for the Department of Health and Community Services budget, but, clearly, that is not the case anywhere in Australia that we would have that extra revenue to put into health services. We have put \$98m to date into health, significant funding injections since coming to government.

At the same time we have been restructuring the whole department. We are putting in place significant changes in relation to financial and accounting practices. Another thing we are doing is making sure that everything that we do is done in the most efficient manner.

All together, that is the basis of the budget, which is what we announced we would do when we announced the review: reprioritising money throughout the budget and looking at the entire portfolio to ensure that anything that is happening throughout the portfolio is relevant today, and still something which is needed in terms of health outcomes. All members would agree that we are looking at how we improve the health and community service outcomes of Territorians. The review has given us significant evidence on how to move in that direction.

In relation to funding, we are funded from three sources: from the Northern Territory government appropriation, from Commonwealth funding and through a combination of efficiency revenue measures ...

**Ms CARTER:** With respect, minister, though, what I was getting at with the question is the CPI at the moment is 2.5%. The increase that you have received reflects the standard CPI, but in the health sector, across Australia, according to the Australian Bureau of Statistics, the inflation rate is running at 7%. That indicates to me that, even before we start the new financial year, you are in serious trouble of being able to come in on budget.

**Mrs AAGAARD:** No, that is not true at all. The health and community services budget has the following components: additional funding of \$8.1m; additional Commonwealth funding of \$7.2 ...

**Ms CARTER:** On top of what is already in the budget; is that what you are saying? Or is it in there?

**Mrs AAGAARD:** We are talking about different things here. Mr Grew might like to explain that part of it.

**Mr GREW:** It is about getting the comparison from 2002-03 to 2003-04. So \$14.2m is the difference in the bottom line between 2002-03 and 2003-04, but as we found with some particular output groups there are costs in 2002-03 that cease at the end of 2002-03, and there is something like \$7.7m worth of those. So, if you are going to get a comparison between 2002-03 and 2003-04 that means anything you have to add \$7.7m to the \$14m, because those costs ....

**Ms CARTER:** Yes. All right. I take that point. Are you confident that you will be able to come in on budget in 12 months time?

**Mrs AAGAARD:** I am confident in my department working very hard to come in on budget. We are putting in place significant changes in accounting and procedures. Over the last few months we have seen quite a big change in the way that things are done. I have every confidence in my CEO and the members of my department they will be working to make sure that that is the case.

**Ms CARTER:** So, yes or no? Will we come in on budget in 12 months time?

**Mrs AAGAARD:** That is a difficult question to answer. I am saying that we are obviously aiming to do that and the reason I would say that is that we do not know if there could be another Bali incident. For example, we are still waiting for the Commonwealth to provide us with \$1.3m. They have not come to the party at this stage.

**Ms CARTER:** We could give due recognition if that happened.

**Mrs AAGAARD:** I am just saying to you that while we aim and believe that we can come in on budget, the key issue is – particularly in health – suddenly things happen – and just like the Bali incident, we are suddenly up for costs of \$1.3m for a two or three day event that we could not possibly know about.

**Ms CARTER:** Well, \$34m worth of things obviously happened between the budget in August last year and estimates for this year. Are you expecting a similar blow-out for this one?

**Mrs AAGAARD:** No, we are not.

**Ms CARTER:** Thank you, minister. Earlier this week, the Treasurer in the estimates process confirmed that your budget for 2003-04 contains \$92m from the federal government as the AHA grant. This constitutes the highest level of payment which is currently on offer. What happens if, in the end, you do not agree with the demands of the Commonwealth and we do not get that money? Will the department have to cut services or will Treasury top you up? What happens if you do not get the full funding from the feds for that agreement?

**Mrs AAGAARD:** The Treasurer has actually said that he will make up the shortfall if that was the case ...

**Ms CARTER:** Excellent.

**Mrs AAGAARD:** ... but I would have to say that I think this is the responsibility of the Commonwealth to come clean with the Australian people and actually admit to the fact that they have taken \$1bn out of this funding and put it back in.

**Ms CARTER:** Thank you, minister. Minister, there had been a very good publication put out by your department up until recently. The employee profile reports compiled by your department are very useful in tracking staff numbers, staff demographics, levels of permanency, etcetera. The most recent edition is for the September quarter. Will your department continue to compile these reports and when will the next one come out?

**Mrs AAGAARD:** Mr Chairman, we have Mr Steve Marshall, the Director of Strategic Workforce Services who can respond to that question.

**Mr MARSHALL:** Mr Chairman, we did actually produce that document and had done for some time. However, there were several other similar reports that came out so we did stop producing it. We have been asked to start again ...

**Ms CARTER:** Excellent.

**Mr MARSHALL:** ... so it will be back on the table.

**Ms CARTER:** Minister, when would you expect that to occur?

**Mr MARSHALL:** I am expecting the next report at the end of June.

**Ms CARTER:** Thank you. Minister, your Acting CEO at the time, Dr David Ashbridge, issued an e-mail message to departmental staff the day after the budget was delivered describing it as tough and warning that there will be a need to disinvest in some programs in order to channel money into other areas. Can you advise what sort of programs you and the senior managers of your department are planning to cease?

**Mrs AAGAARD:** As I advised earlier, and have in fact a few times, what we are looking at is how we make our system more efficient, how we make sure that priorities are met within the Health and Community Services portfolio, and how we fund the core services appropriately. That being the case, as I said when we developed the budget, we looked at the whole portfolio and we looked at efficiencies. Efficiencies are absolutely essential in a portfolio like this. There are significant areas in the portfolio that do need looking at in terms of how efficient they are. Over this coming year, there will be efficiencies throughout the portfolio.

In relation to hospitals, we are looking at about a 1% efficiencies. We are looking at revenues in hospitals. As I said earlier, we are looking at recouping about \$2m from Veterans' Affairs, from compensation payouts, from various third party people, people with private health insurance as well. We are also looking at maintaining the cost restraint across the board. This is absolutely essential to ensure, as I said, that every single dollar spent in this portfolio is spent properly. That is what Territorians would want us to do.

**Ms CARTER:** Minister, probably my last question - and my apologies to any area that were not questioned. As you know, we are under a very tight time schedule here. I can assure you we are interested in all areas. The final question from me then, minister, is that in August last year you promised in your budget speech 20 extra nurses. Were these positions created and, if so, where are they located?

**Mrs AAGAARD:** I understand that since coming to government we have 67 more nurses than we had previously and that there – while we are finding the brief – have been 36.6 new positions been created since coming to government.

**Ms CARTER:** You said 67 and then you said 36. Would it be possible for me to put this question on notice and receive a table of where the new positions are? Whether they are filled or not?

**Mrs AAGAARD:** We are just trying to find the information. I do not have it as a table.

The new positions are: 5.5 full-time equivalent clinical nurse educators across the five public hospitals to support re-entry and new graduate nurses; one full-time equivalent critical care educator, Alice Springs Hospital; one full-time equivalent respiratory nurse at Alice Springs Hospital; two full-time equivalent registered nurses, Renal Ward, Katherine District Hospital; one full-time equivalent enrolled nurse, Renal Ward, Katherine District Hospital; one full-time equivalent registered nurse, Accident and Emergency, Katherine District Hospital; one full-time equivalent registered nurse, Maternity Ward, Katherine District Hospital; one full-time equivalent principal consulting nursing – this was previously a portfolio role; one full-time equivalent nursing project officer; one FTE nursing promotions officer; two FTE nursing graduates; one full-time equivalent clinical nurse educator medical in the Alice Springs Hospital; one full-time equivalent clinical nurse educator surgical at the Alice Springs Hospital; 5.5 FTE registered nurses at the Emergency Department at the Royal Darwin Hospital; one full-time equivalent clinical nurse manager, Coronary Care at Royal Darwin Hospital; one full-time equivalent nurse consultant acute pain service at the Royal Darwin Hospital; one FTE clinical nurse consultant, Stomal Therapy at the Royal Darwin Hospital; two FTE registered nurses, Alcohol and Other Drugs at Top End Service Network; 3.5 FTE clinical nurse educators, RDH, Alice Springs, Gove and Darwin districts to support a new graduate program; and 3 midwives attached to the Royal Darwin Hospital.

**Mr CHAIRMAN:** Thank you very much. That concludes all outputs associated with the Department of Health and Community Services.

**Mr WOOD:** Is there no more time, Mr Chairman?

**Mr CHAIRMAN:** Sorry?

**Mr WOOD:** No more time?

**Mr CHAIRMAN:** No, that is it, sorry. Minister, you mentioned previously that you had some questions, or perhaps you may have some questions part-completed. Could you arrange for those questions to be given to the secretary for incorporation in *Hansard*?

**Mrs AAGAARD:** Given that I thought I was going to read them into *Hansard*, some of them will have to be typed up. I will provide them to the secretary.

**Mr CHAIRMAN:** If they could be delivered to the secretary.

**Mrs AAGAARD:** Mr Chairman, I take the opportunity to thank my CEO and the many officers who have been involved in this presentation today. It is very significant to come before an Estimates Committee and they have done a great job. I thank them very much. Thank you.

**Mr CHAIRMAN:** In conclusion, thank you very much, minister. Our appreciation also to all those officers in attendance. The Estimates Committee will now adjourn for lunch. We will be back in session at 2.10 pm.

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The committee suspended.

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**MINISTER VATSKALIS' PORTFOLIOS**



**Mr CHAIRMAN:** Good afternoon, ladies and gentlemen. This afternoon Minister Vatskalis will appear before the committee regarding his portfolio responsibilities. He will also take questions with regard to his portfolio responsibility of Ethnic Affairs, which is carried over from Output Group 6 from the Chief Minister, in respect of output 6.3 - Multicultural Advancement. Minister, do you wish to make a statement with regards to that?

**Mr VATSKALIS:** Mr Chairman, I do not think it is necessary to make any statement. I would like to introduce Mr Kevin Fong, who is Acting Executive Officer. As you probably know the Director, Janicean Price, is not with us today because her father passed away. I extend my condolences to Janicean and her family.

**Members:** Hear, hear.

**Mr CHAIRMAN:** Thank you very much, minister.

**DEPARTMENT OF THE CHIEF MINISTER  
OUTPUT GROUP 6.0 – Community Engagement  
Output 6.3 – Multicultural Advancement**

**Mr CHAIRMAN:** Are there any questions in respect to output 6.3?

**Dr LIM:** Is the minister making an opening statement?

**Mr CHAIRMAN:** No, the minister indicated that he did not want to make an opening statement.

**Dr LIM:** Minister, I am referring you to pages 27 and 33 of Budget Paper No 3; there is an allocation of \$1.549m for multicultural advancement. Provide a breakdown of the allocation for each specific program and, in particular, the Ethnic Affairs Sponsorship Program for 2003-04. How does that compare with the 2002-03 budget?

**Mr VATSKALIS:** Mr Chairman, I gave a breakdown of all of those in the 2002-03 tabled budget and estimates. There are variations and the variations for that are: in 2003, expenditure lower than expected due to the AO 2 position being filled by AO1 level for six months; the AO4 position being temporarily vacant for two months and commencement on long service leave being administered and paid by the Central Holding Authority ...

**Dr LIM:** Mr Chairman, it appears the minister is reading from a fairly detailed document. Would he rather just table it, if there is nothing to hide? It would be a lot easier for us to consider than to try to listen to his oral report.

**Mr CHAIRMAN:** It is the minister's call.

**Mr VATSKALIS:** Mr Chairman, I will not table the document. These are my notes which I have made because I contemplated this kind of question. I will continue to read. If the member does not understand ...

**Dr Lim** interjecting.

**Mr VATSKALIS:** ... easier to pass it to Mr Fong, he can read them and if he finds my accent difficult then Mr Fong can read ...

**Dr Lim:** Minister, I am saying that it is a large document and I was saving time. Go ahead.

**Mr VATSKALIS:** Thank you. The increase in the 2003-04 personnel budget covers replacement staff

and higher duty allowances while senior staff are required to utilise excess leave, in particular the Deputy Director is required to utilise long service leave and I am advised he is going to take it.

**Mr FONG:** And the details you are after? Sorry.

**Dr LIM:** I am looking for the breakdown of allocations of each specific program, particularly the Ethnic Affairs Sponsorship Program for 2003-04, and how that compares with 2002-03.

**Mr FONG:** The breakdown we have done internally for - there is only one output, as you are aware - Multicultural Advancement. Personnel expenses is \$425 000 for 2003-04; for operational expenses is \$355 000; and for the grants program it is \$697 000, which is the same as last financial year.

**Dr LIM:** In other words, there is a cap in the grants if you factor in CPI alone ...

**Mr CHAIRMAN:** The question is to the minister?

**Dr LIM:** Yes, to the minister. If you factor in CPI of 2.5%, the grants have been cut by about that percentage. Is that correct, minister?

**Mr VATSKALIS:** Yes.

**Dr LIM:** What is the increase in the budget allocation overall for the CPI increase of 2.5%, and the salaries growth of 3% for 2003-04; and where is it demonstrated in the budget?

**Mr VATSKALIS:** Mr Fong.

**Mr FONG:** Personnel expenses have been increased in comparison to 2002-03, which were \$373 000, which takes into account the salary increase but also, as the minister said, utilisation of excess leave by senior staff within the office.

**Dr LIM:** Minister, are we going to be looking at reduced activities because staff will be fewer in the department for the coming year?

**Mr FONG:** No, the staff numbers are not changing. That is why the costs are increasing to cover the leave of senior staff; there will be other staff brought in, and staff on higher duties.

**Dr LIM:** Thank you. Minister, how many people were employed by the Office of Ethnic Affairs at the last pay period of 2002-03 on a full-time, part-time, casual and contract basis? What is the anticipated change in staffing levels for 2003-04?

**Mr VATSKALIS:** Mr Chairman, I can give an answer to that but I think this question should be directed to the Treasurer who is in charge of the office of employment. The number of staff in 2002-03 as of 1 July 2002 was six. The number of staff on 30 April 2003 was six, and the number of staff for 2003-04 remains at six. There is no change.

**Dr LIM:** Are you able to give me full-time, part-time, casual and contract basis?

**Mr VATSKALIS:** As you are aware, the Office of Ethnic Affairs employs a number of consultants as required because they undertake translation and interpretation. The number of people employed by Office of Ethnic Affairs that I referred to in the last answer is the number of permanent staff working in the department. However, I repeat that this question should be directed to Treasurer, not to me.

**Dr LIM:** You are the minister for the Office of Ethnic Affairs and you should know the staffing. You should be able to provide me with these figures. Now, next question ...

**Mr VATSKALIS:** Mr Chairman, the member for Greatorrex asked a question. I provided him with the answer that there was no change of staff, despite the fact I did not have to answer his question. I know how many staff are employed by Office of Ethnic Affairs and I clarified it very well that the Office of Ethnic Affairs employs a number of consultants. I know that because I was one of them prior to the election. The number of consultants can vary, depending on the demand on the language and what they have to do. Once again, for the number of the staff employed by the Office of Ethnic Affairs, I am telling you the number has remained constant, despite the fact I did not have to answer this question.

**Dr LIM:** Anyway, moving on: what was the actual expenditure in sponsorship for the Office of Ethnic Affairs for 2002-03? Detail those receiving assistance including how much they received, and how the grants were acquitted?

**Mr VATSKALIS:** In 2002-03, there were 120 applications requesting \$1 172 599. The 2003 budget, including \$5000 from DIMIA, was \$702 000. There were 108 applications approved, and a total of \$698 521. We can provide a list to the member, and I am prepared to table that list with the recipients of the grants.

**Dr LIM:** Thank you very much, minister. Detail those applications for sponsorship. If you have that information, that is great. Will the list that you are providing have the details of all the sponsorships?

**Mr VATSKALIS:** The list I provide is the applicant organisation, the project description, the request amount, the approved amount and the purpose of the sponsorship.

**Dr LIM:** Thank you. Minister, are you able to provide me with those applicants who were unsuccessful?

**Mr VATSKALIS:** That is included in the list I have just provided.

**Dr LIM:** Referring to page 33 of Budget Paper No 3, the sponsorship program allocation remains at – what did you say - \$697 000 this year?

**Mr VATSKALIS:** \$702 000.

**Dr LIM:** What ethnic community programs do you propose not to fund or assist or reduce in this coming year, 2003-04, with the reduced grant funding that you have?

**Mr VATSKALIS:** As you know, Dr Lim, we call for applications by interested parties. We do not allocate funds. It is not up to us to allocate the funds. We ask ethnic organisations or any other organisation to make a submission. We assess the submission and mainly allocate according to their needs and the needs of the community group and the purpose. As you are aware, we have two programs: ethnic grants and linguistic grants; two different programs. For both of these occasions we call for public submissions. We do not allocate the money ourselves. We allocate the money after we have seen the submissions and we have assessed those submissions. We do not intend to cut any. We might receive 200 applications for \$2m.

However, we have \$702 000 to allocate, and for your information, this is the highest ever ethnic grants in the Territory, and as I have been informed during the last ministerial council in Melbourne, it is the highest per capita in Australia.

**Dr LIM:** But going down though.

**Mr VATSKALIS:** It is not going down. It is the highest per capita in Australia, it is \$702 000 constant. We have 2.5% CPI this year; that is true. I do not deny that claim. At the same time, never before, has such a large amount of money been offered to the ethnic communities in the Northern Territory.

**Dr LIM:** Minister, how many interpreting assignments and translating assignments were undertaken in 2002-03. What is the breakdown of that figure, and the various language groups requiring interpreters, and in what circumstances were those interpreters most required?

**Mr VATSKALIS:** Mr Chairman, we had 2118 interpretations. We had 741 translations. We are talking about demand in translation of languages in many areas, including government departments and non-government departments, including the courts. We can provide you with a copy of the breakdown. I can table a paper with the payments to consultants, including the name of consultants, their language and the payment made to consultants.

**Dr LIM:** Thank you, minister. Are these interpreting assignments, paid for by the Office of Ethnic Affairs, fee for service for those people requiring them including government agencies, or are they at the cost of ...

**Mr VATSKALIS:** Dr Lim, there is a fee for service if it is a private demand, by private citizens. The service is provided to government departments. We pay for it through allocation in our budget to provide this kind of service to government departments.

**Dr LIM:** Thank you. In other words, it is not accrual accounted when you provide services through to government agencies with the Interpreter Service?

**Mr VATSKALIS:** That is not true, Mr Chairman. Previously, the government had allocated money for translation with the department. Unfortunately, departments did not utilise this money for various reasons. The government thought it would be better to provide a total amount of funding of what the departments required to the Office of Ethnic Affairs, and really the payment is coming out of this amount that is provided to the Office of Ethnic Affairs. So, if for example, the Health department is asking for a translation that costs \$100, this funding is already allocated to the Office of Ethnic Affairs. That makes it easier for the organisation to come and request translation. It is something that is experienced around a lot of Australia, and that is government departments are very reluctant to accept a translation if they think they going to pay for it. I think you will find it is the best model. I am aware in Victoria they face the same problem, and they are heading towards the same direction, allocating several grand to their equivalent of the Office of Ethnic Affairs translation service that will provide them a so-called free service to the departments.

**Dr LIM:** Minister, you might have caught the wrong grip of my question. My question is really, while you might have the money to provide the interpreting service for a government agency, essentially that cost is not being incurred, so it is not registered anywhere, essentially, that the cost has been incurred. In expense accounting, you spend so much money for the hospital or whatever; but the hospital does not have that recorded as a cost against them at all. So, the hospital is getting more money than what it should.

**Mr VATSKALIS:** No, because the hospital does not receive a grant for translation; the Office of Ethnic Affairs receives the grants to provide the translators for the organisation. So, we incur the expense as recorded. At the same time we receive a payment of revenue from the government for this purpose. The hospital does not receive revenue.

**Dr LIM:** The question is about accrual accounting, obviously that is not well understood. Minister, in reference to promotional activities of the Office of Ethnic Affairs - it is quite a lengthy question and I am happy for you to take it in parts. What promotional activities, publications, advertising in any media, undertaken by the department, the minister's office or any other office or agency on behalf of the department or minister's office in 2002-03? I will keep going with the rest of the questions and I will come back in parts later. What was the total amount spent on such activities, and was it costed to the department, minister's office, or another minister's office, or another agency? Detail the promotional activities, publications and advertising undertaken by the department, minister's office or those undertaken by another minister's office or another agency on behalf of the minister or the department. What were the promotional activities, publications and advertising meant to achieve? Did

they achieve that purpose, and how was that measured? How much was allocated both in the minister's office and the department for these activities in 2003-04?

**Mr VATSKALIS:** Mr Chairman, I am happy to provide a table with all the activities, in chronological order, and promotional activities and the cost of those activities. They are listed here. The advertising was \$6693 and printing was \$18 164.

**Dr LIM:** Thank you. Minister, I then draw your attention to the many advertisements that feature your profile in the *NT News* for instance, and other printed media such as the *Alice Springs News* and the *Centralian Advocate*. Who paid for those and for what purposes?

**Mr VATSKALIS:** Advertisements which featured the minister's photo totalled \$2526. They did not highlight my profile. They highlighted the fact that a minister of the government was congratulating different ethnic communities on national days and special events. It was actually something that was happening on previous occasions, in the previous government. I very well recall the previous Minister for Ethnic Affairs congratulating various communities, including the Greek Community in the *Glenti* magazine. We have not gone outside the guidelines; we are within the guidelines. I am prepared to read you a list of these advertisements. I believe that that one includes photographs.

**Dr LIM:** Is it all included in this, or would you rather table the list as well?

**Mr VATSKALIS:** I can provide you a copy of a list. I can bring it down at a later date and provide you a list of all the advertisements where my photograph - so-called - appeared.

**Dr LIM:** Thank you very much. I have no more questions for the minister.

**Mr CHAIRMAN:** Are there any other questions to the minister in regards to output 6.3? There being no other questions that concludes consideration of that output. Thank you very much, Mr Fong, for your attendance and thank you, minister.

#### **DEPARTMENT OF INFRASTRUCTURE, PLANNING AND ENVIRONMENT**

**Mr CHAIRMAN:** I now invite the minister to introduce officials accompanying him and also invite the minister, if he wishes to do so, to make an opening statement on behalf of the Department of Infrastructure, Planning and Environment.

**Mr VATSKALIS:** Mr Chairman, with me today is the Chief Executive Officer of the Department of Infrastructure, Planning and Environment, Mr Barry Chambers; Ms Sharron Noske, Executive Director of Strategic Business and Services; Richard Galton, Executive Director of Infrastructure; Adrian Murray, Executive Director of Transport; David Ritchie, Executive Director of Conservation and Natural Resources; Chris Bigg, Executive Director of Lands; Neville Jones, Executive Director of Land Development; Cate Lawrence, Executive Support Officer, Infrastructure; Ken Tinkham, Chief Financial Officer; Jim O'Neill, Director of Planning and Director of Development Assessment Services; Fabio Finocchiaro, Director of Building Control and Director Building Advisory Services; Rod Applegate, Senior Director of Natural Resources Management; and Vic Stephens, Senior Director of Land Information.

All issues relating to the environment and heritage will be answered by Dr Burns in his Estimates Committee appearance tomorrow. These appear in Budget Paper No 3 at page 213 – Environment and Heritage.

Following questions on DIPE, we will move to the Port Corporation and present will be the Chief Executive of the Darwin Port Corporation, Mr Barry Berwick. The Port Corporation appears in Budget Paper No 3 at page 247, immediately following the Trade Development Zone Authority and prior to Territory Wildlife Parks. It will, however, appear after Territory Wildlife Parks.

My department is a department of great breadth and diverse issues, everything from issuing drivers'

licenses to building highways and bridges. I have almost 1400 staff and each and everyone of them is working towards the development and improvement of the Territory. I am extremely proud of my department and the Port Corporation. They are doing a fantastic job. You can see these jobs every day when you are driving on the road, or you look out your balcony at Parliament House, or you move around the Territory.

Also, my portfolio has other undergone a major organisation restructure as well as a major policy reform. It has coped with this and coped very well. We have done a great job in the past 18 to 20 months. Throughout 2003-04 the major areas of reform that will come to conclusion are: builders' licensing and home indemnity insurance; the *Planning Act* and planning scheme; land use objectives for a number of areas; park negotiation and way forward and that includes the writing of a new parks masterplan; the commercial passenger vehicle legislation and permutation –which I believe is the member of Greatorrex's favourite subject; the finalisation of some major projects: the East Arm Wharf, the Bradshaw bridge etcetera; the finalisation of native title negotiations in some key areas; and the introduction of a transport plan. The new East Arm Wharf will be finished this coming financial year along with the railway that will be arriving in Darwin on 17 January and certainly we have seen the beginning of works at Wickham Point for the gas industry.

I will be happy to respond to questions from the members opposite.

**Mr CHAIRMAN:** Thank you very much, minister. Are there any questions in regards to the minister's opening statement?

**Mr BALDWIN:** Questions?

**Mr CHAIRMAN:** That has been the procedures thus far in respect to the opening statement.

**Mr BALDWIN:** No, I do not have a question. However, I would just like to say to the minister, in view of making sure that this runs very well, that I understand the diverse range of his portfolio areas. My responsibility will be for Land Planning. Obviously, we have to try and get through them all, so I am going to try to keep mine moving fairly quickly so we can get onto Parks and Wildlife and all the others, the infrastructure and transport. I am sure my colleague, the member for Nelson, will want to have some input in that area of planning and land issues. So, we will move through it.

**Mr CHAIRMAN:** Thank you, member for Daly.

**OUTPUT GROUP 1.0 – Land Planning, Development and Management**  
**Output 1.1 – Land Information Infrastructure**

**Mr CHAIRMAN:** The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2003-04 as they relate to the Department of Infrastructure, Planning and Environment. I will now call on questions in regards to output group 1.0, output 1.1 - Land Information Infrastructure. Are there any questions?

**Mr BALDWIN:** Yes. Minister, through the Chair, in this area under land information infrastructure in the current year, 2002-03, you are estimating an overspend of \$191 000 from that allocated last year - by your papers – yet, you are proposing a cut to this area. Could you explain why and provide the detail of those changes and variations?

**Mr VATSKALIS:** Yes, there is a variation of \$191 000. That is the adjusted depreciation - plus \$66 000, transfer of long-service leave - minus \$67 000, and adjusted overhead - plus \$192 000. The total amount is \$191 000 extra.

**Mr BALDWIN:** And the reason for the proposed cut?

**Mr VATSKALIS:** The proposed cut?

**Mr BALDWIN:** Yes, in 2003-04 your book shows a cut of \$614 000 and if you put that against the allocation last year in 2002-03 to what has been proposed this year, it is \$423 000 down.

**Mr VATSKALIS:** There was funding in 2002-03 for the replacement of the Land Administration Information System of \$400 000. There was an internal transfer of funds from NTLIS, the Land Information System, to IT program of \$182 000, and additional productivity dividend of \$55 000, plus extra money \$23 000 for corporate overheads. This explains the cut.

**Mr BALDWIN:** Minister, you are confident that the services in this area will be able to be provided with that reduction of funding?

**Mr VATSKALIS:** I am very confident, member for Daly. My department has been working very well and working very hard. The integrated land information system is nearly in place. We are working with it. We have the old system in place and some of the money will be spent to bring it online and provide a better service for the people who need this information.

**Mr BALDWIN:** It is good to see that coming about. I have no more questions in that area, Mr Chairman, unless my colleague has.

**Dr LIM:** I ask for guidance, Mr Chairman. I want to ask a question about the Todd River in Alice Springs. Does it come under this section, or does it come under Environment and Heritage? Could you advise? I do not want to ask the question under the wrong output group.

**Mr CHAIRMAN:** Do you want to ask the question first?

**Dr LIM:** Yes, I will put the question. Minister, an allocation of \$150 000 was budgeted for the construction of a partial levee on the eastern bank of the Todd River in 2002-03. What amount of this allocation has been spent, and what evidence is there that construction has commenced on the partial levee? When will we see the completion or, indeed, the commencement of such construction?

**Mr VATSKALIS:** I have some information, Mr Chairman. I understand that the member for Grottrex is very concerned about flood plain management in Alice Springs. Unfortunately, Alice Springs has been built partially in a flood plain and there is no way we can avoid flooding in some areas of the town. The site of the Todd river embankment, some 600 m north-west of Barrett Drive is one of the flood abatement measures. We are progressing with native title clearance and working together with the Alice Springs Town Council. We have some problems because traditional owners will allow access via [inaudible] Creek [inaudible] area and we have consulted with traditional owners now to find out access to some of the areas, to obtain some of the fill required for this area.

As a matter of fact, \$880 000 has been allocated in 2002-03 capital works. The design documentation is nearing completion and we will put the program to tender. We have completed the design documentation and we have progressed. We are yet to spend this money. I understand your interest and I am personally interested to see this work progressing. As you have probably seen, already some work has been undertaken in the channel over the Todd River; quite a bit of soil in the area has been removed to increase and improve the flow of the river, so it will reduce the incidence of flooding by having the channel draining quicker.

**Dr LIM:** Mr Chairman, I have to disagree with regards to the rationale for rechanneling the river; that is not to reduce the flooding potential. I asked for time lines ...

**Mr VATSKALIS:** Mr Chairman, we are not rechanneling the river. The river has been clogged by sand; there was an infestation of grass; there were trees growing in the river; and all of those contributed to clogging the river, to put it bluntly. We have many examples where this kind of situation contributed to the flooding. We are not doing it for any other purpose. We are doing it to assist the people in Alice Springs and to avoid future flooding. I do not know what the member implies for doing

this kind of work on the river. The only reason this government is doing the work on the river is because of demand by the people of Alice Springs to do something about flood mitigation.

**Dr LIM:** Minister, you do not have to be patronising about this. I was involved in the commencement of the rechannelling works for the Todd River. I am fully aware of the rationale behind that project. My question to you about the Todd River was about the eastern bank and the partial levee. I asked for time lines as to when we can expect to see the commencement of construction or completion of the construction of the levee. You told me that the plans have been drawn. Well, that is great! But answer the question. Do not talk to me about that rechannelling of the river. I know more about it than you do. I live there.

**Mr CHAIRMAN:** The question please?

**Dr LIM:** The question has been put.

**Mr CHAIRMAN:** Let us hear the minister.

**Mr VATSKALIS:** Mr Chairman, I can provide this information about the partial levee to the member shortly. I will take it on notice.

#### Question on Notice

**Mr CHAIRMAN:** Please repeat the question, member for Greateorex.

**Dr LIM:** I repeat the question, Mr Chairman: an allocation of \$150 000 was budgeted for the construction of a partial levee on the eastern bank of the Todd River in 2002-03. What amount of this allocation has been spent and what evidence is there that construction has either commenced or, indeed, been developed on the partial levee? When can we expect to see any works being undertaken on that side of the river?

**Mr CHAIRMAN:** Thank you, member for Greateorex. Minister, I think you have indicated that you will take that question on notice?

**Mr VATSKALIS:** Yes, Mr Chairman.

**Mr CHAIRMAN:** That has been allocated number 8.1.

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**Mr WOOD:** Minister, I have a number of questions regarding the Katherine/Daly Basin subdivision of Douglas Station. They will not all come under this particular section, and I think this one I am going to ask, hopefully, it will come under that.

Minister, your department is going to spend quite a large amount of money on infrastructure, land use and biodiversity planning and other issues in that Douglas Daly area. How much money will you be spending in the coming year on land use planning, water resource planning and conservation planning as part of the Douglas Station subdivision proposal and the Katherine/Daly Basin development area?

**Mr VATSKALIS:** Mr Chairman, I thank the member. Yes, it is true. At the moment, we are working in the land allocation program and biodiversity program, and the department intends to spend \$300 000. It is very important. We have learned from the mistakes of others. We are looking at water allocation that is going to benefit the agricultural production of the area, at the same time is not going to actually reduce the flow of the river. Nothing has been finalised yet. I saw the first draft of the Cabinet's submission and I am very excited about it. I look forward for this to be produced because I understand



there is a lot of anxiety in the general public about what has happened with Douglas Daly. There is a lot of misinformation. I want to assure you that we are doing what we have to do. We draw from the examples of others' mistakes. We do not intend to destroy the Douglas Daly or Katherine/Daly region. We are going to preserve it and we are going to have sustainable development. The money we are spending at this stage is \$300 000 in the 2003-04 budget.

**Mr WOOD:** Through the Chair, minister, when will the public be able to see the release of some of that information you are talking about, like the issue of water?

**Mr VATSKALIS:** I cannot give you an exact date but, as I said to you, I have seen the first draft. The Cabinet submission will go to Cabinet in the very near future. I do not expect more than three months, or four months at the latest. I am taking that very cautiously because we want to avoid any possible problems. We will have public consultation, including the amateur fishermen, people in the industry, the Environment Centre and everybody else. For your information, the Environment Centre has already received a briefing from us; we have spoken to them previously, we noted some of their comments and we intend to include them in discussions.

**Mr WOOD:** Thank you.

**Mr CHAIRMAN:** Thank you, member for Nelson. That concludes output 1.1.

#### **Output 1.2 – Land Use Planning and Regulation**

**Mr CHAIRMAN:** We move onto output 1.2 - Land Use Planning and Regulation.

**Mr BALDWIN:** Minister, through the Chair, in 2002-03 in the land use planning area, you estimated you would perform 30 to 40 planning scheme amendments. Can you tell us how many were achieved and the details of them?

**Mr VATSKALIS:** Can the member advise where this figure is coming from?

**Mr BALDWIN:** Out of your budget book, 2002-03, page 229, Land Use Planning, Performance Measures, Planning Scheme Amendments. Thirty to 40 is the 2002-03 estimate.

**Mr VATSKALIS:** The total number of amendments is 39.

**Mr BALDWIN:** You did 39? Details of those?

**Mr VATSKALIS:** As of 18 June 2003. I am unable to provide you with that at this time, but I can provide you with it at the end of the week.

**Mr BALDWIN:** End of the week. Do I have to put that on notice?

**Mr CHAIRMAN:** That is entirely up to you if you wish to put that as part of a question.

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#### **Question on Notice**

**Mr BALDWIN:** Yes, I better, I guess. Minister, through the Chair, can you please provide the details of the 39 planning scheme amendments that you undertook during 2002-03 budget year?

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

**Mr VATSKALIS:** Yes.

**Mr CHAIRMAN:** That is question number 8.2.

**Mr BALDWIN:** Minister, on the same issue, those same performance measures so that the costs to those amendments average out at about \$4300. Is that the case?

**Mr VATSKALIS:** \$4330.

**Mr BALDWIN:** That is the figure. Do you stand by that figure that is ...

**Mr VATSKALIS:** This is the figure provided in the budget paper, member for Daly.

**Mr BALDWIN:** My question is: is that what the actual was? That is an estimated figure. Minister, is that the actual figure? Now that you have done ...

**Mr VATSKALIS:** Mr Chambers will answer.

**Mr CHAMBERS:** The output indicators in here were, you know, this was the first year, 2002-03, where we attempted to do this. The aim was to try to provide genuinely useful information about the department to the parliament and the public. These were the first cut, and these things are very much an average cost because on any of the indicators, such as the Planning Scheme Amendment, it could range from very simple to very complex.

At the moment, we will be evaluating the usefulness of a lot of the performance indicators. These were averaged out by looking at the costs of the department, the people involved. It is a guide. We do not do a detailed audit on each one, but we are going back, trying to evaluate the effectiveness of each measure.

The stated figure, \$4330, we believe, was a genuine guide for that number of amendments. But, of course, the costs are fixed, so if you had only done 30 amendments the average cost would have been higher. If we had done 50 amendments, the average cost would have been lower.

**Mr BALDWIN:** Minister, I understand that that is an estimate of the costs, and it was based on that being the estimate to do 30 or 40 and you ended up doing 39, so that figure was a fairly good estimate. When will you know the actual of what those amendments cost, as an average? When will that be known?

**Mr CHAMBERS:** We do not propose to do a lengthy, detailed analysis of every single measure, but we are reporting these through to the Auditor-General. He has a look at them and has made some comments to us about the effectiveness of them, and they will be reported on in the annual report of the department. It has been one of the features of the Auditor-General's discussion with us about how we report on these in the annual report. Of course that will be available within the next few months. It will mean we have to look at all of the measures, re-evaluate the methodology for calculating, and then report on the outcome.

**Mr BALDWIN:** Okay. So, minister, they may or may not be in the book next year, depending on whether you decide, or with the Auditor-General's input, you decide whether they are useful or not?

**Mr CHAMBERS:** On page 215 of the 2003-04 budget, under the same heading, we do not include that as a measure.

**Mr BALDWIN:** So it has been dropped?

**Mr CHAMBERS:** Effectively, if a measure is sort of meaningless to both ourselves and to parliament in terms of giving some useful information, that is the evaluation we are undertaking.

**Mr BALDWIN:** Minister, still on that, the performance measure that is still in there is stakeholder satisfaction, which is put at 90%, I think, in both budget periods, 2002-03 and 2003-04. Could you explain to me how you actually quantify that?

**Mr VATSKALIS:** The department has in place survey forms and surveys the users of different services of the department. Based on the responses we get, we can evaluate. I believe Mr Chambers can give you a more detailed response to that.

**Mr CHAMBERS:** Thank you, minister. There is not much more to add to that. We currently have a person engaged to go and do surveys on all of the ones in our department that had the stakeholder satisfaction, so we are doing a quick survey of the key stakeholders. Again, it is an evolving methodology because we do not want to be too distracted by spending all our time doing surveys rather than doing the work at hand. On the other hand, it is important to get an evaluation of how people are responding to the services we provide. The first survey is a fairly high level one. Then we will look at the outcome of that and determine in subsequent years whether we need to do a more detailed survey, a more targeted survey, in different areas. That would apply to virtually all of the satisfaction indicators right through the department's report.

**Mr BALDWIN:** Okay. Minister, have you allowed in the 2003-04 budget period, in terms of funding of course, for the full implementation of NT Planning Scheme that I think you mentioned in your opening comments? If so, how much has been allowed for that, and when do you expect it to occur?

**Mr VATSKALIS:** Member for Daly, as you are aware we are reviewing the Planning Scheme and the *Planning Act*. We had an extensive period of consultations. We have put the first discussion paper out and we are waiting for it to be returned to be assessed by the department. We do not believe it is going to be a process that will be finalised in two or three or six months. We believe it will take some time; we intend to do it right. I try to avoid mistakes of the past. No, there is no allocation at this stage in 2003-04 budget because I do not believe it is going to be finalised within the 2003-04 budget period. I believe it will be finalised after 2003-04. However, the work we have to do now can be a job within the department; it will be a job within the department.

**Mr BALDWIN:** So, minister, then the information contained in the government's *Building a Better Territory* document which said the project would be complete by July 2003 is then wrong?

**Mr VATSKALIS:** That is an initial estimate we made. However, the response we had to the consultation and the number of public submissions received by the department is significant. As you are probably well aware, the *Planning Act* is a very, very sensitive act. On previous occasions and I believe when the previous *Planning Act* was changed - and I remember it very well - there were people demonstrating in the streets, there was a lot of controversy. I intend to listen to all the groups not only to the people who have argued previously about the *Planning Act*, but also the people who are actually involved in the construction industry, in development and people who have their views about how planning should take place in the Territory.

It is a long drawn process. It is an inclusive process. I intend to get it right. I can rush it through, no problems at all, but that would not reflect what the community wants; it would reflect what the bureaucrats and I want, but I do not intend to do so. As I explained to you before there is some work to be done within 2003-04. It is not going to be significant and can be a job within the department. But most of the work will be done after 2003-04.

**Mr BALDWIN:** So minister, when I have pointed out to you in parliamentary debates in the past that these time lines were probably not achievable, you would now agree?

**Mr VATSKALIS:** It is not only the *Planning Act*, we have other things ...

**Mr BALDWIN:** No, the *Planning Act* is what I am talking about.

**Mr VATSKALIS:** No, no. We have other things to review such as the builder's indemnity insurance. When you have 200 people turning up to a meeting and there is such a strong input by the community, you cannot rush it because I said it is going to happen in 2003, or it is going to happen in 2002. You must be crazy to say, 'I said; so, it is going to happen'. It is better to listen to what the community wants and you have to work with the community and your department to achieve the best results. If I am going to be late three months or six months, so be it, if the outcome is an outcome that everybody likes.

**Mr BALDWIN:** Thank you, minister. I think I pointed out all of that to you in those debates. Minister, how many ministerial directions have you issued to the Development Consent Authority during the 2002-03 period?

**Mr VATSKALIS:** For a specific development, none. I only issue interim development control orders, not specific directions.

**Mr BALDWIN:** So, you have no directions ...

**Mr VATSKALIS:** For a specific development.

**Mr BALDWIN:** That is not my question. How many directions, minister, did you issue to the Development Consent Authority in 2002-03?

**Mr VATSKALIS:** And I said, for specific developments, none.

**Mr BALDWIN:** Well, in general developments?

**Mr VATSKALIS:** That is not your question.

**Mr BALDWIN:** I am including them all, minister. Specific and general.

**Mr VATSKALIS:** I can get you an exact number of the IDCOs I issued and also the directions on general developments I issued. You are very well aware that I issued a general one for the Hornsby development, and that was a general one, not a specific one. We argued about it ...

**Mr BALDWIN:** I am including general ones.

**Mr VATSKALIS:** And we argued about it in parliament.

**Mr BALDWIN:** Absolutely. So in the case of the Hornsby non-specific direction that you have just mentioned, minister, are you aware of any legal proceedings being taken against you or the government on that issue?

**Mr VATSKALIS:** I have not been informed that we have legal proceedings at this stage. I am not aware, I have not been advised, that there is a legal proceeding against us by Mr Hornsby or anybody else. As I said to you in parliament, it is a free country. If Mr Hornsby wants to take us to court, there is nothing we can do about it, he can take us to court.

**Mr BALDWIN:** Absolutely, I agree. Minister, are you aware of a proposed development on the Anglican diocese land in the Civic precinct of the Darwin CBD and that the proposal is for a commercial development?

**Mr VATSKALIS:** I am aware of it because I have read it in the newspaper and heard it in the media.

**Mr BALDWIN:** Minister, are you supportive of that proposal?

**Mr VATSKALIS:** A personal opinion? I do not think it comes under Estimates Committee questions. You are asking for a personal opinion, and I am not prepared to give you one.

**Mr BALDWIN:** I am not asking for a personal opinion. I am asking for your opinion as a minister of the Crown. You have a statutory responsibility.

**Mr VATSKALIS:** If there is a development application, it has to come to my department, rather than to the minister. The department will provide me with advice and I will decide on the advice of my department. That would be my decision as the minister - not my opinion, my decision - based on the advice of the department. That happens with any development application, not just this particular one.

**Mr BALDWIN:** So, at this stage, you do not have a position on that?

**Mr VATSKALIS:** Once again, where does that come under the budget outputs? It has nothing to do with the budget. You are asking me for a decision or an opinion on a proposed or supposedly proposed development.

**Mr BALDWIN:** Let's move to another planning decision. You would be aware of a planning decision, I think it is in your electorate, for a block of four storey units on Trower Road. I want to ask you particularly about the representations made by concerned residents to you as minister. You received a petition that I understand you tabled in parliament last Thursday. Can you tell us when you received that petition?

**Mr VATSKALIS:** Once again, how does this refer to the budget? I cannot see that this question has any relevance to what we are doing here today. If you want to ask me this question, I would be happy to answer it if you put it in parliament. But today?

**Mr BALDWIN:** This is a part of parliament, minister.

**Mr VATSKALIS:** It has to do with budget. This is nothing to do with development proposals. If the member can show me a relevance to the budget, I am prepared to answer it.

**Mr BALDWIN:** One would expect that the Development Consent Authority is a part of this output area and you are a part of that process. Surely I can ask you some simple questions about a process that has been undertaken with you in the lead role.

**Mr VATSKALIS:** Mr Chairman, there is an ongoing process with the Development Consent Authority. It has nothing to do with the budget. Yes, the Development Consent Authority is part of the budget, but this has nothing to do with the Development Consent Authority as such, or the operations of the Authority. We are talking about a petition; when I received a petition, when I tabled it in parliament. It has nothing to do with the budget.

**Mr BALDWIN:** Minister, given your refusal to answer that question ...

**Mr VATSKALIS:** No, I am not refusing to answer the question. I ...

**Mr BALDWIN:** Then answer it!

**Mr VATSKALIS:** Mr Chairman, I await your clarification on this matter.

**Mr CHAIRMAN:** We have been put in similar circumstances with questions similar to this. I have always taken the view that the member can ask the question and, minister, it is entirely up to yourself whether you wish to answer that question or not. There can be to-ing and fro-ing, but I do not think that serves any good purpose. Essentially, the decision is yours, minister. If you do not wish to respond to the question, that is your prerogative.

**Mr VATSKALIS:** Once again, I insist that this has nothing to do with the budget. However, I would like to advise the member that, yes, I am aware of the development in Trower Road. I am also aware that it is a permitted development. I am aware that the developers submitted an application to DCA and DCA sent it back because they wanted modification because the plan did not comply with the Town Plan for the area. I am also aware there is a big reaction by people in the area, especially because the Darwin City Council disallowed exit from Trower Road and all exit and entry has to take place from Undoolya Road, which is a very narrow road. I have made representation to councillors about the very narrow road being totally inappropriate to service this kind of development. However, at the same time, as you are probably aware, it has been approved by the DCA because that particular development in that particular area is allowed under the current town planning scheme.

The petition was not presented to me as a petition. People approached me and I advised them that they had every right to put an objection to DCA; many did. As a matter of fact, the was petition handed to my office the day before I came to parliament and we had to advise the people who signed the petition that it was not drafted as a petition. They did not even provide us with the original of the so-called petition. It was only a photocopy. The person who instigated the petition had to come back to my office to provide me with original signatures. So, I received that petition the day before I tabled it.

Once again, I say that that particular development has the right to exist in the area. There are other developments in the area, multi-storey unit developments. I fully understand what the people say, but if I had stepped in to direct the Development Consent Authority to disallow it, I think I would be abusing my powers as minister. As a local member I am sympathetic but, unfortunately, I am not prepared to abuse my powers as a minister.

**Mr BALDWIN:** So, minister, through the Chair, now that you are happy to answer questions on this issue ...

**Mr VATSKALIS:** No, I am happy to answer. Because you made such a fuss about it, I decided to answer it and because you are implying that something sinister happened and a conspiracy happened. I answered under protest because that had nothing to do with the budget. I am not prepared to answer any other questions that have nothing to do with the budget.

**Mr BALWIN:** Minister, can I ask some questions on this, now that you are happy to participate in it. Just to clarify that you received the petition in your office the day before you tabled it as a petition in parliament. Is that correct?

**Mr VATSKALIS:** Mr Chairman, I am not prepared to answer any question that has nothing to do with the budget.

**Mr CHAIRMAN:** Member for Daly, you can take it any which way that you want ...

**Mr BALDWIN:** Mr Chairman, in the interests of ...

**Mr CHAIRMAN:** Member for Daly, can you just ...

**Mr BALDWIN:** In the interests of moving on, Mr Chairman, given that he will not answer any more questions on this, I am happy to move on.

Minister, your *Building a Better Territory* document says that you will complete amendments to

the *Planning Act* by June 2003. Will you?

**Mr VATSKALIS:** That is the question you asked before, and I answered you.

**Mr BALDWIN:** That was the planning scheme amendment I was talking about.

**Mr VATSKALIS:** I referred to the *Planning Act* and the planning scheme. The previous answer stands.

**Mr BALDWIN:** So, both of those time lines. Minister, which land use plans were completed in 2002-03 and could you provide the details?

**Mr VATSKALIS:** Can you be more specific about that, member for Daly? I am happy to answer, but can you be more specific?

**Mr BALDWIN:** Well, all your land use plans that you completed in 2002-03, could you provide me with the number, how many, and the detail of them?

**Mr VATSKALIS:** Are you referring to land use objectives? We do not have anything that is called a land use plan. That is why I asked for you to be more specific?

**Mr BALDWIN:** Yes, I am referring to land use objectives.

**Mr VATSKALIS:** Yes, we have the land use objectives for Litchfield; and the planning concepts and land use objectives for central Darwin, southern suburbs and Nightcliff.

**Mr BALDWIN:** Through the Chair, the question was, which of those were completed in 2002-03?

**Mr VATSKALIS:** The Litchfield Land Use Objectives.

**Mr BALDWIN:** Thank you. Minister, regional land use plans were promised for Alice Springs by March 2003, and the Daly Basin and Ti Tree regions by July 2003. Could you give me what is the current status of those plans?

**Mr VATSKALIS:** Mr Chambers will answer.

**Mr CHAMBERS:** Through you, Mr Chairman, for Alice Springs, a draft was prepared and, as with many of the broader land use planning schemes that we are trying to develop, in preparing the draft it threw up quite a lot of issues. We are currently reviewing that before submitting it to the minister.

Similarly, with the Daly Basin – and the minister touched on it earlier in response to Mr Wood – in that these regional land use plans, what we are trying to do is bring a really integrated natural resource management plan into play here. It is involving the coordination of a lot of scientific studies, soil research, water plans, in quite a complex way. I guess it is fair to say that it is more complex than we anticipated when the target dates were set. However, in each of the ones that are listed in the document we are very well advanced and they will be forwarded to the minister shortly in a staggered process. I think Alice Springs was listed as March and the Daly Basin, July.

**Mr BALDWIN:** And Ti Tree, July.

**Mr CHAMBERS:** Yes.

**Mr BALDWIN:** Minister, when would you expect the completion of those plans?

**Mr VATSKALIS:** In three to four months' time.

**Mr BALDWIN:** All of them?

**Mr VATSKALIS:** I believe so.

**Mr BALDWIN:** Thank you. Mr Chairman, that is all I have on this output area. However, I am sure my colleagues on either side of me have some questions.

**Mr CHAIRMAN:** Thank you, member for Daly.

**Mr WOOD:** Thank you, Mr Chairman. Minister, I have a range of some specific questions and some slightly broader. Most of them are related to the Litchfield Shire. The first three questions relate to the change of zoning for land, Crown land, and they relate to land that is presently zoned 'open conservation' and has been zoned 'open conservation' since 1992, in the previous land use objectives. Minister, do you know if the land next to BP Palms – that is, on the eastern side of BP Palms – is a wetland and is zoned 'open conservation' presently?

**Mr VATSKALIS:** Do you want me to reply to that?

**Mr CHAIRMAN:** Yes, please.

**Mr VATSKALIS:** I am aware that this area is not. Let me go back in history. When I was employed in the health department as Manager of Environmental Health I became involved very intimately with the area, because behind that particular land there is a piggery. That piggery used to dispose their effluent into an open drain, which then went to flow on into the so-called 'wetland' behind BP Palms. We had to issue an order to that particularly piggery. I have been there, personally. I will dispute that that particular land it is wetland. I would call it more boggy ground that occasionally gets inundated and also been degraded by the disposal of effluent by that piggery for a long period of time. I understand the zoning. That is why we issued an order to the piggery to stop disposing of effluent, and that was as early as 1995-96.

That area is zoned, as you said, O3 and I know the dispute you had before, that you actually want to maintain it as O3. Your argument is that we should never give it to BP Palms or change the zoning so that BP Palms can extend their facility. But, once again – and I have personal experience of that particular land – that it is very degraded land.

**Mr WOOD:** Minister, there is a small corner of that land that has been degraded from the dumping of rubbish. Do you realise that wetland is an ephemeral lagoon, which is a fairly common wetland-type in the Litchfield Shire?

**Mr VATSKALIS:** Did you say 'ephemeral lagoon'?

**Mr WOOD:** I did.

**Mr VATSKALIS:** Excellent, because 'ephemeral lagoon', it means 'casual lagoon', a lagoon that fills up, stays for a while and disappears.

**Mr WOOD:** That is true, minister. And that is why we have a wet and a dry season. They are very common and they are regarded as wetlands.

**Mr VATSKALIS:** Yes.



**Mr WOOD:** In fact, in your map, in the Litchfield Shire plans it is shown clearly as a wetland. It is a very wet area. It is part of the King River catchment and it flows the other way, in the wet season. It flows away from the caravan park and into the King River system. If there is any effluent going there – and I do not believe it does go into that section – it goes out via the King River. Minister, are you still intending to sell this wetland, this ephemeral lagoon, this land that is now public land, open conversation – not O3, OC – to the owners of BP Palms or anyone else?

**Mr VATSKALIS:** Would you like to discuss this when the land sales matter comes up in a different output? This is actually not for planning. You are asking for a sale of land.

**Mr WOOD:** Well, I am tying it in with - under the proposed new rezonings that your department has put forward it is now going to be zoned 'tourist commercial'. It is obvious that a change in zoning means that it is your intention to sell the land. I believe it would fall across two of those outputs.

**Mr VATSKALIS:** But, member for Nelson, you have to remember also that this so-called wetland you are referring to is already cut off by the rail corridor –the old rail corridor, by surrounding roads. It has been isolated. On the other hand, by selling, as you said, this lagoon to BP does not mean that the whole area is going to be backfilled and disappear. The lagoon can be actually preserved and be part of a development. It is going to be rezoned, yes, you are right and it can be preserved. We have seen them happening in other areas. By developing the area around it does not mean that the whole lagoon will disappear.

**Mr WOOD:** Minister, the application by BP Palms was to turn that natural, ephemeral lagoon, public land you and I own, into an ornamental lake for a caravan park. Not going to preserve it as it is. They want to change it. Now surely, minister, when the owners bought BP Palms, because they were not the initial owners - I think they are the third owners of that land - they knew that there were some restrictions on that land, environmental restrictions and public land restrictions. Many of us fought very hard for some of that land along the rail corridor, because you will notice a lot of the OC zone is along the rail corridor, to be retained for public benefit, and in the long term preserve some of that area. Now surely, minister, doesn't the public have the right to hope that the government will stand up? This is a Labor government! Maybe a few years ago I might have been hammering the daylight out of the shadow minister, but I would expect the Labor Party to be saying, 'We have land in the Litchfield Shire zoned Open Conservation'. Wouldn't I expect that you would protect that?

**Mr VATSKALIS:** Member for Nelson, it is a degraded area; it has been cut off by the corridor; it has been cut off by the road. We have a piggery disposing of effluent in this area. It is not a pristine – let's not start going to the pristine situation of the Darwin Harbour or these areas. We are not talking about the kind of lagoons you find around Litchfield Shire that are really untouched. They have not had any degradation because they are still in a natural state. This lagoon is not in a natural state. We are not out there as environmental terrorists destroying every natural habitat, or any lagoon, or any wetland because we just felt like it. We assess before we do what we do.

This is going to be rezoned. You are very well aware of it and it has been discussed with you before. We discussed it before. Yes, I am aware that the BP Palms want to make an ornamental lake out of it. Most likely, an ornamental lake done the proper way, it might be in a better state than what it is today - without the rubbish, without the effluent of the piggery, or from somewhere else in that lagoon. It is an isolated piece of land with water in it. But it is not – and I repeat – it is not in its original, natural state.

**Mr WOOD:** Minister, because something is not pristine, or in its natural state, or divided by a railway line built in 1880s - it is still connected to the main wetlands by culverts under that road and I dispute that lagoon is polluted by that piggery, it is about a kilometre away - that is not a reason for saying, 'Oh, here comes Joe Blow, the developer, with a great offer. We will sell it to him.' I think, minister, that you are selling the public estate and I am sad to hear what you are saying.

Anyway, I will go on to my next question, minister, and it is a similar question. Minister, it is Commonwealth land between McMillans Road and the great used car business called Mango Motors;

that is about the only way I can give you an idea where it is. A strip of land along that area. It is Commonwealth land. It is also attached to the rail corridor. It is also zoned open conservation. It is one of the few pieces of natural bushland on the highway between Palmerston and Darwin. Minister, in your new plans you intend to rezone that land to Industry. Whose idea was it to change, again, a piece of the public estate – in this case it is not public estate, it is Commonwealth land – to industrial?

**Mr VATSKALIS:** This is an argument we have sometimes within my own department. We can rezone the land to be what we want it to be. The reality is it is Commonwealth land, and the Commonwealth will not take any notice of the colour of the zoning. I will investigate that further.

**Mr WOOD:** If you could leave it as the same zone, minister, I will be quite happy. I am sure the Commonwealth will be happy.

**Mr VATSKALIS:** Member for Nelson, we can put zoning proposals over the airport land. The reality is it is Commonwealth land. Our zone proposals go out the window; not only this government, but previous governments as well. The Commonwealth does not take any notice of us or any other statutory organisation.

**Mr WOOD:** True, minister, but I think you have a better chance of retaining it as OC as it is now rather than if or when you change it to industrial. Minister, there is other land at the back of BP Palms which is also zoned OC and you intend to change some of that zoning also to light industrial ...

**Mr VATSKALIS:** Some of it.

**Mr WOOD:** Some of it. But some of that land that you want to change is wetland, and you will see it on the approaches to where Tulagi Road turns into Thorngate Road, that section of the road. Why is the government developing land that is going to require a fair amount of expense to sell that land as Industrial when there is land probably 1 km to 2 km – and I will bring the land up later – away at the east side of the new training area for the Army, which is perfectly dry and does not require the sort of filling that you will need in this land that you propose to zone?

**Mr VATSKALIS:** The government rezones land and develops land depending on the demand from the community and from business. In the area around there, as you are well aware, in the last few years there has been explosive development. When I came to Darwin in the 1990s, you could still go 110 km/h, 120 km/h until you reached the Berrimah lights. Now you cannot. Now there are traffic lights. Okay, some of them I put in place. But on the other hand, when I see the newspaper front page like the one I saw yesterday, I am pretty thankful I put them in place. You have to understand that Darwin is not the small town it was 20 years ago. It is developing rapidly and will continue to develop rapidly and there will be increasing demand for land.

All these amendments have been advertised. All this is public. There was public consultation. There was an exhibition at the Freds Pass Show. People are entitled to come back to us with objections. They can write to us. I have not seen tonnes of letters arriving on my doorstep. You must be one of the few opposed to that. No one else has been saying to us, 'Do not touch it; do not do it'.

**Mr WOOD:** Minister, you made a comment there, and I would ask to comment on it. The land was Open Conservation. No one complained about it except your department. Your department changed it. No one asked for it to be changed. There is stacks of land for industrial development. This area around BP Palms has been consistently looked at by your department as industrial. Before we zoned it Open Conservation, they wanted it industrial. It was zoned by the previous minister in 1992 as Open Conservation. Here we go again. We are losing our conservation land because the department wants that land for industry. You tell me how many people in the community said, 'We want it industrial'? I will put it in reverse.

**Mr VATSKALIS:** I find it very difficult to believe that we have a bunch of public servants sitting there planning and plotting which open conservation and park we are going to convert to a factory site. I

find it very difficult. Things have not been done in secrecy. They are open, they are displayed, not only by this government. When the previous government changed land uses, they went public. People object to it; other people want things like that to happen. We have to evaluate the demand of the community for parklands, open space or land development for residential or industrial purposes.

The department assess everything, taking into consideration – believe it or not – the demands of the community, even when they oppose it, and then make a decision. However, this decision has to come to the minister for approval, and the minister will ratify it. Many times, I actually went against the will of my department. But, once again, the minister, any minister, has to take into account the will of the community.

**Mr WOOD:** Minister, there was no will of the community. I agree that the department's job is to identify land. What I am saying is, there is better land not far away. It does not require the government - we are talking about budgets here - you zone that light industrial, that has to be filled, it is wetland. You can have a look at it, it fills up, it is ephemeral too. You will have to fill it up. I can take you one or two kilometres away from that land and you will get perfectly good, dry land. For some reason, the government wants to spend money developing land that is not suitable. The department can sit there, but I happen to live there. I have taken a big interest in it. I am not against the government trying to develop land properly. I am all for it, but it seems to be strange to me that we use land that, really, we should leave alone and leave for future generations.

Minister, I will go to Middle Arm. Is it true, minister, that the Middle Arm Peninsula was highlighted as industrial land in the Darwin Regional Land Use Structure Plan 1990?

**Mr VATSKALIS:** Yes.

**Mr WOOD:** Is it true that this is only a conceptual plan?

**Mr VATSKALIS:** What do you mean by 'conceptual plan'?

**Mr WOOD:** That it is basically just government's broad idea of how the Darwin region is going to be developed.

**Mr VATSKALIS:** All land use objectives are conceptual ideas to give a general direction of what is going to happen in the area. It is not set in concrete.

**Mr WOOD:** I agree. Is it true that the existing zone, that is the zone today, the Middle Arm Peninsula, is Future Uses?

**Mr VATSKALIS:** Yes.

**Mr WOOD:** Is it also true that under the Future Uses zone, extractive mining is prohibited?

**Mr VATSKALIS:** The *Mining Act* actually overrides the planning scheme, the extractive mining permits are a specific exemption of the planning scheme.

**Mr WOOD:** I understand that, minister, but when I had the minister for DBIRD here yesterday he said that mining was approved on the advice of your department. Now, why would your department give advice against its own zoning? Even though mining wants to go ahead, why would you say the land is going to be industrial, not set in concrete?

**Mr VATSKALIS:** Member for Nelson, that is a very good question to ask in parliament, in Question Time, rather than the budget process.

**Mr WOOD:** Well, I am asking because some of us believe that that mining should not occur there. I

think there are more people than you think. We do not want the middle - well, the middle of the harbour is being mined on the premise that your department has said to the mining department this land will be industrial, even though it is banned under the zone, and even though nothing is set in concrete, and even though a DV zone does not exist yet, mining has continued there, and if that was reversed, that would have to be all repaired. Now, if I gave you a site and said why not use this site for what you want to do, surely that has an effect on the budget. If we gave you a site that I believe should be used ...

**Mr VATSKALIS:** It may have an effect on the budget, but in future budgets, not in 2002-03 or 2003-04, and we are here today to discuss the budget. I repeat my same comment I made to the member for Daly, let us talk about the budget.

**Mr WOOD:** Through the Chair, under the Land Use Planning Regulation Highlights, the very first three words are 'land use policies', and I believe that in the budget, at least asking the minister about his policies, because these policies can be broad or narrow, they will have some effect on the budget.

**Mr VATSKALIS:** As I have said before, these extractive mining permits extend in the planning scheme and the minister, probably quite rightly, said to consult with us. We put special conditions on them. However, the reality is, that they do not have to comply. They do not even have to ask for permission from us because they are exempted.

**Mr WOOD:** But knowing how some other mining developments in the Litchfield Shire have been stopped because of one department saying to the other, 'It could have happened if your department had actually put the heavy on that department and said that we want this land preserved ...

**Mr VATSKALIS:** Are you talking about the Elizabeth Valley?

**Mr WOOD:** No, I am talking about no particular mine, but near the Howard Springs tip some years ago and it was overturned. Minister, I just wanted to make it clear that I have doubts as to how all this all came to be and whether it was really something that the department had thought about.

I might get on to the Darwin Regional Industrial Estates. I am using this document here. Minister, you produced this document called 'Darwin Regional Industrial Estates'. Why were there not any other alternative sites for industry discussed in this book? All you have is Middle Arm, East Arm and Glyde Point. Why were no other alternatives even mentioned in this book?

**Mr VATSKALIS:** Mr Jones will answer that.

**Mr JONES:** Neville Jones, Executive Director, Land Development. Mr Wood, as you just noted a while ago, that area of land on the Middle Arm Peninsula was identified in the 1990 regional structure plan. That report was prepared 12 years later, the one you have there and are holding up. All sorts of areas were considered over the preceding 20 years to arrive at that point. As you would recall, in the environmental assessment process there was consideration of a whole range of different alternate sites in the Darwin area, ranging from Port Margaret and Cox Peninsula back to Wickham Point. The department in this 20 years has gone through exactly the same process as each of these major proponents has come into the site. So, by the time that report was prepared in 1992, the government of the day ...

**Mr WOOD:** 2002. This one.

**Mr JONES:** 2002, sorry - which is a follow-on from the one the year before. The whole process had been to the point, that there were three areas under consideration, East Arm Peninsula, Middle Arm Peninsula and the Glyde Point area. That is not to say that other areas were not considered prior to that, but what you are looking at is toward the end of a 20 year process.

**Mr WOOD:** Minister, this document here is not set in concrete. It does not mention Glyde Point, and

we have removed the dam from the Elizabeth River, that is not in there, and Cox Peninsula is not in there, because there is a land claim. Most of Cox Peninsula is not in this – it is in here but whether it becomes part of this plan is anyone's guess. This is a conceptual plan.

Why is it that when I say to you, minister, that there is land just as close to the Port of Darwin as Middle Arm is, that would have all of the facilities you need there – I mean, you are running corridor, in theory, to Glyde Point – it is closer to the Darwin Port, why is it that I do not get any answer from yourself as to why that land cannot be used as an alternative site, bearing in mind the only reason I have been able to find, that the government does not want to look at that land, is simply because of native title?

**Mr JONES:** Through the Chair. Mr Wood, can I confirm that you are talking about the land in the King's Creek/Howard River area, to east of Robertson Barracks, is that what you are talking about?

**Mr WOOD:** Yes. To the east of the training area, the land that is shown in the water logging map as most of it being dry. It is quite a bit away from residential areas, quite a bit away from the actual Army base, five minutes to Palmerston.

**Mr VATSKALIS:** Member for Nelson, you debated that in parliament in the past few months and I gave you an answer on that. The reason that we selected the land in Middle Arm and not there where you are referring to is first of all the proximity to the harbour, the access to the area, and also the fact that the land we need for future development is much, much bigger than the land you are proposing.

**A member:** No, it is not.

**Mr WOOD:** Minister, with all due respect, the land has access, and you have a 100 metre corridor and a proposed new road around the lower end of Wallaby Holtze Road proposed on this map. You have a railway spur that is to be put past that piece of land.

**Mr VATSKALIS:** You also have to consider the fact that the Commonwealth is seeking more land very close to the defence facilities for further development of defence facilities and that is the land they will have in their focus. Also there is land, yes, it is land that is dry but it is also subject to storm surge ...

**Mr WOOD:** It is not subject to storm surge, minister.

**Mr VATSKALIS:** We need to develop a strategic position and Middle Arm has been identified not only by this Labor government but previous CLP governments as the most suitable land to develop. We went a long way to make sure that nothing is going to happen in the Wickham Point area apart from the gas, the LNG plant. We actually safeguarded land to the north and the south of the LNG plant so it cannot be developed. We also said there is not going to be a smelter. It is going to be petro-chemical refinery; it is not going to be heavy industry. There will only be supportive industry to the port development. I understand how passionately you feel about it. However, at the same time you have to remember nobody is going to establish an industry if it is 50 km away from where the action is and nobody is going to go where you are suggesting when there is suitable land very close to the port.

**Mr CHAIRMAN:** Can I just make a point here. Throughout the course of these estimate committees, as I have said on more than one occasion, it is important that we be very flexible in terms of how we address matters before us. I am very mindful of the time. I would encourage that to be taken into consideration. Having said that, I am very much going to be guided by members appearing before this committee and members of the committee in how they wish to proceed with this matter. All I am saying is that I do not mind statements flying backwards and forwards. We have to be open and transparent and I think we are demonstrating that right now. All I am asking is that perhaps due consideration be given to the remaining outputs. That is about all I would like to say to it.

**Mr WOOD:** I will just shorten it then. The minister has made some comments about 50 km away. I am

just wondering if the minister would at least come with me and have a look at the site? If he thinks I am talking a load of rubbish, well so be it. I do not accept some of what you said, minister, and if sometime you have a bit of spare time, would you be at least willing to go and have a look at the site I am talking about?

**Mr VATSKALIS:** Member for Nelson, I have no problem travelling as far as possible, if it is for the development of the Territory. I do not have a problem with that. But I still stand firm on what I told you before. We are not experts on everything. We rely upon other experts and expertise to make decisions. The document you had in your hands before about the industrial land in Darwin is a well researched document and provides some solutions. It was not commissioned by us. It did not provide solutions to us only but the previous government, and previous government decisions and I am not going to say that it was some decisions they made that were good because they could see what was going to happen in the future and we will stand by it. We believe some of the solutions were the best solutions. And certainly, the government comes after us might believe the same thing. But I am prepared to come with you and have a look at the land.

**Mr WOOD:** Thanks, minister, I will accept that. Can I just go onto a couple of quick questions then. Minister, are there any plans for the corridor; the initial start of the corridor to Glyde Point?

**Mr VATSKALIS:** Can you repeat the question?

**Mr WOOD:** Are there any plans for the construction of the 100 m corridor to Glyde Point, are there any initial plans to start that?

**Mr JONES:** Through the Chair, at this stage, the only way that we would envisage the Glyde Point and industrial estate being developed, and therefore the corridors being required, would be if there is gas of the quantities available at Sunrise brought ashore. There are forward estimates on our forward works programs, but they are not brought up. We will be proceeding, in the course of this year, with environmental assessment studies on the corridors.

**Mr WOOD:** All right. The document preceding this talks about the \$1.2m container site. Where is that site expected to be?

**Mr JONES:** You are talking to some references in there to ...

**Mr WOOD:** The regional document also mentioned it.

**Mr JONES:** Can I just put it this way, and I can quote from a particular report: the external technical advisors that were engaged, and I will say that some of their opinions are not universally accepted by those involved in the railway, however, our advisor was of the view that one should be more optimistic about the rate of growth attributable to the railway than what we know is the actual business case. The advisor has pointed to the problems of rapid growth around port and railway interchanges elsewhere in the country, and the limitation of available of land and what occurs in that context.

It is fashionable for people to say that there are something like 1700 ha of land on the East Arm Peninsula. Well, there are about 600 ha or 700 ha at best; the rest of it is what we call 'virtual land' and it is very expensive to develop. Our advisors were very strong that there needed to be 'port back land' available for warehousing industrial activities, including container-related activities, preserved. In their view, in areas of the Middle Arm Peninsula – and I mean closer back towards the Channel Island Road or the Elizabeth River Bridge -should be preserved to serve the port-railway-transport interchange. But there is no definitive proposal to actually develop that site there.

**Mr WOOD:** One last question. Heritage zoning is a new zone proposed under the NT Planning Scheme. It is marked into the proposed new zones for Litchfield Shire. When I have asked the department about zoning airstrips, for instance, for Heritage which, under the old zone would have been Open Conservation, they have said, 'Go away and get them approved under the *Heritage Act*',

which is a lot of work. If you have to do that, what is the point in the Heritage zone? Why have it? Surely, a site can be zoned HT without having to go through the difficult and specialised process of having something listed under the *Heritage Act*?

**Mr VATSKALIS:** I know you are referring to the Strauss Airstrip ...

**Mr WOOD:** There are four airstrips. It is not the only airstrip.

**Mr VATSKALIS:** Yes. That Heritage zoning was introduced to the *Planning Act* under the previous minister, the member for Daly, who applied it only to Myilly Point, nowhere else, because we were required to do some more work. But with reference to Strauss Airstrip, do not take it for granted that it is going to be wiped out.

**Mr WOOD:** Minister, I was not alluding to that – really! There are four airstrips in Litchfield Shire, none of them have any heritage protection. None of these airstrips are marked H under the new proposals by the department. I was just asking why it isn't being used. The Strauss question will come later.

**Mr VATSKALIS:** I thought I would say that to keep you quiet.

**Mr WOOD:** Thanks for that.

**Mr CHAIRMAN:** Thank you, member for Nelson. That concludes output 1.2.

#### **Output 1.3 – Building Regulation**

**Mr CHAIRMAN:** We will move on to output 1.3 – Building Regulation.

**Mr BALDWIN:** Minister, the estimate in the building regulation output, estimate of operating expenses for 2002-03 for that output is \$2.313m, which is \$0.537m overspend on the 2002-03 budget amount. Can you explain why?

**Mr VATSKALIS:** Yes, \$547 000 was because of the transfer of electrical safety from DEET.

**Mr BALDWIN:** Thank you, minister. You have also increased this output for 2003-04, could you tell me why that is?

**Mr VATSKALIS:** Certainly, that is a consequence of the transfer of the electrical inspectors. It is a full year effect of the transfer of electrical safety from DEET for \$548000.

**Mr BALDWIN:** Okay, I thought that might be the reason. Minister, how many building permits were audited in 2002-03? I think it states in last year's budget book that you were going to do between 175 and 200. Could you tell me what is the actual, as far as you can to date?

**Mr VATSKALIS:** Yes, we are starting to do about 5%, or 200, but as you are probably well aware, in 1993 the department – or the then government - decided to go to private certification and wiped out all the building inspectors and planning inspectors. Of course, since then it has been very difficult for the department to attract these professionals for the simple reason they can make more money in private business rather than work as a public servant. We have had significant difficulties in getting people to employ, here and in Alice Springs. The department has done 5%, or 200, audits. It has been difficult sometimes – and I understand the reasons for that – but I am pretty confident that we will try to do as many as possible to reach that target.

**Mr BALDWIN:** Minister, this is your government's third budget now. I am not particularly interested in hearing about your problems. All I am asking is a simple question. You say 200 that were audited; could you provide a list of those permits and detail on who, where, when? I am happy if you table that at a later date.

**Mr VATSKALIS:** Member for Daly, it is not our problem. It is the problems that your government created for us – or created for the industry in the Territory, because you were the ones who wanted private certification. I come from a background of having to work very closely with building inspectors and planning inspectors, not only in the Territory but also in Western Australia. When I came here I was employed by the Health Department. I was very surprised when I found out what happened, because I could see what was going to happen in the future. I cannot provide you with names of people, because they are confidential, but we can provide you with an updated number as soon as possible.

**Mr BALDWIN:** And with some detail as to where they operated, what the building programs were. If you cannot supply the names of the ...

**Mr VATSKALIS:** Yes, we can provide this information.

**Mr BALDWIN:** Minister, can I ask you whether you support private certification of buildings?

**Mr VATSKALIS:** I am not going to change the system now, member for Daly, firstly, because it is going to be very difficult. The reality is, it should not have been changed in the first place. At the same time, we would not have faced the problem now that any government will face trying to attract professionals to Darwin or Alice Springs. We cannot compete with salaries provided by the private certification professionals, or with other states. From my experience, as I said to you before, if a government had 13 or 15 building inspectors, as they had before, they would be able to audit every single building rather than a percentage of the building permits issued, and that is the difference.

**Mr BALDWIN:** So, minister, was that a yes or a no?

**Mr VATSKALIS:** I said I am not prepared to change the system; it will continue to be as it is now. I will endeavour to attract professionals in the Territory to work with the building branch. I am prepared to discuss with the Commissioner for Public Employment increased benefits for these people because I believe they are vital for the Territory.

**Mr BALDWIN:** I will take that as a yes, you do support private certification. Could you give us the current status of the *Building Act* review? I know there is a discussion paper and what have you. Could you just give us an update on that and when you propose to complete the amendments to the *Building Act*?

**Mr VATSKALIS:** Are you referring to the *Building Act* review with regard to building registration and building indemnity insurance?

**Mr BALDWIN:** Minister, I am referring to in your document, *Building a Better Territory*, you were going to amend the *Building Act* by June 2003. We have two weeks of that period left. Can you tell me when you did that?

**Mr VATSKALIS:** Once again, I refer you to my answer with regards to the *Planning Act*. With the building indemnity insurance and the *Building Act* review with regards to builders' registration and insurance, we have had significant interest, not only from consumers but also from the building sector themselves. I recall very well a few years back, builders did not want to know about builder registration, but in the past year or two they are asking for it themselves. They came to ask, demanding a better registration, and certainly, the consumer demands building indemnity insurance.

We had a public consultation that closed on 11 April 2003. There was also an industry reference group. There were numerous submissions from consumers, practitioners and builders. We had a travelling show in every urban centre in the Territory, starting from Darwin and finishing in Alice Springs. Once again, the industry reference group is going to access the response of the submissions and provide this to the department, and the department will advise me.



I said before – and I repeat – I want to get it right. We want to get it right. We need to get it right. The last thing I want to see is another building company go under and consumers losing their money. Also, some emerging issues with regard to building registration and indemnity insurances is what impact a review of the act might have on CAL. People are requesting that we review the act to include not only the builders of private homes but also builders and indemnity insurance for people who work for civil works and government works. It is a new emerging issue. I am prepared to wait for it another month or two or six months until we explore all issues and find a satisfactory solution for these issues identified by the industry.

**Mr BALDWIN:** So, minister, the *Building Act* amendments will not be completed by June 2003?

**Mr VATSKALIS:** No, it will not be completed by June 2003.

**Mr BALDWIN:** Thank you. That is all I have in that output area, Mr Chairman.

**Mr CHAIRMAN:** Thank you very much. Are there any further questions? That concludes output 1.3.

#### **Output 1.4 – Land Management**

**Mr CHAIRMAN:** We will now go to output 1.4 – Land Management.

**Mr BALDWIN:** Thank you, Mr Chairman. Minister, you have estimated an under-spend in 2002-03 of \$178 000 from the amount allocated, and you have increased the 2003-04 figure by \$314 000 over the 2002-03 figure. Could you just explain those variations to me, please?

**Mr VATSKALIS:** Certainly. Land management - \$178 000 minus. That is explained by redistribution of repairs and maintenance - \$30 000; adjusted depreciation - \$15000; transfer of long service leave - \$37 000 and adjusted overheads - \$96 000. That sums up to \$178 000.

**Mr BALDWIN:** Also, you have increased it in 2003-04 by \$314 000 over the 2002-03 figure or \$492 000 over the estimated spend. Could you explain that variation, please?

**Mr VATSKALIS:** Yes. It was funding for land survey work for Glyde Point, 2002-03, minus \$140 000, but additional repair and maintenance funding in 2003-04 for \$455000. Additional funding for the cost of additional staffing, \$150 000. Additional productivity dividend minus \$34 000, increase of depreciation, \$25 000, additional base funding minus \$50 000 and corporate overheads by the variation between \$86 000. That sums up to \$492 000.

**Mr BALDWIN:** Thank you, minister. In that period 2002-03 up to date as far as you can, could you provide details of land acquisitions, including the purpose and the costs?

**Mr VATSKALIS:** Arafura Bowls Club - \$571 000; the Tiwi Child Care lease - \$230 000, a lot in Livingstone Road - \$100 000; 10 R1 lots in Darla, Palmerston - \$579 000; and oil and gas corridor for Glyde Point, section 4618 and 4620 Hundred of Strangways \$180 000. Just to correct, Lot 4 Livingstone Road \$100 000.

**Mr BALDWIN:** Just through you, Mr Chairman, the Tiwi Child Care lease purchase; you purchased the lease from the Tiwi Child Care Centre?

**Mr VATSKALIS:** Certainly. As you are probably well aware, the child care centre was operating in one of the areas of the Tiwi campus, a very old building that the government had acquired from the university, in exchange of a grant to the university. The building was falling apart; it had asbestos. We found that itinerants were entering the building and lighting fires. In addition to that, the Masonic Homes development required part of the building to be developed and that created a lot of anxiety amongst the parents of the children and the operator of the centre because of the demolition and the

fear of asbestos dust in the area. The parents called meetings, which I attended. They were fearful about the health of their children. They put us on notice that any future implications on the health of their children, they would hold the government responsible.

I was aware that the operator of the Tiwi Child Care Centre was prepared to take any possible action because they would start losing children. We needed to demolish the building for safety reasons. So we proceeded and negotiated with her. Instead of paying her loss of income for the next three years, we asked her to give us a log of claims, which she did, and we agreed to buy back the lease for \$250 000. In exchange, she bought from us the block of land adjacent to the old Tiwi school for \$250 000, and she borrowed the money to build a brand new child care centre, which now is completed.

There was no way out of it. If we were going to litigation it would have cost us more money, plus there was not any surety that we would end up without having to pay, not only for the lease, but loss of income for the next three years if we had asked her to quit the premises.

**Mr BALDWIN:** Minister, was that the extent of the assistance to the Tiwi Child Care Centre?

**Mr VATSKALIS:** The government did not provide any assistance to the Tiwi Child Care Centre. What we did was buy back her lease because we wanted her out of there so we could demolish the building.

**Mr BALDWIN:** Okay. Well, that is the terms of the arrangement that you came to with the Tiwi Child Care Centre. I understood there was another building that was prepared on-site for Tiwi ...

**Mr VATSKALIS:** The department explored solutions and we actually purchased a demountable child care centre. We found out that it presented problems because of its location, the location of services. In addition, the number of children that could be put in that child care centre was not adequate. It would not cover the existing lease of the operator. So we decided to mothball the child care centre for a while. That has now been provided to another government child care centre saving the government thousands of dollars because this so-called transporter was actually a properly built child care centre. It has been relocated to the Dripstone Child Care Centre in Ellengowan Drive. It has not been wasted; it has been utilised successfully.

**Mr BALDWIN:** So, minister, that building was put on-site on the block of land where the Tiwi Child Care Centre was, but the operators did not choose to utilise that facility. Now it has been given, gifted, granted ...

**Mr VATSKALIS:** Utilised by another government child care centre.

**Mr BALDWIN:** For another government-operated child care ...

**Mr VATSKALIS:** Government funded.

**Mr BALDWIN:** What was the cost of the location of that facility at Tiwi and then the shifting, and so forth?

**Mr VATSKALIS:** I believe it cost about \$360 000 to purchase it. I do not have the relocation cost because it has not been relocated yet. Approximately \$150 000 I am advised, but at the same time by providing this child care centre will be saving - right, \$135 000 for relocation. And we will be saving about \$0.75m and that was actually the estimate that the child care centre came up with and the government was not was not in a position to spend \$0.75m to renovate the Dripstone Child Care Centre.

**Mr BALDWIN:** Finally, the purchase of the block by the Tiwi Child Care Centre, one would assume was at AVO?

**Mr VATSKALIS:** Yes, it was and they paid more than we gave them about \$204 000, and so ...

**Mr BALDWIN:** What, you ripped them off?

**Mr VATSKALIS:** Well, I think she found out about it afterwards and was not very happy. But one thing we got out of it was another child care service in an area that needs the service. There are many young families. It would have been very easy to give them \$230 000 and let them go, but instead we provided a block of land, community purpose land, to establish another child care centre.

**Mr BALDWIN:** Okay, minister. That is your acquisitions of land. Could you tell me why, then, in that period that you decided against the purchase of defence land at Lee Point?

**Mr VATSKALIS:** I did not decide; it was a Cabinet decision. The reason was because the price of the land demanded by the Commonwealth was extremely high, plus we would had to have found another \$10m for the head works. On the other hand, the Defence Housing Authority had already expressed a wish to establish somewhere around 300 houses for Defence personnel members who will be coming to Darwin, and they told us that the Lee Point area was what they wanted.

So, we had first bite of the cherry, but we advised the Commonwealth that we were quite happy for the Defence Housing Authority to buy that land from the Commonwealth directly. We made sure that they would be a memorandum of understanding between us and the Defence Housing Authority with regard to planning, with regard to construction, in order to avoid a ghetto. My understanding is that the Defence Housing Authority will be buying the land subsequent to approval by the relevant federal minister, and they will be seeking private partnership with a developer in order to develop about 700 blocks in the area, of which they intend to buy one third.

**Mr BALDWIN:** Minister, when did you and/or the government make the decision not to purchase the land?

**Mr VATSKALIS:** As you are probably aware, negotiations with the Commonwealth have been going on for quite a while. We were hoping that we would pay a good price for it. Unfortunately, the Commonwealth was not prepared to negotiate the price down. By the time we commenced the negotiations, the Commonwealth needed every single cent they could put their hands on, and they were not prepared to even come down \$1m. That happened earlier this year. The government considered the purchase price and the cost of the head works, and we decided against it.

**Mr BALDWIN:** So you decided when? When was it that the government made the decision?

**Mr VATSKALIS:** Earlier this year. I cannot remember the exact date, but I can find out the Cabinet decision date, and I can give it to you.

**Mr BALDWIN:** So it was Cabinet decision earlier this year? Okay. You talked about negotiations ...

**Mr VATSKALIS:** For your information, member for Daly, it was March, but if you want a date, I can give you a date.

**Mr BALDWIN:** Yes, that would be handy. March. You talked about the price in your reply there, that it was too expensive, and I know you have said in parliament it was in excess of \$10m, I think, and that you saw that as being too expensive. Could you give me an indication of what would be a reasonable value for that land? Obviously, you had negotiations going on. You would have had your advice from the department, as is the case in these acquisitions.

**Mr VATSKALIS:** How can I put a price on this piece of land? We do not own it. The Commonwealth was asking approximately \$10m and the head works would probably have been another \$10.5m. It depends on for how much you want to sell a block of land. If you want to sell it for \$300 000 to recover the money – I do not think you advise government to buy the land and lose money on it because that is not how it should operate. In addition, we do not want to compete with private developers. I think the price that the Commonwealth was asking was too high, and also the cost of head works was too high. We were not prepared to do it.

**Mr BALDWIN:** Minister, you would have had advice from the AVO through your department, one would assume, because you said you were in long negotiations with the Commonwealth. Your advice would have given you an indication of what the land was worth – 68 ha of strategic land. What did the Northern Territory government consider a fair and reasonable price for which to purchase that 68 ha.

**Mr VATSKALIS:** Sixty eight hectares, I agree with you. But you cannot subdivide all 68 ha. You have to put aside about one-third for road services; there would be 700 houses; there will quite probably be a small shopping centre and a school. What would be left from the 68 ha? Not very much. We wanted to purchase it for probably \$6m, but the Commonwealth was not prepared to come down to that price. In addition, the Commonwealth wanted us to take over the responsibility for unexploded ordnance, which was something that we were not prepared to do. It is very similar to what they wanted in Leanyer. I think your government was not very keen to take that responsibility.

**Mr BALDWIN:** Minister, you were prepared to pay \$6m. You say it was in excess of \$10m for their price.

**Mr VATSKALIS:** I said approximately \$10m.

**Mr BALDWIN:** No, in the *Hansard* in the sittings – I think last sittings, in fact. I would have to find it. Yes, 29 May, so it was the sittings before:

*...negotiations were tough, they were asking for a very big price in excess of \$10m.*

In an answer to a similar question that I asked of you in estimates – well, it was a written question because we did not get to question you - you said last year that you had a contract of sale: ‘... a contract of sale has been received which has been examined by the government’s legal advisors’. So what was the actual price? This is a contract of sale that is coming from the federal government to you as the minister for your perusal and agreement or otherwise.

**Mr VATSKALIS:** As I said to you before, the Commonwealth offered it to us for approximately \$10m. Then they wanted negotiation with the government, and we were prepared to pay \$6m. The Commonwealth said ‘no’, and my advice was, let us find out how much they want us to pay for it and we can negotiate a possible contract. One of the terms of the contract was that we take responsibility for unexploded ordnance and we were not prepared to do that. I find it very interesting that a Labor government supported free market economy and free market development of land, yet you take a very socialist approach to the CLP government that they wanted the government to develop land. It is a very strange reversal of roles here.

**Mr BALDWIN:** So, what was the price on that contract of sale?

**Mr VATSKALIS:** We never signed a contract, we never actually came to a price.

**Mr BALDWIN:** You said that you received ...

**Mr VATSKALIS:** A contract.

**Mr BALDWIN:** ... a contract of sale has been received. One would imagine, would not they, that it would have a price on it? Is not that what a contract is all about?

**Mr VATSKALIS:** It might have had a price on it, but when I learned that I would have to undertake the responsibility for the explosives I was not interested anymore.

**Mr BALDWIN:** So there was no price on that contract for sale?

**Mr VATSKALIS:** Member for Daly, the other thing you are asking me now to do is actually disclose a confidential contract when there are still negotiations between DHA and the Commonwealth. If I give you a price of what the Commonwealth wanted there, that would flag to the DHA what actually should be the price they would want to pay. The Commonwealth might decide that they want more from DHA and DHA might be prepared to pay more. I am not prepared to disclose the price.

**Mr BALDWIN:** Minister, in all fairness, you have told us that you were prepared to pay \$6m, they were wanting in excess of \$10m. What was the actual figure? It is somewhere between \$6m and \$10m?

**Mr VATSKALIS:** That is right.

**Mr BALDWIN:** So you are not prepared to say?

**Mr VATSKALIS:** No, because as I said to you before, DHA is still negotiating with the Commonwealth to purchase the land. I am not going to be the one who is going to flag the price. The Commonwealth would be feeling very aggrieved if I actually disclose a price if they are negotiating a high price with the DHA.

**Mr BALDWIN:** So, minister, through the Chair, the public cannot find at what price you knocked back a sale of land that you could then go and put out to private developers – and yes, I do actually support private developers in the Northern Territory, and this would be a better way of doing it than you – we cannot find out what price you have knocked it back for, but we know it is somewhere between \$6m and \$10m.

**Mr VATSKALIS:** Member for Daly, once again, no contract was signed. The government receives a lot of proposals, but they do not disclose what kind of proposal and how much the proposal was for. What am I going to disclose to the public? I did not spend any money. I did not borrow any money to buy the land. There is no damage done to Territorians. There is no burning issue for the public to know how much money the Territory forked out. We had a contract, a proposal for sale, we rejected it, we did not spend a penny. What am I going to disclose?

**Mr BALDWIN:** Minister, you might not think it is a burning issue, but I am sure that if this land passes into the hands of DHA, rather than being put out for a public process that you could have managed by your purchase of this land, that people will have something to say. All I am trying to establish is, what was the price that was too high? You are saying it is in excess of \$10m. You are saying that that is what they wanted. I am asking you, it must be somewhere in excess of \$10m, and \$6m that you were prepared to pay, is it \$7m, \$8m, \$9m?

**Mr VATSKALIS:** Well, you are spot on. It is between \$6m and \$10m. I am not going to disclose any price.

**Mr BALDWIN:** So minister, you think that somewhere between \$6m and \$10m was too much to pay for 68 ha of strategic land that you could have put out to Northern Territory developers under your land release policies and schemes, where you could have recovered more than the cost of the land through the sale of the land to developers? The \$10m or less purchase price and the \$10m of headworks which could have been recovered in the sale of that land. But you decided rather than do that you would leave it to the Commonwealth to sell it to somebody else.

**Mr VATSKALIS:** Member for Daly if we were going to buy the piece of land we had to find the money to buy the piece of land, and then we had to find the money for the headworks. That would bring the price high. DHA can do exactly the same, and it is going to have a memorandum of understanding with the Northern Territory of Australia on how to do things, how to comply with the planning requirements, how to develop the land, to implement all our planning principles and also to go through an open and transparent process to invite developers to be partner with DHA to develop exactly the

same thing. The difference is that I do not have to borrow the money to buy the land and develop it; somebody else can do it.

**Mr BALDWIN:** So, minister, let us move to the terms and conditions of the MOU that you are putting in place with Defence Housing. Are they confidential as well?

**Mr VATSKALIS:** Yes. They are still being drafted. They are still very much in draft form and we are in negotiations with DHA and I am not prepared to disclose it. But one thing I am disclosing is that they have to comply with the planning principles. These are ones we have advocated for a long time.

**Mr BALDWIN:** To me it sounds like a very secretive process.

**Mr VATSKALIS:** No, it is not secretive. It is not fair for me to talk here about what we want to put in and what DHA wants to put in. When it is completed it is going to be a public document. It will be provided to the public, there will not be any secret.

**Mr BALDWIN:** Why is it secret now?

**Mr VATSKALIS:** Because we have not reached the final agreement. What am I going to disclose about DHA when they are still discussing with us what we are going to put in place?

**Mr BALDWIN:** Okay, let me ask you one point on the MOU that you are bringing into effect, or hope to achieve with Defence Housing. Will you be insisting that they go to multi-block development on that 68 ha?

**Mr VATSKALIS:** What is a multi-block development?

**Mr BALDWIN:** Well, more than one block of land would be released to developers for blocks of housing.

**Mr VATSKALIS:** My understanding from DHA is they want to develop the whole lot. They do not want to create a ghetto. They want to develop houses spread out on the whole development rather than actually having all 300 houses in one area. My understanding is that they will actually develop a variety of blocks sizes and development. It might be single dwellings, semi-detached or town houses. The other thing is, you have a virgin block of land there and it is up to DHA now to negotiate with the developers – whoever their partner is – about what they want. You have to remember that the developer is going to have to recover his costs to make a profit. It is the same for DHA. DHA operates as a commercial entity, and that is what they have done in the past. What I know for a start is that DHA wants to have houses spread throughout the development, so it might happen in stages, but it is not going to be a case of one ghetto here and the rest will never happen.

**Mr BALDWIN:** I understand all that minister, but what I am asking is not what DHA is talking about, but whether you and your government is insisting that the 68 ha of strategic Darwin land will be put out to developers in multiple blocks, so that more than one developer, private, Territory owned developer, can have a go at being involved in this development? It is your answer I want. What you are saying?

**Mr VATSKALIS:** DHA intends to buy the block. It is a commercial decision by DHA how they are going to put out the development; if they are going to have more than one developer or they have one developer.

**Mr BALDWIN:** I take it from that, that you do not mind whether it is one partner they have from the private sector or who they are?

**Mr VATSKALIS:** My understanding is DHA is seeking developers. I understand that there is

significant interest from Darwin to form a partnership with DHA, and a number of developers have been talking with DHA. It will be the decision of DHA who is going to do the development.

**Mr BALDWIN:** So, it is not your decision? You will not be insisting that in an MOU with the Defence Housing Authority that they provide opportunities for Territory developers to become involved in one of the most strategic pieces of land in the Darwin area?

**Mr VATSKALIS:** I suppose you are right because it was your government that actually picked out Delfin to do the development in Palmerston, only one developer, and I do not think they were actually Darwin developers, where they? So, why should I try to direct DHA about who they are going to pick out and how many developers they are going to pick up? They have to make a decision.

**Mr BALDWIN:** I will tell you why, minister, because the former CLP government had a long standing arrangement with the federal government, by letter, that you would be aware of, that when that block became available from Defence use, we would take up first option. We did not have any question about purchasing this block of land because we would want to use it in a way of land release that would allow Territory developers to be involved, multiple ones. You are saying you are not interested in that. Is that correct?

**Mr VATSKALIS:** We had the first option, like you did. We decided to accept ...

**Mr BALDWIN:** And you gave it away.

**Mr VATSKALIS:** You cannot give away something you do not own. It was Commonwealth ...

**Mr BALDWIN:** You had first option, you have ownership ...

**Mr VATSKALIS:** Yes, which was not exercised because we are not prepared and we did not have the money to pay for it, thanks to your government.

**Mr BALDWIN:** Minister, just to clarify that you are not prepared to pay what seems to me to be a very good offer in terms of a price, for 68 ha of strategic land that is adjacent to the hospital, out to the Casuarina reserve, includes possibilities for resorts that your Chief Minister went overseas looking for, has the possibilities to develop 700 housing blocks, has the possibilities to recover all of the capital funding that would be required to purchase and service that land, as you do with every other piece of Crown land that you release? You were not prepared to pay that amount of money so that Territory developers could have a go? Is that correct?

**Mr VATSKALIS:** Member for Daly, when was the last time you visited the area?

**Mr BALDWIN:** I was out there last weekend in fact.

**Mr VATSKALIS:** Very good. Can you tell me ...

**Mr BALDWIN:** In fact, I went past your house on the way.

**Mr VATSKALIS:** Can you tell me where you have actually have direct access to the Casuarina Reserve? If I am not wrong one side is restricted by the Royal Darwin Hospital and the other side is restricted by the 2CARU which is the RAAF radar. We have decided not to buy that piece of land between Tambling Terrace and Lee Point Road and the hospital. We have not relinquished any right to buy any of the other pieces of land when released by the Commonwealth and certainly we have not relinquished the right to buy land that will be appropriate for a resort. The only thing we decided not to buy is a small piece – it is actually next to Tracy Village and to the Tambling Terrace Seniors Village and certainly it is not what you describe.

**Mr BALDWIN:** I know where it is, minister. I was talking about the area that we are talking about. There are beaches, there are caravan parks, there are facilities for all sorts of ...

**Mr VATSKALIS:** No, no, you are wrong.

**Mr BALDWIN:** ... in that general area. The hospital in the general area, shopping centre in the general area, bus services in the general area, and you refused to buy it. I am happy to move on because we are going to get nowhere with this. I am just astounded by your answers.

**Mr DEPUTY CHAIRMAN:** Is that a question?

**Mr BALDWIN:** No, I am happy to move on, out of this one to the next question. Minister, talking of acquiring land, you are acquiring land from rural residential blocks that adjoin Rapid Creek. Can you give me what the current status of those acquisitions are?

**Mr VATSKALIS:** Certainly. Another debacle we found was the Rapid Creek corridor. You will be very well aware of it since you were the minister who signed it off. It was one of our promises that we were going to establish a 100 m corridor, and also the advice we received was that the decision to restrict the corridor to 50 m was not done properly.

It was decided to compulsory acquire. However, I insisted that before we proceed to the compulsory acquisition, we negotiated with the owners to acquire pieces of their lands and compensate them on the AVO value, and if necessary, to go a bit further because after all negotiation could lead to litigation. We negotiated with a number of land holders; we offered them an amount of money. The negotiations are nearly completed and I anticipate that this matter will be completed by September 2003. However, I have instructed my department, following our first offer, which is quite generous, if any of the land owners reject this we will proceed with compulsory acquisition. This government made a promise that we would have a 100 m corridor in Rapid Creek to protect the creek area, as done in other areas and as scientists dealing with similar environments have recommended, and we will proceed either by negotiation or by compulsory acquisition.

**Mr DEPUTY CHAIRMAN:** Shadow minister and other members and visitors in the gallery, I just want to foreshadow that when we finish going through this output we will take a 5 to 10 minute break.

**Mr BALDWIN:** So minister, you said they are on AVO valuation; that is correct?

**Mr VATSKALIS:** Yes.

**Mr BALDWIN:** The advice you are getting from AVO, is that based on rural residential values or open space conservation values?

**Mr VATSKALIS:** It is a point of contention. My belief originally was open conservation, but now the AVO has reviewed its decision and [inaudible].

**Mr BALDWIN:** And is, sorry?

**Mr VATSKALIS:** It is coming on what you referred to before, not as open conservation.

**Mr BALDWIN:** So on their rural residential valuations? So one would expect that to be a higher amount?

**Mr VATSKALIS:** That is correct.

**Mr BALDWIN:** Has that offer been made to the land holders?



**Mr VATSKALIS:** That is correct. The land holders have been offered higher value than an open conservation zone.

**Mr BALDWIN:** Would it reflect present market values, do you think, given that there has been some recent purchases of these blocks in that area - very recent, in fact?

**Mr VATSKALIS:** Most of the land owners we were dealing with are people who are the original owners of land adjacent to the creek corridor. I am not aware of any sales that have taken place in the past few months of the land adjacent to the corridor.

**Mr BALDWIN:** Minister, you must be aware of some purchases very recently, in at least the last six months?

**Mr VATSKALIS:** I am dealing with the same land owners I have been dealing with in the past six months so I cannot say there are any new ones that I am aware of.

**Mr BALDWIN:** Okay. It is based on rural residential rather than open space, and the offer would reflect the component of land that you wish to acquire. Can you tell me whether the land owners have been offered any additional compensation in the acquisition for any disadvantages because they are losing a portion of their land? Can you tell me if they are being compensated for any other difficulties that might occur because they have lost that? In other words, if it interrupts their current infrastructure. As you say, some of them have been there a long time.

**Mr VATSKALIS:** It would be very easy for us to start compulsory acquisition and get involved in the courts for the next five or 10 years, something I want to avoid, and I certainly do not want to disadvantage people. We had negotiations with people, some of them pointing out to us that they would be losing some features of their land that they really want to maintain. We are prepared to forgo one or two metres in order for them to maintain their features. Also we are prepared to pay the expense of relocating some of the fences. We are negotiating in good faith. We are not going in saying: 'We can acquire it. This is the money, or else.'

Some of them decided that they would discuss it with us. Some people said: 'No, I want an independent valuation'. Even then, we are prepared to look at their own private valuation in order to negotiate the issue. As I said before, spending the next five years in court and paying lawyers is not the way to proceed. It would be easier to spend the money and compensate the people there rather than pay lawyers to fight this issue. As I said before, I am prepared to go to acquisition if people, for any reason, decide not to negotiate with us.

**Mr BALDWIN:** Given all of that, can you tell me how many blocks you are dealing with for a start?

**Mr VATSKALIS:** We are dealing with six freehold properties.

**Mr BALDWIN:** The only land you want to acquire is off six freehold properties?

**Mr VATSKALIS:** Six freehold properties.

**Mr BALDWIN:** Given that, are they being offered similar amounts of money, say, a unit price for the land you want to use?

**Mr VATSKALIS:** No, they have not because some of them are straight forward, some of them have effected changes to their land, which we are prepared to modify to bring it back to the original state. Some of them have asked for more money; some of them are prepared to accept the price we are offering. The price we offer to people depends on the work they have done and how much land we will acquire. Again, the price depends on the remediation we have to do in some areas.

**Mr BALDWIN:** You would base your offer on some price of unit value of the land component that you wish to acquire?

**Mr VATSKALIS:** The prices are very similar. They are not 100% different; they are very similar. Chris, do you want to comment on this?

**Mr BIGG:** Prices that are being talked about are within a reasonable range of each other. They are not the same because the government is attempting to reach amicable agreement with everyone.

**Mr BALDWIN:** Minister, without naming the amount, obviously, I do not want to get into confidentialities, you are very sensitive about that sort of area, but could you tell me whether the price being offered reflects current market value and recent purchases and sales of land in that area of these types of blocks?

**Mr VATSKALIS:** It is an AVO valuation and certainly I think the Valuer-General will take into consideration all these effects, and the zoning and everything else. I do not know how much money the people sold their land for. What I know is, that actually the government will acquire the land, the government wants to acquire the land. The problem is the people will be disadvantaged, not by this government but by a decision of the previous government, and we will try to negotiate an amicable agreement with people, and that is why the price variation is not \$10 or \$20 per square metre, it is very, very small; it is not.

**Mr BALDWIN:** Minister, is that what you said? 'It is not'?

**Mr VATSKALIS:** It is not that sort of \$10 or \$20 range.

**Mr BALDWIN:** \$10 or \$20, okay.

**Mr BIGG:** The dynamics are fairly simple. Obviously, AVO valuation for open space is not very high. The objective is to reach amicable agreement with each individual landholder, so the government is prepared to go a bit higher. They are the dynamics of the negotiations. We are not, obviously, talking about huge amounts of money for a few metres of land.

**Mr BALDWIN:** Minister, it may be that it is only a few metres, but it is also the blocks that these people have owned for a long, long time. Certainly, the price that they get should not only, in my view – and I hope you agree, and the question is, do you agree? – that the price they get for this small amount of land actually reflects current market values, as can be determined by the AVO by looking at recent sales, and also compensated for any other disadvantage that they have been put at by you wanting to acquire their land.

My next question, minister, is ...

**Mr DEPUTY CHAIRMAN:** Let him answer the question, please.

**Mr VATSKALIS:** Member for Daly, if you recall very well, there was a rezoning in the area ...

**Mr BALDWIN:** Absolutely.

**Mr VATSKALIS:** ... and the agreement was that the rezoning will go through and these people are going to surrender land to create a 100 m corridor in Rapid Creek.

**Mr BALDWIN:** That is not correct.

**Mr VATSKALIS:** The rezoning took place. These people did not surrender land, and then Fred Finch went on and said the corridor for Rapid Creek does not need to be 100 m, it can be 50 m. Who created the inconvenience? We have legal opinion that says that the variation was significant, should have been advertised, and it was never advertised. Who created the inconvenience? It was not this government. It was your government, it was your administration and you were the minister. You cannot accuse the government of creating an inconvenience. We tried to save the creek. It is an icon for Darwin. We are prepared to go higher than an open space conservation price in order to acquire that land. We are even prepared to relocate fences. We are prepared to leave bores where they were and fence around them. We are prepared to forgo a few metres in order to achieve the desired outcome. Do not come here and tell us that this government has inconvenienced the people in Rapid Creek. It was your administration that created the mess and we are trying to sort it out. If I want to go and sort it out tomorrow I can do it, but I am not prepared to disadvantage people further because, to put it bluntly, you stuffed it up.

**Mr BALDWIN:** Minister, I thank you for those comments, even though they are wrong. I would just point out to you before asking my next question, that, in fact, we were not going to acquire any land from the land holders. They were going to give up any land that was within 30 m of the centre line of Rapid Creek. The other portion – that is, the land that was within the 30 m and 50 m from the centre line – was going to be theirs to keep forever. You are the one who wants to acquire that land, not the former government, never the intention, easily proven, minister, by press releases and all sorts of documentation.

Minister, can you tell me ...

**Mr VATSKALIS:** Just to correct the records, this is what you signed.

**Mr BALDWIN:** If you don't mind. Mr Chairman, I am asking a question.

**Mr DEPUTY CHAIRMAN:** Can you make the question ...

**Mr BALDWIN:** Yes, I will. Minister, can you tell me that you have made an approach to all of the land holders who are affected by this decision that adjoin Rapid Creek?

**Mr VATSKALIS:** Yes, but one.

**Mr BALDWIN:** All but one?

**Mr VATSKALIS:** Yes.

**Mr BALDWIN:** And who is the 'but one'?

**Mr VATSKALIS:** I am not willing to disclose that because we are having negotiations with that person and I am not going to make his or her name public.

**Mr BALDWIN:** Minister, why is it then that you have approached all of the others, but one?

**Mr VATSKALIS:** I want to proceed with the other ones because they never actually wrote to us to demand a particular price. I want to use the other people as an indication of the price we are going to pay; to go back and negotiate with that particular person who asked a price that, in my opinion, is extremely high. I want to tell him or her that I am not going to pay their price to them, when I paid this amount to everybody else. The reason I am actually not discussing price with the person at the moment is because that particular person, or company, has asked for a very, very high price.

**Mr BALDWIN:** Minister, this seems a bit odd and unfair, that you would approach all of the land holders who have this issue with you except for one, and you are making offers to all of the land

holders at various prices ...

**Mr VATSKALIS:** Very similar prices.

**Mr BALDWIN:** Various prices. You cannot tell me how much? Somewhere between \$10 and \$20 difference per square metre. However, one you are leaving out there, and are not prepared to make an offer to or negotiate with or make contact with? That seems to be a very strange way of doing business. Don't you agree?

**Mr DEPUTY CHAIRMAN:** Member for Daly, I have given you a lot of latitude as far as questions. Now ...

**Mr BALDWIN:** This is a new question.

**Mr DEPUTY CHAIRMAN:** No. You are getting into the habit of making statements and in tacking something on the end. I have given you a lot of latitude here. I ask you to be a bit more concise in your questioning to the minister, please.

**Mr BALDWIN:** Well, speaking to the point of order, Mr Deputy Chairman, the Chairman, in fact - the Chairman, given that you are the ...

**Mr DEPUTY CHAIRMAN:** Well, I am the Chairman now.

**Mr BALDWIN:** ... made comments, and we can go to the *Hansard* ...

**Mr DEPUTY CHAIRMAN:** No, I have made my ruling.

**Mr BALDWIN:** Can I speak?

**Mr DEPUTY CHAIRMAN:** No. Ask your question, please.

**Mr BALDWIN:** I have asked the question, you interrupted on it.

**Mr DEPUTY CHAIRMAN:** Ask your question.

**Mr BALDWIN:** The last Chairman said ...

**Mr DEPUTY CHAIRMAN:** No, do not get into an argument with me on this.

**Mr BALDWIN:** Then I will ask the minister to answer the question.

**Mr VATSKALIS:** Member for Daly, we actually made an original offer to this particular person, who came back with a significantly higher price.

**Mr BALDWIN:** So you have made an offer?

**Mr VATSKALIS:** Yes, and he asked me to discuss it with him. We went back to everybody else and we said: 'We want to buy your land, this is what we offer'. There is not much point in the minister negotiating currently with the other person if he wants a significantly higher price. When I get the other land for the price we offered, we can go back and say: 'We are not going to offer you this price - this is the price that we offer'. Then, if he wants he can take us to court, because we have the precedent that we paid six land holders that kind of price, and we are not prepared to pay him three or four times the price per square metre. That is why we are not currently having negotiations with that person.

**Mr BALDWIN:** Minister, then you are saying that, since the original offer you have not been back to that one land holder ...

**Mr VATSKALIS:** No, there is not much point.

**Mr BALDWIN:** ... even though ...

**Mr VATSKALIS:** We got a letter, but ...

**Mr BALDWIN:** Can I finish my question? ... even though you have been back to all the others? Okay. Thank you.

You say that if you cannot reach an agreement with the land holders - any one or all or the one you have not approached since the first original approach - then you will be using your compulsory acquisition powers to get that land?

**Mr VATSKALIS:** Member for Daly, the original response from the people when the original offer was made was that they were not going to give the land for that very small amount of money per square metre. I accepted that. Now we have made another offer, they are talking to us. However, we cannot go on and on and on; we have to stop somewhere. It is pretty reasonable - and everybody will accept that at least we made an effort to negotiate, to have some fruitful negotiation and decision by offering more money. If these people do not accept this offer, and they want more money, we are not prepared to pay that money. We have a commercial position. It is a very reasonable approach and it shows the goodwill of the government.

**Mr BALDWIN:** Thank you, minister. I take it that you will, at some point - and if you could indicate when you would like to have this wrapped up by - if you do not have amicable agreement that you will use your compulsory acquisition powers? Can you let me know what the end point is so that we know when you will want this arrangement done, finished, all squared away? What date are you looking at for doing that?

**Mr VATSKALIS:** I expect this approach to finish by September 2003. However, if that person tells me tomorrow that he does not like our money, he wants twice or three times as much, we will commence compulsory acquisition for that particular property owner as soon as possible.

**Mr BALDWIN:** So you will not use your compulsory acquisition powers?

**Mr VATSKALIS:** I said I am prepared to wait. I want to wrap it up by September 2003, amicably. If some of these people say they are not interested, then I will commence compulsory acquisition.

**Mr BALDWIN:** Thank you. How much revenue did you receive from the sale of government owned land during 2002-03? Could you provide details? If it is in a list, I am happy to take the list.

**Mr VATSKALIS:** The 2002-03 revenue from land sales was \$4.81m. I have the list of properties that were sold in 2002-03 if you are interested: Lot 293 Batchelor; Lot 7012 Nightcliff; Lot 7865 Palmerston; Section 1840 Hundred of Ayers; Lot 9684 Nightcliff; Section 5603 Hundred of Bagot; Lot 2419 Katherine; Lot 7031 Sanderson; Lot 9319 Alice Springs; Lot 9310 Alice Springs; Lot 951 Alice Springs; Lot 115 Alice Springs; Lot 7925 and 7926 Alice Springs; Lot 764 and 765 Borroloola; Lot 7867 Palmerston; Lot 7866 Palmerston; Lot 4187 Palmerston; Section 4801 Hundred of Bagot; Section 860 Hundred of Ayers; Lot 5396 of Bagot; Lot 5988 of Darwin; and Section 1651 and 1652 Hundred of Guy. The budget estimate was \$5m, so the money we received from land sales was pretty close to the budget estimate.

**Mr BALDWIN:** Thank you, minister. Owen Springs Station is still in the government's ownership.

Could you tell me what you intend doing with the land that is still remaining since vesting some of the land for parks purposes?

**Mr VATSKALIS:** I have made various statements in parliament, member for Daly, about Owen Springs Station. On 16 December 2002, we announced the plans for the future release of land from Owen Springs Station. Now, this area has been divided to accommodate a wide range of alternative land users. The western half of the Alice Valley would be included in the West MacDonnells National Park. 1780 km of Owen Springs Station has been set aside to become a reserve under the care, control and management of the Parks and Wildlife Service. The reserve will promote multiple use and the government is seeking to encourage community groups and the Tourism Minister to develop plans for the utilisation. 500 km<sup>2</sup> north of the Waterhouse Ranges is under consideration to be set aside for pastoral research under the management of the Department of Business, Industry and Resource Development. The remainder of 900 km<sup>2</sup> of land east of the Stuart Highway has been made available under short term pastoral sublease. Public special interest in the sublease which will run for two years closed on 30 June 2003 and we are currently assessing submissions.

**Mr BALDWIN:** Okay, so I take it from that, minister, that some of that remaining land you will give consideration to returning to the pastoral estate. Is that correct?

**Mr VATSKALIS:** Well, we have said already about developing some as a pastoral research unit. We have had an expression of interest from pastoralists in the area to use it for pastoral use. We have to remember that there are some native title issues on Owen Springs Station, and we do not have a problem with the soft approach. It is not going to create any future problems and I am quite happy to accommodate people for a period of time.

**Mr BALDWIN:** To return to the pastoral estate some of ...

**Mr VATSKALIS:** Well, at this stage we have decided, as I said to you, 900 km<sup>2</sup> east of the Stuart Highway, we will consider what we can do. It is a small piece of land and if there is strong demand by pastoralists to incorporate with their pastoral leases, it is something we will review with interest.

**Mr BALDWIN:** Thank you, minister. When will a decision be made on the development of the Darwin Wharf Precinct?

**Mr VATSKALIS:** A Cabinet submission is prepared for the Wharf Precinct. It is going to be submitted to Cabinet in the next few weeks. The unit that has been working on the Wharf Precinct has been working very hard visiting southern states and had discussions with developers, financiers and other interested parties. The government has allocated \$1m in the 2003-04 financial year to investigate what is under the Wharf Precinct, biochemical and geotechnical studies and clearing some of the area. You will already have seen that the silos have gone. Some of the other facilities will be going. We are progressing with the Wharf Precinct development but Cabinet will make a decision in the next few months.

**Mr BALDWIN:** So, minister, in this whole process of getting to a Cabinet submission, you have called for expressions of interest that is right, isn't it?

**Mr VATSKALIS:** No, we called for expressions of interest from the public to tell us what they want to see down there. We have not called for expressions of interest from developers.

**Mr BALDWIN:** I thought a year ago you were talking to developers, putting it out there, looking for developers to be involved in this thing.

**Mr VATSKALIS:** It was part of the consultation process with the public and people who were interested in the development of the Wharf Precinct. We had, even in Darwin, developers who came to us with plans. We heard what they had to say, but at the same time we visited and saw examples of similar developments down south to get an idea of how we should proceed, the way we would

proceed, what would be the covenants model to develop the Wharf Precinct, should it be the government itself that manages it or should it be an independent authority. I believe the group that is working for the Wharf Precinct is going to put all these issues in a Cabinet submission.

**Mr BALDWIN:** Okay. Then, one would assume, there is going to be a public process?

**Mr VATSKALIS:** It will be an open and transparent process. We will be calling for expressions of interest, and may the best man or woman win.

**Mr BALDWIN:** So as far as fast tracking of this development goes - because it was a major plank in the government's economic forum and you have made statements and so has your Chief Minister regarding fast tracking this - it is now nearly two years on, when do we expect to see at least the expressions of interest formally hit the deck?

**Mr VATSKALIS:** Cabinet will consider it. You have to remember that this kind of development is sizeable; it is not happening overnight. Similar developments overseas in South Africa and Cardiff took years in the planning and years to complete. We are talking about a \$700m development, and people want a piece of the action, with marinas, residential areas, commercial areas, offices and all sorts of things. The government really wants to proceed, and that is why we have appointed a group to fast track this development. Yes, it has been two years, but let us get it right. It is not something that is going to impact on this government only; it is going to impact on future governments and the future of Darwin.

**Mr BALDWIN:** I was involved in the design of this precinct, if you remember rightly. I know all of that information. I am asking when do you think there would be expressions of interest hitting the public forum?

**Mr VATSKALIS:** Mr Chambers will respond.

**Mr CHAMBERS:** The development of this project now has been collapsed together by a task force, one of the ones the Chief Minister announced. The input from that has been multi-agency. It has taken on board all the public consultation, but while that has been going on we have actually been moving to do some of the preparatory work which, if you have just gone out six or 12 months ago, a developer would have had to do.

In the current financial year, we have spent about \$235 000 just cleaning up a lot of the rubbish down there. It is sort of obvious, but not so obvious in some areas, that there has been a lot of clean up. The \$1m the minister mentioned, the first part of that, several hundred thousand dollars, will be to do the geotechnical investigation work. The site has been used since World War II for a whole range of purposes - iron ore; lead and zinc; a bitumen plant down there so there would be hydrocarbon contamination; we believe there was an asbestos dump that we have generally delineated that arose post-Cyclone Tracy; there are areas where there are old vehicles, we believe post-World War II dumps of old Jeeps and stuff. So, the geotechnical investigation is an absolute precursor to any major development for anything. We will be moving on with that.

That will also be an input into an environmental impact; it will probably a public environment report, EIS. We have decided now it should go to a full EIS, given those past activities. The geotechnical work is of vital input to the EIS, which in itself is something like an eight to 12 month process. The precursors for development are all being done. We are running on a parallel schedule here.

In terms of the decision the government needs to make, it is essentially about the nature of the expression of interest that is invited. However, that expression of interest will lay out all of the parameters and the issues that the government will be addressing itself. There are two tracks running here. I cannot speak for when the government will make a decision, but we are committed to get a submission through to the Cabinet in the next few weeks. There is a lot of work going on just to bring a lot of historical information together, including two or three rounds of previous consultations.

**Mr BALDWIN:** I thank Mr Chambers for that fulsome information. Could I just ask the minister, in his opinion, when does he think we will get some expressions of interest for developers? I understand the extent of work that has to be done, and it could be included, as your officer just said, in the proposals for any developer to undertake that work. You have a Cabinet submission prepared that is obviously about to go to Cabinet. When do you think we will get to a point where public expressions of interest will be called for the Wharf Precinct?

**Mr VATSKALIS:** First of all, the government really looks forward to actually putting this out in the open. We want it to happen. However, at the same time, I cannot speak for a Cabinet decision, because the Cabinet might decide that they need more information. As Mr Chambers said, in the next few weeks it is going to go to Cabinet. I understand that Cabinet will make a decision and soon afterwards there will be expressions of interest.

For example, we are also looking for a tropical resort ...

**Mr BALDWIN:** Lee Point would have been good for that.

**Mr VATSKALIS:** Yes, and it might be one of the options recommended by the group that has actually been working on that. The Cabinet submission has been prepared, it will go to Cabinet in the next few weeks, and a decision will be made by Cabinet and soon afterwards will be announced, but I cannot give you an exact date.

**Mr BALDWIN:** Thank you, minister. Mr Chairman, that is me finished with that output, but my colleague has some questions.

**Dr LIM:** I have a couple of questions, Mr Chairman.

**Mr DEPUTY CHAIRMAN:** Well, hang on, member for Nelson, are you right?

**Mr WOOD:** Yes, I have three quick ones. Minister, the rubbish tip for Humpty Doo. As you know, there have been a lot of complaints about that site. Has the government at least looked at alternative sites, not including the so-called regional site? Have you revisited that?

**Mr VATSKALIS:** Member for Nelson, the government, together with Litchfield Shire Council, will look for further sites.

**Mr WOOD:** Minister, why did the government pick what I call sandfly country for the railway passenger terminal, and is that railway passenger terminal only temporary?

**Mr VATSKALIS:** I think the Chief Minister made it very clear when she announced there was going to be a temporary railway station. The answer to why is because the railway station in Charles Darwin site will cost \$30m. The one inside Darwin will cost \$25m, and there were also problems with the access to Bayview because of the length of the train. I know you sound surprised about the price. They had to consider the total cost plus the construction of a spur line to over there. In Palmerston, it was \$60m. Where we are putting it now it will cost about \$5.7m. The decision was on economics and the fact that later, when and if the railway station wants somewhere more permanently, the facilities will be there and can be utilised by the Darwin Business Park.

**Mr WOOD:** What happened to the original site, which was roughly where Tiger Brennan Drive would come through near the 11 Mile? On the Tiger Brennan land use plan – I think it was called – there was a site marked on that plan for the rail and the railway siding was on that, which was just near the 11 Mile. You have Tiger Brennan Drive, which will be extended through to roughly Marjorie Street – in that area there – the rail comes up very close to that, and on one of your Transport and Works documents, it showed that as the original site. I have always wondered why – no, actually I have



shown it to you in parliament, and I have never got an answer why that site was not retained?

**Mr CHAMBERS:** Through you, minister, the site I think you are talking about, Mr Wood, was sort of north of the Power and Water substation terminal, is that right?

**Mr WOOD:** No, it is at the top of the arc as it goes past Fairway Waters, it goes up high, that point there, that was the site that the government had selected for the passenger terminal and rail infrastructure.

**Mr CHAMBERS:** That was one of the sites evaluated in the selection, and it was more expensive again because there was a large cutting there. In any of the sites we investigated, as the minister referred to, because this is the terminal point of the train, you actually need to be able to shunt it off to do the overnight servicing. So, a siding or anything up into that area served no other purpose. When we looked at the site in the business park, the additional siding needed for the train to be pushed out for overnight servicing, by doing that they can continue to use the yards for freight, but that siding, given that it is only used one day a week – certainly in the short term as far as we know – that siding also runs around the back of the site reserved for the joint user terminal. So, part of the money that is being spent, the \$5.7m, is to produce that siding, but that will have the beneficial effect on a future joint user terminal in terms of fuel exports and imports. We get a bit of extra value for the siding rather than just having it sitting out in the middle of nowhere.

**Mr WOOD:** Is the passenger train company putting any contribution towards the cost of passenger services that it will only use?

**Mr CHAMBERS:** Through you, minister. No, Great Southern Railways are not contributing directly to the capital cost. The government is providing that at Darwin, Katherine and Tennant Creek. We are negotiating with Great Southern Railways about a lease, care and control arrangement, which would remove further operating cost liabilities from the government.

**Dr LIM:** Mr Chairman, to the minister. Budget Paper No 5 of 2002-03 advised, and I quote: *Some 40 lots were released in Larapinta to be followed by a further release in Mount John Valley scheduled for 2003.*

When asked at last year's estimates hearing, you admitted the error but then advised that an initial 30 residential blocks would be released by mid-April 2003. To date, we have seen no evidence of this. Housing allotments in Alice Springs have been selling at around \$102 000 each for some time due to the scarcity of vacant housing allotments. This year, the government again, in the form of the Minister for Central Australia, was very loud in announcing that at least 30 housing allotments would be released in Larapinta Stage IV by the Lhere Artepe group by January 2004. What is the current status of the project, in the first instance?

**Mr VATSKALIS:** As you are aware, there was an agreement with the Lhere Artepe to develop that particular piece of land, each 50:50. They will develop their part of the lot whenever they chose to and we will develop the other one. Currently, we are doing an engineering study and also identifying the sacred sites or sites of cultural significance. Until we do that, there is not much point in actually releasing lots. We do not want a lot in the middle of a site of significance or a sacred site.

When this is completed, then we can come out with the definition of the lots. We say 30, but 30 is a conservative estimate at this stage. We do not want excite the people in Alice Springs. My personal belief is, from what I am advised, there are going to be more than 30. However, I could not give you a definite number of blocks until we finalise the study for sacred sites and sites of significance.

**Dr LIM:** Thank you, minister. I appreciate the engineering study and the sacred site isolation out of that area. My question is that the Minister for Central Australia, on behalf of the government, promised that land would be released by January 2004, and he staked his house on that. I do not see anything happening at Larapinta Stage IV. Are you going to meet the dateline of January 2004?

**Mr VATSKALIS:** You have not seen anything happening yet because the study for the sacred sites has not been completed. However, we endeavour to have the blocks released as promised, in the beginning of 2004.

**Dr LIM:** Okay. I take you on the promise. What price did you receive for that land you have provided to Lhere Artepe?

**Mr VATSKALIS:** There was not an issue of selling land to Lhere Artepe. As you will understand, that block of land has a native title issue on it. That was the first agreement. The people actually withdrew all the native title on the land, so it would be free of native title. The agreement then with the government was that they would take half of this land to develop it themselves. We did not pay any money. They did not pay any money to us and we did not pay any money to them. However, you have to remember that it has not happened anywhere else in Australia. This is the first time that an Aboriginal group agreed to lift their interest on their own land - recognised by courts and everybody - and then, in exchange, they will be allowed to develop that land themselves. We have not paid any money to Lhere Artepe, and they have not paid any money to us.

**Dr LIM:** What you are saying to me then, minister, is that it was a trade-off, and that means that lifting their native title is worth 50% of the available land at Larapinta Stage IV?

**Mr VATSKALIS:** Dr Lim, if tomorrow I decide to come and see you because I want to build a block of units where your house stands today, you would be quite entitled to ask: 'What am I going to get for that?' I can say: 'I will build a block of units and I will give you 50% of them or 20% of them and I can sell the other 50%'. That is a reasonable agreement. So, these people have a piece of land, they own it - they own it in the sense that they have native title. You could not do anything on it. It could sit there empty for ever and ever, doing nothing. What we did is say: 'You have this land, you have native title application on it, why you do not remove it so it will free the whole piece and in exchange we give you a developmental lease?'. And that has happened and that is the way to proceed. And this is the way we intend to proceed with Mt John Valley and is the way we will proceed in other areas where, until now, you could not do anything. I mean you tried, your government tried. They went to court, they went to litigation. They did nothing. This is the first time we have achieved something.

**Dr LIM:** Thank you, minister, for your response. What you are saying to me is it is how you interpret it. I see it as a trade off worth 50%. I only trust that we do not end up with the same sort of deal at Mt John Valley because it will become very expensive for the Northern Territory government.

**Mr VATSKALIS:** That is not true, Dr Lim. That is absolutely not true. What price would you put on a empty block of land sitting empty for ever and ever? Upwards zero value. That block of land, as it was sitting there, had zero value. Now it has a value on it. We did a trade-off but at the same time we will be able to provide blocks to the people in Alice Springs who, as you said, are suffering because until now the blocks in Alice Springs are quite expensive. This is a matter of resolving these issues with negotiations. You have been in government – you have been a member of parliament for Greatorex for many years. Show me a piece of land you managed to free in Alice Springs in all those years.

**Dr LIM:** Let's move on, minister. You have confirmed my belief. Now, you assured me that there will be housing allotments released by early January 2004. With only seven months to go you anticipate that works will be done; headworks including land clearing for the new subdivision. Will you confirm that?

**Mr VATSKALIS:** Early 2004 we are going to have the blocks ...

**Dr LIM:** You said January 2004. You promised.

**Mr VATSKALIS:** I said 'early' - always in our statement we said 'early 2004' will be releases.

**Dr LIM:** Well, we will find it. I ...

**Mr VATSKALIS:** I have been advised ...

**Dr LIM:** No, I ...

**Mr VATSKALIS:** No, no, hold on a minute. It is on the same issue. I am not changing the subject. ...that \$1.5m has been allocated for capital works to commence in August.

**Dr LIM:** I am quite aware of that, minister ...

**Mr VATSKALIS:** And I will invite you to the opening.

**Dr LIM:** I am just trying to make sure that all of the comments that have been made by the Northern Territory government about housing allotments being released at Larapinta Stage IV in January 2004 are going to be fulfilled. Do not now start to rewrite history because ...

**Mr VATSKALIS:** No, no, I am not rewriting history. What we said all along, the release of the blocks is targeted for early 2004. That is my position and that is my statement all along. Now, if somebody else said to you January 2004, fine, but my release has always been early 2004.

**Dr LIM:** Just a quick question for you to confirm or otherwise, minister. At the announcement of the land release at Larapinta Stage IV, the Minister for Central Australia advised that the average allotment from that area will be sold for around \$75 000 each. Do you, minister, consider the advice to be reliable and approximates what residential land should be in Alice Springs?

**Mr VATSKALIS:** Dr Lim, the \$75 000 price that you said was referred to by the minister is a guesstimate. If you have 30 blocks you might say \$75 000 each but you have to remember you have spent a certain amount of money for headworks and development of the area. If you managed to get 60 blocks instead of 30, to recover the same amount of money, the selling value of the block will be less. But, irrespective of what price the block is in Larapinta, I am pretty confident they are not going to be \$120 000 a block. On top of that I have advised my department that I want to see a number of blocks significantly lower priced for first block buyers for first homes.

The price, especially in the one controlled by the government, is going to depend on the number of blocks that we are going to put out and the cost of the headworks. But even, whatever the price is, it is going to mean homes for first home buyers in Alice Springs.

**Dr LIM:** Minister, if I can then just have a quick calculation. Of the 30 blocks – will be at least 30 blocks will be made available at \$75 000 on average, you are looking at \$2.25m for the half of the property at Larapinta Stage IV that is going to be available for development. That is to be the trade-off you are talking about.

**Mr VATSKALIS:** One of the things you have to remember, member for Greatorex, is these are not headworks in isolation. For example, we are not going to put down water pipes and electricity lines just for this development. They are going to serve broader development than that because it is going to continue. So you cannot just say \$2.5m headworks for that area divided by 30 blocks equals \$75 000 per block. These headworks will be able to service more blocks further up, so you cannot just put their price on one set of blocks. They might serve another 30, so eventually you have to actually take into consideration the future service provision to other developments in the area.

The government knows there are going to be further developments. A very good example is our road, power supply and water supply at Wickham Point. We have not said to ConocoPhillips: 'You will pay 100% of the cost of these developments'. We have said to them: 'You will pay only 40% because this development is going to provide service to the other developments in the area'. You ask for part of the

development.

**Dr LIM:** Minister, I was advised at the briefing that was provided by your department that cost recovery will be the case for the provision of headworks, including water and all that, to Larapinta Stage IV. Is that correct, or is that not correct any more?

**Mr VATSKALIS:** Yes, cost recovery, but not that cost recovered from these 30 blocks when we know we are putting sufficient service provision to service other blocks further out.

**Mr BALDWIN:** Minister, I have one more question, and just by way of clarification. When you were talking about the land and transferring and the arrangement you came to on the issue of native title, you said there was no money paid, from what I understand. Do you believe that native title is ownership of the land? Can you clarify that for me?

**Mr VATSKALIS:** It is not a matter of what I think; it is what the courts of this country believe. Currently, there is a court case in the southern states where the court is deciding what value they will put on native title. Now, if tomorrow the courts in, say, Victoria, decide that native title is equivalent to freehold and they assign a price equal to freehold, then we have a situation that we have not foreseen.

Twenty years ago, nobody could foresee the Mabo case, or the Ward case. The courts of the land make a decision that has implications for the wider community. My understanding is the court now is deciding, either in Victoria or New South Wales, the value of native title. It is not up to me to decide, but the reality is that without the agreement of the people who have native title of the land, I or anybody else could do nothing in this land and it will stay empty for ever and ever. They are in possession. They own it; they have it; we cannot touch it.

**Mr BALDWIN:** They own it. That is what I would like you to clarify.

**Mr VATSKALIS:** In reality, it is their land; we cannot touch it.

**Mr BALDWIN:** Minister, my understanding of the *Native Title Act* is that native title recognises interests over the land and it could indeed at some point have a value placed on it by court precedents, but I did not understand that there was ownership. My understanding is the ownership, the title is vested with you, the Crown.

**Mr VATSKALIS:** Yes, and they have an interest in it, and I cannot do anything without compensating.

**Mr BALDWIN:** So, your view is that they don't have to pay anything for the land because - why?

**Mr VATSKALIS:** As you probably understand, even if the land is vested in the Crown, these people have an interest in the land. If I decide to compulsorily acquire it, eventually I have to compensate them, don't I?

**Mr BALDWIN:** Yes, at an amount.

**Mr VATSKALIS:** Yes, an amount which has to be determined in the future.

**Mr BALDWIN:** In this case, you have chosen that the amount is half the value of that Larapinta land. Is that the understanding?

**Mr VATSKALIS:** But that already has native title termination and the amount has to be determined now. So by agreeing with them to have a development lease, the government does not have to pay a penny. It recognises their rights on the land, they lifted any kind of entitlement on the land, and in exchange, we give them the right to develop it.

**Mr BALDWIN:** I know it is quite a different situation, but in the case of the Bellamack/Rosebery thing, there was recognition of native title in the arrangement that happened there too. However, in that case my understanding is that the traditional owners actually paid a value for the land that they received. Whereas, in the case of Larapinta, albeit that one has a proven case of native title, I understand all that, so you do not have to explain all that to me, so there is, I would have thought, a similar thing between them?

**Mr VATSKALIS:** No, because one of them had recognised native title need, the other, who did not have a determination of native title yet, and they agreed not to go to the court and put a claim on it. Instead, they agreed to pay a small amount of money for the land they actually acquired. So they are two different things, one had a determination recognised by the courts, recognised by everybody, the other did not, and the only thing you came in agreement, it was quite good what you did, is not to put a claim on the land, because whoever put a claim on the land would be in the courts for ever and ever.

**Mr BALDWIN:** No, there was a claim on the land, minister. Can I understand then ...

**Mr VATSKALIS:** Sorry, my apologies, you are right. There was a claim but they did not object to the acquisition. That was the difference.

**Mr BALDWIN:** Could I understand then, minister, that the value, albeit that the courts have not yet decided on the value of native title interests in land, you have determined the value in the Larapinta case of about 50% of the land? Thank you.

**Mr VATSKALIS:** It is very, very easy to make statements like that, trying to put that the Territory government paid money. We did not pay money and you know that very well.

**Members** interjecting.

**Mr VATSKALIS:** Oh, forgo revenue, oh, very good, excellent and what the problem was that to forgo revenue you have to buy the land first ...

**Mr DEPUTY CHAIRMAN:** Member for Grotorex, the minister is answering the question, give him the courtesy, please.

**Mr BALDWIN:** Thank you, Mr Deputy Chairman, I have no more questions in that output.

**Mr DEPUTY CHAIRMAN:** I am not sure if the minister has finished.

**Mr BALDWIN:** Sorry.

**Mr VATSKALIS:** The member for Grotorex is trying to prove that the government paid the black fellows money. Member for Grotorex, let me put it bluntly ...

**Mr BALDWIN:** They did not say that.

**Mr VATSKALIS:** Let me put this bluntly ...

**Dr LIM** interjecting.

**Mr VATSKALIS:** Let me put it ...

**Dr LIM:** I will call a point of order on that. The minister should withdraw those words, it is unparliamentary and he should withdraw.

**Mr BALDWIN:** And it has been attributed to the member ...

**Dr LIM:** And attributed to me. That is very scurrilous and it is out of order ...

**Mr VATSKALIS:** Member for Greateorex, your inference was that somehow ...

**Dr LIM:** Withdraw. You withdraw.

**Mr VATSKALIS:** Your inference, you did not say it but your inference was ...

**Dr LIM:** You withdraw those words.

**Mr VATSKALIS:** ... that somehow ...

**Dr LIM:** A point of order, Mr Deputy Chairman!

**Mr DEPUTY CHAIRMAN** Well, hang on here, you know, if you let me get a word in. Minister, I am not aware that you did attribute those words to the member for Greateorex. However, in the interests of trying to get a cup of tea in here, if you would be so kind as to clarify whether you did attribute those words to the member for Greateorex.

**Mr VATSKALIS:** No. I said there was an inference there that somehow the government paid money to Aboriginal people in Alice Springs. The reality ...

**Dr LIM:** Those are not the words. That is the sort of person you are.

**Mr DEPUTY CHAIRMAN:** No, member for Greateorex, I did not hear it the way you did. I asked him to clarify it and he did, so leave it there.

**Mr VATSKALIS:** Mr Deputy Chairman, I apologise.

**Dr LIM:** Get the *Hansard* tomorrow.

**Mr VATSKALIS:** I believe there is a personal issue here. Did the person have an objection talking about black fellas? Yes. The problem is the government did not pay any money to Aboriginal people in Alice Springs. Whether we did, we had an agreement for them to lift all their interest in the land so we can proceed to provide some land to the people in Alice Springs, something you have failed in the past few years to achieve.

**Mr BALDWIN:** Good on you, thank you minister.

**Mr DEPUTY CHAIRMAN:** Are there any more questions in regard to output 1.4, Land Management? There being no further questions, that concludes questions for that output. We will now take a 10 minute break, the time is seven minutes past by the clock on the wall.

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The committee suspended.

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**Mr CHAIRMAN:** We will resume. I understand we are on output 1.5 – Land Development.

**Dr VATSKALIS:** Mr Chairman, before you start I have here a list of the applications for amendments

to the Northern Territory planning scheme proposals as promised. I point out two of them were withdrawals.

**Mr BALDWIN:** If you could table that, minister, that would be great.

**Mr VATSKALIS:** Building Advisory Services, number of building permits issued to the end of May 2003, 3122; audited permits, 183.

With regards to the East Side levee on Todd River and the money that has been spent, the East Side levee was identified from the 1996 flood plain management plan. The levee was proposed by the Alice Springs Town Council under the original flood mitigation program seeking funding from the Commonwealth and Northern Territory government. The previous government supported a proposal subject to other works being carried out. The Alice Springs Town Council has advised that it does not want to proceed at this time, and if a time comes and they want to proceed with the flood levee they have to put in a new submission and it will be considered again.

**Mr CHAIRMAN:** Minister, was that question on notice number 8.1 was it?

**Mr VATSKALIS:** That was - some of them I took on notice.

**Mr Baldwin:** Yes, but what number?

**Mr VATSKALIS:** Sorry. It is 8.1.

**Dr LIM:** Mr Chairman, that was the question I asked, and I thank the minister for his response. Again, I draw your attention to the fact that this is out of output group and really should have been just tabled.

**Mr VATSKALIS:** I am prepared to table it; we have no problem about that.

#### **Output 1.5 – Land Development**

**Mr BALDWIN:** Mr Chairman, as I indicated, I do not have any questions in this output group.

**Mr WOOD:** I have two questions for the minister. Minister, on page 216 of Budget Paper No 3, it says that the average cost per completed land sale or land grant is going to be \$49 000. The cost of many groups of Crown land grant is nil, so the taxpayer is losing money because it is not user pays. What are these costs? It is under the cost item.

**A member:** He went back to land management.

**Mr VATSKALIS:** You went back to land management?

**Mr WOOD:** I am sorry. I have this marked wrongly, so I will leave the question. I have a second question, which is in 1.5. I am sorry. The first question was my mistake.

**Mr CHAIRMAN:** Go for it.

**Mr WOOD:** All right. In the Arnhem and Barkly Regional Highlights, pages 4 and 6, \$710 000 is set aside to provide land information and associated services to support sustainable land development. What land information and what associated services?

**Mr Baldwin:** That's land information, output 1.1.

**Mr CHAIRMAN:** It can either be put on notice, it is entirely up to the minister, or you can talk about it in the non-specific budget output areas. It is entirely up to the minister..

**Mr WOOD:** Minister, will you take it on notice?

**Mr CHAIRMAN:** Do you wish to take it on notice?

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**Question on Notice**

**Mr VATSKALIS:** I will take it on notice, yes.

**Mr CHAIRMAN:** The question?

**Mr WOOD:** In the Arnhem Barkly Regional Highway, pages 4 and 6, \$710 000 is set aside to provide land information and associated services to support sustainable land development. What land information and what associated services?

**Mr CHAIRMAN:** Minister, you will take that on notice?

**Mr VATSKALIS:** Yes.

**Mr CHAIRMAN:** That is 8.3.

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**Mr CHAIRMAN:** We have now concluded output group 1.0. Minister Burns will be addressing output group 2.0 tomorrow. We will now move on to output group 3.0.

**Mr BALDWIN:** Mr Chairman, just along with yourself, may I thank the officers for their attendance because there are quite a few of them, and we thank them.

**Mr CHAIRMAN:** Yes, thank you all very much.

**OUTPUT GROUP 3.0 – Conservation and Natural Resource Management**

**Output 3.1 – Policy and Planning**

**Mr CHAIRMAN:** Questions in respect to output 3.1? Can we bring this committee to order please, minister?

**Ms CARNEY:** Minister, in relation to this area generally, I notice that there is no line item in last year's budget called Conservation and Natural Resource Management. You know, obviously, that last year's structure of the budget was quite different. I am wondering why that was and what the rationale was?

**Mr VATSKALIS:** Mr Chambers will respond.

**Mr CHAMBERS:** Through you, minister, when we examined the structure of the department last year, we went through a major reorganisational effort, and part of that was integrating different parts of the department to achieve the benefits of the amalgamation. An offshoot of that was the fact that when we looked at the budget structure, it was inconsistent in that we had pieces all over the place. This budget structure aligns very much with the delivery of the outputs in the corporate objectives of government. In preparing the information, there was a backcasting exercise. It could get complex if you need to go back and compare apples with apples, but it has been done because Treasury, in fact, make us do that. So, depending on the nature of the question, we could do it. But it was merely to get a more efficient alignment of budget outputs and output groups.

**Ms CARNEY:** Thank you. I can indicate generally that my questions will be relatively straightforward



and not exhaustive. I am very aware of my colleague on my left, who is bursting at the seams to ask lots of questions about the next output area, so I will be quick, knowing that I can ask other questions in other ways. I just make the comment that Treasury may well have made the department do the apples and apples comparison. It was extremely difficult in this, perhaps more so than any other portfolio, because the subject areas have changed, but thank you for that explanation. I will ask other questions under other outputs to see if I can make sense of the criss-crossing that is obvious from the documents.

On to another question in this output. Can the minister advise whether any money has been allocated for the resolution of land rights and native title on Territory parks? If so, perhaps an overview might be of assistance.

**Mr VATSKALIS:** Well, as you probably know, currently there are negotiations going on because of the Ward decision with another land council. They negotiated a very, very sensitive point. We have a core of principles that the government sticks by, and we have an allocation of \$500 000 to continue the negotiations and work through the negotiations.

**Ms CARNEY:** Has any money been set aside?

**Mr VATSKALIS:** In this budget - \$0.5m.

**Ms CARNEY:** \$0.5m.

**Mr VATSKALIS:** Negotiations are ongoing, and I cannot predict when it will be completed. Also, that money is not only for the negotiation but for the parks master plan.

**Ms CARNEY:** Thank you. Minister, I wonder whether I could have your indulgence to ask a staffing question in this input. I assume that you will have the information tabulated, and I ask it in this input because words like policy and planning would, on any interpretation, I suggest, include staffing issues in Parks and Wildlife. So, on the basis that you are nodding, I will proceed. Can you advise how many staff resigned in 2002-03, and how does it compare with the preceding year?

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**Question on Notice**

**Mr VATSKALIS:** We will take it on notice so we can provide information.

**Ms CARNEY:** Thank you.

**Mr CHAIRMAN:** Can we again, for *Hansard*, member for Araluen could you quickly repeat that thank you.

**Ms CARNEY:** How many staff resigned in 2002-03, and how does that compare with the preceding year? Follow-up question is, how many staff were recruited in 2002-03, and how does that compare with the preceding year? Minister, would you like that on notice too?

**Mr VATSKALIS:** Yes. We will incorporate that into one.

**Mr CHAIRMAN:** That is question 8.4.

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**Question on Notice**

**Ms CARNEY:** Thank you. Another one under this heading: how much was spent on staff training in 2002-03, and how does that compare with the preceding year? On notice, minister.

**Mr VATSKALIS:** We might be able to give the advice now.

**Ms CARNEY:** Considering those questions were in a bundle, I am happy for it to go on notice.

**Mr VATSKALIS:** Okay. Fine.

**Mr CHAIRMAN:** Okay. That is question 8.5.

**Ms CARNEY:** Minister, in a press release of 27 May, you said that operational funding for parks will increase by \$500 000 in this budget. Can you advise what the \$500 000 will be spent on, and where can that money be found in the budget papers?

**Mr VATSKALIS:** This is the \$0.5m we just spoke about, the master plan and the parks negotiation.

**Ms CARNEY:** And, can you refer me to where that is in the budget documents? I could not find it.

**Mr VATSKALIS:** It comes under Parks and Reserve Management.

**Ms CARNEY:** Thank you.

**Mr VATSKALIS:** It has an allocation of \$1.6m. Within that \$1.6m, we have \$0.5m.

**Ms CARNEY:** Okay. Thank you. That concludes my question for this output area. I will be similarly brief in respect of the other output areas.

**Mr CHAIRMAN:** Any other questions on output 3.1? That is completed.

#### **Output 3.2 – Parks and Reserves Management**

**Mr CHAIRMAN:** We will proceed to output 3.2 – Parks and Reserves Management.

**Ms CARNEY:** Minister, in your press release of 27 May, budget day, you said that \$1.8m in new infrastructure had been allocated to four of the Territory's most popular attractions. In the 2002-03 budget, the total allocated for parks and reserves management was \$23.6m. In this year's budget, the allocation - that is on page 213 of the budget paper - is \$36.8m, showing an increase of \$13m. How do you explain that jump, given that there was an announcement of only \$1.8m in apparently new funding?

**Mr VATSKALIS:** The output estimate for 2002-03 was \$35.2m.

**Ms CARNEY:** Yes, that was the estimate ...

**Mr VATSKALIS:** Yes.

**Ms CARNEY:** ... and the allocation was \$36.826m for 2003-04.

**Mr VATSKALIS:** Yes, and that was in addition to what I mentioned before, the \$0.5m; the management of Owen Springs Station, \$300 000; repairs and maintenance funding for 2003-04 additional, \$166 000; nett variation of community service obligations to Territory Wildlife Park, \$577 000; nett budget variation inclusive productivity dividend, \$227 000; funding for a National Heritage Trust project not expended in 2001-02 was minus \$24 000; additional funding for 2002-03 for indigenous protection areas, Nhulunbuy minus \$65 000; additional funding for indigenous protection areas, Angus Downs, minus \$70 000. That works nett variation of \$1.611m.

**Ms CARNEY:** Well, why is it then, that in 2002-03 budget there was \$23.6m, and for parks and reserves management this year it is \$36m. I do not follow why there appears to have been a \$13m jump. The figures that you have outlined, even on my maths, do not get even close to \$13m.

**Mr VATSKALIS:** Mr Chambers will respond.

**Mr CHAMBERS:** You will find when we do the detailed analysis, in the 2002-03, an output which was Territory Wildlife Park CSOs ...

**Ms CARNEY:** Yes.

**Mr CHAMBERS:** Are they familiar? I think that now might be part of the Parks and Reserves Management, because Territory Wildlife Parks falls within that management group. You could add that \$8.5m, so that would take it up to \$31m. I am not sure where the Bushfires Management is in the current strategy.

**Ms CARNEY:** Do you say, minister, that – and this is the apples and apples confusion – the 2003-04 Parks and Reserves Management appears to have received, on the face of it, an unexplained of about \$13m, and that that includes from last year Territory Wildlife Parks CSOs and maybe Bushfires Management?

**Mr VATSKALIS:** We can take that on notice. I will give you the details later to clarify the situation.

**Mr CHAIRMAN:** Member for Araluen, would you like to repeat that please?

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**Question on Notice**

**Ms CARNEY:** In the 2002-03 budget, the total allocated for parks and reserve management was \$33.63m. In this year's budget, the allocation is \$36.826m, showing an increase of about \$13m. How do you explain this significant increase?

**Mr CHAIRMAN:** Thank you. That is question 8.6.

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**Ms CARNEY:** Just to conclude this output group, do I take it then that of the \$36.8m now allocated to Parks and Reserves Management, that all of that is explained - where we can predict these things - but that amount will be allocated for Parks and Reserves Management, Territory Wildlife Parks CSOs and Bushfires Management? Are there other areas?

**Mr VATSKALIS:** Not Bushfires Management.

**Ms CARNEY:** Not Bushfires Management. So, it takes into account the CSOs for Territory Wildlife Parks? Does it take into account anything else?

**Mr VATSKALIS:** Not that I am aware of, no.

**Ms CARNEY:** Perhaps we could have that one on notice as well? Would it assist if we had that one on notice?

**Mr VATSKALIS:** Yes, I am happy to take it on notice.

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**Question on Notice**

**Ms CARNEY:** The question is: do you expect that the \$36.8m allocation for Parks and Reserves

Management includes Territory Wildlife Parks CSOs and, further to that, will it take into account any other areas from the 2002-03 budget?

**Mr CHAIRMAN:** Thank you. That is Question 8.7

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**Ms CARNEY:** That concludes my questions for this output group, thank you.

**Mr CHAIRMAN:** Member for Nelson, I understand you have some questions

**Mr WOOD:** Yes, on output 3.2. Minister, Florence Falls and Buley Rock Hole camp grounds have been closed for camping. Why has that decision been taken? It is in the capital works program.

**Mr VATSKALIS:** Can you repeat the question?

**Mr WOOD:** Florence Falls and Buley Rock Hole camp grounds at Litchfield National Park are being closed for camping. Why has that decision been taken? I will refer to page 33 of the Capital Works program, last item.

**Mr VATSKALIS:** It is clear. On the last page it says they will be closed and will be rehabilitated as day use picnic areas. That is because we have had a significant issues with people parking there and quite a number of people camping. The number of people was in excess of what this facility can successfully accommodate so we have converted them to day use areas rather than overnight camping.

**Mr WOOD:** If you are saying that there were too many people camping there, will the new facilities be able to take ...

**Mr VATSKALIS:** That is the reason why I was spending money in camp grounds at Wangi Falls, to improve the facilities there so we can actually take the people who want to camp overnight in those two areas.

**Mr WOOD:** That was why I asked the question, so I could find out. Minister, I put staffing in here under 3.2 because it is management. Could you list the number of parks in the Darwin region? What is the current staffing level for the Darwin region? Could you give me a breakdown of their levels?

**Mr VATSKALIS:** There are seven rangers in the Darwin area and one in Howard Springs. The person in Howard Springs has been based there for quite a while now and overlooks the facilities in Howard Springs, also the Howard Springs Hunting Reserve and some of the areas under the management of my department. The other seven rangers are rotating around Darwin and they provide assistance if they are required in Howard Springs reserve.

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#### **Question on Notice**

**Mr WOOD:** How many administrative staff would be assigned to this Darwin region?

**Mr VATSKALIS:** I will have to take that on notice and provide you with the information.

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#### **Question on Notice**

**Mr WOOD:** All right. Just two others, then. I am not sure whether you were alluding to it in your previous reply, minister, but who is supposed to manage Tree Point Reserve, Shoal Bay Conservation Reserve, Malacca Swamp and the Howard Springs Shooting Reserve?

**Mr VATSKALIS:** The Howard Springs Shooting Reserve and Tree Point are managed by the Howard Springs Park ranger; Shoal Bay is managed by the seven rangers who rotate around Darwin because they have supervision of the Casuarina Coastal Reserve, the Charles Darwin park and other parks in the region, including Lake Leanyer until it closed down; Malacca, I cannot give you an answer today but I can take it on notice.

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**Mr WOOD:** Minister, you may have had a letter from me, regarding the health of the ranger at Howard Springs Nature Reserve. I was under the impression that he was told that he was only to work in the Howard Springs Nature Reserve, not the shooting reserve, and not Tree Point. You have just said that the Howard Springs ranger has responsibility for other reserves. Do I have the right answer to the right question or the wrong answer to the right question?

**Mr VATSKALIS:** Mr Ritchie will respond.

**Mr RITCHIE:** The individual instructions given from time to time by regional managers is not something that I can verify here. The general principle of the management of those parks in the Darwin system is as the minister has just outlined. There is a rotating system and the load is shared by a group of rotating staff. Now, I am aware that there have been some individual work health issues with some individual staff. There may well be situations where that is the case. I would have to follow it up.

**Mr VATSKALIS:** Just before you go on, member for Nelson, my apologies, there are 14 rangers in the Darwin district area including additional rangers at Berry Springs, Manton Dam and Blackmore. There are not seven; there are 14.

**Mr WOOD:** Minister, what is the staffing for the Howard Springs Nature Park? What is the normal staffing for that reserve?

**Mr VATSKALIS:** There has been one ranger based in Howard Springs for the past five years. That is it, one ranger.

**Mr WOOD:** Minister, there is a shooting reserve to the west of the Blackmore River in the Litchfield Shire. Is that a Parks and Wildlife shooting reserve, or is it something else? I did not bring it in, but I have a map from Map NT that shows a large area to the west of Blackmore River.

**Mr VATSKALIS:** It is owned by a community group, one of the shooting clubs.

**Mr WOOD:** Who is it being leased from? Is it a public shooting reserve? I am not talking about the one on Cox Peninsula Road.

**Mr VATSKALIS:** The advice I have is it is an area of Crown land. It is not a shooting reserve, but we allow shooting in that particular area.

**Mr WOOD:** It is all marked out?

**Mr VATSKALIS:** Yes.

**Mr WOOD:** My last point is not a question. I would just like to thank the minister for having the barbeques fixed at Howard Springs Nature Reserve - promptly, too. Many people appreciate that. Thank you.

**Mr DUNHAM:** This is a quick one, minister, several of us in another committee have been looking at cane toads and the necessity for some urgent action this year or basically forget it, in at least a couple

of cases. There were some actions proposed through public hearings, including maybe fencing Cape Hotham, Gurig, which is the Coburg Peninsula; translocation of species; some population audits and some surveys in some areas. We were wondering whether that had been included in this budget and whether it was new money or money that was taken from other park areas?

**Mr VATSKALIS:** We have a problem with cane toads, and unfortunately we do not have a solution to the problem yet. The Commonwealth has approved \$0.5m for biological control research. We allocated money in this budget, \$100 000, to take some of these species that will be in danger, and relocate them to areas not accessible to cane toads. It is something that has been done successfully in other states, like Western Australia, by enclosing certain areas against cats and foxes; they have managed to preserve some of their endangered species. Or, for example, in Montebello Island they have relocated some species to the mainland.

Territory Parks is trying to do the same. We know that a number of animals will be endangered, and we are trying to rescue these animals, so part of the species will later be able to be utilised to repopulate areas when the solution to canes toads is found.

**Mr DUNHAM:** My understanding is that unless there is some exclusion fencing, even of a trial type, at Coburg within the next few months, we may as well not do it. I am wondering whether there is some provision for - it is a substantial fence, even though it is only a couple of kilometres, I understand the drawings include stainless steel and such. I know it is not a cheap item. Basically, I am asking is there a provision in this budget for such an exclusion fence?

**Mr VATSKALIS:** We are now actually relocating species on islands because cane toads can not reach these, they are deserted islands. Unfortunately, I found out yesterday that one of the major islands has now been infected with cane toads, which is surprising. Obviously, somebody brought them in, in a boat by accident, and they have managed to colonise on the islands.

**Mr DUNHAM:** Which one?

**Mr VATSKALIS:** I think it is Vanderlin Island.

**Mr DUNHAM:** No, they swam, we have evidence, but that is not the point. The point is you only have money for translocation.

**Mr VATSKALIS:** We think translocation is the best at the moment.

**Mr DUNHAM:** And that is all the money you have? Okay. The other question is relating to the protocols that exist with translocation of species. I understand there is a significant protocol between the Commonwealth and Northern Territory government; the Commonwealth included in their submission, but made some comment that this had not actually been met in this case. Is that on foot now, or is it something you do not see as necessary, or ...

**Mr VATSKALIS:** Mr Ritchie.

**Mr RITCHIE:** It is my understanding that all those Commonwealth requirements are being met ...

**Mr DUNHAM:** Were met, or are being met?

**Mr RITCHIE:** Are being met.

**Mr DUNHAM:** So, works now to meet them, or they were met before the species were translocated?

**Mr RITCHIE:** As I understand it, are being met.

**Mr DUNHAM:** In the future?

**Mr RITCHIE:** Yes.

**Mr DUNHAM:** Right. Will be met.

**Mr WOOD:** Can I follow the question up on the cane toad thing?

**Mr CHAIRMAN:** Yes.

**Mr WOOD:** Minister, I know the member for Drysdale mentioned the stainless steel version, but the Environment and Sustainable Development Committee met at Kakadu and met with some of the traditional owners of Coburg Peninsula, who basically pleaded with us to get something done there this year. Whether it was just a cheap corrugated iron fence which is dropped into a trench, they felt that it was so important to have at least a piece of land, especially the Coburg Peninsula, the national park there, protected from cane toads, for a relatively small amount of money. They wanted us to basically plead with you, as the government, to get something done. Now you are saying nothing will happen?

**Mr VATSKALIS:** No, I did not say that. I said that there was no money allocated specifically for fencing. If people come to us and, as the member for Drysdale suggested, it is only a fence, not like the rabbit fence we have in Western Australia, but something we can actually do quickly and effectively, and there is another suggestion for a peninsula outside Mandorah, but the width is only about 200 m, and it is something that we will consider. We will have a look at the costs, and if it is effective, we will consider it. We do not say we are not going to do it. The question was, is there money allocated for fencing? I said no. The \$100 000 is allocated to translocate animals. Certainly, we are prepared to have a look with different communities and interested parties about fencing.

**Mr WOOD:** If the Environment and Sustainable Development Committee could come up with something, a project, you would look at it?

**Mr VATSKALIS:** Yes, we are prepared to look at it.

**Mr WOOD:** Thank you, Minister.

**Mr DUNHAM:** The question asked is, is that new money or would it come out of existing, and the answer is, he would be prepared to do it, but it will come out of the existing budget because there is no new money, apart from the \$100 000 translocation money. Is that correct?

**Mr VATSKALIS:** The reality is we have not done anything yet. There is no study, there is no recommendation, the budget being already in place. Where are you wanting to find the new money? The other thing is the cost of doing nothing will be significantly more than allocating some money from somewhere else to do it. As simple as that.

**Ms LAWRIE:** Mr Chairman, I have a question. On the issue of the parliamentary inquiry into cane toads, would it not be the case, minister, that a list of recommendations arising out of a parliamentary inquiry, with cost implications, would be a subject that would go before Cabinet regarding any necessary allocation of funding - whether that funding is new or otherwise?

**Ms VATSKALIS:** Member for Karama, depending on the size of the ask. If the ask is \$100 000, \$100 000 will be very easy to find from existing resources. However, if the ask is \$5m, then we have to go to Cabinet and we may have to draw on Treasurer's Advance to actually cover that cost. But it is something we are prepared to look at and discuss.

**Ms LAWRIE:** Thank you, minister.

**Mr CHAIRMAN:** Thank you very much, that concludes 3.2.

**Output 3.3 – Natural Resource Management**

**Mr CHAIRMAN:** We will now move to output 3.3 – Natural Resource Management.

**Ms CARNEY:** Minister, in the interest of time, I am happy for this to be taken on notice. You do not know what the question is, so I will read it and then you can perhaps nod.

There is no identical line item for natural resource management in the 2002-03 budget, which makes a comparison to the 2003-04 budget impossible. However, in the 2002-03 budget, the following allocations were made: Natural Resource Planning and Management Services was allocated \$2.029m; and Natural Resource Assessment was allocated \$8.354m. That roughly makes a figure of \$10m. Where does the extra \$6m come from under the new heading Natural Resource Management given that it presumably includes from last year's budget the areas of Natural Resource Planning and Management Services and Natural Resource Assessment?

**Mr VATSKALIS:** Mr Chambers will respond.

**Mr CHAMBERS:** Thank you, minister. Ms Carney, if you look back at last year's budget, there was a line item Management of the Territory's Biodiversity. Also during the year, in the restructure we included - Natural Resource Assessment was now bringing together all of the scientific people who assess the full spectrum of natural resources. So, within that output group now we have the Biodiversity Unit, the Water Resources Assessment Group which previously probably would have been Natural Resources Assessment. So, there was a restructure there. Again, I would have to demonstrate to you just where the bits of the department went.

Essentially, it is the same, because my Chief Financial Officer just advised me that, if you add up both of the previous output groups and you look at the current output group, they are virtually identical. So, there was no pea and thimble within merging the total. There was a small increase but, because of the restructure of the agency, some of the pieces went from different output groups into another output. It is confusing, and we would be more than happy to take you through it in detail and demonstrate just where those elements went.

**Ms CARNEY:** It may, indeed, be best at that point to have a briefing because, from a shadow minister's point of view, it is obviously critical that we join the dots. You can obviously appreciate that joining the dots from this year's budget to last year's budget is basically impossible. So I will indicate that I will seek a briefing. But thank you for that answer.

**Mr VATSKALIS:** Ms Carney, I think having a briefing will be for the best.

**Ms CARNEY:** On that basis I can afford to skip some areas. Can I ask, though, how much is allocated in the budget for 2003-04 in respect of the elimination or mitigation of weeds, and in particular *Mimosa pigra*. Cane toads have been dealt, with but feral animals as well?

**Mr VATSKALIS:** The total funding for weeds is \$2.945m.

**Ms CARNEY:** Sorry for?

**Mr VATSKALIS:** Weeds.

**Ms CARNEY:** Sorry, could you repeat the figure?

**Mr VATSKALIS:** \$2.945m.



**Ms CARNEY:** Is that an increase or a decrease from the preceding year?

**Mr VATSKALIS:** The year before was \$2.345m.

**Ms CARNEY:** Thank you. And in respect of feral animals?

**Mr VATSKALIS:** That is a different output group. Do you want to continue with that or you want ...

**Ms CARNEY:** Just hang on. Can you just bear with me?

**Mr VATSKALIS:** The two outputs are actually on feral animals. It comes out of the parks output and the ...

**Ms CARNEY:** And natural resources.

**Mr VATSKALIS:** ... and natural resources so they do not appear as a single item.

**Ms CARNEY:** Are you able to advise how much is allocated for 2003-04 for elimination or mitigation of feral animals?

**Mr VATSKALIS:** We will take that on notice because we have go to two outputs and get information to put them together.

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**Question on Notice**

**Ms CARNEY:** Thank you. Can you tell me how much was allocated for the elimination or mitigation of feral animals in the 2003-04 budget and further to that, what was allocated in 2002-03 and whether it was an increase or a decrease.

**Mr CHAIRMAN:** That is question 8.8.

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**Ms CARNEY:** That concludes my questions for that output, thank you.

**Mr CHAIRMAN:** Any further questions on this output?

**Mr DUNHAM:** Yes, minister, I was interested that your CEO says that nett/nett there is no change and yet there is a decrease of \$1.699m across this area. There has to be some losers somewhere and I hope that it is not at the expense of protecting our natural asset. I ask the minister if he could ...

**Mr VATSKALIS:** Which? Natural resource management?

**Mr DUNHAM:** No, I am talking about the major heading of Conservation and Natural Resource Management. We have been told that there has been moves across different output groups ...

**Mr VATSKALIS:** Yes.

**Mr DUNHAM:** ... but his finance officer told him that if you add them all up you would find that it is pretty much the same. Now, I am worried that across the board nett/nett there is \$6.7m and I can understand that it is going to take too much time to do that reconciliation here. The question I am asking is: can the minister tell us how many species in the Territory are at risk and whether the funding and activities to protect those species has gone up? Both flora and fauna.

**Mr VATSKALIS:** I can give you the species that are in danger. I recently completed the first listing of Northern Territory threatened species using the World Conservation Union criteria. The list contains 164 animal and plant species in the Northern Territory. There are several processes under way to improve threatened species conservation including Gouldian finch, several species rock rats, bilbies and mala. We have allocated this year \$550 000 for this project.

**Mr DUNHAM:** Which project? The Gouldian, mala and bilby?

**Mr VATSKALIS:** For the threatened species.

**Mr DUNHAM:** For all of them? For 164?

**Mr VATSKALIS:** For the budget allocation \$550 000.

**Mr DUNHAM:** This is for the 164?

**Mr VATSKALIS:** Yes.

**Mr DUNHAM:** Is that an increase on last year?

**Mr VATSKALIS:** Can I take that on notice ...

**Mr DUNHAM:** Ball park

**Mr VATSKALIS:** ... and bring it later?

**Mr DUNHAM:** Okay.

**Mr VATSKALIS:** Just if there is an increase or decrease in the budget allocation?

**Mr CHAIRMAN:** Member for Drysdale, do you want that as a question on notice?

**Mr DUNHAM:** I am happy to take him at his word, that he will get back to me.

**Mr WOOD:** Quick question, minister, referring to page 221 of Budget Paper No 3 under Performance Measures, quantity, it says there are annual reports on natural resources. What are these and are they made public? Page 221.

**Mr VATSKALIS:** Natural Resources Reports: fire reports regional and NT wide; pastoral land condition reports, VRD, Barkly and other areas; Pastoral Land Board Annual Reports; Landcare Council Annual Reports; Regional Water Advisory Committee Reports; Water Quality Reports. I think you can find those reports on the Internet. I do not think they are secret; they are public.

**Mr WOOD:** That is all right. I just do not get on the Internet too much.

**Mr VATSKALIS:** If you want one, just ask us and we will give you one.

**Mr WOOD:** Okay, thank you.

**Mr CHAIRMAN:** That is output 3.3 completed. We will move on.

**Output 3.4 – Wildlife Management**

**Mr CHAIRMAN:** We will now consider output 3.4 – Wildlife Management.

**Ms CARNEY:** Minister, again there was no line item in the 2002-03 budget called Wildlife Management, so it is impossible to make comparisons between the two budgets. Is it possible for you to advise what was spent on wildlife management in 2002-03, because it is not clear, and what the allocation is for 03-04?

**Mr VATSKALIS:** The money spent in 2002-03 was \$2.657m and the budget for 2003-04 is \$2.696m.

**Ms CARNEY:** Thank you, that concludes that output area.

**Mr CHAIRMAN:** Are there further questions for output 3.4? There are no further questions.

#### **Output 3.5 – Natural Systems**

**Mr CHAIRMAN:** We will now consider output 3.5 – Natural Systems.

**Ms CARNEY:** Minister, this is the section called 'Natural Systems' and again, it is not surprising that no comparison could be made with the year prior. The allocation for 2003-04 for natural systems is \$14.013m. What did that comprise from last year's budget? Can you tell me what areas?

**Mr VATSKALIS:** You want the difference?

**Ms CARNEY:** No, sorry, I apologise for the clumsily worded question. For natural systems, it received allocation of \$14m. In terms of last year's budget, what areas does it now include, this thing now called 'natural systems'? I am happy to take it on notice.

**Mr VATSKALIS:** Mr Chambers will respond.

**Mr CHAMBERS:** Natural systems, as I said earlier, was a collation of all those scientific units that evaluate biodiversity, water, soil. This is the scientific, almost research end of what we do. So the scientific effort in determining the baseline of our natural systems, flora, fauna. You will find in there is the herbarium. All of those scientific people are all into that area. But in terms of the comparison and our earlier comment, when you look at this year's budget papers, and when I said about backcasting, the 2002-03 estimate that is included in the 2003-04 budget papers, on page 213, the numbers there in 2002-03 are in fact the collation of the backcast numbers. So they are a reasonable comparison. I guess what is not as transparent to you is which units are in there. In a detailed briefing, we could take you through exactly, unit by unit, what is in each of those program areas.

**Ms CARNEY:** Do you think it would have been of assistance to provide some explanatory notes, given that it has been referred to as 'backcasting,' another definition which could be all sorts of things, including notoriously messy. Can I perhaps get an indication from the minister that in the event that this changes again, there be explanatory notes? I am not the only one who looks at this stuff.

**Mr VATSKALIS:** I agree with what you say. I think it has to be done and I will make sure it happens if it changes, but I am pretty confident it is not going to change next year.

**Ms CARNEY:** Thank you. On that basis, I will not pursue other questions. We can do that in the briefing. Thank you.

**Mr CHAIRMAN:** That is output group 3.0 complete. We will move on.

#### **OUTPUT GROUP 4.0 - Transport** **Output 4.1 - Transport Policy and Planning**

**Mr CHAIRMAN:** Minister, I thank officers involved in that output group too, and welcome new officers.

**Mr VATSKALIS:** Mr Chairman, Mr Adrian Murray is sitting next to me.

**Mr CHAIRMAN:** Welcome. Do we have any questions in respect to output 4.1?

**Mr DUNHAM:** The first one is a clarification, minister. I note that Road Safety appears under your output group Road User Management. My question is a transport policy question, and I wonder if it sits better here. It is about road safety, but it is an overarching policy issue of the type similar to what I asked the Police Commissioner yesterday. So, should it be better here?

**Mr VATSKALIS:** No, all the policy issues are in Road User Management.

**Mr DUNHAM:** Okay. Well, going to Transport Policy and Planning, we talked in this committee at some length about a new policy for the collection of stamp duty at the point of sale, that is, through licensed motor vehicle dealers. There were certain undertakings given by the Commissioner for Taxation and the Treasurer about talking to MVR and the users. However, the point that they seemed to make long and hard was that it was an efficiency measure that was essentially cost neutral, and what they were looking for was a better system rather than to garner any more tax. I have had a number of calls from the industry. I wonder if that is your opinion too, whether this measure is really to introduce efficiencies, or whether it is to pick up additional revenue?

**Mr VATSKALIS:** That is in the MVR output, member for Drysdale, and stamp duty is part of Treasury.

**Mr DUNHAM:** Okay. Well, I will cut straight to it and maybe you can tell me. My understanding is that there are a number of vehicles that are sold, where the licensed motor vehicle dealer takes his portion of the form, sends it in as an alert mechanism to the Motor Vehicle Registry. The other portion is held by the person who has purchased the vehicle, and they have 14 days in which to enter those details and to pay the stamp duty, which will be moved further up the line, so it is collected at the point of sale. I have been told there are significant numbers of unpaid stamp duty, and that this is a much under-collected tax, particularly for Aboriginal people, and that it is a tax that incurs a \$2000 fine if people do not register within that 14 days. I have been told not only are they not pursued, not only is the fine never, to anybody's recollection, ever imposed, but it starts a cascade effect where that person then is wary about registering the vehicle because they are going to have to pay it.

So, essentially, what is happening is you have an unpaid tax out there that is being flick passed to the industry to pick up, because MVR has either been recalcitrant in sending out those letters, and they have the details on their files. They are definitely being recalcitrant about levying the fine of \$2000 to discourage this level of delinquency, and it encourages further problems down the track where people at the six month or 12 month time, do not register because they know they are going to get hit with the whammy. Essentially, what I am asking is, can I please have the data on the people, statistically non-identifying data, if you like, who are delinquent at not registering within the statutory 14 day period, and we would like to know whether there are certain catchments that are particular to that group? I understand it is Aboriginal clientele in the main. I would like to know further where the difficulties with identifiers, and this is coming out as a big issue, the difficulty in identifying people of the various devices that are available to people who are selling cars, is also an issue for MVR that they have an address and they are buck passing to the industry? So, they are essentially what I would like to know.

**Mr VATSKALIS:** We will have to take that on notice, member for Drysdale, the issues that you address. We can provide you with information at a later date.

**Mr DUNHAM:** Well, the bill will be debated tomorrow. These are issues now that I am sure that you will be getting the same calls I am getting. So, essentially, I would like that undertaken.

**Mr CHAIRMAN:** Member for Drysdale, are you in a position to clarify that?

**Mr DUNHAM:** I am sure you will be getting the same calls ...

**Mr CHAIRMAN:** This is just in respect of *Hansard*.

**Ms Lawrie:** It is a lengthy question for *Hansard*.

**Mr DUNHAM:** They are pretty good. I have the *Hansards* for the last two days. I am sure they will be able to pick out what I said out of that.

**Mr VATSKALIS:** Will you repeat the question ...

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

**Mr VATSKALIS:** I will take it on notice because it is a complex question. I cannot quote a number now. We have to go back and be able to work through ...

**Mr DUNHAM:** I understand you have to take it on notice. I also understand that we both know that this bill will be debated tomorrow night.

**Mr VATSKALIS:** Since this is a complex question and we have to go back to MVR and look at it, and I know the bill gets passed tomorrow, what if I give you an undertaking that we provide you a briefing with all this information at a later date, instead ...

**Mr DUNHAM:** A written briefing, please.

**Mr VATSKALIS:** Yes, instead of taking it on notice now?

**Mr DUNHAM:** Okay, if I can get a written briefing - particularly if it interrogates those statistics of delinquency at the 14 day registration period. Thank you.

Okay, what are we talking about - transport policy. I am happy to move through this.

**Mr CHAIRMAN:** Are there any other question on output 4.1? There being no more, we will move on to output 4.2.

#### **Output 4.2 – Marine and Road Safety Regulation**

**Mr CHAIRMAN:** Are there any questions on output 4.2? There being no questions we will move on to output 4.3.

#### **Output 4.3 – Passenger Transport Services**

**Mr WOOD:** Minister, you have just called for a review of the public bus service. Why will it take 18 months? I have a few questions. Do you want me to give you the questions, or just wait? Keep going? Okay.

Who is doing the review and how much will that review cost? You are also in the process of new tenders for the bus service. Would it have not been better to wait for the review to finish? I am not sure what will happen once you have done the review and you have people half way through a tender. My last question is: why have you not considered reviewing school bus services at the same time? Some buses in the rural area are both school buses and public buses and as you know, minister, I have been longing for some extension of the bus services in the rural area.

**Mr VATSKALIS:** As you know, when we commence the review, it will take 18 months. It is a complex review because we are analysing a lot of data and information: the type of users, who uses it for what purpose, and when it is used. Also, we have to actually review three regions which are different. We have to do the Darwin region, the Palmerston, and review the rural.

The review is managed by the Public Transport Branch and the cost is covered within the program. We are not paying any other consultants to do it. We are reviewing and analysing the route and passenger information. We will consult with the key stakeholders - that includes schools as well. We will survey passengers and the community, and we have assessed the needs of these regions, specifically the rural area where we have a lot of people moving out there. Everybody demands a bus to their front door. We will then actually introduce the change.

I agree with you regarding the review coinciding with the contract for the buses. As you know, we have to go for the new contract for the buses because the existing contract finishes about now - in next few months. So, there was no ifs and buts about it. Also, the tenders are not tenders that are inflexible. They are very flexible and they will allow us to actually adjust the needs as required.

**Mr WOOD:** Thank you, minister.

**Mr CHAIRMAN:** Okay, we have concluded output 4.3.

#### **Output 4.4 – Transport Facilities**

**Mr CHAIRMAN:** We will now move to output 4.4 – Transport Facilities. Are there any questions? There are no questions. That concludes Output Group 4.0.

### **OUTPUT GROUP 5.0 – Infrastructure Development**

#### **Output 5.1 – Infrastructure Development**

**Mr CHAIRMAN:** We will now move onto output 5.0 - Infrastructure Development. Are there any questions on output 5.1 - Infrastructure Development?

**Mr DUNHAM:** Minister, is this the area where the government gets advice about its counter-cyclical approach to capital works programming?

**Mr VATSKALIS:** Yes.

**Mr DUNHAM:** It is. Okay. The advice in the capital works papers is that the government is to withdraw from its works program. In your papers you talk about fragmenting it into smaller catchments, when there is an expectation that business will take that up. Can you tell me the basis on which those decisions are made?

**Mr VATSKALIS:** The government has said it believes in a counter cyclical approach and it does need to be extra to all this other stuff to find out why it works. The reality is when you have the kind of development we will see in the next few months, and we are already starting to see in the Territory, it would be quite stupid putting out big projects when you know that labourers are going to get paid \$25 an hour, or carpenters \$28 an hour, with significant projects like the LNG plant. On the other hand, when nothing was happening in Darwin, we put out more work because there were a lot of people out of work. Certainly, we enticed the industries and we tried to entice the industries and we put more repair and maintenance and construction in remote and in the urban areas in order for people not to be out of work, and in order not to lose any more from the Territory that we lost in the past few years, or the past three or four years when the construction industry was really in the doldrums.

**Mr DUNHAM:** Okay, so how far are you extrapolating this into the future? I have read your papers and I know you have Wickham Point in there. But essentially, what you are saying is you are going to reduce your effort in this construction area in a direct correlation with increases expected in non-government sector investment. How far out are you making that plan?

**Mr VATSKALIS:** We are going to reduce it, but at a reasonable level. For example, the reality is we live in a very small jurisdiction, Darwin, far away from the major centres. As far as a few months ago

we faced the situation where a major construction site in Darwin could not find formworkers and they had to employ the competitor of the person who undertook the work. We have seen that happening in other areas as well. It would be increased demand for people with these skills and the industry has already realised it is going to be in trouble, there are going to be some problems. We have to be able to draw people from outside the Territory. The government will continue to monitor constantly. I have actually asked my department to provide me with an update every two months of what is happening with repairs and maintenance, and construction, so we can monitor the activity out there. In addition, we rely a lot on outside organisations, DCA is a very good example and their reports and their concrete index, and we will find out what is happening out there.

**Mr DUNHAM:** I am not so worried about R&M because it is ...

**Mr VATSKALIS:** No, I am talking about capital ...

**Mr DUNHAM:** But the bigger jobs, does that figure in your decision to delay works like, for instance, the Palmerston High School? Would that have been delayed for reasons such as this?

**Mr VATSKALIS:** The Palmerston High School actually is not related to our counter cyclical approach. We have said before and probably the minister for Education pointed out that we are waiting for the outcome of the education review to see what is going to happen in that particular case. In other cases, we are not going to stop doing things. We are continuing to do things. We are going to continue to maintain roads, construct new roads, put in airstrips, put in bridges, because these are the things that need to be there all the time, and that is not going to be affected by the counter cyclical approach. For example, we are not going to go out tomorrow and construct a huge building or do major projects. And, quite rightly, as you pointed out, now we are focussing on the small to medium projects, \$3m, \$10m, rather than the big projects.

**Mr DUNHAM:** So your policy for counter cyclical works programming really is minor reductions and fragmentation into smaller works? Is that your policy?

**Mr VATSKALIS:** That is part of the policy. You cannot say that this is our policy all the time. We do not make decisions in isolation. We talk to the industry all the time. We have people who talk to the industry; the industry talks to us. What we have heard from industry in the past few months is they want more \$3m to \$10m midsize because our companies are not big like Multiplex. They are smaller than that – John Hollands and Barclay Mowlems. They are not that size. They want to work in the \$3m to \$10m range and we are very happy to provide this kind of work.

**Mr DUNHAM:** So when the Chief Minister talks about Alcan expansion, when she talks about Bayu-Undan, when she talks about McArthur River, is that code for future reductions to your capital works programs?

**Mr VATSKALIS:** No, this is the decision they make themselves.

**Mr DUNHAM:** Why not?

**Mr VATSKALIS:** As I said to you before we cannot compare Alcan with what we are putting out. Alcan is a massive project and Alcan is a different process to what we are doing every day. Here, we are constructing public housing, clinics, schools, libraries, hospital renovations, repairs and maintenance, airports, everything. Alcan is a massive construction and what will happen in Alcan will not affect the construction because it will be a different level of construction. 1000 kilometres of pipeline, it is a great project, but ...

**Mr DUNHAM:** Yes. I am just trying to understand your policy where if there is an injection of capital expenditure into infrastructure, as I understood it, you will withdraw your effort.

**Mr VATSKALIS:** No.

**Mr DUNHAM:** I am saying that the Chief Minister has been talking about a number of projects, all of which are privately sponsored. I am asking you whether that is code that this government is going to start reducing its effort in capital works in the next couple of years?

**Mr VATSKALIS:** News of the expansion of Alcan, MIM and Bayu Undan has been out for a year. Ours is the second biggest infrastructure budget in the Territory: \$404m. However, the other problem we face now is the increased cost of construction. It is not only the government; it is the private sector. I have people from private sector saying that it will be very difficult for us now to undertake projects that we were doing two years ago because the price is going to go up. It is going to cost more.

**Mr DUNHAM:** I know that. I am just trying to understand your counter cyclical program. As I understood it, it was a withdrawal of your effort. With the Chief Minister talking about an expectation of the increased money, is that an indicator that there will be a withdrawal of your effort?

**Mr VATSKALIS:** \$434m real cash out there is not a withdrawal of effort.

**Mr DUNHAM:** That is this year and, as you know, Alcan and MIM have not started yet.

My next question goes to BAMS, which is this area, too? We heard from the agency that runs this building that they were looking to a service and they called it something similar to BAMS, but it wasn't. Wouldn't Parliament House be included in BAMS?

**A person unknown:** Yes.

**Mr DUNHAM:** So every government asset is included in BAMS and the predictors of R&M and ...

**Mr VATSKALIS:** Apart from public housing.

**Mr DUNHAM:** Apart from public housing, okay. All the works here are entirely programmable, predictable and within the BAMS system? I understand also with BAMS ...

**Mr VATSKALIS:** Sorry, yes. For the sake of *Hansard*, yes, it is.

**Mr DUNHAM:** I received a complaint that I did mention in parliament relating to BAMS and I am wondering if that has been able to be investigated where one of the people who has access to contracts in this area was sponsored in kind by provision of some government assets including a phone.

**Mr VATSKALIS:** Mr Galton will respond.

**Mr GALTON:** I believe that has been answered. The contractor who complained did receive a response.

**Mr DUNHAM:** Okay. Thank you.

**Mr WOOD:** Some questions, minister. The following items were promised in the mini-budget and were due to appear in this year's budget, but I cannot find them mentioned in budget papers. The first one is Palmerston Court House. In the mini-budget, \$2m was promised for the coming year and \$3m for 2004-05. The replacing of Casuarina Fire Station: in the mini-budget, \$1m was promised for the upcoming year and \$3m for 2004-05. Do you know what happened to them?

**Mr VATSKALIS:** Member for Nelson, my department does not control the individual projects. We act



like sub-contractors. They give us an order and we construct it. You should have asked these questions of the relevant minister.

**Mr WOOD:** Right. I sometimes get confused over who runs some of these works programs. All right, I will try again.

The budget papers for the capital works program says that there have been some unexpected delays to the East Arm Port project. Now should I be asking you?

**Mr VATSKALIS:** Yes.

**Mr WOOD:** What has caused these delays and what is the timeframe now for its completion? Will it be ready to service the railway when it is completed? There is an item in the budget saying that.

**Mr DUNHAM:** Which output line are we on, Mr Chairman?

**Mr CHAIRMAN:** We are up to 5.1

**Mr WOOD:** It is infrastructure.

**Mr CHAIRMAN:** Perhaps, member for Nelson, if you would like to re-phrase your question so that it is clear.

**Mr WOOD:** Regarding infrastructure development, the budget paper for the capital works program says that there has been some unexpected delays with the East Arm Port project. What has caused those delays and what is the timeframe now for its completion? Will it be ready to service the railway when it is completed? I refer to the budget paper on page 1.

**Mr CHAIRMAN:** Minister, do you wish to take that question?

**Mr VATSKALIS:** Yes, certainly. Richard is prepared to answer that, but I am prepared to answer that as well.

**Mr GALTON:** The delays with the East Arm Port primarily have been in two areas of Thiess' contract. One of them has been the striking hard quartz lenses in the driving of piles. The second has been in securing steel sheet piles from the manufacturer, and the quality of those piles has delayed that project significantly.

**Mr WOOD:** Have there been any technical problems with the wharf? I heard some of the bollards were not up to standard; it might just have been someone giving me a rumour. And they said there was a requirement to put a breakwater in to reduce the stress from the tides.

**Mr VATSKALIS:** The bollards, it is news to me. I have never heard anything like that. I believe that they are up to standard. They are significantly strong. Yes, we have had to put in an extra breakwater. There would be problems if one of the oil tankers was unloading; the tide would be able to affect it because the currents in the area are quite strong. So we will be extending the wharf another 150 m to avoid this problem.

**Mr WOOD:** Are you saying that if an oil tanker came in and the tides were at full bore ...

**Mr VATSKALIS:** Out.

**Mr WOOD:** ... the bollards could not hold that.

**Mr VATSKALIS:** No. With the tides going out, the currents would take the boat away from the wharf. Nothing to do with the bollards, just movement of the water.

**Mr WOOD:** Right. That is what I heard. And is that new breakwater in the budget for this year?

**Mr VATSKALIS:** Money had been already approved in 2002-03. It is a variation of the Theiss contract.

**Mr WOOD:** All right. I have a question about Stokes Hill wharf. Should I direct that to the Port Authority when they come? It is about the cathodic protection system.

**Mr VATSKALIS:** Yes. That is the Darwin Port Corporation.

**Mr WOOD:** There is one other question regarding the Douglas Daly. If you remember, I mentioned before, I had several questions on the Katherine/Daly basin subdivision. How much money will be spent on road planning, construction and upgrades in the Douglas/Daly region?

**Mr VATSKALIS:** Can we take it on notice so we can provide the right information?

**Mr WOOD:** Yes.

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**Question on Notice**

**Mr CHAIRMAN:** Yes, for *Hansard*.

**Mr WOOD:** Referring to the Katherine/Daly basin subdivision, what is the expenditure on road planning construction and upgrades in that region?

**Mr CHAIRMAN:** The question is accepted; number 8.9.

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

**Mr CHAIRMAN:** Thank you. Are there any further questions. If, not that completes output group 5.0

**OUTPUT GROUP 6.0 – Territory Roads**  
**Output 6.1 – Road Network Management**

**Mr CHAIRMAN:** We move on to output group 6.0 - Territory Roads; output 6.1, Road Network Management.

**Mr DUNHAM:** Minister, would you agree that there has been a reduction in the maintenance of our road asset to the extent that I believe it is a contributor to the road safety issue. In my lay assessment, I believe that the maintenance of road verges, the width of slashing, the frequency of slashing, have all been reduced over the last couple of years. I would ask you whether you would reconsider this as a cost-cutting measure?

**Mr VATSKALIS:** Mr Galton will respond.

**Mr GALTON:** The level of repairs and maintenance funding on national highways has been consistent over the last decade. That is something approaching \$12m to \$13m a year, in current year terms. The level of funding that has gone into NT roads over the similar period has fluctuated between \$18m and \$30m, with an average figure of \$22m. Currently, the Territory government is putting \$22m to \$23m a year into Territory roads maintenance.

**Mr DUNHAM:** Is it trending downwards?

**Mr GALTON:** It was up until last year, but it has slightly increased from last year's.

**Mr VATSKALIS:** The lowest allocation was 1996-97, and from 1998-99 it trended downwards. We arrested that last year, and it has started going up now. You are very well aware that, in 2001-02, I admitted to parliament that we did not have enough money for repairs and maintenance because from October/November 2001-02 there was no money at all for repairs and maintenance - no money at all. In October, there was only \$100 000 and we had to put \$6m into repairs and maintenance to maintain the roads. However, we have arrested down ...

**Mr DUNHAM:** That can be debated another time. What we are talking about here ...

**Mr VATSKALIS:** No, it can be debated now because, as I said to you before, there was a downward trend from 1998-99, and we have now started climbing up again. We will continue to climb up, to allocate money for the roads, because we have to maintain a national asset.

**Mr DUNHAM:** I am aware of trends on a climatic consumer basis. The point I make to you is it is painfully evident that there is less effort going into, certainly, roadside slashing in the width and the frequency of the slash, and the rehabilitation of the edge of the road where the bitumen meets the dirt. That should be borne out in the data. I do not know whether you are spending more or less, but I can tell you the effort would appear to be less. Is that evident to you?

**Mr VATSKALIS:** I have been travelling up and down the Stuart Highway and the other roads. The slashing continues to be the same width as before. It was two cuts.

**Mr DUNHAM:** The contractors say it has come in a cut.

**Mr VATSKALIS:** Sorry?

**Mr DUNHAM:** The contractors would disagree, but still ...

**Mr VATSKALIS:** Well, Piening Contracting got the request for two cuts, and the department will check out to find out if there are two cuts or one. I have already told the department that I need people to go out and check if the work has been done. People have gone out and checked it out, and they have come back and told us what has been done. I will be very unhappy and I will be angry if people do not complete the contract.

**Mr DUNHAM:** Well, on the last trip I did to Alice Springs, which was post the Wet Season, the grass at the edge of the verge - and thankfully, it was being slashed in most places around Ti Tree at least on the way back ...

**Mr VATSKALIS:** That is the Stuart Highway?

**Mr DUNHAM:** Stuart Highway, that is correct ...

**Mr VATSKALIS:** That actually cut with ...

**Mr DUNHAM:** It was high enough to be a hazard to a driver.

**Mr VATSKALIS:** That is our friends in Canberra who allocate the money for maintenance on that road, so what they give us, we use.

**Mr DUNHAM:** So, what you are saying is the Commonwealth money has dropped, or the effort has

dropped?

**Mr VATSKALIS:** It is constant, it has been constant ...

**Mr DUNHAM:** That is my point. This is not an issue of money, this is an issue of output.

**Mr VATSKALIS:** No, but you have to remember it has been constant since 1993-94. The level of funding has been constant but prices, wages, equipment – everything - has gone up. So, the level of funding we get from the Commonwealth does not keep up with the increases of our costs.

**Mr DUNHAM:** Now you are admitting it has nothing to do with how much has been appropriated. We are now admitting that there has been a diminution in the actual work done. Forget the appropriation. We are talking about the work that actually gets done.

**Mr VATSKALIS:** No. We are allocated so much money from Canberra and they require us still to do 1600 km of the same road, both ways. We have had the same money for 10 years. It is not our fault.

**Mr DUNHAM:** Last year, your Treasurer was unaware that he was going to get an extra \$149m from Canberra. So, we can have the Canberra argument, but with GST additional revenues of \$149m above what your Treasurer thought, I would have thought there was the capacity for this area to at least render the road network safe. I would have suggested that there have been some policy decisions that have rendered it unsafe.

**Mr VATSKALIS:** Canberra is 100% responsible for the repair and maintenance of the roads. Now, we might have got \$500m in GST. This money is not given specifically for the roads. Canberra allocates specific money for the maintenance of the roads. Until now, until AusLink comes here, they still have 100% responsibility for the maintenance of the national highways.

**Mr DUNHAM:** Do you think you should be doing some analysis of motor vehicle accidents to ascertain whether there are some issues relating to infrastructure that are responsible for road accidents?

**Mr VATSKALIS:** Mr Galton will respond.

**Mr GALTON:** Yes, Mr Dunham, we do that. We consciously look at all of the factors that go into each road accident and see what impact that has on the road condition itself.

**Mr VATSKALIS:** You are aware, Mr Dunham, that ...

**Mr DUNHAM:** Who does that?

**Mr GALTON:** I do.

**Mr DUNHAM:** After each motor vehicle accident?

**Mr GALTON:** Yes, I get the police statistics and the police fact sheet and analyse it and see what sort of impact it has.

**Mr DUNHAM:** I applaud you publicly, Mr Galton, for that. I can tell you that the police were unaware of that. When ...

**Mr KIELY:** No, no they weren't.

**Dr Lim** interjecting.

**Mr KIELY:** No, but I do know what I hear, Richard. I would like it for the record that things are reflected rightly for our public service.

**Mr VATSKALIS:** Every accident that takes place on our roads we get a brief; most of them contain information provided by the police. We have analysed accidents on the Lasseter Highway. That is why we have made the decision for the Lasseter Highway for either widening of the seal or now the installation of multilingual signs. But what we know very well is that most of the accidents take place on unsealed roads in remote and rural Northern Territory rather than Stuart Highway. Recently, we have had more accidents on urban roads than we had accidents on Stuart Highway outside Noonamah.

**Mr DUNHAM:** Yes, I am pleased with that. That is a good answer. What I would point out is that there is a divergence with the evidence that we got from the police but I think that is probably just a communication issue. I am pleased that it is done universally and I am satisfied with it.

**Mr GALTON:** I could add to that, Mr Dunham, I work not only on the joint consultative committee with the police and we meet regularly to discuss these sorts of matters, I am also a member of the Road Safety Council which is represented by the police as well.

**Mr DUNHAM:** Thank you.

**Mr CHAIRMAN:** Any other questions on output 6.1? Output 6.1 is complete.

#### **Output 6.2 – Road User Management**

**Mr CHAIRMAN:** The committee will now consider output 6.2, Road User Management.

**Mr DUNHAM:** This is road safety here? Can you tell us if this area has been cut?

**Mr VATSKALIS:** The road user division, road safety programs are largely funded by TIO. In 2003, \$1.5m was allocated to this program. We are not going to cut it. This same amount of money is going to be allocated to this program. Sorry, will be similar over last few years.

**Mr DUNHAM:** So it is static?

**Mr VATSKALIS:** \$1.5m.

**Mr DUNHAM:** There appears to be a cluster of road fatalities and there appears to be – I am aware the police gave evidence that there were four components to the road safety strategy including engineering. It would appear that the time has come for some radically different thinking. I believe that the effort into slowing people down is all good and well, and it has been a great revenue earner. I do not believe it is having an effect necessarily on road fatalities.

**Mr Kiely:** Reduced by 12 000 tickets.

**Mr DUNHAM:** Well, people are speeding less and the fatalities certainly in urban areas are going up and it would appear to be in areas where maybe speed was or was not a factor. We were given some data on the terrible cost that this carnage causes our community. I am asking, minister, whether you could give some thought to increasing the appropriation to this area so they can bring a bit more grunt to this area? It is an urgent issue. I do not think it is something that can wait for analysis or working parties or anything else. We already have a structure that is set up. It is broadly professional across a number of sectors. I would prevail on you to look at the current circumstances where many of these things, I believe, are inexplicable and for us to come to some knowledge that we have to throw some more dollars at it.

**Mr VATSKALIS:** I absolutely agree with you, Mr Dunham. Some of next year's initiatives will include the implementation of the road safety awareness campaign. Let's not forget that a train is coming up to Darwin and many young people have not seen a train for a long time. Also, we have the development of the new Northern Territory road safety strategy for 2004-10; education projects for Aboriginal road safety, we have a lot of people in the rural communities involved in roll-overs; visitor safety; statistical analysis; provision of information to visitors via CDs or through ITV and also multilingual signs. In the area of reducing the speed limit in urban areas, we have already started on the Stuart Highway. There is a big controversy; people like to come from Coolalinga down to Berrimah Road at 120 kph. The reality is you cannot anymore. WE will be looking at work on pedestrian refuges and crossings. We understand that some people living out there want to be home in 20 minutes; the reality is you cannot.

**Mr DUNHAM:** I suppose the thing is in this entire exercise by this committee, we are looking at what cash can deliver for the benefit of Territorians. I would put a case to you that there is a necessity for further cash in this area, and some innovative thought to at least some of those clusters. I know you talked about international tourists and Aboriginal people and single vehicle rollovers, but this phenomena of urban deaths in Darwin is a worrisome trend, given that we are now into our fifth in the last month.

**Mr VATSKALIS:** We have put money in. To give an example, for the 2003-04 minor work projects we have \$290 000 upgrading verges and intersections; widening seals to 8 m - \$170 000; truck parking areas - \$180 000; rest areas, very important - \$130 000; grids, widening seals on rural roads. We have a program, and we work very closely with the Road Safety Council and the black spots with the Commonwealth, where they define these areas. The reality, as you probably know, with roads is that we are missing out on federal grants, up to \$20m because we are not incorporated.

**Mr DUNHAM:** Minister, I put to you the speed cameras have garnered a significant amount of revenue. There is supposed to be a nexus between what they are doing and MVAs. At least they have to start to contribute that way. I would like to see some of that money going towards effective, thoughtful interventions to address our contemporary problems.

**Mr Kiely:** They do. They contribute to bringing down MVAs. He is talking about road fatalities, where there has been a spate.

**Mr VATSKALIS:** That is quite right, as the member for Sanderson pointed out, and as the Police Commissioner pointed out, they have been reduced since the introduction of the cameras. But one thing I do not understand in Darwin is the location of the cameras are advertised and people still get caught speeding.

**Mr DUNHAM:** People at this desk have been caught, minister. That is not the point.

**Mr VATSKALIS:** So, how much money did you have to pay?

**Mr DUNHAM:** Get some money out of the bloody cameras.

**Mr CHAIRMAN:** Any other questions on 6.2? Okay, that is output group 6.0 finished.

### **Non-Output Specific Budget Questions**

**Mr CHAIRMAN:** We will now move on to non-output specific budget questions and we have 15 minutes left. Are there any questions? There are no questions.

### **DARWIN BUS SERVICE**

**Mr CHAIRMAN:** We will move on to the next business line which is the Darwin Bus Service. Are there any questions?

**Mr WOOD:** Minister, am I right in saying that the budget for this year will have \$20m go into the Bus Service, is that correct?

**Mr VATSKALIS:** Where did you find the \$20m?

**Mr WOOD:** Under the Passenger Transport Fees. In other words, what is the subsidy?

**Mr CHAMBERS:** Through you minister, the public transport services output provides payments for both the Darwin Bus Service and the contract services. So it is the over-arching engager of public transport services. It makes payments to the Darwin Bus Service which appear in this output group as revenue - that is operating revenue of some \$6m a year - is paid to the Darwin Bus Service. We also pay into the contracts for Buslink and Shuker and all of the other companies, payments from the Public Transport and Services line in the budget, which was the line two or three before here. So, if you are looking at Darwin Bus Services, it is a government business division, and it operates as an entity in its own right, receiving contract payments from the broader department.

**Mr WOOD:** So, the BusLink that I see going around is not part of the Darwin Bus Service?

**Mr CHAMBERS:** No, that is correct.

**Mr WOOD:** No, just the brown buses.

**Mr CHAMBERS:** That is right.

**Mr WOOD:** So, if I wanted to get that total figure of how much it cost to run the buses, I would go back to the ...

**Mr CHAMBERS:** Public Transport Services, I think it was called.

**Mr WOOD:** Yes, thank you.

**Mr CHAIRMAN:** There are no other questions. That completes that business line.

#### **CONSTRUCTION DIVISION**

**Mr CHAIRMAN:** We now move on to the business line Construction Division.

**Mr DUNHAM:** My first question relates to the remote airstrips, and I note that they are listed. I think they were mentioned by the minister in parliament - seven of them. I ask the minister, for each of the strips, that is Kintore, Gapuwiyak, Pularumpi, Kalkarindji, Lajamanu, Ramingining and Bulman, if he can tell us the number of days those strips have been out each year for the last several years? I note the significant amount of money that is put in is sometimes for weather-proofing, and I can understand that in the case of Ramingining and Bulman, but certainly for those strips like Kalkarindji and Lajamanu, they were still landable during the floods. I wonder how the priority status came about.

**Mr VATSKALIS:** Member for Drysdale, the only thing we do with these airstrips is maintenance and construction. They come under CDSCA, they do not come under my portfolio.

**Mr DUNHAM:** Why are you spending money on it?

**Mr VATSKALIS:** Because CDSCA actually, as I explained before, was savaged. Another department want us to upgrade facilities; we want to protect facilities. They provide the design and the implementation, and we will do it for them. CDSCA would have the reasons for these airstrips to be upgraded, and they will provide the documentation and the design to us and we will do it for them.

**Mr DUNHAM:** But surely it is a transport policy issue as well, minister. If you are saying your clients are coming to you because for some reason they have an inkling to upgrade some strips, surely they would come to you on a basis of a priority status and the remediation works that are necessary to fix whatever problem it is that they think is there?

**Mr VATSKALIS:** That is all the health clinics, and all the police stations. We only construct them for them, we repair and maintain them. We do not do it, we do not want them.

**Mr DUNHAM:** There is a difference with these. This is the Department of Community Development, Sport and Cultural Affairs, so you have a sport or a cultural person assessing a transport issue, which is your trump suite, so ...

**Mr VATSKALIS:** It is a transport issue, but ultimately, it is part of the community. These airstrips are also used for evacuation, medical evacuations, so there is Health as well ...

**Mr DUNHAM:** I know what they are used for.

**Mr VATSKALIS:** ... so we cannot really say that it is all transport. They perform a variety of roles. As for the year before us, as it is set out now and probably was in your time, they give us the design and implementation, we will construct them. They prioritise, we construct them. We do not prioritise them.

**Mr DUNHAM:** Well, I suggest you get involved then, because the priority status seems a bit skewed. There are some communities that are solely reliant, for instance island communities, on air as the main means of conveyance. There was a report done by a committee of this parliament that looked at some of the roads, airstrips and barge landings in remote communities. I have to tell you, I am surprised at the priority status of these strips. I wonder if there are other remote communities out there that should be higher than them.

**Mr VATSKALIS:** Yes. It is not my portfolio, it is CDSCA's.

**Mr DUNHAM:** I know.

**Mr VATSKALIS:** Gapuwiyak is another airstrip. It is on land, but when the wet comes, you cannot drive to it.

**Mr DUNHAM:** Okay. I am just wondering what the public transport policy was. I go to one that is yours. DIPE. You are going to provide \$3m to PowerWater Authority to continue undergrounding the electricity lines in Darwin. Can I ask you why?

**Mr VATSKALIS:** It is a community service obligation. We are providing this money as a community service obligation.

**Mr DUNHAM:** Ah, thank you. I asked the Treasurer why it was not provided by that means, and I still do not understand why this bookkeeping is used. It is in your appropriation, it does not appear as community service obligation, and it would seem that your department is building an asset for a government owned corporation which will become its. I wonder why you are subsidising to that extent through your works program, rather than through a very transparent community service obligation that satisfies the government election commitment.

**Mr VATSKALIS:** It is a grant. It is a community service obligation.

**Mr DUNHAM:** Well, I am glad you think it is community service obligation because that is what I think it should be too, but that is not what your budget papers say. Okay. Can you tell me, minister, where I would find that community service obligation in Budget Paper No 3?



**Mr VATSKALIS:** It is in Budget Paper No 4, page 35, at the bottom, \$3m. Capital grant paid by the Department of ...

**Mr DUNHAM:** I know where it is in the appropriation. I am asking you where it is in the community service obligations.

**Mr VATSKALIS:** Yes, page 224, Infrastructure Development, capital grants, \$3m.

**Mr DUNHAM:** Book 2?

**Mr VATSKALIS:** Budget Paper No 3.

**Mr DUNHAM:** I know where it has been appropriated to. I am asking when you look to the schedule of community service obligations, why it does not appear there?

**Mr VATSKALIS:** It is not classified as a CSO, it is classified as a capital grant.

**Mr DUNHAM:** As a grant?

**Mr VATSKALIS:** Capital grant.

**Mr DUNHAM:** Why have you chosen to give a grant to a government owned corporation? Why would you not do it through Treasury?

**Mr CHAMBER:** Mr Dunham, in defining this one, Treasury took the view that these were of a capital grant nature rather than a CSO. However, in effect, they represent the difference between the amount of money that the Power and Water Corporation can recover from the expenditure on undergrounding through its own efficiencies through lower maintenance costs, and the aesthetic benefits and the other intangible benefits obtained in the broader community. It has been designated as a capital grant by the government, so we have a mechanism by which that is paid through to Power and Water Corporation.

**Mr DUNHAM:** Is that how you will do the power to Dundee?

**Mr CHAMBER:** I do not think the matter is on this year's budget, so I am not sure how it ...

**Mr DUNHAM:** Yes, but it has to be done within the election cycle. Like this, it is a political promise rather than something that PowerWater would choose to do, and patently would not do it because it is not commercial. I am wondering if this is the route by which any capital items that sponsor PowerWater to do something that is a government promise rather than a commercial imperative, will come through like this.

**Mr VATSKALIS:** The government made that election promise about Dundee and the government intends to keep its promise.

**Mr DUNHAM:** That is not a question. It is whether you would use this mechanism.

**Mr VATSKALIS:** The government will find the mechanism to do it. At the moment, there are different ways of doing it. One is actually PowerWater doing it itself - a line all the way from the main services near Berry Springs, or establishing a localised service at this stage, and when Dundee becomes bigger they are extended. However, again, that is actually not in my portfolio. I am not the relevant minister.

**Mr DUNHAM:** I am merely asking you if this is the machinery that the government is going to choose to look at sponsorship?

**Mr VATSKALIS:** If the government needs to look at different mechanisms to actually fulfill its election promises, the government will look at different mechanisms to fulfill election promises.

**Mr KIELY:** Minister, what are you doing to ensure the amenity of the area where the underground power is going in for the people who live there now, with all the construction work that is planned to go ahead? How are you managing that project?

**Mr VATSKALIS:** Work is undertaken by contractors. That is actually a PowerWater issue, it is not a DIPE issue.

**Mr KIELY:** All right.

**Mr WOOD:** Minister, earlier – it might have been late last year - I asked the question about the faulty design of the basketball court. Have you any idea ...

**Mr VATSKALIS:** Faulty?

**Mr WOOD:** Faulty. The original design of a basketball court was faulty and the design went out to a private engineer. I am just wondering how much that faulty design added to the final cost of the project?

**Mr VATSKALIS:** It was not a faulty design. They looked at the different designs and that is what they did. There was nothing wrong with the design of the basketball courts. But there were different ways of approaching an issue and that is what they did. There was nothing wrong with the design of the basketball courts. Actually, if I recall, you asked the question in parliament and I responded to that. I told you there were savings with the new design.

**Mr WOOD:** Yes, but I do not think you have criticised my original question, which was that the in-house design was faulty.

**Mr VATSKALIS:** It was not a faulty design. We looked at it in a different way and a different point of view and when the new design was done, it was different, but there was nothing wrong with the original design. The second design was actually cheaper.

**Mr WOOD:** I will leave it at that. I had worded it well but anyway.

**Mr KIELY:** Why was it not a faulty design? Why was this one better?

**Mr GALTON:** I believe the technology that was used in the original design of the new basketball stadium at Marrara was a break away from the conservative, or the current, way we design and present designs. It was more of a 3-D format and it required contractors to make a quantum leap in the way that they looked at designs and managed it. I believe we had to revert to the conventional way of presenting designs and drawings to contractors. There was nothing wrong with the documentation itself, it was just the drawings.

**Mr KIELY:** Thank you.

**Mr CHAIRMAN:** Are there any other questions?

**Mr DUNHAM:** Yes, I have a quick one on the port.

**Mr CHAIRMAN:** Construction is it?

**Mr DUNHAM:** Yes. There was a scare down at the wharf the other day because it was felt that a boat was going to enter the restaurant. There was an opinion offered that had the tide been a bit lower it might have taken out one of the pylons. Minister, is this an issue that will be a feature in your capital works program? I note there is upgrading of Stokes Hill Wharf but is that an issue that will cause you to rethink the design and the scope of works for that particular project?

**Mr VATSKALIS:** In 1997, there was a study done on the safety of the wharf and that study revealed that the wharf would suffer if a big liner pushed the wharf because of the wind blowing. The boat that you are referring to was a small fishing boat, a 30 m fishing boat, which lost power and slammed into the wharf. Even if it had taken one or two pylons out, the wharf would not suffer a catastrophic failure. It has never happened before.

**Mr DUNHAM:** So the engineering opinion you would dispute ...

**Mr VATSKALIS:** No, I do not dispute engineering. I said that because of the size of the boat and the speed of the boat it would not suffer a catastrophic failure. It would be damaged but it would not be a catastrophic failure. It would not collapse the wharf. It could be different if it was the Queen Elizabeth or the Queen Mary tied along side the wharf and if the wind pushed the liner that would be a different story altogether.

**Mr CHAIRMAN:** Thank you very much, minister, for your time this afternoon and this evening. Thank you also to Mr Barry Chambers, Ken Tinkham and Mr Richard Galton, and all the staff associated with your department, minister, who have presented today. Thank you very much.

The committee will adjourn until 9 am tomorrow as the committee has agreed.

**Mr VATSKALIS:** Mr Chairman, allow me to thank everybody in this room including the people sitting next to me, and also the people in the department who have worked tirelessly over the past few days to prepare all the material. It was an excellent job and an excellent performance. Thank you everyone in my department.

**Mr CHAIRMAN:** Thank you, minister.

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The committee suspended.

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