

ESTIMATES COMMITTEE PROCEEDINGS – 11 JUNE 2010

ESTIMATES COMMITTEE - Friday 11 June 2010

Mr CHAIRMAN: Good morning, everyone. As Chair of the Estimates Committee 2010, I formally declare open this public hearing of the Estimates Committee of the Legislative Assembly of the Northern Territory on this Friday 11 June 2010. I extend a welcome to everyone present.

This is the ninth year of the Estimates Committee process and procedures throughout the sittings have become accepted practice. There are a number of areas regarding the conduct of the public hearings I intend to place on the record. I table a copy of the resolution of the Legislative Assembly dated 5 May 2010, and there are copies available at the back, which refers to the Schedule of the Appropriation Bill 2010-11 and related budget papers to this committee. The role of the committee is to now examine and report on the estimates of proposed expenditure contained in that bill.

As in previous years, membership of the Estimates Committee is the same as that of the Public Accounts Committee. However, the terms of reference can allow for other members of the Assembly to participate in the public hearings, provided that composition of the committee never exceeds seven members. The membership shall always consist of three government members, three opposition members, and one Independent member. The Assembly made a resolution providing for alternate membership of the Public Accounts Committee. This does not impact on the composition of the current Estimates Committee. It will only come into effect if, during the public hearings, there is a requirement for the core membership of the Public Accounts Committee to adjourn for a deliberative session. To assist *Hansard*, I will advise the membership of the committee at the commencement of every session, and I will also acknowledge for the record when there is a change of membership of the committee throughout the hearings.

I also report that, at a recent meeting of the Estimates Committee, the member for Nhulunbuy, Ms Lynne Walker, was appointed as Deputy Chair of the Committee in accordance with paragraph 8 of the Terms of Reference. As has been the practice in the past year, the committee has accepted the Standing Orders Committee's suggestion that a minister shall restrict their opening remarks to a maximum of five minutes. Members will be in a position to question the minister on any issues that may have been raised within those opening remarks, and where an issue can be directly related to a particular output within the budget, that matter can only be addressed through the process of the interrogation of individual output groups as they relate to the appropriate portfolios of the agency.

I believe it is important to clarify any issues that could be considered as contentious, and the matter of relevance of questioning has been raised a number of times throughout previous estimates public hearings. I intend to follow the lead of the Senate, which adopted a report with their procedure committee in 1999, in which the following test of relevance was determined: any questions going to the operations or financial positions of the departments and agencies which seek funds in the estimates are relevant questions for the purpose of estimates hearings.

Representatives of the media are present during the hearings and are able to report and rebroadcast proceedings of the Estimates Committee process, having obtained written permission from the Speaker in accordance with paragraph 32 of the Terms of Reference.

To clarify the operations of the committee over the next five days, I wish to advise that, in accordance with the resolution of the Assembly, particulars of proposed expenditure contained in the Appropriation Bill 2010-11 will be considered on an output group by output group basis and, within each output group, output by output. A total of 50 hours has been scheduled for ministers and agency officers to appear before this committee.

I take this opportunity to remind all members that it is incumbent on them to efficiently utilise their time over the next five days so that all agencies are provided with a time frame which will enable and maximise thorough investigation of specific issues within their particular output groups. The order of the output groups is set in the Schedule of Ministers Appearance, which has been provided to all members. Over the next five days of public hearings, we will work through this document as the agenda for the Estimates Committee. It should also be noted that to allow questions to be addressed

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to ministers with principal administrative responsibility for particular portfolio areas, it has been necessary to set out the schedule so that it varies somewhat from the listing of agencies in Budget Paper No 3.

Where a minister will be available for questioning of output groups that sit within other portfolios, these have been clearly identified in the schedule. I will be reinforcing the fact that questions regarding those particular output groups need to be addressed at the time the minister is appearing before the committee, as once an output group has been completed, it will not be revisited. The previously accepted method of allocating questions throughout public hearings has worked well in the past, and the same process will be adopted during these Estimates Committee hearings. I propose to invite shadow ministers to ask their questions first, followed by members of the committee, Independent members and, finally, members addressing electorate issues.

As the matter of monitoring this hearing as an open public debate, all questions shall be asked and answered orally so as to appear in the *Hansard* record. Procedures for dealing with questions on notice are contained in the Estimates Committee Information Manual 2010, copies of which are available at the back of this room.

I will take this opportunity to reinforce the importance of the process I will be adopting when a question is taken on notice. When a minister or the Speaker indicates that they are unable to answer a particular question during the committee process, or they will provide an answer at a later time, I will immediately request the member who raised the matter to clearly and concisely restate the question. This will allow agency officers who are present to note salient points of the topic at the same time as the question is being relayed to the minister. This process will also allow Hansard and the committee secretariat staff when they come to processing the formal question for the Chairman's signature.

I will then ask the minister if he or she accepts the question taken on notice. If it is accepted, I will immediately allocate a portfolio specific number which will clearly identify that particular question. Agency officers and ministerial staff should take note of the question number and ensure that it is clearly identified in any response tabled by the minister during the public hearing process or at some later date.

Meal breaks over the period of the public hearing will be between 12 pm to 1 pm for lunch, and 6 pm to 6.30 pm for dinner. The schedule of questioning will be strictly adhered to. In the event that questioning of a portfolio concludes before the allocated time, the next minister will not commence before their scheduled time. There are many agency officers involved in these hearings, and the last thing Estimates Committee wants to be responsible for is a feeling of uncertainty as to when officers may be called to assist their minister during the questioning process.

Witnesses should be aware that evidence given to the committee is protected by parliamentary privilege. However, I also remind witnesses that the giving of false or misleading evidence to the committee may constitute contempt of a Legislative Assembly pursuant to the Powers and Privileges legislation. Officers should also be aware that when they are requested by their minister to provide answers to questions, they are not required to comment on matters of policy.

For the purposes of the official recording of the *Hansard*, I would request that ministers introduce those officials who are accompanying them at these hearings, as well, when a minister refers a question to an officer, that officer needs to clearly identify him or herself at that time for the *Hansard* record.

The committee will now proceed to consideration of the estimates for proposed expenditure in accordance with the Schedule of Ministers Appearance by Output Groups.

I will introduce the members of the committee with me at this stage. I have the member for Katherine, the member for Port Darwin, myself as member for Fannie Bay, the member for Nhulunbuy, the member for Arafura, and the member for Nelson.

I welcome the Treasurer, and I invite the Treasurer to introduce the officials accompanying her and if she wishes to make an opening statement.

**MINISTER LAWRIE'S PORTFOLIOS
NORTHERN TERRITORY TREASURY**

Ms LAWRIE: Mr Chairman, I would like to make a brief opening statement in relation to my responsibility as Treasurer. This covers questions relating to Treasury, the Central Holding Authority and the Northern Territory Treasury Corporation. I have with me the Under Treasurer of the Northern Territory, Ms Jennifer Prince, and other senior Treasury staff. Witnesses include Mr Tony Stubbin, the Deputy Under Treasurer; Ms Jodie Kirkman, the Deputy Under Treasurer; Ms Anne Tan, the Assistant Under Treasurer; and Mr Craig Vukman, the Executive Director of Revenue and Commissioner of Territory Revenue. Mr John Montague from Treasury Corporation will join us later.

As Treasurer, I will address a number of issues from my whole-of-government perspective and this includes: financial and accounting policy issues applying to the 2010-11 budget; requirements of the *Fiscal Integrity Transparency Act*, including financial statements for the general government and non-financial public sectors in the fiscal strategy; whole-of-government financial issues including: relevant parameters, debt and liabilities, revenue including taxes, royalties, and GST; revenue measures in the 2009-10 budget, and community service obligations and dividends; and the current state of the Northern Territory economy.

We will also address any issues relating to the overall (inaudible) program position of the infrastructure budget, in Budget Paper No 4, and details on individual projects are to be addressed by ministers responsible for those portfolios.

As shareholding minister for Power and Water, I will address issues in the budget that affect Power and Water including: community service obligation payments, dividends and tax equivalent payments and regulated customer revenues. Operational or other policy questions relating to Power and Water should be directed to the Power and Water representatives who will appear before the Government Owned Corporation Scrutiny Committee.

Mr Chairman, I am happy to answer any questions from the committee relating to the responsibility for the appropriation bills and budget papers and for the Northern Territory Treasury, the Essential Holding Authority, and the Northern Territory Treasury Corporation.

Mr CHAIRMAN: Are there any questions relating to the minister's statement?

Mr ELFERINK: Yes, Mr Chairman. I had expected a larger group in relation to the position of the Territory economy at the moment, but that is fine. I apologise at the outset, I have this habit of looking over my glasses; it is not meant to be condescending or anything like that, it is just my eyesight is really getting bad. So, if I do get into that habit, please excuse it.

Mr Chairman, I also noticed at the outset you introduced us by electorate. Could I suggest we possibly not require membership of the committee to do that; just by name would be sufficient, as a matter of course?

Mr CHAIRMAN: Okay, John.

Mr ELFERINK: Mr Chairman, I will start with the usual raft of generic questions. These will be the same across all departments, so ...

Mr CHAIRMAN: Normally what we do is have questions to the opening statement, and then we go to questions on the outputs for the whole-of-government. Does that make sense?

Mr ELFERINK: Okay.

Mr WOOD: Are we able to ask the whole-of-government questions?

Mr CHAIRMAN: Normally, in the introductory remarks you might ask questions about what fits where and what output and any issues she raised in the opening statement, then we will move into agency specific whole-of-government questions.

Mr WOOD: That is what concerns me; some of those agency specifics do not necessarily cover the budget as a whole.

Ms LAWRIE: I have already indicated that I will take that in my opening statement.

Mr WOOD: The problem I have is some whole-of-budget-type questions do not fit into these ...

Mr CHAIRMAN: Well, you can put them into ...

Mr WOOD: Well, I can put them into the financial management and hope for the best.

Mr CHAIRMAN: No, before financial management we have agency specific whole-of-government questions, before we go to financial management. But, you can also ask her questions during the opening statement if you have anything that relates to the opening statement. The Treasurer is broad in her opening statement comments.

Okay. In that case, the committee will now proceed to exhibit estimates from post-expenditure which became the appropriation bill between 2010-11 that relate to NT Treasury, and the committee will commence agency specific whole-of-government questions budget and fiscal strategies. Are there any questions?

Whole-of-Government Questions – Budget and Fiscal Strategies

Mr ELFERINK: That is generics country? No worries. These, as I understand it, will be the same for all departments; so if departments are out there listening, you will know what is going to be asked

Question one: how much was spent on advertising by the department this year; on what projects and in what medium?

Ms LAWRIE: We have that answer for you; we are just getting to it. So, is that just in relation to advertising? Could you please repeat it? Sorry, Mr Elferink.

Mr ELFERINK: How much was spent on advertising by the department this year; on what projects, and in what medium? Including pamphlets, information brochures, and those types of things.

Ms LAWRIE: From 1 July 2009 to 31 May 2010, Treasury has spent \$346 613 on document production. This expense is mainly incurred in producing official publications such as: the Treasurer's Annual Financial Report; the 2010-11 Budget Papers; the Mid-Year Report; Superannuation Schemes Annual Report, and Northern Territory Treasury Annual Report. Other document production expenses included notices in the Government Gazette, printing of legislation, printing of stamp duty lodgement forms, printing Treasury corporate stationery including letterhead, files, covers and business cards. The advertising from 1 July 2009 to 31 May 2010 had Treasury spending \$100 830 on advertising. This includes the budget communications campaign and newspaper notices of superannuation and Territory Revenue Office information seminars. Other promotional material from 1 July 2009 to 31 May 2010 - Treasury's expenditure on other promotional material was \$30 436. This is incurred in promoting Treasury at local shows, recruitment and careers fairs.

Mr ELFERINK: How much was spent on consultants this year, for what projects and if they were reviews or reports, how many were undertaken, and how many have been finalised and made public?

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Ms LAWRIE: From 1 July 2009 to 31 May 2010, Treasury has spent \$2.14m on consultancy services. That included \$840 000 on mainframe application enhancements, \$390 000 on project management for the proposed Doug Ousten Correctional Facility, \$190 000 on high level corporate financial review, \$140 000 on actuarial advice on the government's superannuation liabilities, \$130 000 on reconfiguration of existing business system to include pensions and an additional public sector super scheme, an additional module and the NT Death and Invalidity Scheme, and \$180 000 on valuations for stamp duty processes. In addition, there were a number of small consultancies totalling \$270 000, they were each of less than \$100 000. They included: review of personal development framework; drafting a report to review a full retail contestability for the electricity in the NT; review of the Power and Water Corporation's asset management capability; the 2009-10 MAC commissioner; contribution to inter-jurisdictional tax review; prudential supervision of the Territory Insurance Office, and peer review of economic modelling.

Mr CHAIRMAN: For *Hansard*, Mr Tollner has joined the committee.

Mr ELFERINK: I pick up on the preparation of the tax review, the second last item you mentioned. Can you table the document which was produced as a result of that consultancy?

Ms LAWRIE: Mr Vukman?

Mr VUKMAN: I am sure we can.

Ms LAWRIE: Have we got it with us, Mr Vukman?

Mr VUKMAN: No, I have not got it with me.

Ms LAWRIE: Ms Prince?

Ms PRINCE: Mr Elferink, the particular review we are talking about was a review all state jurisdictions did on a particular aspect of an issue the states were interested in submitting to the Henry Tax Review, and it was our contribution to that cost. The report belongs to all jurisdictions, not only the Northern Territory. I think we would have to seek their permission to have it tabled here. It is a normal protocol that we would go through.

Mr ELFERINK: You kicked the can for X number of dollars, so did every other jurisdiction and this report was produced?

Ms PRINCE: Yes.

Ms LAWRIE: On behalf of all the jurisdictions, yes.

Mr ELFERINK: There is a joint intellectual property which you cannot speak of?

Ms LAWRIE: Absolutely.

Mr ELFERINK: Could you undertake the process, please?

Ms PRINCE: We will ask that.

Mr CHAIRMAN: Will you take that on notice?

Mr ELFERINK: Yes.

Ms PRINCE: We will not be able to get that answer during the hearings because we would have to

ask every other Treasurer.

Ms LAWRIE: That can be our first question on notice.

Mr ELFERINK: I expect it would not be in a great hurry, but if it could be in a prudent time frame.

Question on Notice 1.1

Mr CHAIRMAN: If you could just quickly just restate the question.

Mr ELFERINK: I knew you were going to say that. In relation – what was the name of that review?

Ms LAWRIE: The Contribution to the Inter-jurisdictional Tax Review.

Mr ELFERINK: In relation to the Contribution to the Inter-jurisdictional Tax Review, could the Treasurer make available the document which was produced as a result of that contribution?

Mr CHAIRMAN: For the purposes of Hansard, I allocate that question No 1.1.

Mr ELFERINK: How many staff does the department have, as both FTEs and in actual numbers of staff? What are their classifications or levels, and what was the rate of staff separation at each level?

Ms LAWRIE: I will be happy to table the staff - you wanted rec leave as well?

Mr ELFERINK: Yes, put that in, why not?

Ms LAWRIE: Okay. I have the staffing numbers of the FTEs. I have the gender splits ...

Mr ELFERINK: You have the FTE. Do you have actuals as well, or just FTE?

Ms LAWRIE: Yes, yes.

Mr ELFERINK: As an addendum to that question, can you state the current liability the departments carrying for accrued recreation leave, not including long service leave?

Ms LAWRIE: Mr Elferink, in the accrued leave liability question, the answer is already provided to you under question 42. That information is provided.

Mr ELFERINK: Okay, that is the pack that went out?

Ms LAWRIE: Absolutely.

Mr ELFERINK: Yes, thank you. Have we those other tabled documents?

Ms LAWRIE: Yes.

Mr ELFERINK: Thank you. Probably not a great issue for this department; however, it is one of the generics. What is the reduction in carbon emissions by the department this year versus next year, and what were the specific measures that were undertaken this year to reduce carbon emissions, and what will be undertaken next year? With that, what is the carbon reduction target for next year?

Ms LAWRIE: There are a range of strategies the agency employs regarding carbon emissions which include installation of videoconferencing, switching to 100% recycled paper leading to online newspaper subscriptions, and paying for online viewing, and staff education programs such as Green Week. They also have staff challenges and a suggestion box, information e-mails, and campaigns to turn off lights and computers at the end of the day. They purchase only energy efficient white and electrical goods, and they order their IT electronic goods for energy efficiency. They are continuing to recycle fluorescent lights, toner cartridges, paper, and they have recycle bins in kitchens and cardboard and plastic containers. So, there is a range of energy footprint data here for you. I am happy to table that.

Mr ELFERINK: That would be magnificent, thank you.

Ms LAWRIE: We also provided, in the pack of information, questions 58, 59, 60, 61 and 62 also cover this area.

Mr ELFERINK: Thank you very much; that is very kind of you. How many vehicles does the department have? What type of vehicles are they? What positions are they held against and, with that, what are the levels of those positions?

Ms LAWRIE: All right. In the vehicles question, No 63 in the pack of information provides you with the information that, as at 8 June 2010, NT Treasury is responsible for 18 vehicles. I am advised anyone with a vehicle is an ECO.

Mr ELFERINK: Okay. Does that include an EO or just ECO level?

Ms LAWRIE: ECO.

Mr ELFERINK: How much was spent on travel by the department, and will you please supply this information in detail, of expenditure against each position in the department?

Ms LAWRIE: Again, in your kit of information, Question 69, in terms of how much was spent on travel in 2009. We broke that down by intrastate, interstate and international fares, accommodation and other expenses. All of that totals \$437 000 and that is in the information package.

Mr ELFERINK: Does the department have a Risk Assessment Management Plan? If so, who developed the plan, how much did it cost, is it reviewed annually, and at what cost and by whom?

Ms LAWRIE: Ms Prince, the Under Treasurer, can answer that.

Ms PRINCE: Mr Elferink, we have an Audit and Risk Subcommittee of our Senior Management Group to prepare a Risk and Audit Plan annually. I believe we have provided recent examples of that plan to the Public Accounts Committee on previous occasions. We generally do it in-house annually and we get it reviewed by an external consultant, a local accounting firm, usually about every three years.

Mr ELFERINK: How often does the Audit Committee meet?

Ms PRINCE: We have it as a standing item on our Senior Management Group agenda. It is usually reviewed about every six weeks or so.

Mr ELFERINK: The rule is quarterly, is it not, the benchmark is okay. Thank you. Now, travelling on to the issue of Financial Management Fiscal Strategy, if you like.

Mr GUNNER: No, we are still on Agency Specific-Whole of-Government, and I believe Mr Wood might have a question.

Mr WOOD: I might get some advice from the Chair. Perhaps my questions can come under Financial Management, because they are broad questions.

Mr GUNNER: That is not a problem. We will do it this way. Normally, what we do is, at that opening statement, people who had that conversation earlier, that is when we would ask the Treasurer where things might fall under what output, if that is a question you have, but we will proceed ...

Mr ELFERINK: Is it pretty hard under Treasury to restrict ourselves to output groups.

Mr GUNNER: I am not ruling now, I am just saying that normally you would ask a question now, you should have asked that question earlier, that is all.

Ms LAWRIE: Mr Chairman, I am happy to take it up with this general grouping before we move to the outputs.

Mr ELFERINK: That is fine. In that instance, where I would like to take you to, Treasurer, is, the GFC has produced a change in your financial strategy. Just so that we are all refreshed, can you take us through what the financial strategy used to be, what it is now, and what has prompted the changes to that financial strategy?

Ms LAWRIE: Certainly, I will get that from the BP2.

Mr ELFERINK: Yes, it is in BP2. The old one used to read, if it helps, more specifically in relation ...

Ms LAWRIE: No, it is all right, I am with it. We have significantly revised our fiscal strategy in May of 2009, as you have already pointed out, due to the GFC, to take into account both the national and Territory economic conditions fall in revenues, the government's stated commitment to increase investment spending to support jobs and maintain growth in the Territory.

The 2010-11 fiscal strategy is consistent with the 2009-10. The objective of the fiscal strategy is the development of a robust and thriving Northern Territory that is capable of achieving ongoing significant operating surpluses, irrespective of economic conditions.

We have continued with constrained revenue growths. That has been a combination of reduction of GST relativities. That has extended the return to a cash surplus by some two to three years. The budget improvement measures were introduced to limit expenditure growth, including an increased efficiency dividend. Our staffing cap two years, 2% reprioritisation of agency appropriation, and limiting funding for new initiatives to \$30m per annum. Over the forward estimates period Territory-funded expenditure is 3.4% less than associated revenue growth of 6.3%

General government nett operating balance is expected to be in surplus in all years and significant surpluses in 2009-10 and 2010-11 relate to higher Commonwealth revenue being applied to capital spend.

Mr ELFERINK: Just briefly on the \$30m cap on new initiatives, what was the old level under the old system?

Ms LAWRIE: No, previously we had not applied a specific cap and what we obviously do is assess the requirements on an annual basis understanding what our revenues are looking like, understanding the impact across the forward years in terms of any decisions made in the recurrent spend versus the one-off capitals.

Mr ELFERINK: In the past, under the old system where one of the principles guiding fiscal management there was no cap on any amount of new initiatives that were to be rolled out?

Ms LAWRIE: Well, not a specific target cap; as I said, each Budget Cabinet process ensures we were aware of our capacity in terms of predicted revenues and our expenditure levels. As we have delivered surpluses, you can see the effect of that.

Mr ELFERINK: Yes, we will come to that. So, in terms of the maintenance of Territory debt levels – a debt at prudent levels, why was a cap not part of the old strategy?

Ms LAWRIE: Well, we have actually reduced debt with the surpluses – the seven surpluses in a row – so we were very effective obviously in managing the expenditure against revenue, and we have been quite strategically and dramatically increasing revenue not just in the GST previously, but also in the important areas of special purposes payments as well as national partnerships which have eventuated as funding opportunities in recent years.

Can I have that graph, the nett debt to revenue graph? Just to show what I am talking about. So, if you want to put where the Territory is at in context; in terms of the nett debt percentage change between 2008-09 to 2013, if you want to look at where we sit in comparison to all jurisdictions, including the Commonwealth, you can see we have been very successful at constraining debt.

Mr ELFERINK: Yes, but the question was specifically in relation to what your strategy was, not what is going to be or what it currently is. The reason I raise the issue is that during your answer you said there was a reduction in the nett debt of the Northern Territory.

Ms LAWRIE: Debt to revenue ratio, absolutely.

Mr ELFERINK: Yes, well, the debt to revenue ratio we will get to, but I have just taken the liberty of graphing out your debt reduction – and this is the non-financial public sector, I note we have an affection for the general government sector, but I would like to stick with the non-financial public sector – and you are quite right, there is a debt reduction between the years 2001-02 tracking out to about the year 2008-09, and you will see in the year 2008-09 there is actually a nice little dip that would be very comforting. However, that does not, for the non-financial public sector at least, show a sharp reduction; there is some reduction, but it is not a sharp reduction. Would you agree with that?

Ms LAWRIE: As you can see by that we are very effective in keeping debt tracking down through the three years pre-global financial crisis, unlike the debt we inherited which, comparative to other jurisdictions, was pretty steep in terms of our per capita and, that being said, we created budget surpluses with fiscal management, drove that debt downwards and what happened to the Territory, and every jurisdiction in Australia with that 2008-09 period with the global financial crisis heading, major capital expenditures were required by jurisdictions to literally keep their economies ticking over. Some people refer to that as stimulus.

The other thing you have included in that debt picture is Power and Water. We make no apology for the significant funding going into the expansion of power generation facilities across the Territory, and in water and sewerage as well.

It is useful to look at the percentage changes across jurisdictions when you are talking about nett debt. From the period 2008-09 to 2012-13, the percentage change - the growth in debt - in the Territory was 87%. If you look at Western Australia for example, they blew out by 332%. If you take that out to the 2009-10 period - to 2012-13, you are really kicking into the post-global financial crisis situation. If you look at Western Australia, their percentage change in their nett debt was 786%, compared to the Territory of 74%. We are the second lowest in that 2009-10 to 2012-13 period. Only South Australia is at 62%, but the others are just dramatic changes.

Mr ELFERINK: You would agree in this period prior to the global financial crisis you were presented with an opportunity to reduce debt even further than you had?

Ms LAWRIE: No, if you want to ignore the dramatic service need in the Territory you could say that. If you want to say the Territory is a developed jurisdiction, you have equity to service provision right across the Northern Territory from the regions to the remotes, you have modern infrastructure, you have sufficient provision in your school system, in your hospital systems, in your health clinics, your road network is all fully sealed, bearing in mind the Territory has 23% sealed road network, if you had that kind of nirvana surely you could squirrel it away and say we are not going to spend the revenue coming in because we want to squirrel away and drive debt down even further. The reality of the Territory is a very different reality. The reality is we are a developing jurisdiction. We do have significant infrastructure needs across the Territory. Those needs significantly fall in the area of housing, as we know. This government has made a quantum leap in its expenditure commitment to housing. We have taken the roads budget from \$80m to \$331m, and also hospital and education expenditure. As a government we decided to grow our revenue, and also put the effort in, where it is required, to improve the life of Territorians significantly in our regions and remote communities, but we were not ignoring our major urban centres either.

Mr ELFERINK: Whilst I appreciate much of your revenue growth has come as part of firstly SPPs, which are basically tied grants, as well as the arrangements under the IGA MPPs. However, there is another component, the Goods and Services Tax. I track back to a few figures between 2001 and 2007-08 for your Goods and Services Tax, and I note there is a blue line and a red line. The blue line represents what you expected to get in the budget - that is what you had budgeted for. If you were dealing with a debt situation like a household budget, you predict your income over the year, you may get a couple of bonuses on the way if you are really lucky, and you have your credit card. As a householder, if you do get a bonus, what happens with the credit card is your decision. You can either pay off the credit card, or you can do something else.

I presume when you put your budgets together - in your budgeted framework - you plan to put some money into debt reduction according to your strategy. Is that correct?

Ms LAWRIE: Which you saw in your previous grant, we (inaudible).

Mr ELFERINK: That is right. In that area that is where you plan to reduce debt.

Ms LAWRIE: Which we did, pre-GFC.

Mr ELFERINK: To an extent, not a huge extent. We will come back to that. The red line is the GST you received over those years. This is pulled out of the budget papers, historically; we have had to draw it together – that is a difference of \$721m. This is the bonuses, the money you did not expect to get.

Ms LAWRIE: Not true, actually. If you look at what we might have received under the guaranteed minimum amount, there was very little difference between what we actually received under the GST and what we would have received under the guaranteed minimum amount which is the deal struck in terms of the GST.

Mr ELFERINK: What is the difference?

Ms LAWRIE: The difference is a small amount. I have used various figures and amounts in the difference between the GMA and the GST. I will just get those figures.

The actual difference between the GST and the guaranteed minimum amount, if you look at 2002-03 it was \$9m; 2003-04, \$111m; 2004-05, \$140m; 2005-06, \$132m; 2006-07, \$131m; 2007-08, \$130m. This is where we start going backwards, of course: 2008-09 we went below that, we got a negative \$95m. So, really, in each of those financial years, it is a ...

Mr ELFERINK: You will have a total ...

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Ms LAWRIE: ... very small difference between the GST and the guaranteed minimum amount.

Mr ELFERINK: You will have a ...

Ms LAWRIE: As I am fond of saying, that is probably a few extra teachers in the Education system.

Mr ELFERINK: You have a total in front of you. What is the total amount over that period?

Ms LAWRIE: The total, if you want to tally it up to 2008-09, it is \$657m.

Mr ELFERINK: \$657m including 2008-09? Can you actually just draw it back to pre-GST period and tell me what the total was up to 2007-09?

Ms LAWRIE: \$657m.

Mr ELFERINK: No, to 2007-08?

Ms LAWRIE: That is right. We actually went below in 2008-09. We lost \$95m because, of course, the guaranteed minimum amount dropped off.

Mr ELFERINK: So, using your numbers - rather than the ones we got out of the budget papers, but the ones you have just announced - you are telling Northern Territorians that \$657m in this space here is a small amount; is a few teachers. Is that how I understand your answer?

Ms LAWRIE: At the same time as that period, we had reduced general government nett debt by \$552m.

Mr ELFERINK: Yes, and in the non-financial sector, how much did you reduce nett debt by there?

Ms LAWRIE: As I pointed out, there were some very important decisions made in terms of the Power and Water Corporation's need for a major capital expansion and an R&M expansion.

Mr ELFERINK: Going back to my question, how much was nett debt reduced by between 2001-02 and 2007-08 in the non-financial public sector?

Ms LAWRIE: The GST is meant to be used in the government sector and that is, of course, where it was used. So, if you want to compare where it should be being used, we reduced the general government nett debt by \$552m.

Mr ELFERINK: How much was nett debt reduced in the non-financial public sector between the years 2001-02 and 2007-08?

Ms LAWRIE: \$496m.

Mr ELFERINK: Okay. So, the corporations which form the non-financial component of the non-financial public sector, Power and Water, Gasco - the big one being Power and Water Corporation - carry what I would describe as a public debt. Would you agree that is correct?

Ms LAWRIE: In the broader sense it is, absolutely.

Mr ELFERINK: So, it is a public company. In fact, who owns Power and Water Corporation? Who is the shareholder?

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Ms LAWRIE: I am the shareholding minister and the taxpayer owns the corporation.

Mr ELFERINK: That is right. You are the shareholding minister. So, it is, basically, a public company?

Ms LAWRIE: So, you would say in your world that the massive capital expansion that is occurring for Power and Water should not have occurred?

Mr ELFERINK: No, what I am asking is ...

Ms LAWRIE: No new generators.

Mr ELFERINK: ... how – I am testing the quality of your decisions during a time when you say you received ...

Ms LAWRIE: Well, we drove down debt.

Mr ELFERINK: ... \$657m.

Ms LAWRIE: And we reduced general government debt by \$552m, and financial sector debt reduced by \$496m. I would say you are proving the case that we are very good fiscal managers.

Mr CHAIRMAN: Please, could I ask that we have a question and an answer, rather than a debate.

Mr ELFERINK: In that case, I then go back to it. So, if you only calculate in the general government sector, and we do not talk about other objects owned by the taxpayer, you say that you have reduced nett debt. But, if the nett debt for the non-financial public sector is actually not reduced as much by the general government sector, does that not just mean, from the average Joe with his nosed pressed up to the glass, that the debt has been transferred from the general government sector to the corporations that you own, essentially?

Ms LAWRIE: I am not following your train of thought there at all, Mr Elferink.

Mr ELFERINK: Well, follow the bouncing ball. The debt that is carried by your public corporation, the one you own, owned by the taxpayer, is incorporated, when we read the non-financial public sector statements, includes the general government sector. So you have the general government sector separated out, which is the government departments, then you have the non-financial public sector, which is the stuff that you will find defined in the pack of Budget Paper No 2, and they are combined. Your answer is, 'oh, we reduced lots of debt in the general government sector ...'

Ms LAWRIE: No, that was not my answer. I was quite specific. We reduced debt in the general government sector by \$552m. You asked what the debt reduction in the non-financial sector was, and I told you, quite clearly, \$496m.

Mr ELFERINK: Yes, which is substantially less than the general government sector, which is where the answers that I am getting from you are coming from.

Ms LAWRIE: They are both significant debt reductions, any way you look at it.

Mr ELFERINK: Okay. I do recall that I said that, right here, that you actually did not do too badly to actually come down a bit.

Then I would like to compare another government which did some debt reduction over the same period, this is the Commonwealth government, during roughly the same period, probably a little bit earlier, and you will notice that its nett debt went from \$90bn to a surplus. It had no debt in 2008, in

fact, it had a packet of money in the order of around \$50bn. So they have done that, and that compares with that line which sort of dips a little bit. Do you accept that perhaps you could have done a little bit more in debt reduction during the good times?

Ms LAWRIE: Well, I am really pleased you asked that question, because one of the reasons why, if you are looking around at the debt carried by the states, not just the Northern Territory, and I attend loans council, so I am very aware of what that picture looks like. If you look at that ten-year period to 2008, the debt carried by the states increased. Why? Because of the infrastructure requirements of the states and territories. The federal government, which had the revenue earning capacity through the taxation system in Australia, vacated the infrastructure space.

If you actually want to compare the figures of the surpluses carried at that period by the Commonwealth government to the debt burden taken on by all the states and territories, and what that combines, they pretty well equal each other out. And this a debate that all Treasurers have had at loan council, with the former Tory federal government, because, quite frankly, they vacated the nation building. They vacated the space where you have to build your roads, your railways, your ports. They just said, 'No, that is the responsibility the states and territories. We will walk away from that funding responsibility, we will forget that and, while we are doing it, we will strip out and strip out of special purpose payments, the funding equivalent regime that existed previously'. So whereby, across all your major funding arrangements, it used to be 50/50 - 50% from the Commonwealth, 50% from the states and territories - well actually, you saw this pendulum, swinging right away from the Commonwealth spending where it should have been spending, they stripped \$1bn out of health alone. Tony Abbott stripped \$1bn out of health funding in this nation. So do you know what happened?

The Commonwealth, that had the revenue capacity that was pulling in the revenue through the tax, held on to the dollars. So their surpluses were growing. Meanwhile, states and territories left with the funding burden of services and infrastructure, had to manage in a surplus environment which we did - just, not everyone to the same extent, it went to your own source revenue capacities, and we have got a very small own source revenue capacity, we get that. We have only got about a 100 000 taxpayers in the Territory, but we pushed ahead with meeting service delivery needs, we pushed ahead with building infrastructure while the federal government of the day for the 10 years vacated that space - shamelessly vacated that space.

Mr ELFERINK: Okay, thank you for that comprehensive answer. So, if I understand your argument correctly here now, the states were forced to reduce debt reduction during times of plenty because they had to construct infrastructure and those types of things, so it was very hard for the states to reduce debt as comprehensively as the Commonwealth government during that period. Is that a correct interpretation of your answer?

Ms LAWRIE: You want to paraphrase me all your life? I was very clear with what I said.

Mr ELFERINK: Okay, that being the case, why then was Western Australia, the Carpenter Labor government, able to reduce debt to zero?

Mr WOOD: Mr Chair, I do not mind comparisons with other states and the Commonwealth, but we are actually here to question our budget, and we are getting into are some quite long debates about why one government did something against another government.

Mr CHAIRMAN: Just on that point, thank you, Mr Wood. I will remind people of relevance. I have been listening to Mr Elferink's questions and he has been bringing them back, often at the end, to the Territory, but any questions going to the operations of financial positions of the departments and agencies which seek funds, in Estimates, are relevant questions for the purpose of estimates hearings, so we are obviously here to talk about the Territory budget.

Mr ELFERINK: Mr Chairman, if I may. I appreciate what Gerry is saying; the point is, though, sometimes to get a feel for how a government makes decisions is useful to look at how other

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governments make decisions. The argument I just heard, and the reason I bring this matter up is that the Treasurer has essentially just said the states were left with this dreadful infrastructure burden but, where this government has failed...

Ms LAWRIE: I am not the only one who says it, economic commentators say it too.

Mr ELFERINK: Where this government has failed to reduce debt to zero, other state governments have managed to do so, certainly Western Australia.

Mr CHAIRMAN: Can I suggest at this point, rather than hearing a discussion on relevance we actually continue the questioning?

Mr ELFERINK: Okay.

Mr CHAIRMAN: At this stage I am saying they are coming back, but I have borne in mind what you have said and I have been listening myself, so we will continue with questions.

Mr ELFERINK: All right. So part of the old strategy, the strategy you had in place was the maintenance of Territory debt at prudent levels. Can you describe to me what you think a prudent level is?

Ms LAWRIE: Well, if you want to have a look at what Moody's issued post our 2010-2011 budget, they say: the Territory's moderate debt burden achieved as a result of the generation of cash surpluses in recent years, allows room for the projective rise in debt at its current rating level. Now, that is Moody's.

Mr ELFERINK: Perhaps I was not clear. Can you describe to me what you think a prudent level is?

Ms LAWRIE: Well, if you want to look at prudent level, you can look at the nett debt to revenue ratios. So we have stripped the nett debt to revenue ratio from 61%, which is what we inherited from the CLP, and I would not say that is a prudent level at all; we have stripped that back down to the 20%'s and we are sitting at about 26% now. That is prudent. 61% I would not say is prudent.

Mr ELFERINK: We will get to the 10 year bond rate shortly. Heading back to the question though; you believe 21% is a prudent level, what about 0%; would that be a more prudent level?

Ms LAWRIE: You were never zero.

Mr ELFERINK: I am not asking what I was; I am asking what you have done.

Ms LAWRIE: I beg your pardon.

Mr ELFERINK: I am not asking what has happened in the past or what I have done, I am asking what you have done.

Ms LAWRIE: Okay, we have reduced the nett debt to revenue ratio dramatically from 61% under the CLP, to 26% under Labor. What we have managed to do at the same time as reducing the nett debt to revenue ratio, is improve services to Territorians, improve the infrastructure in the Territory. In stark contrast, we know the CLP plan is simply to slash jobs, sack the nurses, put police staffing on a freeze, and send us all back into the dark ages again under the back to the future Col Fuller plan.

Mr ELFERINK: The figure of 21%, what was that figure in the Budget Paper relating to the financial year 2009-10?

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Ms LAWRIE: The beginning of the year or the end of the year?

Mr ELFERINK: The beginning of the year. The projected figure?

Ms LAWRIE: For 2009-10 the nett debt to revenue ratio was estimated to be at 28%

Mr ELFERINK: That is what I thought.

Ms LAWRIE: Then it fell to 20%

Mr ELFERINK: That ratio moves around quite a bit because of another factor, which is the 10 year bond rate, is that correct?

Ms LAWRIE: No, the bond rate does not affect it. The bond rate affects the superannuation liabilities, which is in the non-financial liabilities to revenue ratio.

Mr ELFERINK: Which is that 131%...

Ms LAWRIE: That is right; the bond rate affects that one. It does not affect the nett debt to revenue, which is why the nett debt to revenue ratio is the more accurate of the ratios.

Mr ELFERINK: I appreciate that. Thank you for the guidance.

Ms LAWRIE: My pleasure.

Mr ELFERINK: To change that revenue ratio you need a pay off debt, which you were still doing in the year 2007-08 to a minor degree, or you can see an increase in revenue. If you look at your GST revenues, let alone your SPPs and results of the national partnership payments, you can see you enjoyed a substance growth from about \$1.4bn to \$2.2bn. That income would change that ratio quite substantially would it not?

Ms LAWRIE: Driving down the general government debt by \$552m changed that substantially by delivering seven surpluses in a row.

Mr ELFERINK: Yes, but the ratio being one of debt to revenue would be driven down as much by a sharp increase in revenue rather than a big reduction in debt. It is opportunistic to rely on the ratio - let us find another measure. Can you table for the years 2002-03 to 2008-09 the levels of nett debt for the non-financial public sector?

Ms LAWRIE: Yes, we will take it on notice. We have it as part of a series of table figures. We do not have a separate table

Mr CHAIRMAN: Quickly for Hansard.

Mr ELFERINK: I will change it slightly, I am asking the Treasurer if she can table, for the non-financial public sector, the nett debt situation from 2001-02 through to the forecasted 2013-14 on a year by year basis?

Ms LAWRIE: I will read them out.

Mr ELFERINK: For the non-financial public sector

Ms LAWRIE: The non-financial public sector Northern Territory debt for 2002-03 was \$1.723bn; 2003-04 was \$1.656bn; 2004-05 the same, 2005-06, \$1.594bn; 2006-07, \$1.13bn; 2007-08, \$1.25bn,

and 2008-09, \$1.33bn.

Mr ELFERINK: If we can keep going through to your forecasts up to 2013-14?

Ms LAWRIE: Okay. The 2009-10 estimate is \$1.75bn and the forecast 2010-11 is \$2.35bn, 2011-12 \$2.71bn and 2012-13 \$2.93bn and 2013-14 \$3bn. I guess the CLP would not want us to be improving the power in Alice Springs and Darwin; would not want us to be shutting down a poo shooter at Larrakeyah by drilling under the city with the sewerage, as we are currently are. They would not want us to be raising the dam wall, as we currently are, to improve the water supply for Territorians. I guess it is, freeze frame, stop, do not do anything to improve the capital in Power and Water, and life freezes, We know their history of freezing in police recruitments and not keeping ahead of the infrastructure needs of the Territory.

Mr ELFERINK: So, you do acknowledge, then, that in the year 2008-09 for the non-financial public sector, your nett debt situation is \$1.6bn. By your own forecasts, by the year 2013-14, it will be \$3.1bn. In fact, if my memory serves me, it is a rounding; it is \$3.05bn. Do you acknowledge that is a 94% increase in public debt in the space of five years?

Ms LAWRIE: Again, you fail to understand the impact of the global financial crisis. You fail to understand the need to deliver infrastructure. You want to compare how we are tracking in nett debt. The Northern Territory nett debt changed as a result of the global financial crisis. Where it has increased is in the tune of 74%. Compare that to Western Australia: the nett debt change there is 786%. You simply do not understand the impact of the global financial crisis. You simply do not get it.

Mr ELFERINK: The reason I suspect it is only 74% for you and so large for the West Australians is the West Australians were carrying, actually, almost no nett debt until Eric Ripper in the 2008-09 budget, announced having to borrow, for all of the reasons that other governments borrow.

I will ask you the question again, particularly based on the uniform presentation framework public non-financial sector balance sheet. Do you agree the rise in debt over the next five years will be from \$1.6bn to \$3.1bn - a rise of 94%?

Ms LAWRIE: You just do not understand, do you? What the Territory government is doing is, we have made a deliberate decision to go into deficit to save jobs because of the global financial crisis. The public sector spending had to increase to save jobs. We are saving the construction industry. Listen to the Chamber of Commerce. They are giving us an eight out of 10 for our budget. Listen to the Master Builders. They are saying we are saving their industry in our spending. We made a deliberate decision to do that. We recognise what this economy needs. It needs a strong, decisive decision by government to keep people in jobs. At the same time, very properly, we are spending in infrastructure - legacy infrastructure improving schools, hospitals and roads.

In the non-financial sector, the one you are talking about, Power and Water, we are building new generation into the power system. We are building improved sewerage systems. We are raising the dam wall for improved water. All of this is critical infrastructure spending and, critically, what does it deliver at the same time? It delivers an economy that is remaining buoyant and strong and jobs for Territorians. In stark contrast, you would slash jobs, you would make people unemployed in their hundreds, both in the private sector ...

Mr ELFERINK: That is gratuitous speculation.

Ms LAWRIE: ... both in the private sector and the public sector.

Mr Westra van Holthe interjecting.

Mr CHAIRMAN: The Treasurer has the call.

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Mr ELFERINK: The Treasurer is finished? Okay. Mr Chairman, just so I am clear on the answer I just asked for, do you agree there will be an increase of debt for the non-financial public sector over the next five years from \$1.6bn to \$3.1bn? And do you agree that equates to an increase in debt of 94%, or nearly doubling the debt of Territorians in that five-year period?

Ms LAWRIE: This chart clearly shows where the Territory sits in comparison in debt levels. We are extremely low. Moody's itself has said we have a very moderate debt level. What we are doing is prudently managing our debt levels to ensure we are spending now when Territorians need public sector spending to lift, as a result of the global financial crisis, because private sector spending has not returned to full recovery post-GFC. If you do not understand that now, you will never understand it, but I will tell you who does understand it, business, and the Territorians who have got the jobs as a result of the public spend.

Mr ELFERINK: Those Territorians who have those jobs, per head of population, based on the \$3.1bn debt figure, how much will each Territorian carry as a percentage, or as a proportion of government debt, basically \$220 000 into \$3.1bn – what does that come to?

Ms LAWRIE: In which year are you referring to?

Mr ELFERINK: In the year 2013-14.

Ms LAWRIE: The nett debt per capita is in the vicinity of \$12m.

Mr ELFERINK: \$12m, per head? I think that is unlikely.

Ms LAWRIE: Yes, 12 thousand million.

Mr ELFERINK: Sorry?

Ms LAWRIE: 12 thousand million.

Mr ELFERINK: No, I will rephrase the question.

Ms LAWRIE: I am sorry. Okay, you are asking per ...

Mr ELFERINK: Per head of population, how much is each individual Territorian – man, woman and child – going to carry by the year 2013-14, based on your \$3.1bn debt in the non-financial public sector?

Ms LAWRIE: Per capita, it equates to about \$12 000.

Mr ELFERINK: Okay, and if I factor in the superannuation liability, what does that figure come to?

Ms LAWRIE: In rough figures because, of course, as we know, the superannuation liability fluctuates with the bond rate. We also know it does not actually accrue until your mid 2020s – 2020, 2023 thereabouts – so this is a bit of a nonsense question, because it is not an actual figure. It might roughly come out to around \$20 000, but again it is a nonsense figure.

Mr ELFERINK: It might roughly come out to \$20 000 for every man, woman and child. So a family of four people like my own – husband, wife and two rug rats – that is \$80 000 worth of debt for every family of four people in the Northern Territory?

Ms LAWRIE: Look at the debt in the Northern Territory compared to the debt in Queensland, for example, Western Australia, the Commonwealth ...

Mr ELFERINK: Well, can you tell me then how much each individual ...

Ms LAWRIE: We are travelling very well.

Mr ELFERINK: Can you tell me how much each individual person in Queensland is carrying in debt per ...

Ms LAWRIE: I do not have the figures for that.

Mr CHAIRMAN: Sorry, can I just ...

Ms LAWRIE: No relevance.

Mr ELFERINK: Well, it is a very relevant question.

Ms LAWRIE: No, you are fixated ...

Mr CHAIRMAN: Can everyone just stop for a second. I need to remind members that the test of relevance is, any questions going to the operations of financial positions of departments and agencies which seeks funds and estimates. Queensland is not part of this Estimates Committee.

Mr ELFERINK: Expenditure against income from the year 2009-10 to the year 2013-14 for the non-financial public sector is represented on this graph by two lines, and this is where we start, in the current financial year, and I am talking about the current financial year, where we are carrying the \$1.75bn-worth of debt, and it tracks out to the debt in the future. You will notice that income is lower than expenditure. So if I am Joe Bloggs, and I am trying to manage my household budget, and I have the credit card, and I am spending more than is coming in the door, which is what produces deficits – something that you will be producing for the next five years – that will have an effect of raising debt, and the difference of that debt will be in this area between the blue line and the red line, which is basically a doubling of debt in that period.

Treasurer, can you explain to me, when is the blue line going to get above the red line? When are we going to earn more than we spend?

Ms LAWRIE: Well, you can see where it is trending. What you are failing to understand is the importance of investing now in the infrastructure for the Territory.

Mr ELFERINK: And I will repeat the question. When will we earn more than we spend?

Ms LAWRIE: We remain in a positive nett operating balance throughout all of those years.

Mr ELFERINK: Of the nett operating balance, okay.

Ms LAWRIE: Absolutely remain in the positive through all of those years.

Mr ELFERINK: Okay. When will we earn more than we spend?

Ms LAWRIE: We are operating in surplus across all of those years and, importantly, what we are doing at the same time is improving the infrastructure, which provides for an improved asset base for the Territory.

Mr ELFERINK: So now we are reduced to hiding in the nett operating balance which is an area you never go to, Treasurer, it has never been one for your benchmark measures. So all of a sudden it is

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your benchmark measures.

Ms LAWRIE: 'Hiding' is not an accurate description. Every other jurisdiction in Australia actually uses that as their budget figures.

Mr ELFERINK: But it is not the one you have used up until now, Treasurer, and I think for the sake of consistency it would be fair ...

Ms LAWRIE: Every jurisdiction talks about the operating balance.

Mr CHAIRMAN: May I just suggest, again, that we have a question and an answer.

Mr ELFERINK: Yes, on the assumption that we get an answer, Mr Chairman, that would be useful.

I just draw your attention to page 103 of Budget Paper No 2, which is the uniform presentation framework for the non-financial public sector. On the back of your operating surpluses, we are still getting nett debt increasing by 94% by the year 2013. When will that debt start reducing?

Ms LAWRIE: Increasing because of the capital expenditure.

Mr ELFERINK: I know why it is increasing. I am asking you when will it start coming down.

Ms LAWRIE: You have the forward estimates as far as we predict.

Mr ELFERINK: Exactly. So, at all forward estimates you are producing deficit cash budgets?

Ms LAWRIE: Operating surpluses.

Mr ELFERINK: Deficit cash budgets.

Ms LAWRIE: Operating surpluses.

Mr ELFERINK: Okay. You have never used that figure before ...

Ms LAWRIE: Everyone uses it, every jurisdiction uses it...

Mr ELFERINK: You have not used it and now it does not suit you to use it ...

Ms LAWRIE: ... they have all come out and said they are going to be in surplus, and why? Because they are in operating surplus. And guess what? The Territory is too.

Mr ELFERINK: So, with expenditure staying above income for as far as you can possibly predict, can you tell me by what date will you pay this debt off?

Ms LAWRIE: It is a ridiculous question.

Mr ELFERINK: Okay, I will ask the question one more time so that we are clear. By what date will you pay this debt off?

Ms LAWRIE: The Northern Territory government has a track record of driving down debt. We inherited a nett debt to revenue ratio from the CLP of 61%. We have driven that down to the low 20 percentile. That being said, whilst we have been driving down debt as a result of seven surpluses in a row, we have also been improving services to Territorians in health, education, and across our road

network; we have been delivering services into regional and remote Northern Territory dramatically. So we have been driving down debt and improving services for Territorians at the same time.

What occurred was the global financial crisis hit. Because the global financial crisis hit, private sector spending just disappeared. People would have become unemployed, particularly in the construction sector, unless the government had made a very deliberate decision to go into deficit, ie increase debt to save jobs, to keep people in jobs. The Chamber of Commerce, the Master Builders, the Civil Contractors Federation, everyone, has said this is the right thing to do. The government has chosen, quite deliberately, to ensure that Territorians jobs are being saved, but also keeping capacity in the all important construction sector ahead of the major projects coming forward.

Mr ELFERINK: Okay. Thank you for that.

Mr Tollner: Ask the question again.

Mr ELFERINK: Yes, and I will actually. No, I will not. I will not waste the committee's time.

From time to time, Treasurer, you find that there are unpredictable things which happen in a budgetary cycle; things that you cannot anticipate – cyclones, those types of things. If you have to make payment for an unpredicted measure, where do you draw that money from?

Ms LAWRIE: Treasurer's advance, like every government does.

Mr ELFERINK: Okay, that is fine. Can you, in that case, lay on the table for every years between the year 2002-03 and the current financial year all decisions which have resulted in money being drawn through the Treasurer's advance from the Central Holding Authority?

Ms LAWRIE: Well, the Treasurer's advance has been deemed in parliament every year, so it is all on the parliamentary records, Mr Elferink. You know that.

Mr ELFERINK: Yes, but the problem is, what it does is just gives you some numbers drawn out of one column and pushed into another. I am asking for the specific Cabinet decisions that actually produced the decision to draw that money out of the Central Holding Authority year on year since 2002-03, not just the column entry, a detailed list of each of those decisions. Will you make that available?

Ms LAWRIE: I am saying quite appropriately under the FITR, I table, I deem in parliament the Treasurer's Advance for every year. It is on the *Parliamentary Record*. It tells you the amount and it tells you the purpose. Every year it is on the *Parliamentary Record*.

Mr ELFERINK: It does not tell you the purpose; that is part of the problem. It tells you we have shoved it into a particular department. What I am trying to get from you is a complete list of all decisions that have drawn down on the Treasurer's Advance since 2002-03. All decisions, individually, and why it was done?

Ms LAWRIE: Not only is it in the *Parliamentary Record* through the deemings, but also in the Treasurer's Annual Financial Report, which is provided every single year. The variations to allocations authorised during the year, for example, Treasurer's Advance, is provided in agency, and the entire breakdown. All you have to do is your own homework, Mr Elferink.

Mr ELFERINK: The entire breakdown - each decision. In those reports ...

Ms LAWRIE: The output appropriation tells you the capital appropriation.

Mr ELFERINK: Yes, the capital appropriation. I am asking for the specific decisions which see that

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money being transferred. For argument's sake, where you want to introduce an alcohol interlock device which was not in a budget, Cabinet made the determination to spend \$400 000 on that interlock device - which so far has produced one interlock device being fitted - I would like that level of breakdown. Are you prepared to make that available?

Ms LAWRIE: Not only do the variations to allocations authorised during the year appear in the TAFR in the breakdowns in output appropriation, and the capital appropriation by agency, each agency also has a description of what that variation is. It is highlighted in the TAFR; it appears every year. The information is there for you to look at.

Mr ELFERINK: Do you then draw up the interlock device decision which was drawn down on the Treasurer's Advance? Can you show that to me in the appropriate budget paper?

Ms LAWRIE: You are making that up as you are going along.

Mr ELFERINK: No, I am asking you a question.

Ms LAWRIE: You are making it up as you are going along.

Mr CHAIRMAN: Can I suggest while questions to the Treasurer's Advance are appropriate, questions to the alcohol interlock should be directed to the alcohol minister.

Mr ELFERINK: Treasurer, I want to see if ...

Mr CHAIRMAN: A question to a variation in an output belongs to that output. We are talking about Treasurer's Advance; however a question to the variation of an output belongs to that output. When we get to that output that question will be appropriate. To expect the Treasurer to answer a question to an output that is not hers is not.

Ms LAWRIE: You do not understand that within the TAFR, we specifically have a page which shows you the variations to allocations authorised during the year agency by agency, and then it is broken down agency by agency into major variations.

The point of estimates is agency by agency can ask the relevant minister about those variations. That is what happens every year. That is why we have estimates.

Mr ELFERINK: You are the minister in charge of the Central Holding Authority, I take it?

Ms LAWRIE: Yes, and that is why I am telling you the Treasurer's Advance is listed in the Treasurer's Annual Financial Report.

Mr ELFERINK: I am asking for a detailed list for every decision which has been taken, year on year since 2002-03 to the current financial year, which drew down on that advance. Not just movements of money from one column to the next, actual decisions.

Ms LAWRIE: You are provided with the relevant information in the Treasurer's Annual Financial Report in variations, and also a breakdown agency by agency.

Mr ELFERINK: I will take that as a no.

Mr CHAIRMAN: There is an output for the Central Holding Authority. We are at the whole of government questions - budget and fiscal strategies. We have allowed some leniency in managing the agenda for today ...

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Mr ELFERINK: I understood from the opening comments by the Treasurer she understood it is invariable you cross these lines from time to time, and she was prepared to take those questions.

Mr CHAIRMAN: I have been allowing those questions to date, however with ...

Mr ELFERINK: She said she will take them, Mr Chairman.

Ms LAWRIE: You are getting repetitive, Mr Elferink.

Mr ELFERINK: No, I am getting persistent.

Mr Tollner interjecting.

Ms LAWRIE: Mr Chairman, the member for Fong Lim is sitting there making absolutely offensive interjections. I am talking about figures ...

Mr Tollner: Well, you are making ...

Mr CHAIRMAN: Member for Fong Lim, the Treasurer is ...

Ms LAWRIE: I am talking about budget figures which are published and reported on in the Treasurer's Annual Report - accurately reported on in the Treasurer's Annual Financial Report, and signed off by ...

Mr CHAIRMAN: I remind committee members of Standing Order 51, No interruption:

No Member may converse aloud or make any noise or disturbance, which in the opinion of the Speaker ...

Or Chairman:

... is designed to interrupt or has the effect of interrupting a Member speaking.

I ask members to respect what we are doing at the moment. We are with the member for Port Darwin, who is asking a question of the Treasurer. Treasurer, continue.

Ms LAWRIE: ... and signed off by the Auditor-General.

Mr ELFERINK: Yes, yes, I get that.

Ms LAWRIE: That is the accusation you are bandying around.

Mr ELFERINK: I am not. All I am asking for is some information.

Ms LAWRIE: And I am saying to you the information is provided for in the TAFR.

Mr ELFERINK: Okay. The Treasurer's Advance on annual basis for the last few years has been \$40m. Is that correct? It was \$30m originally; gone up to \$40m at some point?

Ms LAWRIE: Years ago.

Mr ELFERINK: Years ago. But, in the last five or six years it has been around \$40m, I think.

Ms LAWRIE: It has averaged around \$40m.

Mr ELFERINK: Okay, averaged around \$40m. How much was spent from the Treasurer's Advance in total for the financial year 2002-03? And for every year after that by the way?

Ms LAWRIE: We do not have the historic figures here. We can get that for you.

Mr ELFERINK: Okay. So, \$40m was the Treasurer's Advance for the current financial year - and I am talking about 2009-10 - which is your contingency bucket of money. In fact, it is defined in Budget Paper No 2; the definition being:

An allocation of that name as specified in an Appropriation Act which provides a pool of funds specifically set aside in each budget to meet operational contingencies that arise during the year.

I know this irritates you; I just refer to it for simplicity reasons as a little piggy bank, of which every year you come into the parliament you say: 'Give me \$40m for those things that I do not expect to happen'. Can you tell me how much you spent of that \$40m in the current financial year, and how much you will have spent by the close of the financial year?

Ms LAWRIE: The Treasurer's Advance of \$40m will be spent in 2009-10.

Mr ELFERINK: Yes, and how much has been spent, and will be spent, from that \$40m fund in total?

Ms LAWRIE: As I said, \$40m has been spent in Treasurer's Advance.

Mr ELFERINK: Yes, and how much will be spent?

Ms LAWRIE: Well, we are not at the end of the financial year yet, as you will appreciate, so I am not crystal ball gazing ...

Mr ELFERINK: Okay. Well, then, we will go to the last financial year. The Treasurer's Advance for last financial year was \$40m. How much did you spend out of that \$40m in the last financial year?

Ms LAWRIE: As you know, these figures appear in the TAFR every year ...

Mr ELFERINK: I understand that. I just want to get it on the record so we know we are talking about the same set of numbers.

Ms LAWRIE: So, we are just getting the 2008-09 Treasurer's Annual Financial Report. All right. For 2008-09, that was \$190m.

Mr ELFERINK: Okay, and that includes the \$40m?

Ms LAWRIE: Yes.

Mr ELFERINK: So, out of a requested budget for contingency – so, in a perfect world when we do not have cyclones and things, you have a \$40m fund given to you which would, hopefully, add in to a \$40m surplus at the end of the year. Out of that \$40m for that contingency fund, you have spent \$190m ...

Ms LAWRIE: Because we had a global financial crisis. You keep escaping that. You keep thinking that it did not happen.

Mr ELFERINK: Okay. In the financial year prior to that, you had a Treasurer's Advance of \$40m. In the financial year prior to that, which was pre-GFC, how much did you spend out of the Treasurer's Advance?

Ms LAWRIE: The appropriation was increased by \$130m.

Mr ELFERINK: The appropriation was increased by \$130m, which means it was on top of the original \$140m. So, in the pre-GST environment, out of an allocation of \$40m, you spent \$170m. Why?

Ms LAWRIE: Could you repeat the question?

Mr ELFERINK: In a pre-GFC environment, out of an allocation of \$40m, you spent \$170m. Why?

Ms LAWRIE: Look, as I explained to you, I do not know, I cannot think how frequently we have the old Treasurer's Advance debate, but as I have constantly stated, life does not stand still between budgets. The budget is handed down in May, and from year to year, certainly there are a lot of requirements. Life does not stand still, and we, for example, in 2007-08 changed the appropriation to \$20m on *Closing the Gap* initiatives. Also, \$50m to Power and Water Corporation for its capital infrastructure, plus another \$60m to undergrounding powerlines. So, from year to year, from May to May, life does not stand still. I know you like to think it does, but I will give you the tip, life did not stand still under the CLP either, and the CLP used Treasurer's Advance in exactly the same way.

Mr ELFERINK: Okay, thank you, I appreciate the question. In fact, the *Financial Management Act*, as I understand it, allows you to fund, through the Treasurer's Advance, as much as 5% of the total appropriation on an annual basis. Is that correct?

Ms LAWRIE: You know it is correct, because we have had this discussion round and round in circles for a few years now.

Mr ELFERINK: Since 2002-03, how often have you reached a 4½% or better threshold in the expenditure of the Treasurer's Advance?

Ms LAWRIE: It could be in the vicinity of three years, but we have not cross-referenced all our figures. I will give you a rough estimate there.

Mr ELFERINK: So, at least in three years ...

Ms LAWRIE: ... on three occasions.

Mr ELFERINK: ... you have well exceeded the Treasurer's Advance. In fact, ...

Ms LAWRIE: We are a growing jurisdiction, do you not understand that? Do you not understand the Northern Territory is growing, and that we absolutely have been driving down debt, but also, we have been driving down debt and also choosing to improve services and, importantly and particularly, infrastructure.

Mr ELFERINK: Thank you for that. As part of the budget planning process, in terms ...

Ms LAWRIE: In those periods, we recorded surpluses.

Mr ELFERINK: Yes, I get that, but that is because you had last minute finance from the Commonwealth and all that sort of thing. Let us go back to ...

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Ms LAWRIE: So while we were having surplus budget after surplus budget, we were also appropriating through Treasurer's Advance, in a surplus period.

Mr ELFERINK: Yes, okay. Now, without going down that little rabbit warren, because I want to stay on the real issue here, and the real issue is, actually no, I will ask you one more question. Out of the year 2010-11 budget, for which you have \$40m ...

Ms LAWRIE: Finally, the 2010-11 budget.

Mr ELFERINK: Well, it is important to demonstrate. You had \$40m in the Treasurer's Advance, how much of that \$40m is already committed?

Ms LAWRIE: None of it.

Mr ELFERINK: Well, that is surprising, because the CTC funding is coming out of that Treasurer's Advance, I am advised.

Ms LAWRIE: No it is not.

Mr ELFERINK: Well, that is an interesting thing, because that is not the advice I have received as a member of the CTC.

Ms LAWRIE: The CTC is contained within the 2010-11 budget papers.

Mr ELFERINK: Yes, the 2010-11 – all right.

Ms LAWRIE: It is budgeted for.

Mr ELFERINK: So there is nothing committed in next year's ...

Ms LAWRIE: The Legislative Assembly has an appropriation for the CTC ...

Mr ELFERINK: All right.

Ms LAWRIE: ... within the 2010-11 budget papers.

Mr ELFERINK: How much has been committed in the current financial year out of the Treasurer's Advance so far?

Ms LAWRIE: I will take you to Budget Paper No 3 page 40, Outputs and Performance of the Parliamentary Services, Key Variation, the Assembly services output increase is due to additional funding to support the Council of Territory Cooperation.

Mr ELFERINK: What is the figure against that?

Ms LAWRIE: Because the CTC was established midway through the 2009-10 budget period, ie as I explained, the world does not stay still from May to May, so obviously the CTC comes out of Treasurer's Advance because it was established part way through the financial year, but ...

Mr Tollner: It was like pulling teeth, wasn't it?

Ms LAWRIE: No, you do not understand it, Dave, you are never going to; you are pretty thick.

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So, what happens if something new, a new initiative – and we are pretty pleased with the CTC, it is doing a good job – a new initiative comes along part way through a financial year and you fund it through Treasurer's Advance, appropriately so, then you put the appropriation into the budget the following year as is appearing in Budget 2010-11, as is appearing as a key variation under Assembly Services.

Mr ELFERINK: Right. Can you do me a favour? Because you do not have all of the details in front of you, can you table at some point in the new future a full list since the year 2002-03 of the budget for the Treasurer's Advance and the amount of money actually spent out of the Treasurer's Advance up until the present year, including those monies already committed up until the present date, out of this year's Treasurer's Advance?

Ms LAWRIE: All of that information is provided in the TAFRs for each year. You know that.

Mr ELFERINK: Yes, but not for the current financial year because the TAFR for the current financial year is not out until October.

Ms LAWRIE: But we have not finished the financial year?

Mr ELFERINK: That is my point, can you then listen to the question ...

Ms LAWRIE: So it will be provided for in the TAFR that I hand down in parliament in ...

Mr ELFERINK: Well, can you tell me how much has been committed out of the Treasurer's Advance for the current financial year to date?

Ms LAWRIE: October – and I did tell you ...

Mr ELFERINK: No, you did not.

Ms LAWRIE: Yes, I did.

Mr ELFERINK: No, you did not, you said ...

Ms LAWRIE: Yes, I did.

Mr ELFERINK: No, you are not listening to the question. Can you tell me how much has been committed out of the Treasurer's Advance for the current financial year to date?

Ms LAWRIE: I have told you that answer three times. Actually, you are not listening.

Mr ELFERINK: No, what you have said is \$40m which is the budget. The Treasurer's Advance is well over expended in that area, as you well know. Can you now tell me ...

Ms LAWRIE: No, actually, it is \$40m to date. I have told you that four times.

Mr ELFERINK: \$40m to date? So ...

Ms LAWRIE: Four times now I have told you that.

Mr ELFERINK: So, if I see a Treasurer's Advance at the end of this year which gets close to the 5% threshold, as it does nearly every year, or at least in three years by your admission, you are going to make - I can extrapolate from that you have made spending decisions between 11 June and the end of the financial year that would be worth over \$100m. Is that how it works?

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Ms LAWRIE: No, and you do not understand how it works.

Mr ELFERINK: I understand how it works; I am curious to see if you can answer that question. Will ...

Ms LAWRIE: You do not understand how it works.

Mr ELFERINK: Will you then guarantee, Treasurer, with only a few weeks left in the financial year, that your expenditure out of the Treasurer's Advance will not substantially exceed \$40m?

Ms LAWRIE: I will guarantee that the Treasurer's Advance expenditure will be detailed in the Treasurer's Annual Financial Report that I table in parliament in October.

Mr ELFERINK: Will you guarantee, Treasurer ...

Mr Tollner: Why do you not answer the question rather than dodge it?

Mr CHAIRMAN: Member for Fong Lim!

Mr ELFERINK: I will ask the question again. Will you give a cast iron guarantee, now that you have not spent more than \$40m out of the Treasurer's Advance, that by the time you report to parliament the amount expended out of the Treasurer's Advance will not substantially exceed \$40m? Will you give that guarantee?

Ms LAWRIE: I will absolutely give you the guarantee that the Treasurer's Advance will be reported in full in terms of all its appropriation in the TAFR as it is every year in October.

Mr CHAIRMAN: Yes, member for Fong Ling?

Mr TOLLNER: We have heard this question twice, clearly the minister is not answering the question.

Mr CHAIRMAN: Member for Fong Lim ...

Ms SCRYMGOUR: Clearly the Treasurer has answered it, but you fail to understand it.

Mr CHAIRMAN: Member for Arafura, member for Fong Lim; the member for Port Darwin has asked a question and the Treasurer has answered the question.

Mr ELFERINK: Well, actually, she has not; but that is fine.

Mr CHAIRMAN: At this stage, we will take a five minute break.

The committee suspended.

Mr CHAIRMAN: We will resume with the member for Port Darwin.

Mr ELFERINK: Thank you, Mr Chairman. I have one more question in relation to Treasurer's Advance.

Just to summarise what I am concerned about and what Territorians should be concerned about is, historically, the government has had enormous extra income - and as you can see in this graph, much more than they predicted. As you can see in relation to the non-financial public sector, whilst there

was a small reduction in debt, it was not substantial. Now that the GFC is upon us, the debt increase will be 94% in the next five years. We had questions on the Treasurer's Advance in relation to the government not being able to even contain itself within the Treasurer's Advance ...

Ms LAWRIE: In surplus years.

Mr ELFERINK: It cannot contain itself within the Treasurer's Advance; in fact, regularly exceeds its own budget in relation to expenditure from Treasurer's Advance.

Treasurer, surely part of proper physical management and budgeting means that you should be able to predict some of those things that you claim are unpredictable, or simply hold them off, if you like, until the next financial year. For example, the interlock device. Why do you insist on reaching into the Treasurer's Advance for things like the interlock device, rather than waiting, through a prudent system of financial planning, for the next financial year to introduce it?

Ms LAWRIE: The Territory government has significantly driven down debt. We have reduced general government sector debt by \$555m. We have produced seven surplus budgets in a row. We have a very enviable nett debt to revenue ratio. We have driven that down from 61% under the CLP to in your low 20%'s under Labor. At the same time, we have been increasing services for Territorians, particularly in the areas of health and education, but also in the all important area of housing, if you actually ever want to get onto the 2010-2011 budget. Capital expenditure has increased significantly, particularly in the areas of places like roads. That being said, we made a very clear decision to ensure that we went on to a major capital expenditure spend in terms of your Power and Water essential services infrastructure. Now, we make no apology for that.

We also make no apology for the fact that, for a period of time, nett debt will increase, and why, because the global financial crisis occurred. What happened in that environment is, private sector spending has fallen away due to the state of the credit market and the cost of credit as it is starting to free up again. In that environment, public sector spending was the appropriate and right thing to do - increasing spending, particularly to provide record infrastructure budgets and provide jobs for Territorians, otherwise we would not have the envy of the nation's lowest unemployment rate at 2.9% as we currently sit now.

I know the alternative CLP view is to slash jobs, is to cut public spending, so cut services, slash jobs ...

Mr ELFERINK: That is actually not true, but we will just wait for you to finish your answer.

Ms LAWRIE: ... cut services, slash jobs. We know their track record, they froze police for four years, they cut the number of nurses, and this was all done under the Col Fuller plan, and Col Fuller is back operating in the CLP.

Mr ELFERINK: Right, and the answer to the question?

Ms LAWRIE: That was it.

Mr ELFERINK: Hmm, okay. Treasurer, I am going to move off this, but I will finish with an observation, is that, for ...

Ms LAWRIE: A point of order, Mr Chairman! What is the point of an observation? This is estimates where there are questions. Is he going to question you, he can have observations or a question.

Mr CHAIRMAN: Obviously, estimates is a question and answer process. We do allow significant latitude, however, anything you say, member for Port Darwin, the Treasurer is welcome to ...

Mr ELFERINK: Of course, people respond, and I do not doubt it.

Mr Chairman, the observation is this, is that, whilst I appreciate the Treasurer's comments in relation to having to borrow in times of the GFC and those sorts of things, the fact is that, in times of plenty, she, through her policy approach, failed to successfully position the Territory for the future, and that is evidenced simply by that graph. It is just unavoidable. Treasurer, by way of a question, if you like, how on earth ...

Ms LAWRIE: Hang on a second, Mr Chairman, you said I could respond to the observation. I am happy to respond to the observation. Mr Elferink has it wrong. He continues to get it wrong. It is the oh, oh factor that we are all pretty used to by now. The reality is that the Territory did drive down debt, by \$550m. At the same time, we also inherited a nett debt to revenue ratio of ...

Mr ELFERINK: That is an interesting comparison ...

Mr CHAIRMAN: The Treasurer has the call.

Ms LAWRIE: You know, it is interesting, he tries to gag when he does not want to hear the truth.

Mr CHAIRMAN: The Treasurer has the call.

Mr ELFERINK: That is an interesting comparison ...

Mr CHAIRMAN: The Treasurer has the call.

Mr ELFERINK: Interesting comparison.

Ms LAWRIE: We inherited a nett debt to revenue ratio of 61% from the CLP. We drove that down by reducing debt, with seven budget surpluses in a row ...

Mr ELFERINK: Thanks to SPPs ...

Mr CHAIRMAN: The Treasurer has the call.

Ms LAWRIE: ...to a nett debt to revenue ratio of below 20%. What we have also done is made the prudent decision as the result of the global financial crisis to go into deficit, which does increase debt, so we can keep Territorians in jobs - the public sector spend had to increase. We chose to produce a record infrastructure budget in 2009-10 of \$1.5bn. We have increased that to \$1.8bn to save jobs and to create jobs in the Territory, to keep economic growth and activity in the Territory ahead of the major projects. The Chamber of Commerce understands that - hey gave the budget 8 out of 10. The Master Builders, civil contractors, they all get it, they get the importance of the decision we have made, along, might I say, with pretty well every jurisdiction around the world that had the capacity to do it. That is the important issue - we have the capacity to step into debt.

I will repeat, and if you do not want to hear what the Treasurer of the Territory is saying in relation to this, I will again quote from Moody's, the ratings agency:

The Territory's moderate debt burden achieved as a result of the generation of cash surpluses in recent years allows room for the projected rise in debt at its current rating level.
Now Moody's say this is fine. We have moderate debt, we have the capacity to increase debt to pursue the growth we need in terms of the economy where public sector spending has to lift, where we have private sector spending having deserted the marketplace significantly because of the global financial crisis.

Everyone else gets it, except for Mr Elferink.

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Mr ELFERINK: Thank you for that. In relation to last year's Treasurer's Advance, there was an amount dedicated to Indigenous infrastructure. What was that amount, and why was it drawn from the Treasurer's Advance?

Ms LAWRIE: So you are talking about the 2008-09?

Mr ELFERINK: 2009-10

Ms LAWRIE: 2009-10 has not finished yet; has not been reported on yet.

Mr ELFERINK: Yes, but here has been an amount drawn down against Indigenous infrastructure. What was that amount? This is publicly known.

Ms LAWRIE: In 2008-09?

Mr ELFERINK: In 2008-09, the current financial year.

Ms LAWRIE: No, we are in the 2009-10 financial year, I think you are referring to the ...

Mr ELFERINK: Sorry, the current financial year. Okay, perhaps I have got it wrong. Try 2008-09 then, let us try the year before.

Ms LAWRIE: I would just like to seek clarification. Are you referring to the Indigenous essential services appropriation in 2008-09?

Mr ELFERINK: Out of the Treasurer's Advance.

Ms LAWRIE: Because you were not sure of the financial years, I am assuming you mean the 2008-09 capital grant of an additional \$20m contribution funded from Treasurer's Advance, which consisted of \$10m for the provision of additional capital for indigenous essential services - \$7m for an upgrade for Borroloola sewerage, and \$3m for additional distillate costs.

Mr ELFERINK: Okay, how did you not know that the Borroloola sewerage works needed an upgrade before the beginning of that financial year?

Ms LAWRIE: I am advised some provision had already been made, but Power and Water were undertaking a consultancy in terms of the scope of the work, and we obviously ended up funding based on the outcome of that scope. So, it is not unusual.

Mr ELFERINK: Okay, so it happened during the year. How much in the current financial year has been drawn out of the Treasurer's Advance, or will be drawn out of the Treasurer's Advance for Indigenous essential services? The current financial year.

Ms LAWRIE: From the information I have, given we have not finished the 2009-10 financial year, given the Treasurer's Advance is tabled as part of the TAFR in October, what I can say is the current appropriation in the 2009-10 financial year for Indigenous essential services falls within that agency.

Mr ELFERINK: That is not what I am asking for. How much has been taken out of the Treasurer's - the reason I ask the question ...

Ms LAWRIE: Nothing, nothing, nothing. As I have said, nothing.

Mr ELFERINK: The minister for Housing in parliament recently accepted Indigenous essential

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services were going to fund \$140m worth of work as a result of the Territory's changing commitments to the SIHIP program. The \$20m amount we have referred to already came out of the Treasurer's Advance for the last financial year. In the current financial year, that commitment is ongoing. What is that commitment out of the Treasurer's Advance, or is it elsewhere in the budget?

Ms LAWRIE: You do not seem to be hearing my answer, so I will repeat it. The provision for that is within the appropriate agency as an appropriation going across the forward years. It is not out of the Treasurer's Advance.

Mr ELFERINK: It would not get a mention in Budget Paper No 2 anywhere? Could it be somewhere in Budget Paper No 4?

Ms LAWRIE: In BP 3. It would be in BP 3 and BP 4.

Mr ELFERINK: You make an allowance for \$50m in Budget Paper No 2 for the 2010-11 budget on page 30. Can you outline in detail, what the \$50m amount is for?

Ms LAWRIE: Are you still talking about IES?

Mr ELFERINK: Yes, yes.

Ms LAWRIE: What page?

Mr ELFERINK: It says on page 30 ...

Ms LAWRIE: Page 30, BP 2?

Mr ELFERINK: Page 31, sorry, I missed by one whole page. I quote:

The expenditure forward estimates are based on a reduction in Territory own source revenue growth over the forward estimate period from 2% to 1.4%. An additional \$50m is going to a contribution for infrastructure and the setting aside of \$30m per annum to support new and expanded initiatives.

I will wind back - \$50m going as a contribution for infrastructure. Is that going to Indigenous essential services?

Ms LAWRIE: It is just a general increase in capital works cash. We are increasing the cash to the capital works program. We have an increased capital works program; we are increasing the cash.

Mr ELFERINK: Is that part of the \$140m the minister for Housing was referring to in relation to the Northern Territory's extra contribution to the SIHIP program?

Ms LAWRIE: A general increase to the cash for the capital works program.

Mr ELFERINK: I will ask the question again. Is that \$50m part of the ...

Ms LAWRIE: A proportion of it would be to support SIHIP.

Mr ELFERINK: How hard was that?

Ms LAWRIE: It covers public housing, it covers government employee housing, it is an additional allocation to the capital works program, because it is an increased capital works program.

Mr ELFERINK: In your commitment to SIHIP three or four years ago, you allocated into the future an

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amount of \$100m. Now, scattered over several years, there is a further \$140m being injected into the Territory's contribution to SIHIP. How, Treasurer, is that good fiscal planning?

Ms LAWRIE: We make no apology for the SIHIP program.

Mr ELFERINK: Yes, but you have blown the budget by about 140%.

Ms LAWRIE: No, no. You ask a question, and then you start to talk over me the moment I give an answer. Okay. We make no apology whatsoever for the Territory's contribution to the largest-ever housing program in the Territory. Building houses across the remote areas of the Northern Territory is absolutely the right thing to do. If, in your travels on the Council for Territory Corporation, you have not seen the living conditions of Territorians I would be surprised.

We make no apology for the level of our contribution, and for increasing the level of our contribution in providing for our contribution to the housing stock but, also importantly, the essential services that support the construction of housing. It is the right thing to do, we are proud of that decision, we are proud of that program.

Mr ELFERINK: That is to support the infrastructure component of the second eye, if you like, in SIHIP. Treasurer, why were these infrastructure components not built into your original cost modelling for SIHIP? Why do we have to make an extra contribution which is substantially more than your initial policy position?

Ms LAWRIE: All right. To understand this properly, you have to understand what the Territory has been, ongoing, responsible for. We have had ongoing responsibilities. Before SIHIP existed, we had ongoing responsibility for Indigenous essential services. SIHIP comes along, yes, we still have responsibility for Indigenous essential services.

What we have chosen to do, which is eminently sensible, is bring forward a spend you would have had to have done in the bush to upgrade Indigenous essential services to support housing. Why? Because there is a combined major spend on housing occurring in the bush as a result of the Commonwealth and Territory governments' commitment to the construction of housing.

It is a commitment we always had, it is what we have always undertaken. We are continuing to undertake the provision of Indigenous essential services, and we are bringing forward our contribution to the development of Indigenous essential services, and the growth of that. As the program has evolved, as the survey work has been done, as the fine detail work in and around the program allocations of which houses, new houses, which refurb, which rebuilds has been done, we have also been going through and doing the detailed work in the essential services capacity, and it could be, and where it should be, expanded. As the detailed work has completed, we have made, obviously, a sound decision to ramp up our Indigenous essential services program based on the information we have been provided of how to improve the essentials services across the areas where the programs are rolling out to increase the housing stock.

Mr ELFERINK: The issue, Treasurer, is your capacity to see these things coming. That component you have just described sounds like an integral part of a STRATEGIC INDIGENOUS HOUSING and Infrastructure Program. How did you now know, when you made your original commitment to that program, you were going to have to spend \$140m over and above your original \$100m commitment?

Ms LAWRIE: We not only saw this coming, but we welcomed it. In fact, we went out ...

Mr ELFERINK: Then, why was it not announced as part of the expenditure package?

Ms LAWRIE: Again Mr Chairman, I point out ...

Mr CHAIRMAN: I will ...

Ms LAWRIE: Just let me finish for a second here. I point out that I sit here and listen to the questioning and, the moment I start to answer, Mr Elferink, who does not want to hear the answer, starts to talk over me. If he is going to ask me a question, I need to be given the opportunity to answer it.

Mr CHAIRMAN: Treasurer, you are referring to Standing Order 51, No interruption:

No Member may converse aloud or make any noise or disturbance, which in the opinion of the Speaker is designed to interrupt or has the effect of interrupting a Member speaking.

It is happening at the moment. Member for Port Darwin, I ask you to allow the Treasurer to answer the question you have asked.

Ms LAWRIE: In terms of SIHIP, as I was answering, our government foresaw the need in Indigenous essential services. We recognise, obviously, you cannot go out on a major expansive housing program without a commensurate 'ramp up' in the provision of Indigenous essential services. We foresaw the need, we went and pursued and leveraged the funding from the Commonwealth for SIHIP. I point out that, even though there is a national partnership on the table across the states which have significant outstanding Indigenous housing needs, we are only one in that space. Queensland and Western Australia are still floundering while the Territory is getting ahead with a significant housing program. We foresaw the need; we knew there would be additional expenditure required, and we pursued the real information and the data in terms of the Indigenous essential services, and as that program was allocated, as we were able to do the surveying to understand exactly in which townships, which numbers, and therefore which essential services infrastructure you have to ramp up. We have allocated the money accordingly. That is quite appropriate, that is the right thing to do and we make no apology for it.

Mr ELFERINK: So you foresaw the need, and then drew the money, to deal with your foresight, out of the Treasurer's Advance, which is for contingencies.

Ms LAWRIE: For one year, and it is across the capital appropriation.

Mr ELFERINK: It speaks volumes, Treasurer, about the quality of your foresight.

Ms LAWRIE: The 2008-09 money was not SIHIP, either. Mr Elferink is making some incorrect conclusions there. The 2008-09 money was not for SIHIP, I was actually quite specific about what it was for. So, again, you have got it wrong.

Mr ELFERINK: Yes, all right. There is another on page 31 ...

Mr CHAIRMAN: Sorry, to interrupt for a moment, member for Port Darwin. We discussed this in committee last week, the member for Nelson had a follow-up question, and I wonder if you might allow it?

Mr ELFERINK: Yes, that is fine, I am happy, go for it.

Mr WOOD: I am unclear. The member for Port Darwin keeps mentioning this \$140m extra that was mentioned actually at a CTC meeting. Is that \$140m the Treasurer's Advance, or is it part of the budget?

Ms LAWRIE: It is part of the budget. It is not part of TA, that is why I am saying it is not wrong.

Mr WOOD: That what was stated publicly, so it is not that.

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Ms LAWRIE: It is a normal ...

Mr ELFERINK: Part of it was out of the Treasurer's Advance in the past ...

Ms LAWRIE: No, Mr Elferink ...

Mr CHAIRMAN: The honourable member for Nhulunbuy has made a very good point. The question is from the member for Nelson to the Treasurer.

Ms LAWRIE: The Budget Appropriation, not TA.

Mr WOOD: Would it be possible to get a breakdown of the money that has been spent on Indigenous essential services under the SIHIP program, just for the last two years, so what was Treasurer's Advance and what was not Treasurer's Advance?

Ms LAWRIE: That would come from the agency minister, not us.

Mr ELFERINK: All right. Carrying on. Page 31 again of Budget Paper No 2, and I pick up that you, in your opening comments, refer to this, is the amount of the setting aside of \$30m per annum to support new and expanded initiatives in the forward estimates.

Treasurer, how can I track that \$30m? Where do I go to, to find out where that listed in the budget?

Ms LAWRIE: Well, just as an example we have a list of new initiatives in Budget Paper No 2 for this year, so you would find new initiatives would be listed in Budget Paper No 2 of the following year. That is how you would track it.

Mr ELFERINK: All right, but if those new initiatives total up to much, much more than just \$30m ...

Ms LAWRIE: Because it was re-prioritisation.

Mr ELFERINK: ... so how do I track that exactly \$30m? What is it for?

Ms LAWRIE: As I have said, we provided for that \$30m. It is across the forward estimates and it will be acquitted in terms of successive budget papers.

Mr ELFERINK: What is the \$30m allocated to exactly?

Ms LAWRIE: We have got, as it says, it is an excess amount, it is unallocated amount that sits there.

Mr ELFERINK: It is an unallocated amount.

Ms LAWRIE: From 2001-12.

Mr ELFERINK: Has any other such unallocated amount existed in any prior budgets?

Ms LAWRIE: Yes, it is normal - every year.

Mr ELFERINK: Okay.

Ms LAWRIE: It is called unallocated capacity.

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Mr ELFERINK: Okay, so how do I track its expenditure as a member of the public reading these books? \$30m a year ...

Ms LAWRIE: That is right. It comes into effect from 2011-12, so as I am explaining, in each successive budget paper post 2011-12, there will be an acquittal of it.

Mr ELFERINK: What about pre-2011-12?

Ms LAWRIE: The new initiatives are set out in Budget Paper No 2 for this year ...

Mr ELFERINK: Yes, but they are much more ...

Ms LAWRIE: ... as they are set out every year.

Mr ELFERINK: Those new initiatives are clear – are those new initiatives fully funded, have they got cash against them?

Ms LAWRIE: Yes.

Mr ELFERINK: Yes, okay. So this \$30m is incorporated, you say, in that \$90m odd for the new initiatives, I think. Is that correct?

Ms LAWRIE: No, the \$30m is for 2011-12 ongoing.

Mr ELFERINK: Okay, so we are all reading from the same song sheet, you have got a set of new initiatives listed in your budget paper work; that \$30m mentioned on page 31, I understand is somewhere in here, is that correct?

Ms LAWRIE: No.

Mr ELFERINK: Somewhere else?

Ms LAWRIE: Sorry, I do not think you understand the wording here; it says in excess, on top of, from 2011-12.

Mr ELFERINK: Okay.

Ms LAWRIE: From 2011-12.

Mr ELFERINK: Thank you. Will you now explain to me in detail what that \$30m is committed to in this year's budget?

Ms LAWRIE: That is \$30m for 2011-12.

Mr ELFERINK: What will that \$30m be committed to in 2011-12?

Ms LAWRIE: That decision will be made by the Budget Cabinet.

Mr ELFERINK: So, is this money actually being asked for in this budget, or is it just an announcement we are going to be doing it in the next budget?

Ms LAWRIE: I keep repeating myself, and I will say it again, this is an amount allocated for 2011-12 onwards.

Mr ELFERINK: Okay. Will you give an undertaking to detail exactly what that \$30m will be spent on when those decisions are made, and before that money is spent?

Ms LAWRIE: As I have said consistently, new initiatives are detailed in Budget Paper No 2. Just as we have new initiatives in Budget Paper No 2 this year, in terms of 2011-12 the new initiatives will be in then, but those decisions have not been made because we have not had the Budget Cabinet for the 2011-12 financial period.

Mr ELFERINK: Thank you very much. Treasurer, last year's Budget Paper No 2 on page 18, I am talking about the year 2009-10, there was a graph depicting Territory nett debt to general revenue government sector, can you tell me where I can find that graph in this year's budget paper? 2.2 is the chart in last year's, or the current financial year.

Ms LAWRIE: I am told the chart does not appear, but the table does.

Mr ELFERINK: Okay. The chart, Treasurer, is this one here, I am referring to 2.2 ...

Ms LAWRIE: Yes.

Mr ELFERINK: ... which shows a series of projections. Whilst, of course, this budget paper was delivered after the start of the GFC, can you reproduce for me now what that chart would look like with current financial predictions?

Ms LAWRIE: Here it is.

Mr ELFERINK: You have got it, okay. I note that is quite different to the one produced last year, there is a substantial increase.

Ms LAWRIE: No, there is not.

Mr ELFERINK: There is a substantial increase in the projected forward years; can you describe the modelling which is used to project those forward years when it produces such substantial differences?

Ms LAWRIE: It is not a substantial difference.

Mr ELFERINK: I would suggest to you, Treasurer, that it is. Can you describe to me the modelling? How do you come up with these figures?

Ms LAWRIE: I am disagreeing with you. There is not a substantial difference.

Mr ELFERINK: How do you come up with these figures? What modelling do you use to come up with them?

Ms LAWRIE: In terms of the nett debt through revenue within the government sector?

Mr ELFERINK: Yes. How do you project into the future what the situation is going to look like?

Ms LAWRIE: Well, that is the whole point of the forward estimates, and I will point you to page 96 of BP2 which sets out the forward estimates across the general government sector.

Mr ELFERINK: I understand that. How do you come up with these figures? What modelling do you use? Can you table the document that outlines the system of modelling?

Ms LAWRIE: We list out the expected revenue. For example, the taxation revenue, the current grants, the capital grants, the sales of goods and services, the interest income, the dividend and income tax equivalent income and others. We then deduct the expenses - employee expenses, superannuation, any depreciation, other interest expenses, other property expenses, grants etcetera. Then we go through and explain how we do that. In BP 2 we - aside from the figures on page 27 - take you through the basis of the forward estimates that, and I will quote ...

Mr ELFERINK: It describes them. How do you come to those numbers?

Ms LAWRIE: I will quote:

In accordance with the FITR five years of estimates are maintained and used by government both as a planning and an operational tool. This provides a framework within which agencies plan, and also provide the basis for government's fiscal strategy. Agency forward estimates vary in line with the application of parameters, that is inflators and deflators, for the budget year on a no policy change basis. New policy decisions and funding decisions linked to demand or cost growth, also add to each agency's budget and forward estimates. The main parameters used to adjust estimates are: wages – inflator, CPI – inflator and efficiency dividend – deflator.

It then goes on to describe the basis of the wage inflators, the CPI and also the efficiency dividends.

Mr ELFERINK: From a fiscal point of view that is how you line up your ducks. A change to one of those inflators or deflators as a result of a cabinet decision, would change the outcome of one of those predictions, is that correct?

Ms LAWRIE: Cabinet decisions do not affect the inflators other than in the area of wages. Cabinet does not set the CPI, and wages we put into the forward estimates a wages growth factor, which is 3%, even though we announced a wages policy at 2.5% to dampen down expectation in wages growth. Whilst it has not been welcomed by the unions, the business sector understands why we would be doing that. As I have explained to everyone, that is within the national wages parameters of all jurisdictions. Tasmania announced wages in favour of some 1.1%. They were being somewhat hopeful I would have thought. They are all quite normal tools.

Mr ELFERINK: Your policy is 2.5%. The very first offer made by Ken Simpson, the Public Employment Commissioner, is 3%. What if they are successful in a higher amount? What effect would that have on the outcome of your predictors?

Ms LAWRIE: As I have said, 3% is in the forward estimates for all agencies for wages growth, not 2.5%. I am not going to say we are going to have a wages EBA outcome higher than 3%. Certainly the government has put its offer out there.

Mr ELFERINK: So 3%, that is it, nothing more? Using your modelling for predicting growth, what was the predicted growth for the financial year 2009-10?

Ms LAWRIE: Are you talking about economic growth?

Mr ELFERINK: You should know this.

Ms LAWRIE: 0.4%?

Mr ELFERINK: I will ask you the question again. What was the predicted growth at the time of bringing down the budget for the financial year 2009-10? It is 2%, by the way. I am surprised you do not know this.

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Ms LAWRIE: I am trying to work out whether you are asking the 2008-09 actual, the 2009-10 forecast, or the 2009-10 estimate.

Mr ELFERINK: You know what I am asking. I am asking for the predictor - the forecast.

Ms LAWRIE: You are asking for the 2009-10 forecast?

Mr ELFERINK: Yes.

Ms LAWRIE: Sorry, your word 'predictor' was strange.

Mr ELFERINK: As listed in Budget Paper No 2 of that financial year.

Ms LAWRIE: The 2009-10 forecast was 2%.

Mr ELFERINK: What will be the result?

Ms LAWRIE: We cannot take the actual until the end of the year.

Mr ELFERINK: The final estimate, as described on page 9.

Mr CHAIRMAN: The Treasurer is answering.

Ms LAWRIE: I do have to explain this to him because when he said 'What is the final result, what is the actual?', well, you do not get that until the end of a calendar year ...

Mr ELFERINK: What is your final estimate?

Ms LAWRIE: ... or even later than that. November/December. What we have here is a 2009-10 estimate of 0.4% which is the original answer I gave you.

Mr ELFERINK: Final estimate. So, you are getting close to the end of the financial year. You have a better picture at the end of the financial year than you would have had at the beginning of the financial year. Is that correct?

Ms LAWRIE: I beg your pardon?

Mr ELFERINK: You would have a better picture as to what the final result would be at the end of the financial year, rather than the beginning of the financial year?

Ms LAWRIE: Absolutely, we think, obviously, our estimate is more on the money than the forecast. However, again, these are estimates, these are forecasts. There are things that affect and vary them. Access now - and they have revised their estimate from their forecasts as well. Access is now forecasting 0.3%, and we are estimating 0.4%. So, we are both in the ballpark, I would say.

Mr ELFERINK: So, you are at about 0.4%, so ...

Ms LAWRIE: Rebounding strongly in 2010-11 to 3.6%.

Mr ELFERINK: It is often stated by you, Treasurer, that Treasury errs on the side of caution when predicting numbers. The forecast for the year 2009-10, and the final estimate in the year 2009-10, makes the forecast look ambitious, to say the least. As Treasury has a philosophy of a conservative prediction model, how did it end up being so different? What happened that you did not see?

Ms LAWRIE: The difference is predominantly the result of a greater than expected interstate trade deficit, which more than offset a higher than anticipated international trade surplus.

Mr ELFERINK: How do you predict trade deficits? What model do you use to get yourself to that place?

Mr LAWRIE: It is time for Robert. I am introducing Robert Cagnetti who actually models this work on behalf of the Northern Territory.

Mr ELFERINK: Hi, Robert. Lovely to meet you.

Mr CAGNETTI: Hi, Mr Elferink. Generally, what we do with our economic growth forecasting and for our international trades forecasting is choose a bottom-up model where we gather historical data and, then, factor it up by what we know about what is coming in and what is going out.

On the export side, we do a lot of modelling on mining and energy, which is a major driver of exports in the Territory. What we do there is get in contact with all the mines through the ASX publications and, from there, we get determinations of their estimates and forecasts of production, and factor that into our model. Then, we factor in other projects on the export sides. We also do research on what we expect to come in. We do research, especially for the Territory on the import side, such as feed stockers.

We place that into our model and, also imports of planes, which have been a major factor over the last few years. So, it literally is a model where we start off with the individual industry or with mining and, then, we bring it all together into a major spreadsheet and build it up from there.

Mr ELFERINK: Did I hear correctly before that mining exports were down? Is that correct?

Mr CAGNETTI: No, mining exports - when we were doing last year's forecast where we got the 2%, we were not as bullish on mining as we are now. The differential is not in the mining sector, it is on the interstate trade.

Mr ELFERINK: Okay, so explain that to me, take me through it. What has happened to get a 2% result from an organisation which is normally conservative, down to a 0.4% final estimate?

Mr CAGNETTI: We expected interstate trade to be – actually I will get this right - interstate trade, on the export side. What we were expecting is a substantially high increase in interstate imports, which actually detracts from economic growth in the Territory, and that reflects - at the time of last year's budget, we were a lot less bullish on machine and equipment imports from interstate. This year, the forecast is not as low, so it is not ...

Mr ELFERINK: At the time you set last year's forecast, you were not bullish on a couple of things, you must have been bullish on something to come up with a figure of 2%, what were you bullish on?

Mr CAGNETTI: What we were bullish on last year was trade surplus, international trade surplus. Although in current price terms we were forecasting prices to decrease, we were still expecting volumes of exports to increase, and that is more or less, we were kind of even more bullish, but that being offset was now on the interstate import side. We were expecting that to be a bigger drag on economic growth than we expected last year.

Mr ELFERINK: So, last year, you predicted more exports than there actually have been, or have actually occurred up until this point?

Mr CAGNETTI: No, no we were actually ...

Ms LAWRIE: No, it is the interstate trade ...

Mr CAGNETTI: It is interstate trade. International exports we were actually quite negative on. This year, we are actually a lot more positive, we are expecting growth in international exports, whereas last year we were forecasting a decline. Whereas this year, it is more on interstate trade where our position has changed.

Mr ELFERINK: All right. So why were you so positive about interstate trade last year that it has not given you the result you expected, I mean, basically, what went wrong?

Mr CAGNETTI: It is just a change in the economy. Primarily, it was to do with machine and equipment. Machine and equipment expenditure in the Territory in 2008-09 just went through the roof. When I say, we had a chart that ...

Ms LAWRIE: Do you have the chart?

Mr CAGNETTI: What this chart shows, this is where we were, and ...

Ms LAWRIE: So that explains the Montaro oil field development, the GEMCO refinery expansion, and the Blacktip project, so you see the sharp incline, which is what Robert described as sending the machinery and equipment through the roof.

Mr ELFERINK: Yes, okay, I understand the descriptors of what sent the machinery up, but what part of that prediction process occurred so that the final growth figure ended up being so different to what the original growth figure was? There must have been something that you did not see coming.

Mr CAGNETTI: It was more or less just decline. The problem we have with forecasting with major projects and mining and energy is the magnitude and the timing of imports and exports, so, back in late last year, we were expecting imports of machinery and equipment to actually decline substantially more than we are this year. So, as imports decline, it actually adds to economic growth.

Mr ELFERINK: Putting aside this year, I am specifically focussing on the forecast and the result.

Ms LAWRIE: There is no result, okay, it is a forecast final estimate.

Mr CAGNETTI: Final estimate.

Mr ELFERINK: Okay. So did not predict a sharp downturn in mining equipment coming into the Northern Territory, is that, what caused that?

Mr CAGNETTI: What we were forecasting last year was that the decline in imports into the Territory, primarily machine and equipment, would have been substantially more than we are now.

Mr ELFERINK: All right. What did you base that forecast on?

Mr CAGNETTI: It was based on knowledge, industry liaison knowledge we have when we try and track these sorts of things, and the timing, the ending of expansions of mining projects and major projects.

Mr ELFERINK: So the mining companies tell you, we are doing this, or tell the ASX, that we are planning and preparing to do this, this and this ...

Mr CAGNETTI: We make estimates.

Mr ELFERINK: So, if they change their mind, that will then throw out your growth estimates?

Mr CAGNETTI: It is not just changing their minds, the problem with major projects is the timing, the timing changes and, with the global financial crisis, different decisions are made.

Mr ELFERINK: When these forecasts were put together, the global financial crisis was already on.

Ms PRINCE: I will just interrupt there for a second. Mr Elferink, could I just clarify something here. The data that underlines these forecasts is not very robust in that we rely on external sources. When the ABS produces GSP for the Territory for the 2009-10 year, it will do that first in November or December of this year, and that will be a preliminary estimate, and it will revise that again in a year's time, so that in November or December of 2011 we will have an estimate for GSP growth in the Northern Territory in 2009 10 which is reasonable stable. But the difficulty in putting these numbers together, including for the ABS, is trying to track all of the flows from all jurisdictions, as well as flows to and from Australia.

So, I do not think it is reasonable to suggest that we had a perfect set of data either at the beginning of the 2009-10 year or towards the end of the 2009-10 year when we were doing these estimates. And, not only is the information difficult to approve, we rely on people providing estimates of the timing of their purchases when they arrive; when workers arrive it is incredibly difficult to do for Australia, but it is far more difficult to do for the Northern Territory than anywhere else.

I think your questioning is just a little simplistic, but we have a very comprehensive process where we update the data quite regularly through the year, and we set out all of those assumptions as we and explain the variations and the forecasts.

Mr ELFERINK: Treasurer, the predicted growth for GSP for the 2010-11 financial year is at 3.6%, that is quite a bullish prediction. Are you comfortable with that prediction?

Ms LAWRIE: I am comfortable with that prediction, Access Economics are even more bullish, they are predicting 4.1% for the Territory. Robert, do you want to add to that? Mr Cagnetti.

Mr CAGNETTI: Robert Cagnetti, Yes, that actual projection, that forecast of 2010-11 is probably on the conservative side because we finalised our numbers in early April. Following the finalisation of our forecasts there were other announcements of other major projects that will go over to 2010-11 which might push that number up or, at the very least, support that number. And the big one is ENI and INPEX announced they were going ahead to develop the Kaitan oilfield and joint petroleum development area. We have not been given an estimate of the expenditure by the companies, but here is some private sector forecasts that is in the order of \$1bn.

Ms LAWRIE: Billion.

Mr ELFERINK: But, of course, the data you rely on it is not very robust and difficult to accrue. Thank you.

Ms PRINCE: Mr Elferink, I think you may have taken that comment out of context.

Ms LAWRIE: You are selectively misquoting, Mr Elferink, the Under-Treasurer. We have taken you through in detail all the effort Treasury goes in its economic modelling. We have also explained the volatility that is inherent in there of small jurisdictions, major projects, and the timing factors that consequently affect the. That is why I keep referring back to a fair comparison of what the Northern Territory Treasury is predicting and what Access Economics, which is independent, are predicting as well.

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I think that is a fair way of saying: is there a robustness being applied here? There is, as far as it can be, because we are not wildly different at all to Access Economics and their forecasts. So, in GSP for 2009-10, Access Economics are forecasting 0.3%, our Treasury is forecasting 0.4% growth. So, 0.1% difference between the two. If you look at 2010-11 forecasts, Access Economics are slightly more bullish than us they are forecasting a strong rebound to 4.1% growth; Treasury are forecasting a strong rebound to 3.6% growth.

Another factor of volatility which changed these figures dramatically; you could go back a few years and look at this period and we were forecasting growth in the vicinity of 7%, pre-GSP forecasts. So we are definitely affected by the broader investment environment around us, which will have an impact on these figures, and the broader investment environment around us is in recovery. I am very confident about the direction we are headed in terms of economic growth, not just through the LNG projects. You heard about the Kaitan decision which will improve our figures, and we also know there is a project landing point on Sunrise, and we are tracking well towards a final investment decision on INPEX. With the onshore sector, we have a decision for the phosphate to proceed by Minemakers – they have said they are going to proceed. We have Crocodile Gold saying they are going to ramp up. I dare say all of those factors are a bright future for the territory.

Mr ELFERINK: Help me with one other issue, and I am referring to the non-financial public sector balance sheet in the uniform presentation framework for both the current year's budget and the upcoming budget. I draw your attention to a total non financial assets position, as predicted in the final estimate for the – I will use the budget for 2009-2010, and the final estimate for 2009-2010. The budget for 2009-2010 states that on the balance sheet the total non-financial assets were \$8bn. The final estimate for 2009-2010 is \$10.4bn. How did our non-financial assets change by \$2.5bn in one year?

Ms LAWRIE: Ms Kirkman, the Deputy Under Treasurer, will explain the valuation process Treasury goes through.

Ms KIRKMAN: Every year we do the Treasurer's Annual Financial Report we have a rolling program of re-valuing major assets, and it was explained in 2008-09 TAFR that roads had been re-valued upwards. When you see the 2009-2010 budget papers, it is pre the 2008-2009 actual outcome.

Mr ELFERINK: By what process were roads re-valued by \$2bn? Is it exclusively roads, or are there other re-valuations?

Ms KIRKMAN: Largely roads.

Mr ELFERINK: We will say roads for the sake of ease.

Ms KIRKMAN: It is in the TAFR.

Mr ELFERINK: How were our roads re-valued upwards to the tune of \$2bn?

Ms KIRKMAN: We use the Australian Evaluation Office every year and they perform the valuations.

Mr ELFERINK: How did they determine a \$2bn change?

Ms KIRKMAN: I am not a valuer.

Ms LAWRIE: Mr Elferink, you have had the process explained to you. We use the Australian Evaluation Office, which is appropriate, to undertake the evaluations for the government and they provide a re-valuation figure.

Mr ELFERINK: In putting the budget together, you are reliant on the Australian Evaluation Office, the

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Australian Stock Exchange and other sources of information.

Ms LAWRIE: Is that a question?

Mr ELFERINK: Yes

Ms LAWRIE: Looking forward to it.

Mr ELFERINK: Are you reliant, or heavily reliant, on external agencies to do your forecasting?

Ms LAWRIE: Ms Prince.

Ms PRINCE: Mr Elferink, can I clarify your question is related to the valuation of assets or other issues?

Mr ELFERINK: More generally.

Ms PRINCE: Shall I deal with the valuation of assets first?

Mr ELFERINK: If you like.

Ms PRINCE: There are established accounting standards for the valuation of assets. Those standards are reviewed on a regular basis, as you all know. We also have a rolling program where major assets are re-valued every three years, which is consistent with other jurisdictions. At the end of the 2008-2009 year the roads were re-valued, the Australian Valuation Office were reviewed. The increase was largely due to new methods for valuation, increased roads that were constructed, increased bridges, the valuation methodology was reviewed by the Auditor-General before he signed off these accounts, When we have a major revaluation of that sort, we always consult with the Auditor-General about the methodology that is used and the valuers that are used. It is not unusual.

Mr ELFERINK: Just so I am clear, it is a \$2bn increase in our non-financial assets are the products of a valuation system, not the product of constructing \$2bn-worth of new infrastructure.

Ms PRINCE: Some of that will be due to assets constructed - probably about \$500m or \$600m I would be easy to check.

Mr ELFERINK: So, of the increase in total of about \$2.5bn - it is a smidgen under \$2.5bn - \$500m or \$600m are the results of new assets being constructed, \$1.9bn or thereabouts ...

Ms PRINCE: \$1.7bn is due to revaluations.

Mr ELFERINK: \$1.7bn is, essentially, a change on the books as a result of methodology, and not as a result of new infrastructure being constructed.

Ms LAWRIE: This actually has the effect of, sometimes, going the other way as well, as you would well know, being on the PAC. When you have independent valuations of assets that occur, you can also get a reduction in the value of the asset. All of this is done in accordance with accounting standards. The methodology is checked off by the Auditor-General. We are actually required to do these revaluations; it is not some sort of conspiracy, Mr Elferink, it is a normal accounting standard industry practice.

Mr ELFERINK: I am not saying it is a conspiracy.

Mr WOOD: Mr Chairman, can I ask a follow-on question from that? In relation to assessing assets,

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specifically roads - and I go back to my time on Litchfield Council where we were required to keep some money aside as part of depreciation of roads. If we had to put the amount that was regarded as the true amount for roads, it was enormous; it was well beyond what the council could afford. The problem the council had when valuing roads was that the valuer did not take into account that roads are continually maintained, they are graded, resheeted, patched, resealed. Do you know if anyone queried the figure the Valuer-General actually put to the cost of these roads in relation to whether he took into account the roads are an ongoing maintained asset?

Ms PRINCE: Mr Wood, I do not know. We can find that out if you like, but I feel sure the methodology they would have used would have taken into account the length, the surface, the width, the standard to which it is built, and the standard to which it is maintained. They are the normal things that are taken into account.

Mr WOOD: I accept that.

Ms PRINCE: Yes.

Mr WOOD: That is why we came up with such a large figure. But, if it is not done in relation to reality, which is the road is not a static thing – well, in some cases it might fall apart – that, in most cases, a council would maintain its roads, therefore, the asset is being, you might say, not depreciated as much as a non-maintained asset. Therefore we used to use – I am talking about Litchfield Council – the Australian Accounting Standards, but we reckon they lived in cuckoo land, because they made a decision that you had to value your roads, but we believe they did not take into account that side of it and did not know – what I am getting at is, therefore, the figure you have actually inflated in relation to reality.

Ms PRINCE: We do not think so, though, there was a considerable amount of effort put into this particular valuation because it was important for the Commonwealth Grants Commission Review that was being done in 2010. They wanted to be sure all jurisdictions were using the same methodology and also depreciating over the same time period. Those requirements were also taken into account when this was done.

Mr WOOD: I could probably defer that question the Auditor-General; he was checking methodology.

Ms PRINCE: Yes, you certainly can.

Mr ELFERINK: Very quickly, then, it would be fair to say, based on the examination of our predicted growth rates and the way we assess our assets, there are margins of error built into all of these sorts of things and, as you predict each year into the future, those margins of errors compound and can create larger errors. Would that be a fair assertion, Treasurer?

Ms LAWRIE: No.

Mr ELFERINK: So the predictions from four years ago would be pretty close to what I see in the budget now? Is that what you are asserting?

Ms LAWRIE: What happens is, as you go from forecasts through to estimates, you actually have more information available, so you get a more robust outcome in terms of the result.

Mr ELFERINK: If I went back to Budget Paper No 2, Uniform Presentation Framework, four years ago and compared it to what was in the budget now, it would be pretty close to the same, would it not, according to the fact that there is no compounding effect into the future? You have got this pretty right?

Ms LAWRIE: Well, you know, again, I guess, if you lived in a world where nothing changed, and the big change that came through and affected all of these figures is the global financial crisis, so it is just

an absurd proposition that you are making, Mr Elferink.

Mr ELFERINK: There are compounding factors, which ... so why do you not predict even further? If you are satisfied with the quality of your predictions, why is there a limit of four years in the Uniform Presentation Framework? Why do you not go to eight years?

Ms LAWRIE: We follow the Uniform Presentation Framework. We follow it.

Mr ELFERINK: Yes, but why does that restrict itself to just four years? Why does it not go to eight years if there is no major change in that process?

Ms LAWRIE: Well, that is the example I have given. There often is a major change, and that is why you do not try to predict that far out. For example, no one was predicting the global financial crisis before it hit.

Mr ELFERINK: You assert a return to surplus in the year 2014-15. Can you table all the modelling which underlines that assertion?

Ms LAWRIE: No, because, as I have said to you, that was not an assertion, it is your words. It is not an assertion, it is a prediction. What we do provide for in Budget Paper No 2 is an explanation of how we are going to get there in terms of keeping our expenditure below revenue.

Mr ELFERINK: Can you table the modelling and all of your predicted work which led you to making that statement in your budget papers?

Ms LAWRIE: Well, we very clearly set out all of the risks associated. We set out all of the estimates and the forecasts. We certainly set out where we are headed in terms of the Commonwealth payments, reform agendas that will impact on us. We recognise our contingent liabilities, we certainly recognise our expenses, we apply CPI factors. It is all contained within Budget Paper No 2.

Mr ELFERINK: That is right, I have read the contingent liabilities. You were still predicting a native title threat in your contingent liabilities two years after the High Court ruled that it was going to be impossible. So, that is part of my problem, is the way you predict things. Treasurer ...

Ms LAWRIE: Well, the Auditor-General tends to give us a very healthy tick after each TAFR.

Mr ELFERINK: Yes, I spoke to the Auditor-General about it, and he was concerned when I raised the issue with him that it was the first time he was aware of it. The next question I have is, I would like to return ...

Ms LAWRIE: I hope you were not verballing the Auditor-General.

Mr ELFERINK: No, I was not. It was an actual conversation I had with him over the phone.

Mr CHAIRMAN: I suggest that we should confine our remarks to the Treasurer's output groups.

Mr ELFERINK: Yes. Territory economy. I just want to go back to your old fiscal principles, the ones that you have changed. One of the principles involved, and I quote, 'formulate and apply spending and taxing policies so as to give rise to a reasonable degree of stability and predictability'. Do you still apply that approach, as a matter of philosophy?

Ms LAWRIE: Where are you headed with this?

Mr ELFERINK: I am going to talk about mining taxes eventually, but let us just follow the bouncing

ball.

Ms LAWRIE: Let us just get straight to the federal government's tax, which is not a Territory government tax ...

Mr ELFERINK: Can you answer the question please? Do you still apply that as a general philosophy of government?

Ms LAWRIE: We are a very predictable jurisdiction when it comes to our taxation regime, in terms of we are on the public record around the reductions in payroll tax, we have continued to reduce stamp duty, and yes, we did increase our mining royalty rate by two percentage points, but again, it is a very modest increase.

Mr ELFERINK: Okay, that is all right. Why is it important to have a certain, or stable and predictable tax environment, minister?

Ms LAWRIE: Where are you going with this? If you want to have a debate about the resources super profit tax, why do you not go straight there?

Mr ELFERINK: I just want you to answer the question, because it is important that you answer these questions. You have, as a philosophy, a certain approach. I would like to know if you stand by that ...

Ms LAWRIE: And we follow it.

Mr CHAIRMAN: Member for Port Darwin, you have asked a question. It is Treasurer's turn to answer it.

Mr ELFERINK: And you follow it? So why is it important to follow that?

Ms LAWRIE: We provide an environment that is attractive to business investment. We are the lowest taxing jurisdiction for small and medium sized enterprises in the nation.

Mr ELFERINK: So, if there was another tax environment operating in the Northern Territory which you had no control over but made a radical change, that would be inconsistent with that philosophy, would it not? Namely, the super tax.

Ms LAWRIE: Finally, we are getting down to the super tax. I point out, Mr Chair, that that is a federal tax initiative, not a Northern Territory tax initiative.

Mr CHAIRMAN: I remind members of the test of relevance we are following which is: any questions going into the operations or the financial positions of departments or agencies ...

Mr ELFERINK: So, you are going to shut this down now? Is that the case, Mr Chairman? This is outrageous.

Mr CHAIRMAN: We are here to talk about the Territory budget.

Mr ELFERINK: Okay. Have you factored in to the growth predictions of the Northern Territory the effect of a great, big, federal mining tax which will double the rate of tax paid by miners in the Northern Territory?

Ms LAWRIE: We could debate up hill and down date the resources super profit tax which is not yet actually a tax, it is a proposed tax and, as we know if you read the paper or switch on the TV, or listen to the radio, that is the subject of intense negotiations between the major mining companies of our

great nation and the federal government. That being said, it is interesting the CLP like to ignore the fact that in 1982 when a profit tax was introduced on mining royalties in the Territory, the CLP went on a 35% tax rate. So in 1982 the CLP said: 'We think miners can afford to pay 35% of their profits.' Yet, here we are in 2010 and the CLP seem to think that a 40% rate is going to bring it all down around people's heads - somewhat hypocritical.

Mr ELFERINK: I will ask the question again. Have you done any modelling in terms of the impact of such a tax on the mining industry in the Northern Territory on your budget; the effect of it?

Ms LAWRIE: We are pretty confident, as a government, that our robust mining industry understands, first of all, the difference between an *ad valorem* regime which exists elsewhere in our nation to the profit regime which exists in the Territory. As I have said consistently as Treasurer, one thing we are pleased about in terms of the resources super profit tax is that it is based on profit.

Mr ELFERINK: Will you table the modelling that describes the impact on the Northern Territory economy of the proposed super tax?

Ms LAWRIE: Since the announcement of the resources super profit tax we have had Mine Makers come out and say they are going to proceed with the phosphate near Tennant Creek, and Croc Gold is certainly very positive about proceeding with the prospects around Pine Creek.

Mr ELFERINK: Will you table to modelling which has been done by Treasury in terms of the impact of this tax on the Northern Territory economy?

Ms LAWRIE: The tax does not exist yet.

Mr ELFERINK: But surely you have done some modelling.

Ms LAWRIE: The uplift rate, whether it is 6% or 11% is still out there in the realms of negotiation between the major miners. Whether it will be a 6% or 11% uplift rate is questionable; or whether or not the government sticks with the 40% on losses. If they take away the 40% on losses then you could possibly predict an uplift rate to 11% rather than 6%. Also, what we do know and have seen in terms of the 26% of our economic growth that is attributed to the resources sector, half of that comes from offshore where they are already paying 40%.

Mr ELFERINK: Is there, and have you done any modelling on the impact of this tax on the Northern Territory economy? Proposed tax.

Ms LAWRIE: I will re-emphasise, it is a proposed tax. So, when you actually have a result on what a tax is going to be, then you do modelling. Of course, you can look at it, in a rough way, now and say where it lands on the uplift factor is questionable, whether it is 6% or 11%. You could say we know royalty payments from mines in the Territory are a 20% profit based royalty scheme, so you could ask what the 40% does to that - that is not difficult to do. We also have predictions of how many additional mines we expect to have by 2012, which is upwards of 17. We have predicted of those 17, about eight may be paying royalties, I say may be, because as I have emphasised time and time again, it is a profit based scheme.

Mr CHAIRMAN: Member for Nelson, do you have a follow up question?

Mr WOOD: No, I have some questions, Mr Chairman. After nearly three hours I believe I should be allowed to ask some questions.

Mr CHAIRMAN: You have questions on the agency specific whole-of-government questions section?

Mr WOOD: You can rule on them if they are not.

Ms LAWRIE: Mr Wood, I am happy to take your questions.

Mr WOOD: Budget Paper No 2 says: 'Once revenue streams and economic growth normalise, the medium term strategy is to return budget to a cash surplus position'. When do you expect revenue streams and economic growth to normalise? What do you base this on, and what are the plans if it does not happen?

Ms LAWRIE: It is a prediction. What is happening in Europe makes it a prediction, but we would expect revenue streams to normalise in about one to two years' time.

Mr WOOD: If it does not happen, if we have a Greece, a Spain and a Hungary and a few others, I would imagine you must have a contingency plan?

Ms LAWRIE: Then you would look at contingency in the sense we are pursuing the contingency right now in the major project of INPEX. That is a pretty important contingency plan - you do not put all your eggs in the one basket though. We would continue to be very constrained in our expenditure, and we have used various methods to arrive at that. The reprioritisation of late last year arrived at an ability to put in place new expenditure in areas of need by reprioritising within agency budgets. In short, we would tighten up and live in a more constrained environment if revenues were affected adversely through any other changes. Again, you would pursue areas where your own source revenue would increase.

Mr WOOD: That was my second question - the reprioritisation of agencies. What effect will it have on agencies? Who are you going to cut back? Who will not be cut and who will be?

Ms LAWRIE: The method I have used to date in reprioritisation has allowed the agencies to come forward with them. I do not think the ERCs of the past worked. In fact, they were proven to have failed. Col Fuller and his razor gang did an ERC, tried to cut – they froze police, they cut nurses' positions, and it all cost an additional \$70m.

The better method, when you are constraining expenditure within agencies is to go to the agency itself and say: 'Here are the parameters of we want you to find' - 2% for example. We set some advice, we said: 'Find 1% out of your advertising and promotions budgets, travel etcetera, i.e. discretionary expenditure. Find another 1% through reprioritisation'.

Mr WOOD: Is that the same as your efficiency dividend, or is this separate?

Ms LAWRIE: It was separate - on top of. They were able to do it without any effect to services.

Mr WOOD: The efficiency dividends - there would be cut backs there. You also have a staffing cap for two years, plus an efficiency dividend moving up to 2% this year and 3% next year. I am coming to a bigger question, but it also says there will be a 1% efficiency dividend applied for 2012-13, 2013-14. Is that 1% efficiency on top of the 3%? Does that make 4%, or are you dropping it back to 1%?

Ms LAWRIE: It drops back. I just also point out, though, when we came into government in 2001 and Professor Percy Allen pointed out the worsened budget bottom line than we had read about in the CLP budget papers. Anyway, efficiency dividends were sitting around about the 4% then in climbing out of that budget position. We applied very strict efficiency dividends - around about the 4%. Agencies were able to proceed with service delivery, and we also then went in and targeted where we would have service expansion.

Mr WOOD: But one of the things that I have heard is the problem with efficiency dividends is it means people are not replaced. If you have a 2% cap, people are not being replaced and you are reprioritising agencies. Are you ending up with some parts of the department which are just stagnate; they cannot do they job properly anymore because with staff have not been replaced in a way to

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ensure staff numbers stay down. Has the Treasury looked at the actual effect - not the dollar effect, the human effect - and the practical effect on a department actually doing its job when its says 'police cut by 3%'?

Ms LAWRIE: Treasury and the line agencies are actually in very close discussion in and around how efficiency dividends apply. There is a reporting process that occurs in the application of the staffing cap. All of those reports go on a very regular basis to the ministers and, then, come to Cabinet on a quarterly basis. So, if you like, we are having a very close scrutiny of the actions taken to meet both the staffing cap that is being imposed, as well as how the efficiency dividends are applied. It is not just something that occurs and we do not watch it carefully.

Mr WOOD: If you have a small agency or part of an agency which might have two people who are meant to keep an eye on the chooks, that are meant to keep an eye on whether we get some diseases coming in from overseas - the sentinel chooks. How do you cut that? You either have less chooks or less staff, or what do you do? You get to a point where some parts of agencies cannot be cut unless you actually do not want them to continue anymore. Surely, if you continue with efficiency dividends on some agencies, they lose their ability to function as they should?

Ms LAWRIE: Well, they have not. Particularly in that example with Primary Industries, they have actually increased their efforts on biosecurity. Under the application of the efficiency dividends.

Mr WOOD: It was just a hypothetical answer.

Ms LAWRIE: Yes, but you used an example and I had to respond to the example, Mr Wood.

Mr WOOD: Just another thing. It says also that key service delivery agencies like the police will only have one-quarter of the efficiency dividend ...

Ms LAWRIE: That is right.

Mr WOOD: Does that mean the others actually will be higher than 3%, so you get an average of 3% efficiency dividend?

Ms LAWRIE: No, it means those key service agencies are low - Police, Health, Corrections and Education. If you want to look at it in context as to how the impact of the efficiency dividend, the 2%. Out of a budget of \$5bn, 2% is \$14m. If you cannot actually deal with a constraint around \$14m within a budget of \$5bn, then I suggest you are not even trying.

Mr WOOD: Perhaps you do not give them \$14m in the first place. You have to ask why you give them money and, then, the next minute, you say: 'Cut it'. Well, I may well say: 'Why do you not cut it and, then, work within your budget?'

Ms LAWRIE: Okay. Because they prefer to be the masters of their own destinies within the agencies. They say, as line agencies: 'We know how to manage within our pressure areas in service delivery better than what Treasury would propose to entertain'. So, in that sense if you like, philosophically, as a government, the approach we are taking is the agencies should be able to make those decisions within the strict parameters we have set in how they deliver services, what they proportion their staff to, and their expenditure, obviously, within the budget parameters.

Mr WOOD: Would it be fair to say - and this is what I have heard - to be able to achieve that efficiency dividend, when someone leaves they are not replaced?

Ms LAWRIE: I have not heard of that example, Mr Wood.

Mr WOOD: I have heard it a few times. It is a way of keeping, I suppose, staff levels down, but it also

achieves efficiency dividends, but it does not make that department any better, because there is nobody there doing the job any more.

Mr LAWRIE: Well, I guess the point of estimates is that, agency by agency, you can scrutinize the outcomes achieved within each department in terms of the budget it is provided with, but I will say this, we have seen significant growth across our agency budgets. We have seen significant growth in numbers of employees in the public service. We are at a very high level of expenditure in terms of the operating budgets of agencies, as well as a very high level in terms of staff allocated to those agencies, and we are going to go through a period of constraint, quite appropriately so.

Mr WOOD: On a different matter – the national Indigenous Expenditure Report. It has been an issue that has been debated publicly and in parliament. There were copies brought out in 2004-05, 2006-07. We are expecting COAG, and I gather the Treasury has been part of the discussions in relation to this, bringing out a report in July. Will you be able to compare those two reports, or are they using different figures, and will it be coming out on time, because it is four years since we have had a report and they were meant to come out every two years?

Ms LAWRIE: First of all, the national Indigenous Expenditure review process is a COAG-based process that we have signed up to with every jurisdiction. We have been ahead of the pack in terms of undertaking our own Indigenous Expenditure Review. Certainly, we have undertaken two. As you would be well aware, they are audit processes, so they back cast and audit through financial years past. What we have been doing is working with all the other states and territories. The secretariat of the process has been the Productivity Commission. They have been sitting at the heart and centre of establishing the methodology for the national Indigenous Expenditure review.

That work is very close to conclusion. As I understand, in the latest briefing I have had, they are down to some very final points in terms of finalising the methodology. I have been advised that, as recently as yesterday, the report to COAG has been extended from July to August of this year, by a month at this point. That being said, that is not something that we can control from the Territory.

We will get a report to COAG in August. The final detail and landing point on the national Indigenous Expenditure Review methodology will be reported to COAG in August. Obviously, every jurisdiction has been involved comprehensively in that process. It is great that it is occurring, it is great that it is finally occurring on a national basis, because we will finally be able to compare where the Territory sits to other states and territories.

Mr WOOD: Our Auditor-General brought out the previous one.

Ms LAWRIE: No, Northern Territory Treasury brought out the previous IERs, the Auditor-General audited our work. So he, like in the TAFR, where there is a page where the Auditor-General says, you know, 'I have scrutinized this', and gives it a tick, he did that with the IER as well. So the IER, the Indigenous Expenditure Review is a body of work undertaken by Treasury that is then assessed by the Auditor-General in terms of its methodology.

Mr WOOD: My next question was about the GST in relation to health.

Ms LAWRIE: Sorry, just finishing up on that. I am advised that we believe that the reports will be comparable. We should be able to compare our Territory Indigenous Expenditure Review, the latest one being 2006-07, to the national IER.

Mr WOOD: Thank you, I will be keeping an eye out for it. Page 68 of Budget Paper No 2 says:

With the exception of Western Australia, all states and territories have agreed that about one-third of the share of the states aggregate GST revenue will be tied to health and hospitals to enable the Commonwealth to fund its additional responsibilities. The amount of GST to be tied will vary in each jurisdiction in line with the contribution to total revenue of own source

revenue, patient revenue and GST revenue in each jurisdiction. The proportion of tied GST revenue for the Territory is expected to be around 14%. The Commonwealth will also continue to provide national health care SPP and, from 2014-15, when the amount of GST dedicated to health will be fixed, will provide a guaranteed level of additional top-up funding to enable its 60% contribution to be met.

My simple question is: is the 14% of GST which is going to be locked in, more or less than we spend on health funding now? There were supposed to be some advantages and the Prime Minister said: this is the new system, there is going to be an advantage. I want to know what the advantage is for the Northern Territory.

Ms LAWRIE: All right. The 14% represents the same as we spend now, so the expenditure now is locked in as the base. The advantage is the growth factor that is applied, and the Commonwealth meeting that growth in its commitment to the 60%.

Mr WOOD: So each year there will be a judgment on whether it stays at 14%? Or will it be fixed at 14%?

Ms LAWRIE: Jennifer Prince.

Ms PRINCE: Mr Wood, there is a transition period and during the transition period the amount will be reviewed annually so that we maintain the 40/60 split at the end of the transition period, so after 2014-2015 the shares are locked in, and each jurisdiction will fund their relative proportion of the growth.

Mr WOOD: Is there a detailed paper on this because I do not think there has been much debate; it has been sort of one of those things out there but the nuts and bolts of this have not been easy to understand. Has Treasury come out with a paper to show us how this would be beneficial to the Territory? Because this was sold as being beneficial, and we should not be losing financially and I thought perhaps someone might have done a paper on this to show us that is the case.

Ms LAWRIE: We do have detailed information which I am happy to take you through. I have taken the media through it; we have given a handout of the presentation information in parliament. There is around about \$222m in benefit to the Territory, based on the packages as it currently sits.

Mr WOOD: Treasurer, I have seen that media Power Point handout, I would not call it detailed, I would call it ...

Ms LAWRIE: There is a great deal of detail behind it, and I would be happy to take you through.

Mr WOOD: What I want to know is there a detailed document that would help me understand and, at least, test what the benefits are of this change in our health funding.

Ms LAWRIE: I would be happy to provide you with a briefing.

Mr WOOD: Someone better take notes at this briefing. I was just wondering is there a paper on it?

Ms LAWRIE: We have detailed modelling that supports the information.

Mr WOOD: Alright. I will certainly take you up on the briefing. The other one is, in relation to GBDs. The definition of GBDs in one of your documents says: entities that operate on a commercial basis and have a significant proportion of their operating cost recovered through charges on goods and services, provided to users.

Treasurer, when I pull out the section on Parks and Wildlife or the Territory parks down in Alice Springs, the proportion of spending, the proportion of income from sale, goods and services is

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something like \$2m. The amount of money the government puts in is something like \$8m. If I was to use government's owned definition of a GBD, would it be fair to say that these two parks are not GBDs but really just parks in the department of NRETAS?

Ms LAWRIE: They are GBDs and there is a fair amount of work occurring between NRETAS and Treasury around the extended Community Service Obligations particularly for Territory Wildlife Park, the future, the shape and direction of that particular area and, I am sure the, minister for NRETAS could go into more detail for you.

Mr WOOD: I understand that, but obviously the issue of what is a GBD would be a Treasury matter. Someone has to make a decision higher up as to what is a GBD.

Ms LAWRIE: The GBDs were determined at the time of National Competition Policy being introduced, and that is because they are operating in the private market place.

Mr WOOD: That is true, but your definition says clearly that they have to make a substantial amount of income. They are not making a substantial amount of income, in fact, if you look at the Territory Wildlife Park now it has lost its buffaloes, its dingoes, its emus, the (inaudible) park; it is looking depressed, it is not making a lot of money. Is Treasury looking at reviewing its status to see whether there is a better way to run places like the Wildlife Park?

Ms LAWRIE: As I said Mr Wood, we are ensuring Treasury is working with NRETAS to look at the role of the Territory Wildlife Park. For example, what its future looks like, what opportunities exist for the park in growth and development, and its place within the marketplace.

Mr WOOD: I certainly will ask more questions about it. Page 39 of Budget Paper No. 2 refers to contingent liabilities. I need clarification of this statement: 'Although the Power and Water Corporation's contingent liability is unquantifiable, a major portion of the value of the contingent liability is the cost of overhauling turbine machinery owned by the electricity producers damaged by the provision of non-conforming gas'. Treasurer, are you saying the turbine was damaged by non-conforming gas, or is someone hypothesising?

Ms LAWRIE: No, it is a completely separate, and I will let Jennifer Prince explain it to you.

Ms PRINCE: Mr Wood, you might be aware during the 1990s Power and Water entered into arrangements with independent power producers in Alice Springs and McArthur River, and the contingent liability relates to that provision because we are providing our gas to those turbines.

Mr WOOD: It is not realised?

Ms PRINCE: It is not relevant to the incident you are describing because that was in relation to Power and Water's own turbines.

Mr WOOD: It is the way it is written. It says 'damage', so was there some ...

Ms LAWRIE: No, it is a contingent liability.

Mr WOOD: I understand that. The way it is written tends to say it has already been damaged.

Ms PRINCE: It is because it was in relation to an agreement entered into in the 1990s where we were warranting the gas being provided to someone else's turbines. If the turbines are damaged, that is where the liability would arise.

Mr WOOD: I do not have some of the supporting evidence I would have liked, but has Treasury fully

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funded and included in the budget and forward estimates the NT component of the NPA, the national partnership agreements? Is all the money we get from national partnership agreements included in the budget?

Ms PRINCE: Mr Wood, to the extent that those agreements have been signed, they are included in the budget year and in the forward estimates. There will no doubt be some currently under negotiation that we have not yet included because they have not been finalised.

Ms LAWRIE: One example of that is the National Health Reform.

Mr WOOD: The example I have is two police stations went out for tender as part of a national partnership agreement and it was later found there were no allocated funds in the budget. Do you know anything about that?

Ms PRINCE: I do not think that is right. In the capital works program there are five I think, police stations associated with that agreement, and there are being constructed over the next three or four years. The ones beyond 2010-11 will not be in this document; it just covers 2009-10 and 2010-11.

Mr WOOD: You have not heard of tenders going out and later finding out there was no money allocated for police stations?

Ms PRINCE: No.

Ms LAWRIE: It sounds like a furphy.

Mr WOOD: One of the big issues being debated is the SIHIP program, and the Auditor-General's report alludes to - some of the problems with SIHIP relate to the establishment of an alliance method of operating the program. My understanding is Northern Territory and Commonwealth public servants were involved in the initial discussions. Was Treasury involved in the original discussions, and if so, were they part of the agreement to use an alliance system for SIHIP?

Ms LAWRIE: No, we were not.

Mr WOOD: Treasury was not involved in this major project at all? That is surprising.

Ms LAWRIE: Obviously, Treasury has been in a very significant role post it, but in the original negotiations of the construct of SIHIP, and determining it would be alliance etcetera, Treasury was not involved.

Mr WOOD: Okay, thanks, Treasurer. Then, in relation to its ongoing development, where it has been noted by the Auditor-General there have been a number of items he has raised that showed some of the financial reporting requirements certainly have not been up to scratch. Has the Treasury been involved in monitoring what is happening in SIHIP, and have they been aware of these managerial deficiencies?

Ms LAWRIE: Jennifer Prince.

Ms PRINCE: Mr Wood, we do not have a formal place on any review committees. We are not members of the joint Northern Territory/Commonwealth committees that manage and oversight SIHIP. We do, obviously, have good communications with the Department of Local Government and Housing. We meet with them three or four times a year to review their budget position, including that particular program which is a substantial one.

Mr WOOD: SIHIP comes under a national partnership agreement. One of your activities is meeting the obligations outlined in national partnership agreements for matching funds, performance targets,

and achievement. Do you not have a role, under the national partnership agreement to ensure that funds are being spent in the way they should be spent?

Ms PRINCE: Mr Wood, the national partnership negotiations are done predominantly by line agencies. The two central agencies, Treasury and the Department of the Chief Minister, have a role in overseeing some of those negotiations, reviewing the final documentation before the relevant minister will get the Chief Minister and the Treasurer's agreement to sign it. There are review bodies at the national level - the COAG Reform Council that reviews data from national agreements and national partnerships. Our role is to review those draft reports from a whole-of-government point of view when they come out and to liaise with the relevant line agencies.

However, in providing acquittals of dollars against individual programs, they are line agency responsibilities, although ours is quite a high-level review role.

Mr WOOD: It might be. Considering this is probably one of the biggest projects of the Territory using government, and a substantial amount of that is Territory government money, then, besides the Auditor-General who, basically, is keeping an eye on those particular issues?

Ms PRINCE: Well, that is why we meet with them quarterly. We review the position prior to any document that we produce - whether it is a budget paper or the mid-year report, the Treasurer's Annual Financial Report. We are reviewing progress quite regularly with the department, but they are responsible for that program.

Mr WOOD: Have you looked at SIHIP yourselves, as our main body of people who look after the finances of the Territory? Have you looked at it and said ...

Ms PRINCE: We have certainly reviewed expenditure levels against budget, and we have worked closely with the agency in determining expenditure and the forward estimates. We have not looked at their management processes, if that is what you are asking.

Mr WOOD: Probably two things, management processes, certainly the Auditor-General has highlighted that, but certainly the finances. Is it possible to get a copy of your review of the SIHIP program?

Ms PRINCE: I do not think we have done a report per se, which is, I think what you are asking is, have we done our own report on SIHIP, no, we have not.

Mr WOOD: You said you did a review, so is the review a document that we could ...

Ms LAWRIE: A quarterly review program.

Ms PRINCE: Which is a review of expenditure with the agency.

Mr WOOD: Is that quarterly review ...

Ms LAWRIE: It is a quarterly review that prompts a written report, separate to the mid-year report, the TAFR, the budget ...

Mr WOOD: Where would we find a copy of that quarterly review? Could we get a copy of it?

Ms LAWRIE: It is not a written report.

Mr WOOD: That means you were not talking to anyone, you must have written something down?

Ms LAWRIE: Well, I guess, as it appears in the mid-year report and the TAFR and the budget papers, for starters.

Mr PRINCE: I think they are really internal documents. They are not produced for external review, and they feed into the published documents which we prepare, so they are an input into those. They are not, they are just stand-alone reviews.

Mr WOOD: I suppose what I should ask then, considering all the publicity and the debate around it, do you see yourself as having a role? Obviously, you have a bit of flexibility. Treasury, from what I gather, over all these years, is more powerful than sometimes they make out to be, but you would be talking to departments ...

Ms PRINCE: No, I am sure that is not right.

Mr WOOD: Oh, okay. Well, they all shudder when I ask. But anyway ...

Ms PRINCE: I thought they welcomed us with open arms.

Mr WOOD: Oh, no, they do not.

Ms LAWRIE: I like to see it as a partnership.

Mr WOOD: That is a joke. The point is, the reason you are at the beginning of the budget is because you are the people in charge of the finances. The Territory government is involved in the SIHIP program, it is part of a partnership agreement, and we do spend a lot of money and there are outcomes that I would have thought were important, even from the Treasury's point of view. So, considering all those things are happening, do you see that you have a role in monitoring what is going on as the Treasury?

Ms PRINCE: The monitoring that we do is, how they are spending the funds that they have been given in accordance with the timetable that had been agreed.

Mr WOOD: Can you tell us, are they spending that money in accordance with the timetable it agreed on?

Ms PRINCE: There have delays until this last year, which I think are well documented in other places. Our understanding at the moment is they are certainly meeting their budget targets.

Mr WOOD: On another important issue, and that is land release. We know that that is one of the bugbears for the Territory at the moment, house affordability. What role does the Treasury play in, one is, deciding what model of growth the Territory will move forward on, and how much is that modelling playing a part in the government's decisions, for instance, to release land? So, if the Treasury thinks the economy is booming, they say, 'well, our forward projections are it is booming, therefore we will release more land'. We know that there was a period of time when land release slowed right down, and the problem is now we are trying to catch up. Is that because Treasury's forecast for growth in the Territory is not the right projection? Do we have to put some of the blame, perhaps, on the Treasury for the problems that we have got in being behind in land release in the Northern Territory?

Ms LAWRIE: Treasury have been involved in looking at estimates for demand. I will use as an example the Darwin Region. In 2008, Treasury conducted some modelling work on demand for dwellings in the Darwin Region, that being Darwin, Palmerston and Litchfield Shire. The model uses the baseline population projections in the Northern Territory Population Projections model, and the estimates on average household size to derive the number of dwellings. The model is sensitive to assumptions used and parameter changes, in particular, average household sizes. It relies on dwelling completions data from the ABS, and that is where we get that estimation of 1715 dwellings

per annum being required from April 2008 through forward periods. To meet that expected demand for dwellings, obviously we then look at capital requirements, for example, in the capital works program, particularly around infrastructure expenditure and you can see we have been ramping up an infrastructure spend to support land release with an additional \$20m for Palmerston East in this 2010-11 budget, and that new initiative of \$10m for AZRI, to be known as Kilgariff, in this budget as well for Alice Springs.

So going back to the role that Treasury plays, Treasury is very involved in the population projections model; that data is up on the website. That was done in collaboration with Charles Darwin University, there was a specific project on the population projections modelling and they modelled low growth, medium growth and high growth scenarios. The government has chosen to base its infrastructure and land release expenditure on the high growth scenario.

Mr WOOD: Where the projection is wrong back in, say, 2006?

Ms LAWRIE: Back in 2006 the Australian Bureau of Statistics had a lower projection than what eventuated. I think the variation was something like 26 000 people terms of population growth from what ABS had predicted to what we actually got. You know we have gone through an unprecedented period of high and sustained high population growth, in excess of 2%.

We have not seen population growth of this nature since the 1980s when that deliberate decision was taken by the government of the day to shift significant defence force troops to Darwin and we saw the creation of Robertson Barracks. The ABS did not predict the dramatic spike and, therefore, the Treasury modelling relying on ABS did not have it either, so in that respect 26 000 extra Territorians is what we are trying to cater to in terms of the dramatic catch-up in land release.

Mr CHAIRMAN: I am just noting, Treasurer, it is 12 o'clock and we are going to continue to 12.15 pm, but we will be coming back from lunch at 1.15 pm so we will still have the hour's break. Just letting you know that.

Ms LAWRIE: Okay. Just a question, Treasury resumes it at 1.15 pm, is that what you are saying? Because I thought it was Justice then.

Mr CHAIRMAN: 1.15 pm will be Justice.

Ms LAWRIE: So we are going through now until 12.15 pm? Is that what you were informing me? Thank you.

Mr WOOD: Treasurer, page 35 of your annual report in regard to a note about the *Territory Insurance Office Act*, you said you were going to bring amendments, or the department said they were going to bring amendments to parliament, identified in the review of the act. Expected timeline is noted at the end of 2009; we are moving on.

Ms LAWRIE: Yes, that is been approved through the Cabinet process. There is Parliamentary Counsel drafting processes underway, so it may be ready for the August sittings.

Mr WOOD: Maybe?

Ms LAWRIE: Well, I do not want to determine the Parliamentary Counsel drafting, I know they have a pretty significant workload, and what tends to happen is the less urgent legislative matters drop down the workload of Parliament Counsel; that being said, I am hopeful of August.

Mr WOOD: Well, considering the world financial difficulties at the moment, is there anything in that review that would actually help TIO get through some of these financial difficulties because, obviously, insurance companies are not doing as well as they might have been years ago, so is there anything in that which should be moving forward faster?

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Ms LAWRIE: No, nothing in terms of the legislative changes. The TIO Board has been overlooking the administrative changes they wanted to make in terms of the financial position of TIO.

Mr WOOD: Also, page 35 of the annual report talks about electricity reform program and you commissioned the independent reviews of Power and Water Corporation and part of the reform is the expansion of the Utilities Commissioner and increased oversight of Power and Water Corporation's capital program, prices, customer standards and systems reliability. That review, I presume, is completed and released, is it? So do you now monitor those reforms, Treasurer?

Ms LAWRIE: Yes, the Utilities Commission does, yes, and obviously reporting to me.

Mr WOOD: How often does it report?

Ms LAWRIE: I can take you through the list of the reviews the Utilities Commission has under way and the anticipated timelines for reporting. The particular one for options for retail contestability has been done; that is out in the public domain. Power and Water Corporation's Asset Management Capability is anticipated for June of this year. The electricity customer service incentive scheme options, July of this year. Power and Water Capital and Maintenance Programs is due by August of this year. The retail price monitoring regime options for Contestable Electricity Customers, by September of this year. Electricity Standards of Service, by November. The Electricity System Planning Monitoring Reporting, by October and the Electricity System Planning and Market Operation Structures, by July of 2011.

Mr WOOD: Who is doing the independent review?

Ms LAWRIE: The Utilities Commission.

Mr WOOD: You actually have two Commissioners now. Is that right?

Ms LAWRIE: We have three. We have the Chair, Andrew Reeves, the Utilities Commissioner, and then we have, if you like, two Deputy Commissioners, Mike Robinson and Peter Caldwell. They are Associate Commissioners, sorry, not Deputy.

Mr WOOD: Another question in relation to decreasing in revenue from the pokies. How much do you expect to lose in this financial year? Do you expect the revenue to return to pre-non-smoking days?

Ms LAWRIE: I said in the Chamber yesterday, in the Tobacco Legislation debate, that we are seeing a reduction of around 20% in terms of revenue to pubs and clubs.

Mr WOOD: Do you have any forecasts on when you think - not that I am advocating pokies as your main source of revenue in times of trouble - but when do you expect it might come back to (inaudible) ?

Ms LAWRIE: I am advised we have seen a reduction of about \$7m and it would be likely to stay at that level.

Mr WOOD: Another question in regards to fees and charges. This is under Budget Paper No 2, page 58, the government has approved the application that fees and charges for the Northern Territory Fire and Rescue Service attending false alarms and for fire safety inspections and reports on building plans. Additional revenue raised will offset the provision of additional community fire safety specialists. When Treasury was allowing this, did they work out how much this was going to add to the extra cost of a house?

Ms LAWRIE: It applies to commercial, not residential.

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Mr WOOD: How much would it cost to a building? Has anyone done the costing? The reason I am asking, Treasurer, is there is also an allocation in the budget of \$1.1m for Community Fire Safety Specialists. Is that where the money is coming from?

Ms LAWRIE: It already exists now, I am advised.

Mr WOOD: But it is for additional Community Fire Safety Specialists, it says here.

Ms PRINCE: Mr Wood, this was an initiative of the Fire Service. They are responding to a number of false alarms now. It is quite a significant drain on their resources, so they opted to charge for these so that it will not result in an extra cost of a building or a house, but it will provide a revenue source for the Fire Service that they are using in both urban and remote areas.

Mr WOOD: I thought they were going to check alarms; that was their job. So if it is a false alarm you get charged; if it is not, of course they are doing their job. That is what it amounts to.

Mr ELFERINK: More than that, Gerry, it is actually meant to keep the ones that do not get their alarms repaired under control.

Mr WOOD: Table 3.3 in Budget Paper No 2, on page 26, shows the Territory will receive \$438.8m extra. I wonder whether it is possible to say out of that \$438.8m, how much actually goes to where it is meant to go, and how much is taken off by administration? When you get money is it possible to break it up and say this actually goes to where it is meant to go?

Ms PRINCE: Mr Wood, this is, as you say, the increase in national partnership arrangements. As a result of the COAG reforms agreed in late 2008, we changed the *Financial Management Act* last year, so there is a separate appropriation line for these sorts of payments from the Commonwealth. All the revenue that is received under these programs is appropriated to agencies, so no funds are held back centrally and we do not charge an administration fee as such.

Mr WOOD: This question is more just about where something is. Where is NT Build? Is it with you still, or was it ever with you, or ...

Ms PRINCE: It moved to the Department of Lands and Planning in the restructure announced late last year.

Mr WOOD: Was there a reason for that?

Ms PRINCE: The reason for them being transferred?

Mr WOOD: Yes.

Ms PRINCE: It was to put all of the building regulatory arrangements together in the one agency.

Ms LAWRIE: We are moving to a one-stop shop model for that particular industry.

Mr WOOD: I have a few other questions, is that all right, Mr Chairman?

In relation to loans, there is mention of one particular loan. You state in your report:

As at 30 June 2009 loans to local authorities totalled less than \$1m following Katherine Town Council's decision to repay its loan in July 2008. Accordingly, the corporation now only has one outstanding loan to this sector.

Which body has that loan?

Ms PRINCE: Mr Wood, our memory is failing us, but it is the group of local governments in the Katherine region.

Mr WOOD: Well, it could be West Arnhem, Victoria, Daly ...

Ms PRINCE: No, it starts with an N.

A witness: Nyirranggulung.

Ms PRINCE: Yes, Nyirranggulung. Thank you.

Mr WOOD: If a council does want to take out a loan, does it apply to the Treasury, or does it do it on its own?

Ms PRINCE: A local government council has to apply to the Minister for Local Government for approval to take out a loan. They are able to do that commercially. The role of Treasury Corporation is normally to assess that what they are being quoted by a financial institution is reasonable. It is quite unusual for them to borrow from the Treasury Corporation.

Mr WOOD: Interest rates too high? No comment, sorry.

The question on superannuation has been around, but what is the amount of superannuation liability of the Northern Territory government to NTG employees? Does the government have the capacity to pay this future liability? I know it is a fairly global question, but ...

Ms PRINCE: Our current superannuation liability is \$2.4bn. It is the nett present value of the liabilities that will fall due over the next 60 or so years. The actual benefits paid will be paid over that period and the payment of those benefits is factored into the forward estimates. We also have funds set aside in the Conditions of Service Reserve to meet that liability.

Mr WOOD: Have you any idea how many NT government employees have retired and taken up their superannuation entitlements? Do you keep a record?

Ms PRINCE: There are two groups; those who are members of the Commonwealth Superannuation Scheme that was closed in 1985 to Northern Territory government employees. Their benefits are paid director by ComSuper, but ComSuper bill us for our share of the liability. We pay benefits directly from the NTGPASS members. We do have a list of all of the beneficiaries in each of those schemes, with their unfunded future liability, which we can total if you would like.

Ms LAWRIE: I am tabling the NT Public Servants in NTG or Commonwealth schemes as at 30 April 2010. It lists the former NTPS employees that are scheme members who are now receiving a pension, have chosen to retain a benefit in the scheme, or have not yet claimed their benefit. Also, the cost of those, and the size and timing estimates of benefit payments obtained through actuarial reviews conducted at three-yearly intervals that are annually updated.

Mr WOOD: Under Northern Territory Treasury Corporation, does the corporation invest in property?

Ms LAWRIE: No.

Mr CHAIRMAN: It is now 12.15 pm. We will break for lunch for an hour.

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Before we break, I will flag that, during that session, the Treasurer was very generous, and we were very broad-ranging. In all other portfolios, we will be following a stricter adherence to the output order and the following questions.

We thank all the Treasury officials. We will resume at 1.15 pm and the committee will move onto Justice.

The committee suspended.

The Committee resumed.

Mr CHAIRMAN: I welcome the Attorney-General and invite her to introduce the officials who are accompanying her, and if she wishes to make an opening statement on behalf of the Department of Justice.

Ms LAWRIE: Mr Chairman, I would like to introduce those at the table me. I have the Chief Executive Officer of the Department of Justice, Mr Greg Shanahan, and the Deputy Chief Executive of Business Strategy and Performance, Mrs Anne Bradford. I will be joined at the table by other departmental officers as appropriate as we move through the appropriation for the agency.

The Department of Justice works with the community and other government agencies in making justice relevant to all Territorians. It is responsible for coordinating all elements of the justice system, with the exception of policing. This involves providing services, frameworks and infrastructure required to build a fairer and safer community. The department comprises a variety of output groups, including the Solicitor for the Northern Territory; Court Support and Independent Offices; Policy Coordination; Licensing, Regulation and Alcohol Strategy; NT Worksafe; and, Northern Territory Correctional Services.

The Solicitor for the Northern Territory output group provides civil litigation, commercial and native title legal services to government, manages the outsourcing of selected legal services, and administers the scheme which provides financial support to victims of crime.

The Solicitor for the NT output group will manage an additional \$2.56m in 2010-11 to support the provision of financial assist and support to victims of crime through the Crimes Victims Services Unit.

The Court Support and Independent Officers output group provides administrative support services to enable courts and tribunals to administer justice. The group includes Higher courts, Lower Courts and Tribunals, Fines Recovery Unit, Registrar-General, Public Trustee, Information Commissioner, Public Interest Disclosures, Consumer Affairs, Anti-Discrimination Commission and the Office of the Director of Public Prosecutions. The Information Commissioner, Public Interest Disclosures, Consumer Affairs, Anti-Discrimination Commission and the Office of the Director of Public Prosecutions also have independent statutory roles in protecting the community's legal rights and property interests.

Policy Coordination output group provides strategic legal and social policy advice to government, monitors and co-ordinates the implementation of related government policies and research. This output group includes community and justice policy, legal policy, research and statistics, community benefit fund and community justice grants.

The Department of Justice also includes NT WorkSafe; the WorkSafe output group continues to provide advice on safe work practices, enforces compliance with occupational health and safety standards and works to improve worker's compensation outcomes.

The Licensing Regulation and Alcohol Strategy output group also falls within my responsibilities. As Minister for Racing, Gaming and Licensing and Minister for Alcohol Policy, this output group is vital to addressing a range of issues for license and regulated industries, particularly alcohol-related harm,

and gambling.

Mr Chair, the Correctional Services output group comes under the portfolio responsibility of the Honourable Gerald McCarthy MLA. I will be answering questions of a corporate nature for the whole of the Department of Justice. Questions relating to operational aspects of Correctional Services should be directed to minister McCarthy.

I look forward to any questions the committee may have with regard to appropriations.

Mr CHAIRMAN: Are there any questions to the statement? In that case, we will move on to curation of the estimates and post-expenditure containing the appropriation bill 2010-11 as they relate to Justice. I call for questions on agency specific, whole-of government-related questions, budget, and fiscal strategies.

Agency Specific (Whole-of-Government Related Questions) Budget and Fiscal Strategies

Ms CARNEY: Hello, everyone. No, I am not going to do generics, because you, minister have the impressive distinction of being, as I understand, the only minister who provided answers to (inaudible) Questions on Notice you received last night, so you are well served by your departmental officers. (inaudible)

Mr CHAIRMAN: Any whole-of-government questions, Gerry?

OUTPUT GROUP 1 – SOLICITOR FOR THE NORTHERN TERRITORY

Output 1.1 – Solicitor for the Northern Territory

Mr CHAIRMAN: In that case, we will move onto Output Group 1.0 - Solicitor for the Northern Territory, Output 1.1 - Solicitor for the Northern Territory.

Ms CARNEY: Minister, on page 78 of BP3 in this year's budget there is a reference to increased funding of \$2.56m to support the provision of financial support to victims of crime through the crimes victims assistance scheme. There is nothing in the budget papers about the total cost of the scheme. So what was the total cost of the scheme in 2009-10, and what is it projected to be 2010-11?

Ms LAWRIE: The total cost of the scheme in 2009-10 is projected to be \$5.234m, being operational costs under the new scheme, and \$993 000 of that is plus costs under the old scheme of \$114 000; that totals \$1.1m, and assistance under the new scheme, \$4.84m and assistance under the old scheme, \$43 000.

Ms CARNEY: That was not my question; I want to know what is being paid out in assistance in 2009-10.

Ms LAWRIE: In terms of breakdowns of payments in assistance in 2009-10. Breaks down into Solicitor for the Northern Territory costs of \$43 000, applicants costs of \$71 000, and the actual operational cost of \$993000.

Ms CARNEY: Sorry, the amount of assistance paid to victims of crime.

MS LAWRIE: Total of victim's assistance is \$4.127m.

Ms CARNEY: What was the amount spent on counselling in that period?

Ms LAWRIE: The break down on counselling ...

Ms CARNEY: If you have it in tabled form I would be happy to accept that.

Ms LAWRIE: I have a FTE table.

Ms CARNEY: I am ultimately after admin costs, costs of the CSVU, compensation and counselling.

Ms LAWRIE: We have it over several years.

A PERSON UNKNOWN: We have a contract with Anglicare to provide counselling.

Ms CARNEY: I know that, that is not the point of the question. I was after a comparison, so the preceding year and projected.

Ms LAWRIE: I am really happy to give it you, what we have is over several years, which is why it has been hard to segregate it into one year periods.

Ms CARNEY: Thank you. That will show the break down of the cost of the scheme, operational assistance etcetera.

Ms LAWRIE: And a split between operational and assistance costs.

Ms CARNEY: Thank you, that will be terrific - a total of \$4.1m.

Ms LAWRIE: I am going to table attachment A.

Ms CARNEY: The total of everything for 2009-10 was \$4.1m.

Ms LAWRIE: No, the operational costs and the assistance costs is \$5.234m.

Ms CARNEY: In 2002 when the scheme was changed, the then Attorney-General, Peter Toyne, talked about the cost of the scheme then, and it was at \$5.5m. The scheme was changed for many reasons; one of them was the escalated legal costs. Interestingly, the cost of the scheme has not changed since 2002, and the aim was to save the government money. You also abolished the compensation scheme, so are you happy with that outcome.

Ms LAWRIE: When you get the attachment you will see the operational costs of the scheme have quite significantly reduced by the tune of about \$1m. The restructure was definitely designed to bring down the operational costs of the scheme, which has occurred. It has certainly proven its worth, and you can see the split. For example, back in the period of the Toyne reforms operational costs were running at 40%, and assistance cost were 60% of the scheme. Now the split is 21% for operational costs, with 79% assistance costs. In that respect the reform is much better.

Ms CARNEY: Even though the dollars about the same.

Ms LAWRIE: Exactly. We are providing more in assistance.

Ms CARNEY: That \$2.56m allocated in this year's budget as extra, is that an attempt to meet costs of assistance to victims or is that going to be towards administration? What is it for?

Ms LAWRIE: The additional will go towards both legal and assistance costs.

Mr SHANAHAN: Can I add something to that? Traditionally we have been under-funded by Treasury. We have always had it topped up at the end the year because it is not a scheme which we can control. That adjusts it to what the levels are once it has settled down. Over the last few years they have been tracking it, and this year they have made the adjustment based on where it has landed.

Ms CARNEY: Last year I asked about the Crimes Victims Service unit, and whether it had been

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established in Alice Springs. I live in Alice Springs, I am very happy to ask this question every year. From memory, there were references to a tender being let before Christmas 2008 - Toyne promised it in 2006-07 or thereabouts. Will we get the one stop shop promised by Peter Toyne as a result of these reforms in Alice Springs?

Ms LAWRIE: I am advised the one stop shop has been established and is operational.

Ms CARNEY: What counselling services are being offered to victims of crime in the Territory?

Ms LAWRIE: For that I might bring forward Lu Steuart, who heads up the Crimes Victims Services unit. She can describe the counselling services provided.

Ms CARNEY: Because time is precious, Katherine, Tennant Creek, and Nhulunbuy I am interested in.

Ms STEUART: My name is Lu Steuart, I am the Director of Crime Victims Services Unit. As I believe you are aware, Anglicare has taken over the crisis counselling to victims of crime. They are currently operating in Darwin, Katherine, Alice Springs and Nhulunbuy. They are looking to develop partnerships with current organisations in Tennant Creek, and to provide a coverage to people remotely. Without going into it too much, there are pros and cons to providing that sort of counselling on-site. But, again, they are looking at developing partnerships with those few organisations which are already active in remote communities. They are certainly talking to the right people. I am confident in Anglicare's capacity to do a difficult job in provision of remote counselling for people who might need it.

Ms CARNEY: Certainly, counselling is provided in the main regional centres in the Territory, as promised by Peter Toyne at the end of 2006?

Ms STEUART: That is right.

Ms CARNEY: They will be spending more time (inaudible) ...

Ms LAWRIE: Is it is being progressively developed.

Ms CARNEY: Nicely put.

Ms LAWRIE: It was patchy in the past, but we are getting ...

Ms CARNEY: I will not pursue that. This is generic. How many victims of crime received counselling in Darwin in 2009-10, and how does that compare with figure (inaudible)

Ms STEUART: I can tell you the number for victims of crime who received counselling from Anglicare. That is of January. I am sorry I do not have the figures ...

Ms CARNEY: That is January this year, because it was another organisation that had the contract?

Ms STEUART: January this year, because another organisation ...

Ms CARNEY: You do not have the figures for that?

Ms STEUART: No.

Ms LAWRIE: I have some figures ..

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Ms STEUART: They are Anglicare.

Ms LAWRIE: Anglicare's figures, yes. Since January, Anglicare have seen 37 people in Darwin, three in Katherine and one in Alice Springs.

Ms CARNEY: Since we cannot do a comparison, I will not bother with that, thank you. Okay. Section 9 of the *Victims of Crime (Rights and Services) Act* says the director should service a report to the CEO every three months of each part of the year, giving the CEO details about the administration of the financial assistance scheme and counselling scheme, and the operation of the register. Is the CEO being provided with a copy of that report and, if so, are you able to table it?

Ms STEUART: Yes, the CEO has been provided with that report.

Ms LAWRIE: The CEO.

Mr SHANAHAN: I cannot see any reason why you should not see it.

Ms CARNEY: I am not sure it will be a document full of surprises.

Ms STEUART: No, it is not.

Ms LAWRIE: No, it is not, it is an actual document ...

Ms CARNEY: But it would be interesting to see, given the thrust of the government's policies have been focused on counselling, as oppose to (inaudible)

Ms LAWRIE: I will just put one proviso. If there is any information that comes out that will identify the individual, we will take it out. Exactly

Ms CARNEY: Thank you. Thanks, I think that just about does it. Well, there is one. In recovery from offenders. In 2002 Peter Toyne said that, at that time, there was only about 6% of compensation recovered from offenders. The present act provides for the recovery of monies paid. What is the current rate, in percentage terms so I can do a comparison with the (inaudible) of monies recovered from offenders?

Ms LAWRIE: I do not know if I have the comparatives here, but I can certainly provide some of the information. From 1 July 2009 to 31 March 2010 the Territory recovered \$63 000.

Ms CARNEY: For 2009-10, did you say?

Ms LAWRIE: Yes 1 July 2009 to 31 March 2010 because, obviously, we are not at the full year. \$63 000 from offenders in relation to a compensation paid to victims of violent crimes.

Ms CARNEY: Was that (inaudible)?

Ms LAWRIE: I do not have the proceeding here at hand, that is why I said I could not give a comparator

Ms CARNEY: What about percentage terms?

Ms LAWRIE: Just on the information I have, the Territory received payments in relation to 93 separate recovery proceedings out of some 960 ongoing proceedings - to give you ...

Ms CARNEY: Received money for 93 out of about 960 for?

Ms LAWRIE: Ongoing proceedings. This does not include proceedings in which judgment has been registered to allow the future set-up of assistance applications.

Ms CARNEY: So, loosely speaking, there has been a small percentage increase in recovery over the years?

Ms LAWRIE: Exactly.

Ms CARNEY: Bigger all is another way of putting it, but quite small. Okay, thank you. And you said 93 offenders had been pursued?

Ms LAWRIE: No, received payments.

Ms CARNEY: Oh sorry, received payments, presumably (inaudible) ones (inaudible). You would be aware that we received some documents under the *Freedom of Information Act* a couple of days ago (inaudible) respectfully going down this path (inaudible) I have not been at all hopeful on this issue publicly before. However, I note that, in document 99 provided that we received a couple of days ago, there was a reference to, I quote, 'two new applications for financial assistance by a primary victim, namely Mr Collins;', that is, the late Mr Bob Collins, 'as the offender had been deceased since January 2009'. I have a couple of questions, one is, have those applications been finalised?

Ms STEUART: I would need to check.

Mr CHAIRMAN: Will we take that on notice?

Ms CARNEY: No, I am happy to keep going.

Ms LAWRIE: I have had it confirmed that that is correct.

Ms CARNEY: The final bullet point on the document we received under the *Freedom of Information Act* a couple of days ago says, 'Recovery action will not be taken due to the small size of Mr Collins's estate'. Who made that decision?

Ms LAWRIE: Mr Shanahan, do you want to answer this one? The Solicitor for the Northern Territory, David Lisson.

Mr LISSON: We investigated the size of the estate and described it as very, very small, just as we assess all recoveries (inaudible) how much is involved, what are the prospects of recovering, and what are the costs of recovering (inaudible) the same general rule of assessing that one (inaudible) worth government money to recover possibly nothing.

Ms CARNEY: You are aware, of course, well presumably, I should say, the late Mr Collins would have been (inaudible).

Ms LAWRIE: Look, I think the answer is certainly sufficient from the Solicitor for the Northern Territory (inaudible) the process. He identified the assessment that occurs and, in fairness, that is a frank response.

Ms CARNEY: I am not going to continue to pursue (inaudible) other than to say that it is interesting that someone who would presumably have a parliamentary pension, and on the property, being a former Labor of (inaudible) would have such a small estate.

Ms LAWRIE: Again, that is speculative.

Ms CARNEY: Can I ask Mr Lisson, sorry to ask this, but I have to. Did you ever receive a direction from the Attorney-General not to pursue recovery from the late Mr Collins' estate?

Ms LAWRIE: I am happy to answer that. I have made no directions whatsoever.

Ms CARNEY: Thank you. Now, getting back to ...

Ms LAWRIE: You do not know how grubby it gets sometimes.

Ms CARNEY: Well, I mean, I have been as respectful as I can, I would not be doing my job properly if I saw a document like that that was released under Freedom of Information (inaudible). I am happy to move on, I thank you for your response.

The scheme generally was changed, as Peter Toyne said in 2002, quote, 'to better address the needs of victims and to make the scheme less complex'. You would be aware of the decision a month or so ago by Justice Kelly, which I understand is on appeal, but, in her judgement, she said that, 'the scheme of assistance to victims of crime provided under the act is complicated'. She also referred to a form that an applicant should use as, 'intrinsically misleading'. It is clear that despite various promises, the scheme has not been made any simpler.

When it is due for review, is it being reviewed now, and when will the review be (inaudible)?

Ms LAWRIE: On the advice of the Crown Counsel, the Solicitor for the Northern Territory has appealed Justice Kelly's decisions on the basis that her Honour erred in her interpretation of the act, and the review of the *Victims of Crime Assistance Act* is scheduled to be completed by the end of this year. An officer of the Department of Justice is attached to the review. That review was triggered obviously by the act itself. We are not intending the services of an outside consultant for the review, we think it will take about a full three months of a full-time policy officer and, as I said, we have just commenced it and we expecting it to be done by the end of the year.

Ms CARNEY: I have no further questions on that output area.

Mr WOOD: Minister, just a question about difference in budget. The Solicitor for the Northern Territory was estimated to have received \$13.5m in 2009-10, that is the estimate coming in, it is going to be about \$18.1m. Is there any reason why there is an extra \$4.5m for the Solicitor for the Northern Territory?

Mr SHANAHAN: Two things – one was the top-up for the victims of crime scheme, which we spoke about, and also there is a process where we manage the solicitors who are based in the agencies, that became our maybe a couple of years ago to try and give uniform advice to government, and every year that transfer comes from the respective agencies to us, but it is not in our budget appropriation, it is an agreement between us and the agencies. So, in the course of the year you will see that figure jump, and that is the basis, that is in the order of a couple of million - \$3.14m.

Mr WOOD: In your annual report for 2008-09 it says in some of your achievements that you dealt with the issue of the Alcan versus Commissioner of Territory Revenue. This is in relation to Alcan Gove Bauxite Mine and Alumina Refinery. Can you give some idea, fairly briefly, what was the result of that, and how much did it cost the Solicitor to defend that particular issue?

Mr LISSON: I am happy to try. I do not have the specific costs, but I will say that the outcome was that, unfortunately, we were unsuccessful so the Alcan (inaudible) issue was a stamp duty tax issue, roughly in the order of \$50m, so it was worthwhile litigation, but the legal costs were settled without a court order and I can only estimate that it was in the area of \$3m, and that is the other side's costs. We had some costs as well; we had a very senior barrister specialising in the area of tax law and that does not come cheap, but the cost of that solicitor would have been in the order of \$100 000. But the

overall costs were – and again I can only give you ballpark figures at this point, but I am happy to (inaudible) costs, there is no (inaudible) those, they would be in the order of \$3m to \$3.5m.

Mr WOOD: Could I put that question on notice?

Mr CHAIRMAN: Would you just repeat the question?

Question on Notice No 1.2

Mr WOOD: Would it be possible for the minister to supply the costs of the legal process that occurred between Alcan and the Commissioner of Territory Revenue?

Mr CHAIRMAN: For the purposes of Hansard, I allocate that question No 1.2.

Minister, if departmental officials could take note of that question and, if you have the opportunity to answer it later in Estimates, please quote that number so *Hansard* can find it easily. Thank you.

Mr WOOD: A second similar question, according to your annual report you said commencement of negotiations with land councils and other stakeholders following the High Court decision in the Blue Mud Bay case. Now that has been decided, are you able to give us costs in relation to that and, as well, minister, it says that continuing negotiations are aimed at finding practical and positive outcomes to issues arising from the decision; is your department involved in those negotiations?

Ms LAWRIE: In terms of the costs, we have some costs for the Blue Mud Bay matter. I am advised the total costs from 2003 through to 2010 are \$861 384.

Mr WOOD: Any other costs involved?

Ms LAWRIE: That is what I am advised are the total costs. As part of the negotiations to date, the sum of \$200 000 was offered to the NLC in sums of \$50 000 each to the Tiwi Land Council and Anindilyakwa Land Council in good faith for negotiations to proceed.

Mr WOOD: The land council has got a sum ...

Ms LAWRIE: A payment to continue with negotiations, to allow the status quo to ...

Mr WOOD: You are still part of those negotiations?

Ms LAWRIE: We are legal advice - that is our role. Blue Mud Bay is negotiating.

Mr WOOD: How many outstanding native title claims exist?

Mr LISSON: If I recall it was 140, but there may be fewer now than that.

Mr WOOD: Would it be possible to have a list of native title claims?

Ms LAWRIE: We could have a question on notice.

Mr WOOD: And an update of where they are.

Mr CHAIRMAN: Quickly repeat the question precisely.

Question on Notice 1.3

Mr WOODS: Could the department give us a list of outstanding native title claims, including details of where they are in relation to native title court decisions, and what they relate to? I am looking for the geographical areas they cover.

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

Ms LAWRIE: Yes.

Mr CHAIRMAN: We will have that as question as 1.3, minister.

OUTPUT GROUP 2.0 – COURT SUPPORT AND INDEPENDENT OFFICES

Output 2.1 – Higher Courts

Output 2.2 – Lower Courts and Tribunals

Ms CARNEY: Attorney-General, last year we linked up and did Higher Courts and Lower Courts together. Is that still fine?

Ms LAWRIE: Yes, 2.1 and 2.2 together.

Ms CARNEY: They relate to both courts, or at least they did when I started asking these questions. Towards the end I have some specific ones on lower courts, but I will let you know when I get to that point. Linking 2.1 and 2.2 together, a number of the infrastructure announcements from last year's budget have been completed. However, there are a couple of things I would like to check. Last year you allocated \$200 000 to install a new video conferencing facility in Alice Springs, including the capacity to record from the witness box. I understand that work is under way but has not been completed. Can you elaborate on that?

Ms LAWRIE: The recent upgrades in Alice Springs include the construction of a separate toilet in close proximity to the vulnerable witness room at some \$83 000.

Ms CARNEY: That has been done?

Ms LAWRIE: Yes.

Ms CARNEY: In only five years!

Ms LAWRIE: I saw it, it looks good. Four new in-custody interview rooms at \$113 000; two new holding cells at \$102 000; upgrading of the custodial escort area at \$63 000, and refurbishment of the existing office space, including provision of a new judge's chamber and an office for a fourth magistrate at \$58 000.

Ms CARNEY: Did you refer to the video conference facility?

Ms LAWRIE: Yes, systems in the two rooms have been installed by different contractors, I am told at a total cost of about \$125 000. We upgraded the vulnerable witness room, and both video conferencing facilities for an extra \$110 000. All in all we have the installation of up to the minute video conferencing facilities in the Alice Springs magistrates court 2, which is identified as a priority and is planned for mid-2010 at an estimated additional cost of \$260 000.

Ms CARNEY: Does that mean it has not been completed?

Ms LAWRIE: Some of it has, and there is more to come.

Mr SHOYER: Perhaps if I could clarify. I am Peter Shoyer. It is scheduled for July because there will be a gap in the court calendar that will allow it to be best done then. It was delayed for some time to allow a consultancy which looked at whole-of-Territory needs of videoconferencing, but it is scheduled for July now.

Ms CARNEY: But there was \$200 000 allocated in the last budget. Does there need to be a further budgetary allocation?

Mr SHOYER: We are looking at getting that carried over until the next financial year.

Ms CARNEY: So, this time next year, I will be asking the same question ...

Mr SHOYER: I would hope that it would be finished ...

Ms CARNEY: ... then you can tell me how much it cost.

Ms LAWRIE: It will be finished by then.

Ms CARNEY: Thank you. I want to turn to some legislative matters. Again I gave you notice of this, as well, when we spoke several weeks ago. How many offenders received a period of mandatory imprisonment since changes to section 78B(a) of the Sentencing Act (Violent Offences Amendment Bill) came into effect in December 2008? I want to know how many offenders received mandatory sentences in 2009-10 ...

Ms LAWRIE: It is just in the wrong output area. We will be answering that in the Policy Coordination area of Output 4.2.

Ms CARNEY: Output ...

Mr CHAIRMAN: Legal Policy

Ms LAWRIE: Output 4.2 which is Legal Policy – it falls under Legal Policy.

Ms CARNEY: Well, would you not say these sorts of things very much affect part of the traffic flow in our higher and lower court?

Ms LAWRIE: Yet, again, I had the discussion with all of the officers of Justice. Obviously, you did the right thing and flagged the question. I said where that will be, and it falls under 4.2. So, happy to answer, but it is Output 4.2. Stats, 4.3. It comes under the Statistics area of Policy Coordination. My apologies.

Ms CARNEY: Okay. Well, there are stats provided in the budget papers for this output. There are stats about cases lodged, sitting days, mediations, client satisfaction etcetera in lower courts and tribunals. Surely, you have the figures on these things now?

Ms LAWRIE: I do. As I said, I am happy to provide them under Output 4.3.

Mr CHAIRMAN: I suggest, rather than having an argument now about where they fall, we keep going so that we get to them.

Ms CARNEY: I was on to the, Mr Chairman, but thanks, anyway.

All right. Well, this will speed things up quite a bit, I think. I will now ask some questions that relate specifically to lower courts. I think your answer will be the same, but it may not. This is a sentencing question so, given what is in the budget papers, I am fairly certain it would come in this output. What percentage of defendants in Magistrates Court were given a custodial sentence in 2009-10? How does it compare with the preceding year? What is the estimate for 2010-11?

Ms LAWRIE: Again, I am advised that falls under Output 4.3 in Research and Statistics. The department gathers this information into the Policy Coordination and, then, into the subgroup of Research and Statistics.

Ms CARNEY: Okay. So, let us be clear so we can race through this.

Ms LAWRIE: Yes.

Ms CARNEY: Any questions I have seeking any information about sentencing, which happens in our lower courts in the Northern Territory, I cannot ask in this area?

Ms LAWRIE: It comes under the area of Statistics.

Ms CARNEY: Okay. Just going through my notes here, any questions I have in relation to specific legislation and the consequences or the ...

Ms LAWRIE: It is Legal Policy.

Ms CARNEY: ... how that impacts on people who go before our courts, that is legal policy?

Ms LAWRIE: Yes. This is really, if you like, the administration of the courts.

Ms CARNEY: A legislative will do in Legal Policy, 4.2, and sentencing stuff 4.3 Research and Statistics. I will just move right along. Would you answer this? Lower courts - I am fairly sure this fits in it - Coroner's constables. You would be aware that in December last year the Coroner commented that investigations should be completed within six months in line with his earlier recommendations. In that particular case, and I will name him you want to, there was an 18 month delay, the delays are unsatisfactory and have been done in this year's budget to assist those who investigate coronial matters.

Mr SHOYER: Coroner's Constables are actually financed by our police. I could not give any details of increased funding. I am aware that an additional Coroner's Constable has been appointed, however.

Ms CARNEY: When the Coroner makes a recommendation, so the Coroner, being an officer of the Magistrates Court, when he makes recommendations in respect of how coronial investigations are undertaken, that is not in this area, that is a matter for police.

Ms LAWRIE: No, in terms of the answer there, Mr Shoyer was answering specifically in terms of the query around Coroner's Constables, identified that they are funded through police. If you want to look at the, if you like, the issue of coronial investigations and how they are proceeding, and the resources attached to those, certainly, I am advised that the backlog has been successfully addressed, with the number of matters finalised to the end of March, some 270. That has already exceeded the number of matters finalised for the entire 2008-09 financial year, this is 236.

This does not necessarily mean that finalisation figures for 2009-10, it is due to the closure of many older files. Now time line – time unit's performance measure in the 2009-10 Budget paper No 3 was for finalisation within six months. The process often changes because of the complex steps. You have autopsy, toxicology, police investigations etcetera, so in light of this, certainly the measure has been

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altered in the 2010-11 Budget Paper No 3 to reflect a more realistic time line of twelve months for finalisation.

Ms CARNEY: (inaudible) as you said there was (inaudible) another Coroner's comment on the way.

Mr SHOYER: Yes, my understanding is they are there already.

Ms CARNEY: Could I be cheeky and say that it is a little tricky to just extend the time line for what is considered a reasonable time to investigate from six months to twelve months, would that be a reasonable interpretation of the Coroner's comments.

Ms LAWRIE: What I am certainly advised is that the process is certainly complex, it relies on all of those areas of autopsy, toxicology, police investigation reports, before it even gets to a finding made by the Coroner or the Deputy Coroner, so they have recognised a realistic measure.

Ms CARNEY: That will be it for this output area, thank you.

Mr CHAIRMAN: Mr Wood, we are at Output 2.1 and Output 2.2 as one. Do you have any questions?

Mr WOOD: In regard to civil cases, both in the Higher and Lower Courts, are there any really major contentious issues that the government – in relation to the civil cases lodged either in the Higher Court, I gather, according to your Annual Report, 525 are estimated to be in 2009-10, and Lower Courts, 7400. Are there any major contentious issues that the Territory is facing in relation to civil litigation?

Mr SHANAHAN: Do you mean generally, or on a particular case?

Mr WOOD: Well, are there any particular cases that the government are having to deal with? You have got – there is obviously some litigation against the government from time to time.

Ms LAWRIE: None that spring to mind, Mr Wood, to be honest. Obviously, sorry we ...

Mr WOOD: All right. I will leave it at that then. I am just interested to know, there are so many cases of civil litigation that your solicitors are dealing with, and I just wanted to know whether there was any major issue that could put the government at risk on, you know, financially or ...

Mr SHOYER: Just to clarify, those are the total number of civil cases that come before the Court, they are not the necessarily involving the Northern Territory government.

Mr WOOD: I was going to say, you would be pretty busy ...

Ms LAWRIE: No, no, no.

Mr WOOD: ... if you were going to – yes, that is okay.

Ms LAWRIE: No, that is why we were a little bit flummoxed.

Mr WOOD: That is all right. In relation to Community Justice Centre mediations. your actual for 2008-09 was 101, it has now dropped back to, for 2009-10, 70. As it has gone up originally from an estimate of 50 to 101, why has it gone back now to 70? It is on page 80 of the annual report.

Ms LAWRIE: I can certainly comment on why there was that significant increase from the estimate to the actual; in the footnote it says the CJC experienced an increase in court referred mediations following amendments to the *Justice's Act*. So it is partly triggered to that situation. Mr Peter Shoyer.

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Mr SHOYER: I think that estimate may have been made before the full impact of those changes to the legislation came in. We are anticipating this year, and probably next year, up to around 150 mediations to be conducted, approximately half of which would involve those personal violence mediations that have been referred from the court.

Mr WOOD: On page 93 of your annual report it said court clinicians dealt with 377 referrals to court diversion programs, up from 305 this year. Diversion programs are Alcohol Court, CREDIT, NT Drug Court and Volatile Substance Abuse programs. You do some measurements to see how effective these diversion programs are, and are statistics kept to see if they are effective and, could I just ask in the same breath, what is CREDIT?

Ms LAWRIE: In terms of the evaluations?

Mr SHOYER: We do evaluations, we keep a variety of statistics on people who commence the programs, people who complete programs, and we also have details on re-offending rates in relation to the programs. So, I am not sure whether ...

Mr WOOD: Is it possible to get those statistics, without names? I think it is important we know, we spend a lot of money on these programs and if they are not working, well, are we heading in the right direction?

Ms LAWRIE: I actually think that it is probably more suited to a briefing.

Mr WOOD: By the time I finish these estimates I am going to have a lot of briefings but, yes, I am happy to.

Ms LAWRIE: The CREDIT program is the court referral for evaluation for drug intervention and treatment.

Mr WOOD: I noticed you have extended in Tennant Creek, and now it is going to Katherine, is that right?

Mr SHOYER: We have certainly expanded to Tennant Creek and we are looking to expanding into Katherine, although there is currently a review underway of the Alcohol Court and the Alcohol Court programs and the CREDIT program are interlinked to some extent in terms of people who deliver that service, so we will be looking at the outcome of that review to confirm whether we go to Katherine.

Mr WOOD: On a completely different note, land titles. An issue has been raised with me about sometimes the slowness of getting titles; that might not be always the Land Titles Office fault, but do you have figures that show the average time from when an application is lodged to receive a land title to the time it is actually approved? I think that it is an important thing especially in relation to the number of blocks of land that have been turned off with

Mr SHOYER: Yes, if you look at the performance measures for the Land Titles Office there is a performance measure register land dealings and instruments within 48 hours, and we are currently running it 97% completion within 48 hours. As you know, there are various stages before approval in the process of any land dealings, but I can say certainly that is our rate completion of 97% within 48 hours.

Mr WOOD: Anything come to note from your end as to why perhaps there have been some issues with Land Titles not being approved? I am not saying it is your fault, but are there reasons why outside of your area that you have not allowed something to be approved? Has it been poor quality of delivery of a subdivision, for instance, and all the requirements have been ticked off?

Ms LAWRIE: I think at that state it could be in the rounds of speculation, Mr Wood.

Mr WOOD: Well, that is a nice bit of speculation. All right, I was just trying to find out the reasons why and I have had a couple of complaints about the slowness of some titles being approved, and I did not know if there were some specific things in department which had caused that.

Thank you Mr Chair.

Output 2.3 – Fines Recovery Unit

Mr CHAIRMAN: Moving on to Output 2.3 - Fines Recovery Unit, are there any questions?

Ms CARNEY: Last year you tabled several documents. You have the same document - it included clearance rates and fines paid for last year's financial year, and the year that preceded it. Clearance rate and monies paid out by the (inaudible).

Ms LAWRIE: Revenue collected debt paid clearance rate table, we have that here. I will get that for you.

Ms CARNEY: I may ask some further questions when I have a look at it.

There seems to be an inconsistency, and I will be grateful if you could clarify this for me. In this section of the budget papers it refers to 'enforcements issued'. Under the *Fines and Penalties (Recovery) Act* it uses the term 'enforcement orders'. I am thinking enforcement orders is the most accurate indicator, so what is the total of number of orders issued in 2009-2010, how does it concur with the preceding year, what is the estimate for 2010-2011, and why do you not use the term 'enforcement orders' in the budget papers?

Ms LAWRIE: In the data I have the term 'issued' is used. I will ask Mr Shoyer to explain the difference in terms.

Mr SHOYER: There is no difference in the term; an enforcement order is issued. It is simply a shorthand way of doing it. The orders are issued by staff of the Fines Recovery Office, they are not issued by - they are part of the court but are not issued by a magistrate, for example in the court. It is an enforcement order issued by the Fines Recovery Unit.

Ms CARNEY: Enforcement orders are the same as enforcements issued, is that correct?

Mr SHOYER: Yes.

Ms CARNEY: Thank you.

Ms LAWRIE: Does that clear it up?

Ms CARNEY: It does. Well, interesting given that different terms are used in the act and the budget paper, although you should know it has not been keeping me awake at night. We spent some time last year going through how much is owing to the Fines Recovery Unit. There still might be some questions. Given, minister, you have many people around you and are not required to talk and read at the same time, perhaps I will go through some of my questions.

Ms LAWRIE: I might pick up on the Fines Recovery Unit and the revenue collected, the debt paid and the clearance rate. What the figures show is that lag effect coming through in the agreements to pay. As each year clicks over, and the further you get away from the year in which the fine was issued, or the order was issued, you will see the clearance rate start to increase. A way of explaining that is the clearance rate for 2007-2008 is now at 61% for court fines and 87% for penalties. There is a lesser figure into the 2008-2009 year, and it will drop down as you go on. If you looked at 2006-2007 you

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would have the higher percentage. That is what we keep describing as that lag effect to the receipt, i.e. the clearance rate, due to the timed agreements to pay.

Ms CARNEY: Last year you advised the total percentage of fines and infringement penalties outstanding of those issued, was 54%. What is the figure for this year?

Ms LAWRIE: For 2008-09, court fines has risen to 57%, and for penalties it has risen to 84%.

Ms CARNEY: Okay.

Ms LAWRIE: If you want to have a look at the total percentage of fines and penalties paid for 2008-09, it is ...

Ms CARNEY: Whoa. You are just jumping the gun. Let us deal with – can we stay on 57% of court fines have been recovered.

Ms LAWRIE: Yes, court fines for 2008-09.

Ms CARNEY: So, last year, 54% were recovered, so there has been a 3% improvement which is not much. In infringement notices, last year I think it was 58% or thereabouts. What is the figure for this year?

Ms LAWRIE: 84%.

Ms CARNEY: What was the figure on your records for last year?

Ms LAWRIE: I do not have that straight comparative.

Ms CARNEY: So, now, the total. Last year you advised the total of fines and infringements ...

Ms LAWRIE: Yes, the total if you combine - Okay, for 2008-09 the total percentage of fines and penalties payed is 62%.

Ms CARNEY: That is 2008-09?

Ms LAWRIE: Yes. And as at to 31 March, 50%, and you compare that to 2007-08, 70%. So, again, you can see the delayed effect kicking in.

Ms CARNEY: But it is still not very good. So, the recovery rate is still very low - relatively low. You would agree?

Ms LAWRIE: I actually think 70% is not fair to be described as relatively low. We are already at 50% in year to date, so that is not relatively low, it is halfway there. If you look at previous years, as I said, with these agreements to pay, 70% is not, by any stretch, a relatively low figure.

Ms CARNEY: What is the total amount outstanding for fines and penalties in 2009-10 to date?

Ms LAWRIE: Just while I am getting that figure for you, the other thing is I have been advised our Fines Recovery Unit is rated above the national average for the number of enforcements paid in full, to the number of enforcements issued. There is a Hay Group report, and the Northern Territory rate was 61% compared to the national average of 55%.

Ms CARNEY: So, the national average is really bad and the Territory is a little less bad, is another way of putting it if you are glass-half-empty sort of girl?

Ms LAWRIE: I do not think 61% is a fair description as being bad.

Ms CARNEY: In any event, the overall figure: how much is owing for fines and penalties in 2009-10 to date?

Ms LAWRIE: We do not have an outstanding figure on the table. We have figures that are levied and paid.

Ms CARNEY: Well, you did last year. Last year, you advised the total monetary amount of all outstanding fines and penalties was, 'in round terms, \$6.4m'. Can you give me what is outstanding in round terms this year?

Mr SHOYER: The total there paid is approximately \$5.9m. With that being 50%, the total that is outstanding would be \$5.9m. The amount outstanding was simply left out this year because it was a bit cluttered.

Ms CARNEY: So \$5.9m is outstanding in fines and penalties in the Territory for 2009-10. That is still not very good, but I know you know that. Has there been a budget ...

Ms LAWRIE: \$5.9m collected.

Ms CARNEY: Pardon?

Ms LAWRIE: \$5.9 collected.

Ms CARNEY: Clearly, the Fines Recovery Unit is having difficulty recovering these fines. This was lauded by Labor as a fantastic initiative. I believe it was a good one but, with such a high rate of outstanding fines, does the FRU need more money, more people, so it can do its job better?

Ms LAWRIE: No, I do not believe so.

Ms CARNEY: So, does that mean that you, as Treasurer and minister, think the collection rate and the \$5.9m outstanding in fines and penalties is okay?

Ms LAWRIE: Obviously we have a difference of opinion in the way we accept the lag affect in terms of the recovery, in terms of the clearance rate - 87% clearance rate for 2007-08 is a very strong clearance rate, so clearly your time agreements to pay do kick in, do have an affect, they have a lag affect. As I said, the longer you step away from the year in which they accrued the final penalty, the longer you stretch, the more that clearance rate comes out. That is the point of the time agreements to pay. In a sense, if you compare the 87% clearance rate on penalties in 2007-08 to date, it is working.

Ms CARNEY: How many court fines have been paid in full in 2009-10 to date? How does it compare with the preceding year, and what is the estimate for 2010-11?

Ms LAWRIE: I am advised that the number of court fines paid in full is \$4647 in year to date.

Ms CARNEY: So, four thousand ...

Ms LAWRIE: \$4647 court fines have been paid in full as at 31 March, 2009-10. That represents 63% of those issued. In terms of the penalties, 37 256 have been issued, 30 106 have been paid in full, that is, 81% of the penalties issued have been paid in full in the year 2009-10 as at 31 March.

Ms CARNEY: So it is 63% court fines paid in full, 81% penalties.

Ms LAWRIE: Yes.

Ms CARNEY: What is the percentage of court fines paid in part and, equally, what is the percentage of penalties paid in part?

Ms LAWRIE: It is reversed.

Ms CARNEY: Has minister McCarthy paid his speeding fine?

Ms LAWRIE: You know we do not identify individuals in terms of payments.

Ms CARNEY: Oh well, I think minister McCarthy has been pretty well identified as hightailing it up the road.

Ms LAWRIE: Well, ask him.

Ms CARNEY: I do not know whether he is one of those paid in full blokes or a paid in part fellow.

Ms LAWRIE: I bet you he is a paid in full, but we do not identify individuals.

Ms CARNEY: All right, well, I will ask him. No problem. Not even very high profile public ones. We digress. In terms of recovery, you have indicated that the FRU does not need an injection of funds or more people in terms of its recovery? As you know, it has a few ways of recovering money. How many courtesy letters were served personally in 2009-10?

Ms LAWRIE: I am being advised the department want to take that one on notice.

Question on Notice 1.4

Mr CHAIRMAN: Could you repeat the question, thank you.

Ms CARNEY: How many courtesy letters were served personally in 2009-10?

Mr CHAIRMAN: That is question No 1.4.

Ms CARNEY: I have another, and I am not surprised that you want them on notice. How much was the cost of personal service of courtesy letters in 2009-10?

Ms LAWRIE: I do not know that we could break that down, I doubt it.

Mr SHOYER: Could I just clarify, when you say 'served personally', you mean personal service effected, rather than service by mail?

Ms CARNEY: Well, that is right, because the act provides two ways of service. One is post, one is personal.

Ms LAWRIE: I do not know that we would have the data that would break that down. I take it on notice on the proviso that we may not be able to break that data down at agency level.

Question on Notice 1.5

Ms CARNEY: What was the cost of personal service of courtesy letters in 2009-10?

Mr CHAIRMAN: That is No 1.5.

Ms CARNEY: The reason I am asking these questions is, clearly the Fines Recovery Unit needs to better recover money, so therefore, if I were in the minister's position, I would be looking at how vigorously people are pursued in terms of their fines. I would be looking at how many courtesy letters are served, or had been served, to see how many people with these unpaid fines are chaseable, and I think you should have that information.

In any event, my next question is, how many courtesy letters were served by post in 2009-10?

Ms LAWRIE: Again, on the proviso that we desegregate the data down between the two.

Mr CHAIRMAN: Could you repeat the question?

Question on Notice 1.6

Ms CARNEY: The question is, how many courtesy letters were served by post in 2009-10?

Mr CHAIRMAN: That is No 1.6.

Ms CARNEY: That for payment upon receiving a courtesy letter is 28 days under section 16.2 of the act. How many fines in 2009-10 to date were paid within that 28 day period, and how does that compare with the preceding year?

Ms LAWRIE: Again, I am not being obstructive here, but the whole point of the fines and recovery process is to allow for agreements to pay in terms of the time regimes, obviously some people will have the capacity to pay up front and they do pay upfront, and the process of the Fines and Recovery Unit is to reach these agreements to pay, so if we desegregate the data down to the nth degree I will provide the data, but if we do not I am not going to tie up public servants' time that could be otherwise used pursuing fines recovery.

Ms CARNEY: I understand, FRU should have that information obviously, because recovery is what it does, it recovers money, therefore you must surely have information about how many fines were paid within the amount prescribed by the act, don't you?

Ms LAWRIE: We may well, depending on the data system. If it is going to take a lot to retrieve it though, and this is the problem I was ...

Ms CARNEY: But why would it take a lot to retrieve it ...

Mr CHAIRMAN: If I can clarify, minister, you are prepared to take it on notice, but you may be revising at a later date what you are advising now.

Ms LAWRIE: Exactly.

Mr CHAIRMAN: So we can take on.

Ms CARNEY: Yes. The date of the plan upon receiving the courtesy letter under Section 16.2 of the

act is 28 days; how many fines in 2009-10 were have paid within that 28 day period, and how does it compare with the preceding year?

Mr CHAIRMAN: That is question 2.17.

Ms CARNEY: I am not trying to be difficult, but I would be stunned if you did not have that information and other people would too, because \$5.9m in outstanding fines is a significant amount. Some of my constituents for instance would be saying: 'Gee, I know there are all sorts of wonderful things that could be done in the electorate of Araluen if the government could get its hands on that \$5.9m.' Yes, it is an important question.

Ms LAWRIE: I guess what you are also ignoring, member for Araluen, and you are obviously then the glass half empty solo in the room compared to the glass half full over here, which is a strange thing for a Treasurer to be. That being said, the \$5.9 m received is \$5.9m received equally.

Ms CARNEY: A lot of people are breaking the law in the Northern Territory aren't they? There are a lot of fines and penalties ...

Ms LAWRIE: We are pursuing their fines, but before these reforms were in place the fines were being recovered to the extent that they are now and people were going to jail instead which is costing the taxpayer more because of breach of fines. What is the more ridiculous system: jailing someone because they are not paying their fine and incurring costs to the taxpayer, or keeping a fine situation out of jail and recovering those fines through agreements to pay?

Ms CARNEY: The jails are overflowing in any event; let us move on.

Ms LAWRIE: For worse crimes.

Ms CARNEY: So, you are saying that there is no one who owes a debt in Territory goals? Is that what you are saying?

Ms LAWRIE: Well I do not think you will have a traffic infringer in the penalty section necessarily being in incarcerated, Ms Carney.

Ms CARNEY: Then why did you talk to Gerry about that? But, anyway ... Now I am going to forgo questions in the rest of that output area so we can ...

Mr CHAIRMAN: Member for Nelson?

Mr WOOD: I do not have anything on fines recovery that has not been answered.

Output 2.4 - Registrar-General.

Mr CHAIRMAN: In that case we are moving on to Output 2.4 - Registrar-General.

Ms CARNEY: No questions due to time.

Mr WOOD: No.

Output 2.5 Public Trustee

Mr CHAIRMAN: In that case we are moving on to question Output 2.5 Public Trustee.

Ms CARNEY: No questions due to time.

Mr WOOD: I have a couple of questions. Minister, why are there an estimated 200 estates still alive

and what does the Public Trustee do to finalise these estates?

Ms LAWRIE: Peter Shoyer.

Mr SHOYER: Each year new estates come in. Essentially, the Public Trustee gets in any monies or property held by the deceased, looks after payment of the debt, and does things like look after phone bills, cutting off electricity and that type of thing, identifies the beneficiaries, and then distributes it appropriately either according to a will or according to the intestacy rules. So each year we get additional estates in, and finalised estates.

Mr WOOD: Is there a decrease in the number of estates you have to manage as compared to people being encouraged to write up a will? And are you doing work in that area especially in Indigenous communities?

Mr SHOYER: Yes, we are. We have, in the past year, been to a number of communities to encourage people to produce wills, although it has to be said that whether a will is produced or not there is an amount of work in dealing with the estate. We are trying to encourage people to handle estates of relatives so there is not necessarily the same demand on the public trustee's office. Also, so people can take responsibility for those actions in relation to someone who has passed away.

Mr WOOD: There is a figure for client satisfaction - I think it is on page 85 – it says 90%. If I go back to page 85 of the annual report, the 2008-09 actuals, when we talk about timeliness, finalised deceased estates within 12 months - 42%, finalised deceased estates within 24 months 64%, finalised trusts within seven days of expiry date 55%. Is it realistic to say client satisfaction is 90%?

Mr SHOYER: Yes, you have to realise a number of these estates are very detailed in the amount of work that has to be done on them. They can involve winding up companies, dealing with - for example, in a number of Indigenous estates we have quite significant bodies of paintings that have to be dealt with. They can have ongoing issues relating to copyright, and in fact we can have some estates that may stay open for up to 70 years because they have ongoing copyright payments.

By and large, most estates are finished within 12 months, and certainly a significant number within 24 months. By the same token, those figures are done through individual client surveys and are the results for client satisfaction we get.

Mr WOOD: Page 85 of the annual report says you manage restrained and forfeited property under the *Criminal Property Forfeiture Act*. Do we know how much money you manage, and is it shown up in the budget at all?

Mr SHOYER: The amount of money restrained since the inception of criminal property forfeiture has been \$13.9m in property. Not all that property has ultimately been forfeited to the government. The amount of property which has been forfeited is approximately \$5.4m.

Mr WOOD: Where would the rest have gone? Creditors?

Mr SHOYER: No, in relation to some amounts there is negotiated return to the individuals concern. There is a process whereby properties are initially restrained, then there are arguments between the lawyers as to who is right and who is wrong, and at the end of the day if property is forfeited, we will dispose of that property. We have \$5.4m as being forfeited, we have an amount that is still under restraint, but there would also be some property that has been returned to the individuals concerned in the process.

Output 2.6 – Information Commissioner

Ms CARNEY: I did have questions but time is against us, so I will forego them because I want to get to 4.2 and 4.3.

Mr CHAIRMAN: Any questions under that output?

Mr WOOD: A very small office the Information Commissioner. I have a question in relation to Public Interest Disclosures, and I was wondering whether you could combine these. My question regarding the Information Commissioner is timeliness, or FOI, is 50%. Is there any reason for that low figure? In fact it was 25% of complaints finalised, with 120 days of acceptance. Any reason for that low finalisation?

Mr SHOYER: Obviously, the office is an independent office. Essentially, those figures you are talking about were for the previous year. The figures I have is an estimated closure rate of 50% within 12 months. Those matters can be complicated again; they involve a lot of discussion and internal intensive resolution. The closure rates for privacy are 70%, and those two are dealt with the privacy complaints ...

Mr WOOD: They are estimates. Your actual for 2008-09 is 25% for FOI complaints finalised in 120 days. I think the one you are referring to, the privacy one, is actually 50%. That is the actual for 2008-09.

Mr SHOYER: That was the 2008-09, yes. I was referring to the estimates for 2009-10.

Mr WOOD: I am referring to the real thing. I am just wondering whether the estimates for that 2008-09 were also out? They were quite higher than what was expected. So, if it were 60% estimated for FOI complaints within 120 days, actually ended up 25%, you would understand why I do not expect it to be 50%, even though it is estimated at that, unless there has been some efficiencies or something has changed within the commission.

Mr SHOYER: It is fair to say, from the figures we have been provided with, there has been closure of a significant number of those complaints over the last nine months within this financial year. So, they are being addressed.

Mr WOOD: There is no problem with having enough people working in this area?

Mr SHOYER: The other point to make is the point you made about the idea of combining this in the next area. In fact, they do operate as a single office at this stage, so the additional staff they have - because the Information Commissioner is also the Public Interest Disclosure Commissioner - they are now operating as a single office. So, as a combined office, they do have additional staff.

Mr WOOD: That is the answer to that.

Mr CHAIRMAN: That all, member for Nelson?

Mr WOOD: Yes thank you.

Output 2.7 – Public Interest Disclosure

Mr CHAIRMAN: We are now moving to Output 2.7, Public Interest Disclosure.

Ms CARNEY: I did have questions but I will forego them because of time.

Mr WOOD: Just quickly, one on that. Disclosures resolved or investigation reports, reports presented to responsible authority within six months – 15%. Why is that so low, minister? This is on page 86 of the budget paper under 'Timeliness for Public Interest Disclosure' - 15%. But the participation satisfaction is 90%.

Mr SHOYER: In participant satisfaction that, I believe, is in relation to awareness and training programs. Essentially, this office commenced from the end of July, I think, so it is fairly new. There

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have been a number of order disclosures made. So, at this stage, they are working their way through appropriate procedures and developing the best way to handle these matters, as well as assessing the significant number of disclosures they got in the first five months.

Mr WOOD: Thank you.

Output 2.8 – Consumer Affairs

Mr CHAIRMAN: Moving on to Output 2.8, Consumer Affairs.

Ms CARNEY: Nil due to time, and Mr Wood does not have much left.

Mr WOOD: Are you a soccer referee?

Ms CARNEY: We are keeping time, Mr Wood.

Mr CHAIRMAN: Rather than waste time talking about keeping time, if you have a quick question?

Mr WOOD: No.

Mr CHAIRMAN: No?

Output 2.9 – Anti-Discrimination Commission

Mr CHAIRMAN: We are moving then to Output 2.9, Anti-Discrimination Commission.

Ms CARNEY: No questions.

Mr WOOD: No.

Output 2.10 – Office of the Director of Public Prosecutions

Mr CHAIRMAN: Then, we are on Output 2.10, Office of the Director of Public Prosecutions.

Ms CARNEY: I did have a lot of questions; I will just ask a couple. How much was spent on conferences - for the director to attend conferences in this country and overseas - in 2009-10 and how does that compare to the preceding year?

Ms LAWRIE: I might just speed up events here. With the Office of the Director of Public Prosecutions, I will take questions on notice. The DPP is not present ...

Ms CARNEY: He is in Tuscany, I believe.

Ms LAWRIE: ... nor, indeed, is the Deputy DPP.

Ms CARNEY: Oh! Away too?

Ms LAWRIE: No.

Ms CARNEY: I will ask the question again on notice.

Ms LAWRIE: Family tragedy, I am advised.

Question on Notice 1.8

Ms CARNEY: On notice, the questions are as follows: How much was spent on conferences for the Director of Public Prosecutions to attend in this country and overseas in 2009-10, and what was the

cost for the preceding year?

Mr CHAIRMAN: That is Question No 1.8.

Question on Notice 1.9

Ms CARNEY: How much was spent by all other staff on conferences overseas and in this country in 2009-10, and how does it compare with the preceding year?

Mr CHAIRMAN: And that is question No 1.9.

Question on Notice 1.10

Ms CARNEY: How many conferences did the Director attend in 2009-10, and how does it compare to the preceding year?

Mr CHAIRMAN: That is question No 1.10.

Question on Notice 1.11

Ms CARNEY: How many conferences did all of the other staff at the DPP attend, both nationally and internationally, in the same period, in 2009-10?

Mr CHAIRMAN: That is No 1.11.

Ms CARNEY: I will forgo other questions in order that we can get to Mr Wood.

Ms LAWRIE: Mr Wood?

Mr WOOD: I have no questions on this output group.

Mr CHAIRMAN: That concludes questions on this issue.

OUTPUT GROUP 4.0 – POLICY COORDINATION
Output 4.1 – Community and Justice Policy

Mr CHAIRMAN: We now move to Output Group 4.0, Policy Coordination, Output 4.1, Community and Justice Policy. Are there any questions?

Ms CARNEY: On the basis of the indications before about the sentencing questions and legislative questions, I am going for Legal Policy and Research and Statistics, so I will forgo questions on that, thank you.

Ms LAWRIE: I will point out that, in 4.1, Community and Justice Policy, the antisocial behaviour initiatives and the public safety model exist.

Ms CARNEY: So I can ask you questions about anything antisocial behaviour related?

Ms LAWRIE: No, that is where the funding for the antisocial behaviour initiatives and the public safety model exist. So, for example, the Larrakeyah Nation funding, the Darwin Integrated Case Management, the Tangentyere funding, Mission Australia funding in Katherine, that is where this

comes from.

Ms CARNEY: Okay, thank you for that. No, I have just got ...

Ms LAWRIE: CCTV as well, coordination costs for CCTVs.

Ms CARNEY: Thank you, that is actually very helpful.

Mr CHAIRMAN: In that case, thank you, Attorney-General.

Mr WOOD: I am referring to page 109 of the annual report. Minister, how many communities safety plans funded by FaHCSIA have been developed in the past two years, or since the funding came on stream? Do you have a written copy of the plan that you can table? What are the ten remote communities you have delivered the program to in 2009-10? What is the budget? Are they all funded with FaHCSIA? If so, is the NT government contributing to the National Partnership Agreement in this area?

Ms LAWRIE: I will take that as a question on notice, we do not have that level of detail here, Mr Wood.

Mr CHAIRMAN: Could you repeat the question, Mr Wood?

Question on Notice 1.12

Mr WOOD: In relation to page 109 of the annual report, how many community safety plans funded by FaHCSIA have been developed in the past two years or since the funding came on stream? Do you have a written copy of the plan that you can table? What are the ten remote communities you have delivered this program to in 2009-10? What is the budget? Are they all funded from FaHCSIA? What is the NT government's contribution to the National Partnership Agreement in relation to this?

Mr CHAIRMAN: That is question No 1.12.

Output 4.2 – Legal Policy

Mr CHAIRMAN: We will now move to Output 4.2, Legal Policy.

Ms CARNEY: Based on what you said earlier, these are legislative-based questions I can ask here. How many offenders received a period of mandatory imprisonment since changes to section 78BA of the Sentencing Act (Violent Offenders) Amendment Bill came into effect in 2009-10?

Ms LAWRIE: it is under 4.3 but I will ...

Ms CARNEY: My note actually said, before legislation 4.2.

Ms LAWRIE: 4.3, I corrected myself, I said I am sorry, I was wrong. In terms of the statistics around the legislation, the policy behind legislation is here, in Legal Policy 4.2. The statistics around how that is applying is in 4.3.

Ms CARNEY: Well, do you want me, will I ask the sentencing questions in this output, we will get that done and dusted, then we will move to the policy questions.

Ms LAWRIE: No, it is the other way around ...

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Ms CARNEY: If I remember, I had some specific sentencing ones, in ...

Ms LAWRIE: So, your 7A application about the *Bail Act* is 78BA, application of the *Sentencing Act* is under 4.3, because it is in the statistics area.

Ms CARNEY: That one is. All right.

Ms LAWRIE: Ask and I will let you know the area.

Ms CARNEY: They traverse both, I think some of the questions traverse both.

Ms LAWRIE: Well, see how we go.

Ms CARNEY: Yes, okay.

Ms LAWRIE: If I can answer it under 4.2 I will. If it strictly falls under 4.3, I hold it.

Ms CARNEY: All right. Well, this question is the *Sentencing Act* so I will hold that until 4.3.

But you see, then I ask a policy question in relation to it – we will move on. What about a *Bail Act* question? Last year I asked how many applications for bail had been refused as a result of changes to section 7A of the *Bail Act*.

Ms LAWRIE: Again, that is under 4.3. I indicated that already in 7A ...

Ms CARNEY: That is 4.3. What about questions about anti-gang laws, that is Justice Legislation *Group Criminal Activities Act*, where do you want me to ask that?

Ms LAWRIE: Are they statistic based questions?

Ms CARNEY: How many offenders have been sentenced?

Ms LAWRIE: Statistics.

Ms CARNEY: So I am looking at 4.3.

What about *Youth Justice Act* family responsibility, and I note you did not answer some questions about that last year, but there are some parts that I think you will, that is I have got a question in relation to how many juveniles were diverted under that act, that is not a ...

Ms LAWRIE: It comes under the Department of Health now.

Ms CARNEY: Even questions as to how many juveniles were diverted?

Ms LAWRIE: Diversions.

Ms CARNEY: Even questions as to how many assets were seized under that legislation, you say that is a Health matter?

Ms LAWRIE: Yes.

Ms CARNEY: Right. Well, how about I not ask any questions in 4.2 Legal Policy, and move on to 4.3.

Ms LAWRIE: Go to 4.3, excellent.

Ms CARNEY: What a sterling idea.

Mr CHAIRMAN: I will say we officially move on to output 4.3.

Ms LAWRIE: Are you okay with that?

Ms CARNEY: You will not be surprised whose time has run out.

Mr WOOD: That is up to the Chair to decide.

Ms CARNEY: Well, based on the agreement that I understood was a gentlemen's agreement, you ...

Mr WOOD: It is still the Chair ...

Ms CARNEY: ... (inaudible) I have been more than accommodating, I have 21 minutes left, I am the shadow Attorney-General, I wish to impress on Mr Chairman ...

Mr WOOD: And I am a member of the PAC.

Ms CARNEY: Well, you are here a lot, are you not? Lucky you. Mr Chairman, I would like to press on ...

Mr WOOD: Well, thanks. I seek a ruling from the Chair.

Mr CHAIRMAN: If I could quickly explain. As Chair, I obviously chair to the outputs which is the official agenda of the Estimates Committee which goes: shadow, then committee members, then other, then on to the next output. So, that is what we are chairing on, we are at output 4.3 now and it is with the shadow.

Ms LAWRIE: We have just closed 4.2, is my understanding.

Mr CHAIRMAN: Yes, but there is obviously, informally, an agreement around time for the Independent and the shadow; I cannot rule on that, but obviously, that agreement does exist and it is an internal management issue for the committee. If we can move on then to output 4.3 and shadow.

Ms CARNEY: Thank you.

Output 4.3 – Research and Statistics

Ms CARNEY: How many offenders have received a period of mandatory imprisonment since changes to section 78B(a) of the *Sentencing Act (Violent Offences Amendment Bill)* came into effect, and I am after the number of offenders in 2009-10?

Ms LAWRIE: I am advised in the first 12 months of operation, 268 persons with no prior violent conviction were convicted of a serious violent offence that interfered with the victim's health and were sentenced to a term of actual imprisonment. I am advised that, on the basis of the preceding four years it would have been expected that 251 of such offenders would have been sentenced to a term of actual imprisonment. The nett impact of the amended legislation is an additional 17 offenders receiving a term of actual imprisonment. Therefore, the amendment resulted in an estimated extra 17 first-time offenders being sentenced to a term of imprisonment.

Ms CARNEY: Thank you very much for that detailed answer. Halleluiah!

Ms LAWRIE: It is working.

Ms CARNEY: It is not working much, but it is working.

Ms LAWRIE: It is working.

Ms CARNEY: I am very grateful you gave me that information.

Ms LAWRIE: So, now the *Bail Act*?

Ms CARNEY: I was going to come to it, but – all right, look, time is against us, I will move on. The 17, even though it is clearly working to some extent because there are 17 extras, although it does seem to have some statistical difficulties with it, but was the anticipated increase going to be? I assume government had one?

Ms LAWRIE: I do not have any anticipated increase at hand.

Ms CARNEY: Were there any that went to court under this provision who did not receive the mandatory imprisonment? You are not obliged to answer that question.

Ms LAWRIE: Not that has been brought to my attention.

Ms CARNEY: *Bail Act*. How many applications for bail have been refused as a result of changes to section 7A of *Bail Act* made under the Serious Violent Offenders Presumption Against Bail Amendment Act passed in October last year?

Ms LAWRIE: In the first 12 months of operation of the amendment to section 7A of the *Bail Act* some 784 alleged offenders were refused bail, and the impact of this amendment was putting 20 extra alleged violent offenders on remand.

Ms CARNEY: 20 extras in 2009-10?

Ms LAWRIE: That is in the first 12 months of the operation.

Ms CARNEY: The Chief Minister released a media release in September 2008 saying if you cause someone actual harm you will go to gaol first time, no second chances. The community expects the judicial sentencing regime to be in line with your expectations. If only 20 people extra, as you put it ...

Ms LAWRIE: That is remand on bail. Are you talking about first time offenders going to gaol?

Ms CARNEY: I am talking about how many applications for bail were refused.

Ms LAWRIE: Okay, sure.

Ms CARNEY: Is that still the same?

Ms LAWRIE: That is the 20.

Ms CARNEY: If 20 had bail refused, how many did not?

Ms LAWRIE: It is going to be a complex desegregation of data process, so we will take that one on notice.

Mr CHAIRMAN: For Hansard can you please ...

Question on Notice No 1.13

Ms CARNEY: How many offenders received bail despite changes to section 7A of the *Bail Act*.

Mr CHAIRMAN: Minister, are you prepared to take that question of notice?

Ms LAWRIE: Yes.

Mr CHAIRMAN: For the purpose of Hansard I allocate that question 1.13.

Answer to Question No 1.2 and No 1.6

Ms LAWRIE: I have answers to Question No 1.2, which is Alcan versus the tax office. I table the answer to Question No 1.2, and while we are at it, I table the answer to Question No 1.6.

Ms CARNEY: In 2006, government introduced what it described as anti-gang rules. Government claimed, as usual, it was going to be tough and the act, the Justice Legislation Group Criminal Activities Act would help break up gangs and dramatically reduce their impact. It has been given a few years to work now. I would like to know how many offenders have been sentenced for creating violent disorder. The penalty for that was one year under changes to the act.

Ms LAWRIE: I have to take that question on notice.

Question on Notice 1.14

Ms CARNEY: Okay, question on notice. In 2006, the government introduced its anti-gang laws under the *Justice Legislation (Group Criminal Activities) Act*. How many offenders have been sentenced for creating a violent disorder under that act - the penalty for which is one year - in 2009-10, and how does it compare with the proceeding here.

Mr CHAIRMAN: That is question No 1.14.

Ms CARNEY: In relation to the *Justice Legislation (Group Criminal Activities) Act*, otherwise known as the anti-gang laws, how many people in 2009-10 have been convicted of consorting with or between known offenders?

Ms LAWRIE: Question on notice.

Ms CARNEY: Should I be troubled that you do not have with you at estimates answers to questions about legislation about which the government has said and written them up?

Ms LAWRIE: Oh, it is up to you as to whether you are troubled or not, because we have a whole lot of laws out there and we bring a whole lot of information to estimates based, mainly I have to say, in and around the expenditure of Territory revenue by this agency, more than, I guess, the policy debate the politicians have.

Mr CHAIRMAN: Well, sorry that was question on notice in there?

Question on Notice 1.15

Ms CARNEY: How many people in 2009-10 had been convicted of consorting with or between known offenders under the *Justice Legislation (Group Criminal Activities) Act*.

Mr CHAIRMAN: That is question on notice No 1.15.

Ms CARNEY: The questions about how well government legislation is working is really important because, not only does it have a budgetary impact, not only is it provided for in the budget papers and is a line item but, as you know, we do not always think the legislation that passes in parliament is going to work. We think that estimates is a good way of asking the question as to whether it should work. So, that is why I am asking those questions.

Ms LAWRIE: Yes, and that is why I am happy to provide the answers.

Ms CARNEY: Let us talk about the – oh, sorry, getting back to the *Justice Legislation (Group Criminal Activities) Act*. The then Deputy Chief Minister, your predecessor, said they were tough new laws in his media release on the subject in 2006, designed to shut down gangs. My question, Attorney-General, is have gangs been shut down as promised?

Ms LAWRIE: It is probably more a question to put to the Police minister and, ultimately, to the Police Commissioner in terms of the police views on gang activity.

Ms CARNEY: And this is – You do not answer any questions about the *Youth Justice Act*, even though it was introduced by an Attorney-General under a change to the Administrative Arrangements?

Ms LAWRIE: The Administrative Orders put that over into the Department of Health and Families. Basically, there was a decision to cut out all the youth policy and associated legislative and diversionary activities into Department of Health and Families.

Ms CARNEY: Just to double check. So, you, as Attorney-General, do not receive any information about the seizure of goods that might be made under this legislation? The Health minister would be across that?

Ms LAWRIE: Unless, of course, a report comes to Cabinet.

Mr SHANAHAN: It might show up in the court statistics if we interrogate it.

Ms CARNEY: Sorry?

Mr SHANAHAN: It might show up in the court statistics - the Juvenile Court stuff - or the Justice Court sorry.

Ms CARNEY: Which is under the Attorney-General's portfolio?

Mr SHANAHAN: That is the only aspect ...

Ms LAWRIE: I will ask the agency to have a look within the data within the Juvenile Court statistics as see if there is anything we can provide there.

Ms CARNEY: I think your agency would have ...

Mr CHAIRMAN: So are we doing a question on notice then?

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Mr SHANAHAN: We do the orders and anything that flows from that, but we do not do the agreements, which are with Health.

Ms CARNEY: My difficulty is, when I get to the Health minister to ask him these questions, he is likely to say 'Speak to Justice'.

Ms LAWRIE: Anyway, if there is data within the court statistics area, we will search for the data.

Ms CARNEY: All right, I will just take your word for it, if you like. I will not need a question on notice ...

Mr CHAIRMAN: That is not a question on notice.

Ms CARNEY: No, thank you, that is fine.

What percentage of defendants in Magistrates Courts were given a custodial sentence in 2009-10? How does it compare with the preceding year. What is the estimate for 2010-11?

Ms LAWRIE: I am advised the NT Magistrates Courts handed down an actual imprisonment sentence to 24% of defendants proven guilty.

Ms CARNEY: Sorry, can you speak up a bit louder?

Ms LAWRIE: The NT Magistrates Courts handed down an actual imprisonment sentence to 24% of defendants proven guilty, compared to 5% nationally.

Ms CARNEY: Nationally, Magistrates Courts only give custodial sentences, that is, gaol, to 5% of the offenders who go before it, and the Territory outstrips everyone else, because we sentence 24%?

Ms LAWRIE: That is right - data coming out of the Australian Bureau of Statistics when it released its Criminal Courts Australia publication 2008-09 edition on 12 March 2010.

Ms CARNEY: Well, we certainly have many more criminals per head of population.

Ms LAWRIE: But we are also incarcerating at a greater rate.

Ms CARNEY: That is because so many people are breaking the law. In any event, thank you. In the Northern Territory, in 2009-10, only 24% of defendants who appeared in our Magistrates Courts were given a custodial sentence?

Ms LAWRIE: Compared to 5% nationally.

Ms CARNEY: Yes, but in any event 24%. Thank you. How does it compare with the preceding year?

Ms LAWRIE: The preceding year was, 22% of defendants were sentenced to an actual imprisonment, compared to 5% nationally.

Ms CARNEY: Could you table the document that are referring to, or distribute a citation so we can check it. It is not that I do not trust you.

Ms LAWRIE: I referred to the citation, it is a Criminal Courts Australia publication ...

Ms CARNEY: ... sorry, Criminal Courts, ABS ...

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Ms LAWRIE: ... Australia publication 2008-09 edition, released on 12 March 2010, and the previous ...

Ms CARNEY: So, it is the 2008-09 edition, my question was in relation to 2009-10.

Ms LAWRIE: We are just checking the date. The comparative we gave you, which was the 22%, would be the 2007-08 edition.

Ms CARNEY: Let us just be very clear on this. So, in 2009-10?

Ms LAWRIE: We do not have that data yet.

Ms CARNEY: In the Northern Territory, you do not have data, even up to 31 March?

Ms LAWRIE: The financial year is not finished, and it is based on ABS data.

Ms CARNEY: Sorry, I think we might be at cross purposes.

Ms LAWRIE: Okay.

Ms CARNEY: You have, as do your colleagues for Estimates, data up to 31 March, and in some of the questions that you have answered today you have referred to that data. Are you saying that you do not have data for the number of defendants who received a custodial sentence in the Magistrates Court for 2009-10 right here, right now?

Ms LAWRIE: No, we do not have that data right here, right now, because the financial year has not finished and we do not provide as at 31 March data across all datasets.

Ms CARNEY: You have provided it in most, but ...

Ms LAWRIE: No, actually.

Ms CARNEY: All right. So, the information you gave me about 24% of defendants being locked up ...

Ms LAWRIE: Is the 2008-09 ...

Ms CARNEY: Is for 2008-09.

Ms LAWRIE: And that was released on 12 March of this year.

Ms CARNEY: The Magistrates Court keeps stats. They keep stats, everyone knows that. What do they do with them?

Ms LAWRIE: Mr Shanahan, are we able to pull that out of IJIS?

Mr SHANAHAN: Yes, we can get that out of IJIS, if I can take it on notice.

Ms CARNEY: So, you should have that information with you, but you do not? What am I missing, sorry? This is the garden variety information.

Ms LAWRIE: No, not really. We are giving you the percentage breakdowns of actual imprisonment

sentences.

Ms CARNEY: No, but that is not my question, my question is about the 2009-10 year.

Mr CHAIRMAN: Before you repeat that question, shall we do it on notice?

Ms CARNEY: I am not trying to be difficult; I thought was a legitimate year to ask ...

Ms LAWRIE: No, and again, what I am pointing out is we are giving you comparative data which requires actions to come in and then analysis to occur across all jurisdictions.

Ms CARNEY: But because you have given data for other things, I quite rightly, I think, assume you would have it, given it is a sentencing matter in outputs this year.

In any event, yes, I will put it on notice and I will take my own time in doing that, thank you, Mr Chairman.

Question on Notice No 1.16

Ms CARNEY: The question is as follows: What percentages of defendants in Magistrates Courts were given a custodial sentence in 2009-10?

Ms LAWRIE: To date, as at 31 March, yes?

Ms CARNEY: And how does it compare with the preceding year, and what is the estimate for 2010-11?

Ms LAWRIE: Can I just say that the comparison to the preceding year will be somewhat skewed because the preceding year is full year effect and this will be as at 31 March.

Ms CARNEY: Yes, I get that.

Mr CHAIRMAN: That is question 1.16. For the purposes of Hansard, I allocate that question No 1.16.

Ms CARNEY: Next question, what percentage of defendants found guilty ...

Ms LAWRIE: On the point of an estimate going forward ...

Ms CARNEY: Yes, that is the question on notice and, of course, when you answer it you will say we do not have it.

Ms LAWRIE: Yes. You get that?

Ms CARNEY: Yes I have got that.

What percentage – and we have got about four minutes left so I will start to talk very quickly – what percentage of defendants found guilty received a fully suspended sentence in 2009-10? How does it compare with the preceding year, and what is the estimate for 2010-11? I take it from your earlier answer you do not have that information.

Ms LAWRIE: We will not do estimates going forward obviously, because we have not yet had people

appearing before the courts.

Ms CARNEY: But you do estimate, you do provide estimates, you need an estimate of the traffic flow through our courts, you need that data when assessing the gaol ...

Ms LAWRIE: But you are asking based on fully suspended or not, that is not about a traffic flow data coming through, that is an estimate based on whether or not a sentence is going to be fully suspended.

Ms CARNEY: No, it is about traffic flow through the courts.

Ms LAWRIE: Well, sorry, you did read it quickly, but I did hear the bit around what ...

Ms CARNEY: It is about traffic flow through the court. In any event ...

Ms LAWRIE: ... is fully suspended.

Ms CARNEY: ... so do you have that information or not?

Ms LAWRIE: If you repeat the question, and do it slowly for us.

Question on Notice No 1.17

Ms CARNEY: What percentage of defendants found guilty received a partially suspended sentence in 2009-10, how does it compare with the preceding year, and what is the estimate for 2010-11?

Ms LAWRIE: Make it without the estimate.

Mr CHAIRMAN: And that is on notice?

Ms LAWRIE: On notice without the estimate.

Mr CHAIRMAN: For the purposes of Hansard, I allocate that question 1.17.

Ms CARNEY: Sorry, did you say take the word out 'estimate'.

Mr CHAIRMAN: Take the estimate out.

Question on Notice No 1.18

Ms CARNEY: All right. So, same thing for the next question. What was the average length of sentence served by defendants found guilty in 2009-10 and how does it compare with the preceding year?

Mr CHAIRMAN: For the purposes of Hansard, I allocate that question No 1.18.

Answers to Questions 1.7 and 1.3

Ms LAWRIE: And I have answers to Question Nos 1.7 and 1.3.

Mr CHAIRMAN: (Inaudible).

Question on Notice No 1.19

Ms CARNEY: What percentage of defendants had, as their principle penalty, a monetary order in 2009-10 and how does it compare with the preceding year. I could sit here all night, as I am sure you would like me to, but I will finish that output area.

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

Ms LAWRIE: Yes.

Mr CHAIRMAN: For the purposes of *Hansard*, I allocate the question No 1.19.

Mr CHAIRMAN: So that concludes ...

Ms LAWRIE: Does Mr Wood have a question on 4.3?

Mr CHAIRMAN: Mr Wood, do you have a question on 4.3? Or is it the will of the committee that we conclude Output 4.0 and move to Output 5.0?

Mr WOOD: You can move to Output 5.0

Mr CHAIRMAN: We will take a quick break.

The committee suspended

OUTPUT GROUP 5.0 – LICENSING, REGULATION AND ALCOHOL STRATEGY
Output 5.1 – Licensing, Regulation and Alcohol Strategy

Mr CHAIRMAN: We have a quorum, so we will commence. We are at Output Group 5.0, Licensing, Regulation and Alcohol Strategy, Output 5.1, Licensing, Regulation and Alcohol Strategy. Are there questions, shadow?

Mr CONLAN: Can I ask about the alcohol buy-backs to start with. Is alcohol buy-back still a policy of the government?

Ms LAWRIE: Yes, it is.

Mr CONLAN: Is there - I cannot see anywhere in the budget - any money allocated for the buy-back of alcohol licences. Can you explain why or, if indeed, there is any money in there for alcohol buy-back?

Ms LAWRIE: Yes, the first step of the work we are doing, obviously, is identifying the licences to be targeted with buy-back. Specifically, we are, obviously, targeting licences in Alice Springs. I have an arrangement with the Commonwealth government of dollars set aside for the purchase of those. We are going to be proceeding down that path.

Mr CONLAN: Right. As you can appreciate, it has been quite a while now - I think we are up to three years into it.

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Ms LAWRIE: Yes. One of the things you do is look at, if you like, the licensing tools around a licence. If they have been behaving in such a manner as to avoid buy-back versus constant breaches would have seen a removal licence. The constant breaches has not been a scenario, therefore, buy-back is the more likely scenario.

Mr CONLAN: Has there been discussions at all with any of the licensees about their willingness to forgo their licence at all or ...

Ms LAWRIE: Over time. Mr Brodie, anything recently?

Mr BRODIE: Micheil Brodie. There have not been any direct conversations between the department and those licensees. There is a licensee who has been informed, in broad terms, the government has a program in place and is looking at a range of options of buy-backs. So, there has been some contact between licensees and the department in that context.

Mr CONLAN: Have you got any idea of the amount required to buy back a licence?

Ms LAWRIE: We obviously have some estimates, but I do not want to prejudice the buyback itself by stating those.

Mr CONLAN: It seems that this was a bit of a major plank in the government's alcohol strategy. When do you think we are going to be seeing this?

Ms LAWRIE: It is a contemporary active issue. As I said, we went down the path first of all of assessing the opportunity through licence breaches, rather than forking out for buyback. That did not prove up to the extent that we would have liked, so we are absolutely active in the buyback.

Mr CONLAN: There is not any money ...

Ms LAWRIE: As I said, I have agreement from the Commonwealth in terms of funding for that.

Mr CONLAN: Okay. Can you tell us how much has actually been allocated for alcohol policy and alcohol strategies across the Northern Territory?

Ms LAWRIE: In terms of the ...

Mr CONLAN: The broader nature, I mean, overall how much ...

Ms LAWRIE: In terms of alcohol management, licensing and compliance activities, there is \$2.82m just in variations alone. In terms of the total amount, Mr Brodie, do you want to take us through those figures?

Mr BRODIE: I guess the first point to make in relation to the budget for the Licensing Regulation and Alcohol Strategy group is that we operate very much on an integrated kind of basis, so the inspectors that we employ operate across a range of regulatory schemes, that is a deliberate intent to create efficiency across the management of the regulatory schemes we are responsible for, but we do not necessarily break down the budget funding on the basis of alcohol versus gambling or kava or tobacco, or any other schemes we look after.

There are some components of funding that come from the Commonwealth that are specifically related to liquor and licensing matters, so there are an additional eight inspectors that were provided by the Commonwealth. That funding, including the management of signs in relation to prescribed areas, comes up to a bit over \$2m. The broader funding for the division is, including grants paid to the racing industry, in 2009-10 was \$20.2m. And as I said, the integration of our program means that is difficult to break out and say there is this specific quantum that relates to alcohol activity, but I guess

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the truth of it is that the main bulk of our activity across the Northern Territory relates to liquor licensees, the greater single group of licensees that we look after.

Mr CONLAN: So how much can you break it down? How much is spent on the restriction regime across the Territory? Katherine for example, that is 18 hour restrictions, and write down. What sort of money is attached to those?

Ms LAWRIE: We have, if you like, an alcohol strategy unit that leads the whole-of-government strategies to reduce alcohol-related harm. Within that unit, the 2009-10 funding allocation was \$2.879m. The split there is \$1.63m from the Commonwealth and \$1.249m from the Territory government, with a total of nine full time equivalents.

Mr CONLAN: So that \$1.249m is for ...

Ms LAWRIE: Is from the NT.

Mr CONLAN: Yes, and the rest is for ...

Ms LAWRIE: That funds three staff, the Commonwealth funds six staff, we have got a total of nine staff in that unit.

Mr CONLAN: My question though is ...

Ms LAWRIE: What do they do?

Mr CONLAN: Well, essentially, yes, is that ...

Ms LAWRIE: What they do is, they review the evidence-based research on the alcohol measures in place. They work on developing the five-year plan on alcohol reforms. They progress the whole-of-government approach to alcohol reforms, and they have regional alcohol strategy workers in Darwin, East Arnhem, Katherine and Alice Springs. Alice Springs also covers the Barkly area. They are working on things such as the alcohol management plans that are in place in remote communities; that includes the Tiwi Islands, Gunbalanya, Elliott, Jabiru, Groote Island and Borroloola. Separately, obviously, through Menzies School of Health and Research, there are evaluations of the alcohol management plans, and that work is fed through to this unit. The unit has also commenced the development of an alcohol management plan for Darwin and Palmerston. They are also working on developing management plans for clusters of the Alice Springs town camps.

Mr CONLAN: So if I was to get an idea on how much the government is spending on alcohol policy (inaudible) is that right? I have two numbers there, one was a variation, and the other ...

Ms LAWRIE: No, \$2.879m is the funding allocated specifically to the Alcohol Strategy Unit. Plus on top of that is licensing inspectors who work across ...

Mr BRODIE: The funding provided by the Commonwealth is specific to a group of licensing inspectors and the signage associated with the prescribed area controls. What the minister identified was the funding that comes in relation to alcohol strategies specifically. The aggregate funding that is provided by the NT through the appropriation provides for a lot of work we do in relation to consultation with communities, managing permit schemes like the ones in Nhulunbuy and Groote, providing support to alcohol courts and the alcohol reference groups that exist in a number of towns across the Territory.

So, when we say that there is a lot of integration in terms of the operation of the division, it is exactly that. We do not really breakdown as a group of alcohol specialists and gambling specialists. There is a lot of integrated work done across the division.

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Mr CONLAN: I guess, because it is a policy area of the government, so if someone came to you and said 'How much are you spending on alcohol policy and alcohol management across the Northern Territory?', so we can say \$2.8, was that the figure you just gave me?

Ms LAWRIE: The Alcohol Strategy Unit is \$2.879m.

Mr CONLAN: On top of that is it \$1.249m for the three staff provided by ...

Ms LAWRIE: We allocate \$20m to Racing, Gaming and Licensing as a division within Justice.

Mr CONLAN: How much of that is towards the alcohol (inaudible)? So, essentially talking about restrictions, but that is what really ...

Ms LAWRIE: And I guess that is what the Director is saying to you, that as a unit they actually work across. They do not split between Gaming and Alcohol; they actually work across. So you are trying to say what is split out between that \$20m? They say they are an integrated unit.

Mr CONLAN: Yes, okay. So, what money is then attached to the alcohol restrictions policy that you have?

Ms LAWRIE: Well, it is a strange question, because there is not an alcohol restrictions policy. What there is is a series of alcohol management plans.

Mr CONLAN: That comes under the alcohol policy, right?

Ms LAWRIE: That is right.

Mr CONLAN: So what money is attached to that?

Ms LAWRIE: The whole of agency allocation is \$20m, and we have a specific strategic unit sitting in there at \$2.879m.

Mr CONLAN: So \$2.879m, plus the \$1.24m for the three staff ...

Ms LAWRIE: No, the three staff, that figure you are quoting, is the NT allocation within that \$2.879m, because there is a Commonwealth allocation in there. So \$1.63m from the Commonwealth, \$1.249m from us, totals \$2.897m, and that is the Strategy Unit. We have the entire Racing, Gaming and Licensing which has a \$20m allocation.

Mr CONLAN: So for alcohol management as such, the NT is committing \$1.249m?

Ms LAWRIE: Well, no, because, again, it is an inaccurate way to describe the work we do.

Mr CONLAN: .Can you describe it in a more accurate way then?

Ms LAWRIE: Sure, Mr Brodie, do you want to take Mr Conlan through Racing, Gaming and Licensing?

Mr BRODIE: What we do in terms of managing liquor related issues across the Northern Territory is that there are obviously some differences between managing alcohol management plans, developing and implementing them, and the work that needs to be done in terms of maintaining the regulatory scheme itself for liquor. The group of inspectors that we have create a compliance program around a series of regulatory schemes for which we are responsible under Administrative Orders, they extend

from tobacco to alcohol and liquor to gambling, kava. We operate in terms of casinos and a range of other regulatory schemes, including private security providers.

So the objective of government has been to integrate those regulatory activities so when an inspector goes to a hotel, for example, they are capable of checking things like their compliance with tobacco law or the compliance of security people who might be working for the hotel with the security provider's laws.

So we have an integrated workforce that works across all of those schemes. If they are travelling to a remote community, for example, they will often conduct work that might be associated with an alcohol strategy; so when we had the development work going on around the Borroloola Alcohol Management Plan we would often send an inspector out with one of the alcohol strategy workers so that we could do some support work in relation to developing the plan with the community, engaging with the community, as well as conducting inspections of the licensed premises in that area.

Similarly, in Nhulunbuy or Groote Island we would have an inspector who would be operating to maintain compliance with the liquor law in that area, but would also provide support to the permit committee that operates in that area in terms of the issue and management of permits for alcohol consumption in that area. Similarly, in Alice Springs, the people who provide support to the Alice Springs Alcohol Reference Group have always been the inspectorate and the workers in that area.

So we use people's time and ability to contribute to a range of policy objectives of government broadly to maximise the efficiency of the division. The objective that underpins all of that is to understand that broad abrasive objectives government has for us in terms of success in reducing alcohol related issues, or in managing the private security sector or in getting outcomes in relation to gambling, making sure that the casinos operate within their regulatory environment and constraints.

When we have someone who goes into a casino, for example, in Alice Springs, that officer will inspect the liquor components, make sure the gaming machines are operating appropriately and make sure that the soft count that goes on in the casino to ensure their tech compliance, all of those things get checked as our inspectors do that work.

Ms LAWRIE: Separately, elsewhere in the Department of Justice we have the unit that oversees all the antisocial behaviour programs that are associated with harm minimisation as a result of alcohol abuse. So there is no simple answer to that question.

Mr CONLAN: But that is essentially what the alcohol policy was created to tackle the antisocial component.

Ms LAWRIE: Yes, but there is funding that pays the antisocial behaviour component elsewhere in the Department of Justice.

Mr CONLAN: (inaudible)

Ms LAWRIE: No, separate to, on top of.

Mr CONLAN: Okay, I guess I just wanted to try to get some kind of figure. If you did not have alcohol policy as a line item of (inaudible)?

Ms LAWRIE: Yes, and the costs actually fall across a whole variety of agencies ultimately. There is the alcohol and other drugs which falls within the department of Health and Families. The point of our whole policy that I have responsibility for is to oversight the whole of government coordination across a series of agencies that actually have resource and funding requirements for tackling alcohol. So that falls so that you have one minister within the government who actually oversees the coordination of all of those arms working together. Invariably, that is about overseeing the work done by the inter-agency government task force which includes the police; racing, gaming and licensing; other offices in

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the Department of Justice. It includes health and families; from time to time Department of the Chief Minister in and as required. So the Alcohol Policy minister has that whole of government coordinating role that sits above and oversees that inter-agency government task force.

That being said RGL has specific task requirements which is funded for that I know elsewhere in the Department of Justice I have other funding streams which come into play.

Mr CONLAN: So out of Licensing there is about \$1.24m from the NT government towards alcohol policy. But there is ...

Ms LAWRIE: No, again, that is just one small unit within RGL that you are referring to there. There is a bigger bucket of money in RGL. That \$1.2m is just funding allocated for a new unit that is looking at strategies to reduce alcohol.

Mr CONLAN: All right. Minister, can you give me a full break down of the alcohol campaign in the Territory? (inaudible)

Ms LAWRIE: The big campaign running at the moment, you would possibly be aware, is the Championships Move Campaign and I have copies here of both the television ads and the radio ads that I will table for you. That media campaign is a joint initiative with industry aimed at reducing alcohol-related violence. We adopted it following Victoria's success in running a similar campaign aimed at young men predominantly. It focuses on mates looking out for one another. It asks if they have the moves to keep them and their mates out of trouble. We have had some positive feedback on this. It places that emphasis on positive behaviour to avoid conflict.

There is a range of promotion material in this campaign. Quite aside from the ads, there are T-shirts, coasters, and posters that were distributed across all licensed venues. There is a website as well.

The projected expenditure to June of this year is \$423 000 that is split down into advertising, marketing materials, other promotion, and consultants.

Mr CONLAN: Are you able to break that down at all? You can take that on notice if you like, if it is easier.

Ms LAWRIE: I have a breakdown here, I believe, to be tabled.

Mr CHAIRMAN: Tabled.

Ms LAWRIE: We have also - it has not occurred yet but coming we have the Grog Running campaign that will focus on the restricted areas. There will be, I am advised, some commission advertising around public restricted areas, consultation on proposed restrictions, and takeaway sales and the like across the Top End. The full-year estimate for 2009-10 in expenditure in RGL for marketing and promotion is \$685 000. Yes, the Moves campaign is \$423 000, but the total is \$685 000.

Mr CONLAN: The Moves is this? The Moves.

Ms LAWRIE: Yes, that is the Moves.

Mr CONLAN: Could you tell us please, minister, how many breaches there may have been made of dry areas, of the 2 km law for consumption of alcohol?

Ms LAWRIE: They actually fall under the Statistics area within the Department of Justice, rather than RGL.

Mr CONLAN: That is part of the Alcohol Policy?

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Ms LAWRIE: No, the ...

Mr CONLAN: The platform, rather. The 2 km law and a dry town are beneath Alcohol Policy.

Ms LAWRIE: No, it does not fall under policy as such. It comes under Summary Offences, which falls in the court's jurisdiction of the Department of Justice.

Mr CONLAN: And we have just done Justice, is that right?

Mr WOOD: Yes.

Mr CONLAN: Okay. I just do not see how. They are clearly alcohol policy initiatives, though, aren't they? And the dry town ...

Ms LAWRIE: Well, there are offences under ...

Mr CONLAN: ... restricted area and a licensing restriction as such (inaudible)

Ms LAWRIE: Well no they – I guess you are not understanding the work that Alcohol Policy does. I explained it before in terms of coordinating whole-of-government. Offences that exist within acts would fall under the administration of Justice.

Mr CONLAN: But, you are the Minister for Alcohol Policy, and you did say you are there at the top of a whole raft of agencies coordinating the whole alcohol policy ...

Ms LAWRIE: Yes, but it does not mean I am sitting here and providing police statistics either, does it? That would fall under police.

Mr CHAIRMAN: I suggest, rather than arguing about where this falls, we move on with the questions and, maybe, through a written question or other you can seek that information rather than wasting your time now with this question.

Mr CONLAN: All right then. Minister, are you able to - and probably know the answer to this even though it may fall under the purview of health. Are you able to indicate the number of patients that have been directly admitted to hospital as a result of alcohol-related ...

Ms LAWRIE: Well, you answered your own question at the outset, did you not?

Mr CONLAN: We will save that one for health. Can I just ask then why – I have just noticed here in Licensing, Regulation and Alcohol Strategy that there is a variation of \$3.395m less in the budget. It flies in the place of your comments there in your budget speech where you said:

Madam Speaker, as I mentioned, 59% of violent crime in the Territory is alcohol-related. From a financial perspective, alcohol abuse costs the Northern Territory about \$647m a year.

Ms LAWRIE: All right, the adjustments, the Commonwealth-related adjustments. The Commonwealth had some funding for licensing and compliance of some \$2m, which is not in the 2010-11 budget, but was in the 2009-10 budget. There is a further alcohol management initiative, some \$733 000, and some remote alcohol management planning adjustments, so what we are seeing is a reduction in Commonwealth funding in those areas. Also, for example, NTER signage, that has been done, so there is no appropriation in 2010-11 going forward for that. So, yes, we have got Commonwealth variations affecting the budget.

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Mr CONLAN: So that is \$2m plus \$337 000, so \$2.337m.

Ms LAWRIE: No, no, the variations are: \$2m for the licensing of clients from the Commonwealth; a further \$733 000 in terms of the cessation of the alcohol management initiative from the Commonwealth. Again, Commonwealth - \$156 000 for the remote alcohol management planning, which was a 2009-10 initiative, and has been done. Again, \$33 000, which was an initiative in terms of *Closing the Gap*, with introducing an ID system, and that has been done, so it is not carried forward into 2010-11. Research around drinking paddocks, which has occurred, that is \$129 000, so that is not carried through to 2010-11. Signage, that has occurred, \$123 000, that is not carried through to 2010-11, and the NTER pornography, the permit system \$40 000, that has occurred and therefore not carried through to 2010-11. So you do get, from time to time, one-off projects that I have just listed, that will appear in a financial year, for example, they appeared in 2009-10. They are one-off projects, they have occurred, they have been completed, and so they will not reoccur in 2010-11.

Mr CONLAN: And so does all that add up to \$3.395m?

Ms LAWRIE: Pretty well. I will check it. One of my officers will check it while we proceed if you want.

Mr SHANAHAN: The other thing to note is that some of that Commonwealth funding will flow again, it is just a timing factor.

Ms LAWRIE: Sometimes, if Commonwealth agreements come back in, depending on decisions they make, not the one-offs. Like the NT signage will not come back because it is done, the signage is up. But, for example, reasonably speaking, the licensing and compliance, and the alcohol management funding is likely to come back in from the Commonwealth once it has made that decision. It adds up to \$3.93m.

\$200 000 - completion of a - we did a reprioritisation of savings and a completion of an alcohol education and awareness campaign. We ran a campaign in 2009-10, and we replaced it with different campaigns - the Moves is a new one - so it would have been a campaign that we ran in 2009-10. We have picked up a different campaign now.

Mr CONLAN: So that money has gone back?

Ms LAWRIE: Yes. Yes, we would have paid off the campaign from 2009-10, so that amount does not appear in 2010-11.

Mr CONLAN: Are you able to just take us through ...

Ms LAWRIE: I have just been advised, sorry, the breaches in dry area would be a matter to be raised with the minister for Police as it is a police matter. There you go.

Mr CONLAN: In your speech you said that alcohol abuse costs the Northern Territory about \$640m per year. Are you able to give us a breakdown on how you came to that figure?

Ms LAWRIE: There was some research done by Menzies School of Health and Research that identifies that economic burden of alcohol abuse. My understanding is that report is going to be released shortly by the Department of Health.

Mr CONLAN: Okay. That will do for Alcohol Policy. I know we only have half an hour, unless, Gerry, you have a couple of questions.

Mr CHAIRMAN: We are at Output 5.1; we are in the rare position of having two shadows to output 5.1 is my understanding. So it is actually Peter then Gerry.

Mr CONLAN: Oh, I beg your pardon. No worries.

Ms LAWRIE: Thank you, Mr Conlan.

Mr CONLAN: Thank you very much, minister.

Mr STYLES: Minister, can you tell us what plans there are and what amount of money has been allocated for industry and public education in relation to the introduction of smoke free eating and drinking areas for licensed venues such as hotels, clubs and casinos and, in fact, non-licensed venues?

Ms LAWRIE: The *Tobacco Control Act* falls under the Department of Health.

Mr STYLES: That is interesting because the minister Vatskalis under his portfolio answered a very similar question last year. Maybe someone has changed the rules, but they have not told me.

Ms LAWRIE: I am advised that last year Mr Vatskalis when he had responsibility for Racing, Gaming and Licensing actually specifically did not answer questions in terms of *Tobacco Control Act* because it falls under the responsibility of the health section.

Mr STYLES: Hmm, interesting well.

Ms LAWRIE: So you might be confused from last year because he was holding both portfolios, but that is clearly under the *Tobacco Control Act*. I would have thought you would understand that given that Mr Vatskalis had carriage of that legislation in the parliament. Bit of a give away sometimes.

Mr STYLES: I am aware of that. I will accept that, but I will go back and have a look at last year's estimates and perhaps give some written questions.

Minister, the gaming machine transfer scheme, are there any measures in place for the pubs and hotels who wanted to sell or lease their gaming machines to other operators?

Ms LAWRIE: No. We are undertaking a body work to look at a trading scheme in relation to gaming machines. I know we did put the cap in place and as part of putting a cap on the gaming machines we have got an undertaking to ensure that we look at a trading model. A trading model, of course, would need to have a look at regional caps and so on. I have had discussions with the industry and let them know that the first tranche of work I would undertake as RGL minister would be the immediate reforms to the *Liquor Act* which have occurred and have been passed and bedded down, and that the second part of this year would be turning our attention to the trading regime. We have done some preliminary research and modelling and will be going out to industry in the second half of this year. They are aware of that; I have kept them in the loop.

Mr STYLES: Yesterday it said that we saw the first quarter of the calendar year gaming turnover in pubs and clubs down around 20% from the same time last year. Are you still going to give us 20%, or would you perhaps agree that the figures represented are closer to 30% in many incidences?

Ms LAWRIE: The figures I have in terms of percentage decrease in gambling machine turnover, if you look at the figure January to March 2010 compared to the same period in 2009, the figure in terms of community venues, the turnover reduction is 21% - Skycity 5%, and Lasseters 21%. So, I would say that that is closer to 20% than 30%.

Mr STYLES: I have a different set of figures here. So, I suppose it just depends on who has what figures.

Ms LAWRIE: I do not know what figures you have got. Maybe you would want to table your figures

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and I will have a look at them and tell you where the variation comes from.

Mr STYLES: No, I will just put in a written question at a later stage. Minister, you said that there are some alcohol licence (inaudible) and you were looking at buying back alcohol licences. Have you got a figure today; I do not recall if there was a figure mentioned earlier in relation to alcohol buy-backs?

Ms LAWRIE: No and I did explain to Mr Conlan I am not going to be mentioning any figures because I do not believe in prejudicing in government buy-back action. You would not do in commercially, would you? You would not tell someone what you were prepared to pay in a commercial transaction, would you? Unless you wanted, of course, to be taken to the cleaners.

Mr STYLES: Well, depending on how many licences you intend buying back. But, anyway, that is by-the-by.

Ms LAWRIE: No, it actually does not depend on the quantity, it actually depends on a position where you do not flag what you are prepared to pay.

Mr STYLES: Minister, in the 2010-2011 Budget Paper No 3 the estimate of payments allocated to the racing industry totals about \$12m. Can you give a break up that allocation, please?

Ms LAWRIE: Sorry, which one are you actually talking about?

Mr STYLES: The allocation for the racing industry is about \$12m per budget paper number 3. The break up of that?

Ms LAWRIE: The thoroughbred racing industry: \$11.5m has been approved for the 2010-11 financial year. They, as an industry, put forward very strong arguments for funding increases to ensure the viability of the industry. As the principle racing club for the Territory, TRNT will receive funding for the individual race clubs. They will distribute that based on a formula established by TRNT. I am aware that funding included some capital as well for improvements in both Darwin and Alice Springs – stables in Darwin and catering facilities in Alice Springs. We have also provided \$2.4m in a funding agreement for the Darwin Greyhound Association. I have some figures that I am happy to table.

Member: Please, minister.

Ms LAWRIE: I have to say that they are pretty happy with the support the government is giving the racing industry and the CEO and members of the board have indicated that if we had not given them this funding the industry would have collapsed.

Mr STYLES: Thank you, minister. Do you have any plans in the immediate future to assist the Darwin Turf Club to develop infrastructure at Fannie Bay race track apart from the catering you have just mentioned?

Ms LAWRIE: Catering was for Alice Springs. The stables capital was for Darwin. That follows some other capital upgrades they have already received over successive agreements from this government. What I have said to them is that I would expect them to undertake a master plan across all racing facilities, not just Darwin. That work is being undertaken by TRNT and we will assess what the master plan provides for a staggered approach to capital upgrades. I am not just interested in capital upgrades. I want to see a master plan that actually factors in the R & M that needs to occur across the tracks.

Mr STYLES: Thank you. I am assuming that that master plan will include the number of race meetings in the country areas of the Territory?

Ms LAWRIE: I am just providing answers to questions number 1.4 and 1.5. The TRNT is dealing with

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a number of race meets it has across the country clubs. We saw a reduction of two race meets in Alice Springs this year. They are saying that with the improvement in funding that the government has given them that they should return to strength across the regional race meets and that they are hopeful of having increased fields but, again, I have the belief that the industry runs the industry.

We put in place a review of the industry which meant that there was access to all the turf club books, not just the TRNT's book, but all of the country clubs as well as Darwin. That review has been provided to the industry and it does give them some recommendations in terms of how they can find efficiencies within their operations which would strengthen their ability to deliver race meets at the level in which they have done.

What we are seeing, though, is also the growth in the fields in Darwin in the numbers of runners in the fields. But also what I am hearing is also a growth in the quality of the horses. We have seen a return to health in terms of the jockeys and availability of quality jockeys particularly in Darwin, and the industry is saying to me that that is a result of the funding support the government has given in the past few years particularly.

Mr STYLES: Did you see an increase in revenue from racing and gaming in the current financial year?

Ms LAWRIE: No, we made a deliberate decision to cap gaming, so we are not a government that is relying on gaming revenue. Indeed, the reduction in gaming revenue shows that we are not relying on that. With regard to racing, the government is actually not in a position at all of getting any return for what it is putting into the racing industry but we see what the racing industry provides to the broader economy in tourism. It is an industry that also employs about 1000 people, so we do not have an issue with the investment we are making in that industry.

Mr STYLES: The reason I ask in relation to that is that most of the bush racing meetings - and I agree, the value in relation to tourism and also the social fabric of some of these country towns keeps young people in the towns, provides all that sort of stuff.

Ms LAWRIE: Yes, it is part of the social fabric, We, for the first time this year, added to, for example, the Tennant Creek race day a cocktail event on the night before. The feedback I have received from Tennant Creek has been very strong to that. They said that it really lifted attendance at the race day the following day but, also, became very much a very positive, social event for Tennant Creek itself. That is the sort of thing that has some intangible benefits, if you like, that arise out of racing.

Mr STYLES: I agree. I was actually at that race meeting and it was an excellent event. But they have been cut from two meetings down to one a year.

Ms LAWRIE: Not by government, though, not by government. As I said, industry funds industry.

Mr STYLES: No, by industry, but that is dictated by the amount of money they get in relation to support.

Ms LAWRIE: And year-on-year, the government has been increasing its funding to racing. The \$10m we provided the last financial year was a significant step up from the year before. Again, the \$11.5m this year is a step up from the year before that. If you are listening to what industry is saying, they are saying they are actually pretty impressed by the amount of funding support they are getting from government.

Mr STYLES: I do not doubt that.

Mr CHAIRMAN: Are you comfortable with that?

Mr STYLES: Yes.

Mr CHAIRMAN: Member for Nelson?

Mr WOOD: Yes, thank you. Just a quick range of questions, going back to the alcohol management plans. Do you have a list of which communities have alcohol management plans? In the budget it is allocated to each plan. Is it possible to get a copy of those? While you are looking up there, how do you measure alcohol consumption in remote communities?

Ms LAWRIE: All right, in the communities, to date, alcohol management plans have been developed for Alice Springs, Tennant Creek, Katherine, Nhulunbuy, East Arnhem, Groote Eylandt, Maningrida, Borrooloola and Elliott, and we are in the process of developing for Palmerston and Darwin. We are also developing for Gunbalanya, Jabiru and Binjari, and there are also some clusters of town camps, Larapinta, Mt Nancy and Palmer's Camp in Alice Springs, where they are being developed. Sorry, the second half of the question?

Mr WOOD: What budget do you have for each plan? Is there a budget for each ...

Ms LAWRIE: We do not break it down into specific plans, no. We have an integrated service delivery model in RGL.

Mr WOOD: How are you going to measure the difference? Do you have a reference point - alcohol consumption pre-plan versus alcohol consumption post-plan?

Ms LAWRIE: We do evaluations. For example, we did the evaluation in Alice Springs alcohol management plan and the Menzies research showed a significant reduction there. Michael Brodie.

Mr BRODIE: Generally, what we do is structure into the plans a sequence of performance measures. Some of those will be around crime data or alcohol-related statistics where they are available. A lot of these communities do not actually have liquor licences in the communities themselves and, so, it is difficult to actually get a bead on how much alcohol is consumed on a per-head basis or a pure-alcohol basis. The principle source of data for the Northern Territory is wholesale sales input data. We are capable of identifying that on a licence-by-licence basis. That comes from the wholesalers on a quarterly basis.

Where there is a connection between a community and a specific licensee, we can track pure alcohol input data, but it is difficult to actually get a real sense of exactly how much alcohol is consumed on a per-head basis. We maintain a surveillance program of conducting research through a range of sources in relation to alcohol consumption patterns in Indigenous communities. Predominantly, that is about trying to keep a track of what the number of people who do consume alcohol versus people who abstain, and their levels of risky drinking and those kinds of things. Where we are capable of feeding that into an individual plan, we do that as performance data but, in many cases, it is very difficult to do that.

Mr WOOD: Just quickly moving on. Minister, how many licensees and retailers were identified by the school liaison program to be selling liquor and alcohol to underage teenagers? Where were those particular licensees situated?

Ms LAWRIE: Mr Brodie, do you have that information at hand.

Mr BRODIE: There have only been a couple of instances in the last few years of licensees particularly being identified. The most recent one was the Gray Supermarket. That licensee received a suspension of licence from the Licensing Commission and also some fines in the Magistrates Court.

Generally, the school liaison program is directed at minors who are attempting to breach the law and access alcohol from a range of sources, including takeaway outlets but as well as on premises

consumption. The school liaison program is directed at making contact between us as the regulator for those areas and the parents of the kids involved, and begin a bit of a conversation about the risks and the threats to their long-term future that that kind of behaviour creates for the children involved.

There is certainly a view that we have that it is inappropriate to be seeking significant sanctions against minors who make mistakes but, in the long term, if we identify someone with a very significant recidivous record of using false ID and other forms of entry to licensed premises, we would then get the consideration of whether or not that happens. If there is evidence that a licensee has not met the test in the act of managing for the question of whether or not minors get access to liquor, then we pursue them with vigour, and that certainly was the case in relation to the Gray Supermarket.

Mr WOOD: In regard to the compliance office, how many compliance officers do you have, what hours do they work, do they work regular or irregular hours, and are they involved in the regulation of the recent amendments to the *Tobacco Act*, and the monitoring, especially of the outdoor smoking areas, and I refer - because this was stated yesterday - to the issue of, for instance, if someone is eating non pre-packaged foods in the outdoor smoking area, is that the responsibility of the inspectors?

Mr BRODIE: To break it down, there are 40 inspectors across the Northern Territory. That number varies a little bit as we have people coming on and off. The principal work hours of those staff are nine to five. We do pay overtime to them. Generally, we run operations that target the objective of having inspectors in places where breaches are likely to occur, so we certainly run shifts in Mitchell Street, for example ...

Mr WOOD: Three o'clock in the morning?

Mr BRODIE: ... yes, we have inspectors who start a shift at 11 pm and finish their day at 4 am. We do remote trips that make sure we are in touch with the licensees across the Northern Territory. At the moment, our inspection intensity is about two or two-and-a-half visits to a licensee parameter across the Northern Territory. When we are inspecting a licensed premises, we make sure that we pay attention to all of the regulatory schemes we are responsible for, and that includes some enforcement around the *Tobacco Control Act*.

At the moment, the principle of operation of the *Tobacco Control Act* is that the licensee is responsible for ensuring that people do not engage in conduct that breaches in relation to the act. The offence that we would look to is whether or not the licensee was adequately controlling for those questions. At the moment, our compliance approach is to seek to educate licensees and help them to understand the appropriate structures and policies and programs that they need to have in place to ensure that people do not either, you know, unwittingly, or out of wilful conduct, choose to breach the Tobacco Control Regulations.

Mr WOOD: You really think you will be going around, with all the other important jobs you are doing, and find out whether somebody is eating a pre-packaged pie or a meal, minister?

Ms LAWRIE: I note that is a rhetorical question.

Mr WOOD: Okay, oh well, I am just trying to put the practical to the question. Can I go on to ...

Ms LAWRIE: I just thought, Mr Wood, if you are interested in the alcohol management plans, and specifically some of the supports we are doing, I have some information around some grants that we also provide to external organisations in support of the alcohol management plans, and I thought it would be useful.

Mr WOOD: Thank you, minister. I would like to switch over to gambling. I might need some help here, but I have been looking through the ...

A member interjecting.

Mr WOOD: Yes, probably from gambling I might need some help. ... the report to the Minister for Racing, Gaming and Licensing. There is a number of matters in there. First of all, it appears as though we have 1173 poker machines, if I am correct, looking through the tables on page 4 and 5. There are two lots of columns there. The total tax both the clubs and hotels pay, I presume, is the gaming tax figure, \$17m for the clubs, and \$8.4m for the hotels. Is that correct? Coming from somewhere like \$26m.

Ms LAWRIE: Correct.

Mr WOOD: If I go over further to page 14, the casinos ...

Ms LAWRIE: Historical agreement.

Ms LAWRIE: I still could ask.

Ms LAWRIE: You are probably better off asking the CLP ...

Mr WOOD: Well I think I need to ask. Can I get an explanation of the tables? What does 'handle' mean, versus 'player loss'?

Mr BRODIE: 'Handle' is a term that effectively represents what, in other contexts, might be called 'turnover'. People make bets and they win and lose, and they often reinvest those winnings. So in general cases, handle will range somewhere between 5 and 10 times the actual nett revenue that flows from gaming operations to a casino operator.

Mr WOOD: If you are trying to compare the clubs, you win \$20, a lot of people put the \$20 in hoping they will get \$40. It is still turnover, isn't it? Just does not stay in your pocket for long.

Mr BRODIE: Yes that is all turnover. So if you put in \$20, win \$40 and reinvest that \$40, that is \$60 in turnover. The difference that you will see in the performance statistics between pubs and clubs versus the casino is driven dominantly by the differences in the structures of the machines themselves. So the number of lines, the payouts, the volatility of the machines, the maximum debt, a whole range of things like that. I guess we would say the dominant feature of what might be likely to drive variations in performance is also concentration and things like the existence of note accepters on the machines in the casinos. So they are quite different regulatory structures that sit around the two different types of machines in pubs and clubs versus the casinos.

Mr WOOD: Are we allowed to know how many poker machines Lasseters and SKYCITY have? And are they limited?

Mr BRODIE: The number of machines is reported in that report. The casinos are limited to the extent that the casino agreements provide for a specific number of machines that are allowed in there to the casinos.

Mr WOOD: Are we allowed to know that number? You say it is here? I could not see anything.

Mr BRODIE: If you give us 5 minutes to track down that number ...

Mr WOOD: I have only got five minutes.

Mr BRODIE: It is not a secret. It is in the casino agreements that are on the web site.

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Mr CHAIRMAN: Mr Wood, do you have another question?

Mr WOOD: Yes, what I am getting at is do I presume that casinos have a different tax regime to the clubs and hotels?

Ms LAWRIE: Yes, as determined by the casino agreements.

Mr WOOD: When does that come to an end, that agreement?

Ms LAWRIE: They are long-term agreements. I do not have the dates with me, but they are very long-term agreements.

Mr WOOD: Could I also ask, poker machines, can they be adjusted to either increase or decrease payouts?

Mr BRODIE: No, they cannot. There is a regulator limit on what is called the player return, and that number is fixed by regulation and the technical standards we apply to gaming machines. A club or hotel or casino operator cannot modify that number.

Mr WOOD: He cannot modify it, say, if he felt he was generous in favour of the department?

Mr BRODIE: Absolutely not.

Mr WOOD: And that is the same with the casino and clubs?

Mr BRODIE: Yes, that is exactly the same

Mr WOOD: And who actually checks that? I have heard that it can be modified. Who actually makes sure?

Mr BRODIE: We have a technical group in the division who have capability in assessing gaming machines. There are, I guess, two or three processes that go on. Every gaming machine is certified by a thing called an accredited testing facility. Those are essentially businesses that operate at a national level that are at arms length from the manufacturer of gaming machines. They certify a range of things in comparison to the technical standard that we maintain in the Northern Territory under the *Gaming Control Act*. The principle of those technical standards is to set the controls that exist on a gaming machine. They control things like the return to player, the volatility of the gaming machine, which means how often it pays out. Those standards are, if you like, hard coded into the software of the program that actually drives the graphics and the outputs that you get from a gaming machine. It is actually impossible for a provider of gaming services, a club or a hotel, to modify that and, therefore, produce different results in this jurisdiction. It is capable of happening in other jurisdictions, but it cannot be done in this jurisdiction.

Mr WOOD: Pokies is the one piece of gambling that has the least return to the punter yet probably the highest turnover in Australia by a long way with the figures I have seen. Is there any move to educate people? I use the pokies occasionally but to me it is just a bit of fun and gone, but do people realise how difficult it is to win? Do the statistics that are built into the system actually put out there to people to really understand their chances of making money out of a poker machine are pretty low?

Ms LAWRIE: A lot of this goes to the current productivity commission report which will tackle, at a national level, the extent to which increasingly people need to be made aware of the impact of gaming. We currently have the (inaudible) work that, for example, Amity does and venues are required to promote to varying extents and we have the responsible service of gaming that we have in place here in the Territory. Micheil, if you want to add any more detail beyond that.

Mr BRODIE: Thank you, minister. The amelioration of (inaudible) provided to Amity Services, they also produced a series of commercials as part of responsible gambling awareness week just recently and those have been playing across TV and radio in the Northern Territory. There is a range of information that is required to be provided by gaming and machine operators in pubs and clubs in the casinos as part of the code of practice that is a mandate of the instrument in the Northern Territory and that includes information about the odds of winning; detail about return to player and what it means and all of those kinds of things. Between the code of practice and the community education work that Amity does, there is fairly solid brace of information in the community about the risks associated with poker machine playing. I guess there is probably just one thing, beg my indulgence, that poker machines actually have a higher return to player than most other products. For example, lotteries return 60% to player and poker machines on average return more than 85% or 87%.

Mr WOOD: I must be the 15% that it doesn't.

Ms LAWRIE: I can vouch for the Lawrie's one.

Mr WOOD: Just quickly, the only thing I would say, if you are looking for outcomes and you are saying this is information going out, when I look at the figures for three years running of poker machines the revenue is increasing which means they are being used more and more, not less and less. That is my time, is it, Mr Chair?

Mr CHAIRMAN: We do not actually have a shadow if you want to go to WorkSafe.

Ms LAWRIE: We do not have a shadow for Work Safe?

A member: Not yet.

Mr WOOD: Can I just ask then on a general question. Again, on your report I just want to get a clarification. You have, total turnover all wages, you have a Table 20 on page 16. Are all those figures in millions of dollars? So there is a table there ...

Ms LAWRIE: Yes, that is what it is saying.

Mr WOOD: So the total wages turnover at the casino is \$1.2bn. Is that correct? And race betting is \$3.5 billion?

Ms LAWRIE: Yes.

Mr WOOD: Then the government puts in \$12m into racing. I could ask why do they put in \$12m into racing if the racing betting turnover is \$3.5bn?

Ms LAWRIE: That turnover does not go directly to the clubs, obviously.

Mr WOOD: That is true but, if somebody says to me, 'Why is the government spending money on racing when my road is in a terrible state?', and then they go and look at these figures and say that the turnover is ...

Ms LAWRIE: That does not go to the clubs.

Mr WOOD: I realise that. Where does it all go? It goes to ...

Ms LAWRIE: It goes to the bookmakers.

Mr WOOD: That is right, but what percentage do you get from that?

Ms LAWRIE: The percentage we get from the bookies - we lost a fair bit, obviously, because Tasmania decided to try to steal our corporate bookies. I think we lost about \$10m, from memory. We are getting around \$1m to \$2m return on the Tatts, on the corporate bookies now, sadly. Tassie tried to steal the industry. I have had words with Michael Aird about what that cost us.

Mr WOOD: The Totalisator, the TAB, is \$164m. Is that correct, for say, 2009?

Ms LAWRIE: Yes.

Mr WOOD: What percentage does the Territory get back from that turnover?

Ms LAWRIE: The total on page 17 shows that split.

Mr WOOD: Oh yes, the casino, there is a loss there.

Mr CHAIRMAN: Has that been answered?

Mr WOOD: What was the turnover back to the government out from the TAB? What money do we get back from the TAB?

Ms LAWRIE: I would know it under Treasury, but I do not have those figures here, because this is RGL.

Mr WOOD: Treasurer in disguise. Okay.

Ms LAWRIE: To be fair, Gerry.

Mr WOOD: No, that is okay, I was just pulling your leg.

Mr CHAIRMAN: That concludes consideration of Output Group 5.

OUTPUT GROUP 6.0 – WORKSAFE
Output 6.1 – Regulation of Occupational Health and Safety

Mr CHAIRMAN: We will now move on to Output Group 6, WorkSafe, and Output 6.1, Regulation of Occupational Health and Safety. We will just wait while officers change over. We are ready to go, shadow.

Mr TOLLNER: I have a couple of responses to questions on notice that were sent to us, stemming from 30 June last year. At that time, you had 60 full-time established positions and four supernumerary positions. Has that changed at all?

Ms LAWRIE: I am advised, in a snapshot I have before me, which is from page 22 of 2008-09 compared to page 20 of 2009-10, there has been a reduction 5.6 employees.

Mr TOLLNER: 5.6. All right, no worries. At the same time, 30 June last year, there were eight positions that were not filled: three T3 WorkSafe officers, two T3 WorkSafe officers electrical, a principal WorkSafe officer and a senior Worksafe engineer in mining, and an AO4 licensing registrar. Have those positions been filled?

Ms LAWRIE: I am advised four of the T3 WorkSafe officer positions are filled with supernumerary staff pending classification review, and the T5 principal WorkSafe officer position is temporarily filled pending an appeal.

Mr TOLLNER: Just curious. Obviously, you are aware of the last May Day march. The CPU were marching around in nice, beautiful, bright T-shirts on saying 'Where the bloody hell is WorkSafe?' Is that their gripe; the fact that there is a lack of WorkSafe officers specialising in the electrical area?

Ms LAWRIE: No, I think their gripe - to describe it like that - goes somewhat deeper than that. It goes back a few years to a reclassification of the positions. They want specialists electrical positions, whereas they are inspector positions. So, it goes down to, I guess, their issue around a classification of the inspectors. But we have 27 on-site inspecting positions.

Mr TOLLNER: I am just curious, can you tell me how many people throughout the last financial year have gone off on sick leave or workers compensation?

Mr CHAIRMAN: Well, those two for a start, I suppose.

Ms LAWRIE: I see we have sick leave or workers comp here. We have a whole-of-agency rather than specifically for work safety.

Mr TOLLNER: Maybe you could take that question on notice and give us some information back on that on that – we might actually expand it a little bit.

Mr CHAIRMAN: Yes, could you repeat that question.

Question on Notice No 1.20

Mr TOLLNER: Can you tell me how many people employed by WorkSafe have taken sick leave in the last 12 months, or workers compensation, or have resigned their employment? I want to get a bit of an idea about the – that is the question.

Mr CHAIRMAN: That is question No 1.20.

Ms LAWRIE: Sick leave, workers comp and resignations in the last 12 months?

Mr TOLLNER: What reviews have been done in the last 12 months at NT WorkSafe?

Ms LAWRIE: Any reviews?

Ms HULL: There was some information about consultants. There was a consultant employed to do some organisational development work, and that is reflected in our report on consultancies.

Mr TOLLNER: Was that Heather Baker-Smith?

Ms HULL: No, that was not.

Mr TOLLNER: This time last year, we asked questions about Heather Baker-Smith. Is she still employed as a consultant?

Ms HULL: No, she is not.

Mr TOLLNER: No. What was the final cost of her contract, what was the initial estimated cost, and what did she actually do?

Ms LAWRIE: In terms of the expenditure on the Heather Baker-Goldsmith Safety Solutions, which is to support implementation of the *Work Health and Safety Act*, that was expenditure of \$13 175.46.

Expenditure to the 31st of the third 2010.

Mr TOLLNER: How long did that contract go for, the consultancy?

Ms HULL: The amount that the minister just read to you is actually the cost of the consultancy incurred in the year before, but paid this year. There was a dispute about some matters involved in the consultancy. Ms Baker-Goldsmith was actually employed by the agency on a short-term contract during the year before, not on a consultancy.

Mr TOLLNER: Right, okay. Did Heather Baker-Goldsmith provide a report of the work she did?

Ms HULL: No, she did not. She was employed, amongst other things, to design, develop and deliver training courses around the implementation of the new *Workplace Health and Safety Act*, and the legacy of that is not in the form of a report, but in the form of those training courses, which we now pick up and deliver ourselves.

Mr TOLLNER: The other consultancy that you mention is a guy called Walter Bellham. What was his consultancy again, can you ...

Ms HULL: It was an organisational development consultancy.

Mr TOLLNER: What was the cost of his consultancy?

Ms HULL: \$22 500.

Mr TOLLNER: And did he provide a report?

Ms HULL: Yes, he did.

Mr TOLLNER: Briefly, what were the findings in his report?

Ms HULL: Briefly, the findings covered things such as organisational structure, training, development, succession planning, consulting, that kind of thing, so it was a general organisational development review.

Mr TOLLNER: Did he find any shortcomings in the current system, the current organisational structure and the people involved in it?

Ms HULL: He certainly made a series of recommendations. Whether you would identify them as shortcomings or not, I am not sure. I would not describe them in that way.

Mr TOLLNER: Would it be possible to table that report?

Mr SHANAHAN: What we did when we got the report, it identified individuals and we did not want that floating around, but we did have a version of the recommendations which was sent to the staff and we could easily provide that if you wish.

Mr TOLLNER: All right, that would be good.

Question on Notice 1.21

Mr CHAIRMAN: Is that on notice? So if you could just state that concisely for Hansard.

Mr SHANAHAN: We will provide a copy of the organisational assessment recommendations.

Mr CHAIRMAN: For *Hansard* that is question 1.21.

Mr TOLLNER: I have heard stories that the court identified serious concerns at a management level of WorkSafe. Is there any truth to that?

Mr SHANAHAN: As the Chief Executive Officer, since WorkSafe has come to us I have worked very closely with the Executive Director to try to move the culture along a bit and, from where I sit, I do not have any concerns with the organisation.

Mr TOLLNER: I am not asking whether you do, Mr Shanahan, with all due respect. Did Walter Bellam have any concerns with senior managers within WorkSafe?

Mr SHANAHAN: It is like the Executive Director answered it. It is more he made suggestions on how to improve things, and WorkSafe actually undertook to implement those, and that is what we have attempted to do, and that is why we have worked closely with ...

Mr TOLLNER: So he had no sort of identified concerns with management?

Mr SHANAHAN: Not particularly, no. There were general concerns, ways of improving the way they went about their business, which is what we worked on.

Mr TOLLNER: I am lead to believe that there has been an appeal recently against an appointment within WorkSafe about an individual. Can you tell me who that is?

Ms LAWRIE: Mr Shanahan. We do not identify individuals but I did identify the position classification in terms of employment and that there was an appeal.

Mr SHANAHAN: There was an appeal and the appeal was rejected, as I understand it.

Ms LAWRIE: Not on (inaudible). So it has been resolved.

Mr SHANAHAN: It has not come through OCP.

Ms LAWRIE: OCP manage that grievance process, the appeal process?

Mr TOLLNER: Up until 30 June last year, in a question on notice from the member for Goyder, you said that there were 12 new investigations arising from workplace fatalities in that year and you said that none of those 12 investigations had led to a finalised prosecution as at 30 June last year. Can you give us an update as to what is happening with those 12 investigations, and are there others that have commenced since 30 June last year?

Ms HULL: Yes. There have been a further 11 investigations regarding fatalities this year. Of those, so if I deal with those first, if that is useful?

Mr TOLLNER: Sorry, we are talking about 11 new ones this year or you are talking about 11 of the 12 from the previous year?

Ms LAWRIE: Pretty clear, eleven further.

Ms HULL: Yes.

Mr TOLLNER: Oh, 11 further, sorry, I just needed clarification.

Ms LAWRIE: It is all right. So that word further means.

Ms HULL: So, if I could go to those, there were 11 of those. Six of them were actually, upon investigation, determined not be arising out of the course of employment, so there was no further action on those. Two of them fell within the jurisdiction of the Transport Safety Bureau, and so that left three, and three of those the investigation is currently ongoing in terms of leading up to a prosecution.

Mr TOLLNER: So, just correct me again. I know you did say further, but you are saying that there is another 11 investigations into fatalities this year?

Ms LAWRIE: Yes. Specifically for the period of 1 July 2009 to 28 April 2010, there were 11 new investigations arising from a workplace fatality as you have heard.

Mr TOLLNER: What is happening with the 12 investigations that were identified up until 30 June last year? Has there been any move towards prosecutions?

Ms HULL: Yes there are currently three prosecutions on for this calendar year and two of those arose out of the previous year. The profile, I do not have the specific details with me but it is easy to get that if the minister is so inclined, but the profile is generally the same that of the number that we investigate a relatively smaller number are the ones that we actually end up taking further.

Mr TOLLNER: Out of total investigations, not just ones that stem from fatalities, but totally, how many investigations have led to a person or a corporation or an agency receiving fines, warnings or any other discipline under (inaudible) this year?

Ms HULL: There is currently one that I am advised that is not appropriate to comment because it is still an active prosecution. A second prosecution was against Panoy Pty Ltd under the *Work Health Act* and that concluded in March of this year. The matter related to the death of a worker who fell from the tray of a utility. The company was convicted and fined \$60 000.

Mr TOLLNER: How many organisations are now registered to train workplace safety officers in the Northern Territory?

Ms LAWRIE: Ms Hull.

Ms HULL: If you mean health and safety representatives appointed under the *Workplace Health and Safety Act* there are now five.

Mr TOLLNER: I think that last year it was the Chamber of Commerce...

Ms HULL: Yes, it was two last year.

Mr TOLLNER: Yes, that is right. Who are the other three?

Ms HULL: There is IFAT, and the Charles Darwin University, and Darwin Computer Academy.

Mr TOLLNER: What percentage of Northern Territory businesses have a trained workplace safety officer in accordance with the act?

Ms HULL: If, again, you mean trained workplace safety officer, a health and safety representative, we do not know the exact number because there is no requirement under the act to report. However, as

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we identified last year those organisations who are accredited to provide training are required to provide an annual report. One of those reports is now due. We have not yet received it. But what I can say is that our estimate based on information provided to us by our own inspectors when they visit workplaces and contact made by those elected health and safety representatives to WorkSafe, there are approximately 100.

Mr TOLLNER: Just on that incident with gimby maybe I can give you a question on notice. I do not think you will have the answer with you now but how many training courses are you aware of that have been done for WorkSafe safety officers or work health representatives I think you call them?

Ms HULL: Health and safety representatives.

Mr TOLLNER: Health and safety representatives. How many of them have been done in the last year? As you say, you have not received the reports yet so I will give it to you on notice if that is okay and we can. ...

Ms HULL: Yes, it may be some time before I am able to provide that to you ...

Mr TOLLNER: That is quite okay.

Ms HULL: ... because it is one year after accreditation that we require the report, you see. So there were only two accredited last year and only one of those is currently due. The other is due in the next few weeks. The other three will be due the year after. So I am not quite sure how to handle that.

Mr TOLLNER: Can I get that information for those two that you are talking about, the one that is coming in, in the next few weeks, plus the one that has already been done?

Ms HULL: If the minister is okay with that?

Ms LAWRIE: Yes, I am fine with that.

Mr TOLLNER: How many training courses are you aware of that have been done for health and safety?

Ms LAWRIE: Just a point on that. It will not be question on notice because the reports are not in yet. What I am undertaking on the public record is that when the reports are in we will provide that information.

Mr CHAIRMAN: Are you comfortable with that?

Mr TOLLNER: Yes, I am comfortable with that.

Mr CHAIRMAN: Let us move on.

Mr TOLLNER: Have you got a receptionist yet?

Ms HULL: No, we do not have a receptionist. We actually have eight people who are responsible for answering the front of house inquiries. The member for Fong Lim might be happy to know that we now have an electronic buzzer installed.

Mr TOLLNER: How do you know if there is someone who has an ...

Ms LAWRIE: An impairment?

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Mr TOLLNER: An impairment, yes.

Ms LAWRIE: Like they cannot see the buzzer and they cannot feel the buzzer?

Mr TOLLNER: That is right.

Ms LAWRIE: I think that was the query last time.

Mr TOLLNER: Yes, that is right. How does somebody who has that sort of impairment cope? Can you guarantee that situation never happens again?

Ms HULL: The point I would like to make is that WorkSafe is not actually a shopfront organisation. The majority of our transactions with the public are undertaken via the Territory Business Centres throughout the jurisdiction. Those clients who come to the front of WorkSafe without a previous arrangement or without previous invitation, are very small in number.

I am not aware of any complaints about anyone ...

Mr TOLLNER: Apart from one.

Ms HULL: I do not know if the member for Fong Lim has been to our office, but it is huge glass doors. You can see someone quite easily there. The access door is also the only way in and out of the building and to the rest rooms etcetera. So, there is quite a flow of people through that area.

Mr TOLLNER: Well, I can assure you I have only heard of the one complaint.

Ms LAWRIE: Maybe that is a 99% satisfaction rate otherwise.

Mr TOLLNER: Last year, minister, you volunteered that the NT WorkSafe was implementing safety awards. You announced that last year. Could you tell me who the inaugural winner was?

Ms LAWRIE: I did not actually announce any awards last year because I was not ...

Mr TOLLNER: Part of estimates - well, somebody from the department. I have it from questions that I asked last year. There was an intimation there would be Northern Territory WorkSafe Safety Awards.

Ms LAWRIE: I was not aware of that one. Ms Hull?

Ms HULL: On my readings of the transcript from last year, the minister announced a range of initiatives aimed at improving communication and awareness, and one of those was the safety awards. We have not yet commenced them. We hope to do so in the near future. There is a fair bit required to launch the awards, and it has actually turned out to be a larger undertaking than we initially thought.

Mr TOLLNER: Have you allocated or budgeted any funds for the hosting of such an award?

Ms HULL: Not in this year.

Mr TOLLNER: Is this something you are dead keen on doing in the future? Or is it just a maybe?

Ms LAWRIE: It is a body of work I am prepared to look at, but it is not on the top of the list. The top of the list is getting the inspectors out inspecting the places and promoting Occupational Health and Safety, and getting health and safety representatives trained.

Mr PURICK: Just a couple of questions, minister. How many electrical contractors are there, or electrical contracting people employed within the WorkSafe?

Ms LAWRIE: It is a strange question. I think you are talking about how many inspectors are there in WorkSafe.

Ms PURICK: Yes.

Ms LAWRIE: Okay, there are 27 on-site inspectors.

Ms PURICK: What about in Alice Springs? How many people employed in Alice Springs who get to do site visits and look at electrical problems?

Ms HULL: Currently, one.

Ms PURICK: Is that one position or one person? I understand the person has recently resigned.

Ms HULL: There are two positions. There is currently one person employed.

Ms PURICK: Are you looking to fill the other position as soon as possible?

Ms HULL: We are always looking to recruit electrical inspectors. You will see from your written question etcetera, that the minister has answered it is an area we do have difficulty filling. We currently have five people employed of seven positions. It is an area that we constantly recruit for. It is not easy to recruit, because, despite lots of effort to improve the wage ...

Ms PURICK: I understand. That is enough, thanks. In the workplace safety inspection summary that we have, it has from 1 January 2009 to the end of last year, 300 site visits to mining operations. Are you able to break that down into which mines the officers went to and on how many occasions? I am happy for you to take the question on notice.

Ms LAWRIE: Yes, put it on notice.

Mr CHAIRMAN: Just quickly, then, for on notice.

Question on Notice No 1.22

Ms PURICK: Of the 317 site visits, break down as to which mining and/or exploration and/or onshore patrolling sites were visited?

Mr CHAIRMAN: That is No 1.22.

Ms LAWRIE: Just one minute ...

Mr TOLLNER: Well, in actual fact ...

Ms LAWRIE: Just one minute.

Ms HULL: That was for the 2009 calendar year I think ...

Mr TOLLNER: That is right, yes.

Ms HULL: So, if you want to make it contemporary?

Ms PURICK: Contemporary, okay.

Mr CHAIRMAN: That is question No 1.22

Question on Notice 1.23

Ms PURICK: And the other question on that, in regard to education, could I have the same for the education category: what schools were visited, what education establishments were visited, or site visits in the same period for the last year?

Mr CHAIRMAN: And that is question number 1.23.

Mr CHAIRMAN: Are there any more questions? That is it.

A member: What about Gerry?

A member: Gerry is gone!

Mr CHAIRMAN: It is 4.29 PM, we actually started a minute early, so that has ended up being a nice, neat way to finish. Thank you, minister, for your time, thank you, all your officials for your help there. We are now having an exchange of ministers and Madam Speaker.

Ms LAWRIE: Thank you to committee members.

Mr CHAIRMAN: We will have a quick tea break as the committee changes over.

The committee suspended.

ESTIMATES COMMITTEE - Friday 11 June 2010

Madam DEPUTY CHAIR: Madam Speaker, do you have all of your staff here? Right, we have a quorum so we will get started. I welcome Madam Speaker and invite her to introduce the officials accompanying her.

Madam SPEAKER: Thank you very much, Madam Deputy Chair. I introduce the Clerk of the Assembly, Mr Ian McNeill; the Deputy Clerk, Mr David Horton; the Director of Parliamentary Services, Vicki Long; and the Chief Financial Officer, Mr Jeff Thomson.

Madam DEPUTY CHAIR: Thanks, Madam Speaker. In relation to the proposed expenditure contained within the Appropriation Bill 2010-2011, do you wish to make an opening statement with regard to the Legislative Assembly of the Northern Territory?

Madam SPEAKER: Yes, I would. I am pleased to advise that the Department of the Legislative Assembly is on track to meet its budget for 2009-10 and I place on record my thanks to parliamentary officers for their excellent work this year.

2009-10 has been a very busy year for my department with a number of items I would like to highlight.

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In the area of committees, the Statehood Steering Committee has commenced a year-long series of forums regarding constitutional development which we complete in November 2010. Funding for 2010-11 is \$1.1m.

A sessional committee, the Council of Territory Cooperation, was established on 14 October 2009 and it has met 31 times for meetings and public hearings, and it has also travelled to many remote communities as part of its investigations. The committee is funded by a Treasurer's Advance of \$300 000 for this financial year, and \$600 000 as an appropriation for the 2010-11 budget in the department.

In November 2009, the Assembly met in Alice Springs for the fourth regional sittings of the Legislative Assembly. The sittings in Alice Springs was a major logistical exercise for the agency, which required extensive planning, as well as considerable effort on the ground, and it cost \$341 000.

I thank all parliamentary staff involved with the very successful sittings in Alice Springs. Work at improving the Chamber's sound and vision system continued with the upgrade of the digital cameras to enable broadcast on to the Internet. There is currently an upgrade of the sound system happening, and next financial year we will see the conclusion of the project, and \$900 000 has been allocated for 2010-11 for this project.

Asset management planning has been undertaken to ensure minor new works and repairs and maintenance funding is applied as required to ensure the ongoing operability and appearance of the building is maintained at a high level.

In addition, work continues to ensure the parliamentary precinct remains well-maintained and safe to the general public. Including, for example, the removal of dangerous trees and replanting with native trees.

One of the highlights of the work at the Legislative Assembly is the parliamentary education and awareness program which continues to engage more school students and the general public. Over 185 tours at Parliament House were held with more than 2654 students and 2108 general public participants. School visits were conducted with around 742 students.

Separate to this, 570 Centralian School students visited the Alice Springs regional sittings in November 2009, and a further 400 students attended activities associated with celebrating Commonwealth Day in March 2010.

The adult education program called *Know your Parliament* delivered sessions for community groups and organisations. The *Democracy at Work* program also provides new Australian citizens and senior school students with an in-depth understanding of parliament, and has been delivered in co-operation with the Northern Territory Electoral Commission and education staff from the Northern Territory Supreme Court.

The parliament held its first Open Day in August 2009 with more than 800 visitors. The department liaised with Government House and the Supreme Court for this inaugural State Square Open Day. This will now be a permanent fixture on our annual calendar.

Thank you very much, Madam Deputy Chair.

Madam DEPUTY CHAIR: Thank you, Madam Speaker. If I could introduce the current members who are sitting at the table: the member for Port Darwin, Mr Elferink; the member for Braitling, Mr Giles; the Leader of the Opposition and member for Blain, Mr Mills; and I am the Deputy Speaker; the member for Arafura; and the member for Nelson. Having said that, I will look to my left to see if there are any questions of Madam Speaker in relation to the statement.

Mr MILLS: Oh, in relation to the statement.

Mr ELFERINK: Has the retiring Deputy Clerk been referred to the Nuremburg tie crime trial?

Madam SPEAKER: Can I just say, Madam Deputy Chair, that, in fact, that is apparently not a pink tie. The Deputy Clerk has advised me that it is cerise. I very sadly said that it was pink and he was very upset.

Madam DEPUTY CHAIR: Are there any questions relating to Madam Speaker's statement?

Members: No.

Madam DEPUTY CHAIR: The committee then will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2010-11 as it relates to the Legislative Assembly of the Northern Territory.

Agency Specific (Whole-of-Government Related Questions) Budget and Fiscal Strategies

Madam DEPUTY CHAIR: I will now call for questions on Agency Specific (Whole-of-Government Related Questions), Budget and Fiscal Strategies, and then to Output 1.0, Parliamentary Services.

Mr MILLS: Thank you, Madam Chair. The questions are generic and I have a few of those so we will just go through these to start off then we will just move into the non-specific output group and then I have questions on the outputs 1 brief.

Madam Speaker, how much was spent on advertising by the department this financial year and on what projects and in what medium?

Madam SPEAKER: The department has spent \$35 478 on advertising and I can actually tell you what the advertising was for. It was for death notices and parliamentary sittings advertising, advertising the Portrait of a Senior Territorian; and the Parliamentary Relations and Education project in the Alice Springs sittings. That part was \$35 478. In addition to that, we had advertising directly related to the Statehood Steering Committee - I have separated that because it is a different project - and the Council of Territory Cooperation was \$6693.

Mr MILLS: Statehood was a part of the 35 was it?

Madam SPEAKER: No, that is separate. Statehood was \$54 809. I am happy to table that document if you require.

Mr MILLS: Madam Speaker, how much was spent on consultants this year, for what projects? And if there were reviews or reports, how many were undertaken and how many have been finalised and made public?

Madam SPEAKER: The department has had three consultancies, one for Kim Groves and Associate for \$5001. This is employee counselling consultancy and mediation. There was another one for employee assistance services for a similar counselling service for \$1950. There was one from Scottish Pacific Business Finance which was for workstation occupational health and safety assessment which (inaudible) 17 so the total there was \$8268.

On top of that, in relation to the Statehood Steering Committee, there was \$572 for a statehood interpreter and translation service, and for the company, Erbus, to facilitate the Statehood Steering Committee forums and that is for \$49 910.

Mr MILLS: I am interested in the translation. Is it \$500, did you say?

Madam SPEAKER: \$572.

Mr MILLS: What languages?

Madam SPEAKER: That was for the forums. As you would be aware, Leader of the Opposition, this year we are having a series of forums across the Territory and so when we are going into remote communities we are making sure that people can understand what we are saying. For example, I was at the forum in Mutitjulu and another one in Yuendumu, and we had people who were able to translate what was being said. So that is the way it was used.

Mr MILLS: So it is oral translation; it is not written?

Madam SPEAKER: That is right.

Mr MILLS: Thank you. Madam Speaker, how many staff does the department have as full time equivalents and, in actual numbers of staff, what are their classification levels and what was the rate of staff separation at each level?

Madam SPEAKER: Full time equivalent is 104 staff. That is 104 which includes the 25 members and the 25 electorate officers.

Mr MILLS: Oh, electorate officers?

Madam SPEAKER: Yes.

Mr MILLS: Classifications?

Madam SPEAKER: Classifications, the electorate officers are all AO5s on this list, but I do have a list of all of the staff, which I am happy to table.

Mr MILLS: And separations too, by level?

Madam SPEAKER: It actually has on the list what the levels are.

Mr MILLS: Separations and at what level?

Madam SPEAKER: Separations we have to take on notice.

Question on Notice No 2.1

Madam DEPUTY CHAIR: You need to repeat the question for the benefit of Hansard please.

Mr MILLS: Okay. I will say the whole question; parts of it have been answered. How many staff the department has as full-time equivalent (FTE) and in actual numbers of staff? What are their classifications or levels? What was the rate of staff separation at each level?"

Madam SPEAKER: So, I answered the first two parts of that question, so if I can just take on notice the part relating to the separations, Leader of the Opposition.

Mr MILLS: Okay, happy with that.

Madam DEPUTY CHAIR: Thank you. For the benefit of Hansard that is question No 2.1.

Mr MILLS: Madam Speaker, the efforts of the agency in the greatest moral crisis of our time: what is the reduction of carbon emissions by the department this year versus next year - that is, this financial year moving into the next financial year - and specific measures that were undertaken this year to reduce carbon emissions? What will be undertaken next year? With that, what is the carbon reduction target for next year? There is a fair bit in there I can go through it again, if you wish.

Madam SPEAKER: Did you actually want to know what our CO2 emissions were?

Mr MILLS: First up, what was the reduction in carbon emissions by this department this year? This financial year?

Madam SPEAKER: The target for this year - and we are on target - is 2310, and for next year, 2080 is our target.

Mr MILLS: 2080? Okay. What were the specific measures that were employed this year to help arrive at that target?

Madam SPEAKER: There were the lamp and light fittings in selected areas replaced; mercury vapour lamps with metal haloe lamps installed; PE cells in selected areas; install seven-day timers on boiling water units; install solar-reflective tinting on windows in selected areas; replace portable water pumps with VFD motors; install new curtains to reduce heat entry; install carbon monoxide centres in undercover car park with VFD fans.

Mr MILLS: There is a question I have always wanted to know the answer to. Coming in on the weekend, there is a big noise. It is like some screaming fan. What is it?

Madam SPEAKER: I am going to ask the Clerk to answer that.

Mr WOOD: And late in the evening, too.

Mr McNEILL: About five years ago, I asked the same question ...

Mr WOOD: Only five years?

Mr McNEILL: I must relate the exact circumstances. We installed what was called a low-load chiller, which comes into operation when there is less demand on the air-conditioning in the building - most often after hours, and certainly at weekends.

I came to work one weekend and parked downstairs and was confronted for the first time with that high pitched siren-like sound. I immediately raced up to the security people and told them there was an alarm going off downstairs, call the fire brigade. I was reassured it was, in fact, the low-load chiller. I consulted the then Building Manager – you all recall Mr Derek Stafford - and he assured me that all low-load chillers made a similar noise. I suggested that some hotels would probably go broke if they had a similar low-load chiller emitting that sort of noise; it would not be appropriate. I have been assured since by the current Building Manager that, perhaps, Derek Stafford inadvertently misled me, and we are looking at some means of ameliorating the sound. It is just a matter of location and the calibration of the equipment with that. That is the cause of the noise. It is obviously a discomfort to people, and I am sure to people passing by, but there is no risk or deleterious effect on the operation of the equipment.

Mr MILLS: I am glad we have had that cleared up, because it has bugged me for years. I have never stopped to ask. If it is on a weekend, I come in, and I have had someone with me last weekend, and the look of alarm on their face, and I have just gotten used to it and never bother to asked what it was, but it does sound concerning. I am glad we have had that cleared up.

Ms SCRYMGOUR: You could have asked a question on the floor of parliament.

Mr MILLS: I know. You have described specific measures this year. To arrive at your target next year, or a better target than this year, 2081, what additional measures will be employed to help you arrive at next year's target?

Madam SPEAKER: The Energy Management Project undertaken will, of course, increase chilled water and temperature for the air-conditioning system by two degrees; further minimise air-conditioning operation allowance by another 30 minutes per day; replace 90 bay car parking lights with metal halo lamps and electronic control gear; replace all the in-ground out-lights with 50 watt hps lamps with electronic control gear in lieu of 120 hps; install a separate fan coil unit to the Palmerston Room. Now, we only supply chilled air to 45 m², not 390 m² as it was before, and currently we are also installing the lead lighting to committee areas. Lead lighting uses 75% less power than existing lamps, and we are minimising external lighting by one hour per day.

Mr MILLS: Thank you, Madam Speaker. How many vehicles does the department have, what type of vehicles are they, and what positions are they held against? And, what are the levels of these positions?

Madam SPEAKER: We have seven vehicles held by the departmental staff. They are for senior executives within the department, so the levels are an ECO5, 3 ECO2s, 1 ECO1, and 2 EO1s.

Mr MILLS: And those types fit within the prescribed ...

Madam SPEAKER: They all fit within the (inaudible).

Mr McNEILL: That is outside the ECO4/5 (inaudible)

Madam SPEAKER: Yes, I will answer that. Except for the Clerk's car, which is a four-wheel drive, with the reason being that, when the member for Casuarina, who had a four-wheel drive, decided he wanted to take the allowance, and so then we had to do something with that car. If we had to pay it out, it would have been \$18 000, and so we decided that we would reuse it within the department, and the Clerk was fortunate to receive that car.

Mr MILLS: So he stepped up to the plate.

Madam SPEAKER: That's correct.

Mr MILLS: Thank you. The cost of media monitoring. Is any media monitoring done within the agency?

Mr McNEILL: Only in-house.

Madam SPEAKER: Only in-house.

Mr McNEILL: We do have our own interdepartmental media monitoring. One of the junior officers scans the various media outlets that are available on the web, and collates them and publishes them internally. That is just part of her daily routine. We are also able to access the product of the Parliamentary Library Service, which produces a similar extract service, usually with links to the various items, but at the moment, we are not involved in any external agency or service provider providing that service, although you would be aware that there are negotiations and discussions on foot, I think, currently, still to have an across the whole-of-government, opposition, the Department of the Chief Minister, us, and everyone else involved in a monitoring service. I am not sure exactly what stage that was at over the last month or two. As far as I am aware, it has been coordinated by the

Department of the Chief Minister.

Madam SPEAKER: It is not a matter for my agency.

Mr MILLS: Thank you, Madam Speaker. How much was spent on travel by the department? Would you please provide the information in detailed expenditure against each position in the department?

Madam SPEAKER: Obviously excluding members of course, which the schedule of members' travel is tabled each year ...

Mr MILLS: And the *NT News* will publish that.

Madam SPEAKER: I am sure. It would be very interesting, but I do not have any extra figures for members because we only do the one audited lot of travel per year. In terms of fares for staff, the total was \$35 329, and for accommodation for staff it was \$37 422.

Mr MILLS: And against the positions?

Madam SPEAKER: I beg your pardon?

Mr MILLS: A bit more detail, that was a global figure, so ...

Madam SPEAKER: What sort of detail would you like?

Mr MILLS: Against positions, the amount of travel against positions.

Madam SPEAKER: I do not have that here. I will have to take that on notice.

Madam DEPUTY CHAIR: Could you just repeat that for Hansard, please.

Question on Notice No 2.2

Mr MILLS: The amount spent on travel itemised against each position in the department.

Madam CHAIR: Are you happy to take that on notice, Madam Speaker?

Madam SPEAKER: Yes. I would just like to say the majority of the travel, for example, intra-Territory, was for staff travelling to the Alice Springs sittings and in the lead-up to the sittings, so it was for that. Also, \$25 839 of this was actually for Statehood travel, so that is just the staff of the Statehood Steering Committee; and \$6002 was for the CTC, so that was the main thing. In fact, the majority was actually for the sittings.

Madam DEPUTY CHAIR: For the benefit of Hansard, that question on notice is No 2.2.

Mr MILLS: Thank you, Madam Speaker. Does the department have a risk assessment management plan?

Madam SPEAKER: I might ask the Clerk to deal with this one.

Mr McNEILL: We have conducted, under the auspices of our Audit Committee, risk assessment that commenced in December 2008, and that has led to the development of the Audit Coverage Plan for 2008-11 triennium and those plans, the first two years of that, the plan is in place and it has been reported against. A new risk assessment will be conducted prior to the development of the 2010-11

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risk assessment plan. The Audit Committee met three times in 2010 and met the terms of its charter. I do not know whether David Horton would like to add to that; he is Chair of the Audit Committee.

Mr HORTON: I am not sure there is much more I can add to that other, than for the period ending 2009-10, the work plan for that has been achieved and in the process of actually reporting to the Clerk on the outcomes of that program; and the committee is now establishing the program for the coming year as the Clerk mentioned, a revised risk assessment plan. We do have an external person on there who is a qualified audit person assisting us on that.

Mr MILLS: Okay, so I may have missed it at the start. Who developed the plan?

Mr HORTON: The Audit Committee with the advice we received from - we have three members on the Audit Committee and one external person who, I think, is from another agency, Darwin City Council, who is giving the advice in the techniques of conducting that risk assessment.

Mr MILLS: The Audit Committee is in-house?

Mr HORTON: Internal Audit Committee, yes.

Mr MILLS: Someone from Darwin City Council.

Mr HORTON: As an external.

Mr MILLS: Does that take in security risks?

Mr HORTON: It does cover that, although primarily it focuses mostly on compliance issues as a priority.

Mr MILLS: OH&S?

Mr HORTON: It is basically broken down to a number of those issues of which there are compliance issues and then there is security, OH&S type issues.

Madam SPEAKER: Can I just interrupt there. I think also that if you are interested in security and things like that, a lot of those things actually go through the House Committee as well, so there are different levels on which we deal with issues.

Mr MILLS: So, an OHS risk assessment plan. That is the main focus of it.

Mr HORTON: Well, the focus has been primarily with the compliance issues for the department. However, there are a number of other issues that are also part of that risk assessment plan.

Mr MILLS: Thank you. Madam Speaker, what is the department's lost time injury frequency rate for the last year, and how does that compare to the previous year? How many staff are currently on workers' compensation?

Madam SPEAKER: I have to take that question on notice. There are no staff on workers' compensation. I have to take the other part on notice.

Question on Notice No 2.3

Madam DEPUTY CHAIR: Leader of the Opposition, could you just repeat that question please, so I can record it?

Mr MILLS: What is the department's lost time injury frequency rate for the last year and how does it compare to the previous year. That is it, I guess. That is near enough.

Madam DEPUTY CHAIR: You are happy to take that question on notice, Madam Speaker?

Madam SPEAKER: Yes.

Madam DEPUTY CHAIR: For the benefit of Hansard that is question No 2.3.

Mr MILLS: Now moving on to non-specific.

Madam DEPUTY CHAIR: So, they were generic questions, Leader of the Opposition? So we are going to Output Group 1.0, Parliamentary Services?

Mr MILLS: No, we are still with the agency-specific, which is Budget Fiscal Strategies.

Madam DEPUTY CHAIR: Okay, yes, so, we have not actually got into the output groups yet?

Mr MILLS: No. That is correct. How many vacant positions, Madam Speaker, are there in the department as a whole?

Madam SPEAKER: There are seven vacant positions.

Mr MILLS: How long, in total days, have those permanent positions been vacant in the department?

Madam SPEAKER: Sorry?

Mr MILLS: For how long, in total days, have permanent positions been vacant? There are seven vacancies; how long, in total days, have they been vacant?

Madam SPEAKER: I have to take that question on notice.

Mr MILLS: Long period of time? Anyway I will take it on notice.

Madam SPEAKER: I can give you more detail. I am quite happy to actually table this document relating to vacant positions and unattached officers, which may give you more information. For example, there is an AO3 in Parliamentary Services, and the nominal is on higher duties elsewhere. There is an AO4 in the PREU who has just vacated, and the committee's previous officer is on maternity leave. There is an AO5 in Hansard, nominal officer on higher duty elsewhere, and the position is being covered by a casual. There is an AO6 with the CTC, which is a newly created position. There is an AO7 in committees, which is a nominal on secondment elsewhere, and there is an AO8 in committees, a nominal went on extended leave, position being reviewed. Is that sufficient information?

Mr MILLS: That is. The total number of days that those vacancy has existed for - happy to take that on notice?

Madam SPEAKER: Yes.

Madam DEPUTY CHAIR: Total number of days?

Question on Notice No 2.4

Mr MILLS: How long, in total days, have permanent positions been vacant for in the department?

Madam DEPUTY CHAIR: And you are happy to take that, Madam Speaker?

Madam SPEAKER: Yes.

Madam DEPUTY CHAIR: for Hansard, that is question No 2.4.

Mr MILLS: In relation to vacant positions, Madam Speaker, what is the recruitment action undertaken, and the selection processes around those recruitment actions?

Madam SPEAKER: There are two currently with the selection process. Is that what you are asking me?

Mr MILLS: Yes.

Madam SPEAKER: There are two that are currently being processed through that selection process.

Mr MILLS: And what are the recruitment actions - ads in the paper?

Madam SPEAKER: I pass over to Vicki Long.

Ms LONG: Yes, one job has been advertised and is about to be short-listed. The other position is being reviewed and will shortly be advertised.

Mr MILLS: What do you mean by 'position being reviewed'?

Ms LONG: It is a position in the committee area,

Madam SPEAKER: As you would be aware, as well, Leader of the Opposition, there is a review of the department at the moment, which all members have been invited to take a part in. Obviously, in terms of jobs that exist, we are looking at everything - who is doing what, how we might fill positions; all that sort of thing. This is all part of that process too.

Mr MILLS: Sure. How many staff are employed on temporary contracts?

Madam SPEAKER: I hand over to Vicki.

Ms LONG: We have five people on executive contracts, which are temporary contracts of a sort. Apart from those five staff we have three staff on temporary contracts. We do have some other staff who are actually on secondment from other agencies but, in temporary employees, there are three.

Mr MILLS: I missed that. You said that there were three. I heard there were five executive.

Ms LONG: Five executive contract officers who can be deemed to be on temporary contracts. Then, apart from them, three staff.

Mr MILLS: Then, the others who are from other departments; they are not counted in that?

Ms LONG: Well, they are permanent employees of the NTPS, so we have not counted them as temporary.

Mr MILLS: How many of those are there?

Ms LONG: I would have to look at that, yes. I can take that on notice if you want.

Question on Notice No 2.5

Mr MILLS: The question is how many officers, employees are working in the Department of the Legislative Assembly who have a substantive position is outside the Department of the Legislative Assembly? Is that the correct question?

Ms LONG: Yes.

Mr MILLS: Okay.

Madam DEPUTY CHAIR: Happy to take that question on notice, Madam Speaker?

Madam SPEAKER: Yes, that is fine

Madam DEPUTY CHAIR: For Hansard, that question is No 2.5.

Mr MILLS: Madam Speaker, in the current year, 2009-10, how many positions have been advertised by expressions of interest?

Madam SPEAKER: We will have to take it on notice.

Question on Notice No 2.6

Mr MILLS: Then I will ask the question again. In the current year, 2009-10, how many positions have been advertised by expressions of interest?

Madam DEPUTY CHAIR: Happy to take that question, Madam Speaker?

Madam SPEAKER: Yes, I am.

Madam DEPUTY CHAIR: For Hansard, that question is No 2.6.

Mr MILLS: In the current year, 2009-10, how many contracts have been extended, broken down by the number of times extended? Is there anyone on temporary contract whose time has been extended?

Madam SPEAKER: Two.

Mr MILLS: And how many times have they been extended?

Madam SPEAKER: It is actually my staff in the Speaker's Office ...

Mr MILLS: It is all right. No one has necessarily done anything wrong.

Madam SPEAKER: No, no, no. Of course, because the Office of the Speaker is somewhat different to the rest of the department, my staff are on temporary contracts as they are not permanent parliamentary officers, in a similar way that electorate officers are not. They are the only two. Each time their contract comes up every couple of years, so that is why they are extended. It is actually quite different to the rest of the department. It is because I am a member of parliament.

Mr MILLS: Have there been any positions that have been reclassified in the department? I understand there has been a review conducted so, have any of those positions been reclassified - existing positions changed during the year?

Madam SPEAKER: I believe there has been one; that is, the position of the Executive Officer to the Clerk which has gone from an AO7 to an AO8 after a JES process.

Mr MILLS: Thank you. Now, an important area is that which is spent on training and skilling employees. Can you describe to me the training programs, the upskilling of employees, the investment in those who work - apart from MLAs - the program for training and upskilling?

Madam SPEAKER: I will hand that over to Ms Long.

Ms LONG: I am sorry, would you mind just repeating the question?

Mr MILLS: Basically, the training program. What investment is there in training, as a discrete project, and activity of the department in the training of those who are in the department?

Ms LONG: We have just developed a training framework which is going to set the future for the training we need to do. We rely on our training needs through our performance development plans, whereby staff will sit down with their supervisors in the context of the work unit plan and look at what their training needs are, and that is linked very much to their business plans.

We do, in the course of the year, also conduct some in-house training as well. So the training that is covered has been areas such as cross-cultural training, minute taking, I would have to get some more information for the rest of that but, essentially, there is an in-house training program, and the rest is on people's personal training needs.

Mr MILLS: When you started, you talked about a plan being put in place. Do I assume from that there was not one before?

Ms LONG: The training plans earlier had really been at the unit level, with some training needs looked at across the whole department. This new training framework looks at a number of levels, so it looks at executive and management level training required there. It looks at the context of training for Parliamentary Officers, so parliamentary training and then across the administrative stream as well. It has really become a more holistic approach as well.

Mr MILLS: That framework has been established in 2009-10?

Ms LONG: It has just recently been established and we plan to implement it in the 2010-11 year.

Mr MILLS: And the budget allocation to that framework and its implementation?

Ms LONG: At this stage, this has not been budget allocated. That would be part of that process.

Mr MILLS: Does that mean that it would be next budget?

Ms LONG: For next financial year.

Mr MILLS: Twelve months time?

Ms LONG: Yes. Up until now, that budget allocation has really been at unit level rather than across the department.

Mr MILLS: Will there be an increase, do you anticipate an increased spend on implementing the elements of that framework?

Ms LONG: It is hard to predict that at the moment. Some of the training, particularly the focus on parliamentary training, we plan to conduct in-house so that there will not be necessarily any additional costs associated with that.

Madam SPEAKER: The Clerk wanted to say something.

Mr McNEILL: There has been a scheme that we have been part of for some, I think it would be 10 to 15 years, in respect of the skilling and development and training of officers who are involved in procedure and practice, as part of an Australian and New Zealand body called the Australian and New Zealand Society of Clerks at the Table, or ANZACATT is the acronym.

There are, apart from an annual seminar and workshop, a range of other exchanges of knowledge in respect of the website. I have been involved in the Case Log Committee that provides a summary of relevant law reports and case reports that relate directly to parliamentary issues and which have an attendant summary and synopsis.

We have also had graduates of the PLPP, which is Parliamentary Law Practice and Procedure, course, which is a university-based graduate course for the equivalent of two semesters. It is currently being done under the auspices of the University of Tasmania. About four people have successfully completed that over the last 10 years.

As well as that, in respect of practice and procedure, we conduct regular pre- and post- sittings seminars in-house for people in and around the Chamber and committee proceedings. That effectively, I guess, is our in-house module for swapping of knowledge and giving any officer who is interested an opportunity to participate, get briefed, ask questions, and to be made aware of what we have been doing and any relevant other issues.

Mr MILLS: Is that a formal or an informal ...

Mr McNEILL: Fairly informal, but, where it is appropriate, I publish the transcripts of what I might have said. Sometimes there are dot points published, but they are reference material.

Mr MILLS: Then they are disseminated to all staff if they are interested, in fact.

Mr McNEILL: Yes, if they are interested in attending.

Madam SPEAKER: Also, Leader of the Opposition, there are programs for electorate officers which are 25 of our staff, and Mr McNeill will give you a bit more information about that as well.

Mr MILLS: That will be fine, I am aware of that. Back to the department, is the framework, and I have in mind saying farewell to Captain Horton, what is clear to me is the need to be reassured that there is succession planning, and that a training framework - I would like to understand the connection between a training framework and the need for succession planning.

Madam SPEAKER: Leader of the Opposition, can I just say I agree with your concerns there and it is

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one of the reasons why we are reviewing the department, as well, and looking at what gaps we have and trying to make sure there is training for people and proper structures in place so we can maintain an efficient department.

Mr MILLS: Thank you, Madam Speaker. Is the framework that has been described, is that a step toward addressing that issue?

Madam SPEAKER: In my opinion, only in a small way. I think that we are still working on how we can best deal with that succession planning item, which I think is a major issue for my department.

I am hoping that in the next month we will have something ...

Mr MILLS: What type of things in addition to a training framework would you be considering, Madam Speaker?

Madam SPEAKER: Well, I guess you have to identify the sorts of people that are appropriate for different positions; so it maybe within the department the kinds of levels; for example, if we mainly junior officers who are doing excellent work, perhaps they are not actually suitable to one day be the Clerk, or the secretary of a committee. So, we have to, I think, as part of the review process make sure that we have in place positions which are intermediate ones so that people can actually have a career path in the parliament, would be my view. That is one of the things which I think is very important in this review of the department.

Mr MILLS: I agree. I am asking the questions and wanting to see whether the connection between the funding that is being allocated and used in the units, does that connect to the issue of the need for succession planning? Those that are in units, do they have an idea of their - I know it is a small department - path, their connection to the bigger story.

Mr McNEILL: I think I can expand a little in that our three-year strategic plan for the operation of the department has recently been concluded after a series of workshops using the previous three-year plan as a template. It was fairly unanimous and an outcome that is recorded now in the Strategic Plan that succession planning was a priority issue and to be addressed in business plans for each unit and, ultimately, contribute to a departmental framework that Vicki has briefly mentioned, in part, in her response.

Those business plans and the Strategic Plan will form the substance of my performance reporting agreement with Madam Speaker, which I report to her quarterly so, from the end of this month succession planning and what has happened, what is going to happen, will be identified and reported by me to her and the Chief Minister in accordance with my contractual arrangements from June on, in that specific area.

And, if Madam Speaker is comfortable, and if there is demonstrated interest by yourself, and other members, I am more than happy to apprise all members of the Assembly exactly what we are doing in that particular direction.

I guess, with succession planning, everyone has marginal sort of variations of what it means to different people. In our case, it is ensuring or, I guess, narrowing the definition to ensuring the people we have on the staff are given every opportunity to develop and establish and continue their longer term careers in the Legislative Assembly.

However, the way that the dynamics of the workplace at large operate these days, it is more often than not that people move from agency to agency and, in the parliamentary environment, the only upside to that is that there has been, in recent years, a tendency for people to move from parliament to parliament to further their careers. In our turn, we have had two officers who have left us to further their careers at higher levels in the Commonwealth parliament. I guess that would be some evidence of our developmental process and on the job training has had some success in the past but will be far

more formal, focused and concentrated in the near future because it is now an object that I am bound to report to Madam Speaker on every three months.

Mr MILLS: Thank you. In what we have now, there is a description of a framework; there is training at the unit level. How much is allocated for training at the unit level?

Ms LONG: At this stage, that is to the unit managers to organise their own budget for training and we have, rather than looking at budget per se, we look at the training needs across the agency and fit within that framework.

Mr MILLS: So is there a global figure that you would be able to provide that goes toward training?

Ms LONG: We could provide you with the expenditure year to date on training.

Mr MILLS: Thank you, I will take that. So, do I need to say that question?

Madam CHAIRMAN: Is this a question on notice that we are taking?

Mr MILLS: Yes.

Madam SPEAKER: Thank you.

Question on Notice No 2.7

Mr MILLS: So, what is the amount that is allocated to training?

Madam CHAIRMAN: Madam Speaker, happy to take that question on notice?

Madam SPEAKER: Yes, I will just make the comment that it probably varies from year to year because it is done under units. It may be that some units might only spend a small amount and the next year spend a bit more.

Mr MILLS: Thank you Madam Speaker Just so that you know, my interest will be in what is this amount and what will be the next amount when we have a new framework and measuring the two to see whether activity at the unit level connects to the framework if there is an additional expenditure and it addresses the succession planning issue. So it is a forward matter rather than going backwards. Thank you.

Madam CHAIRMAN: That was question No 2.7.

Mr MILLS: Madam Speaker, it is my understanding that the Clerk and the Deputy Clerk are appointed by the Administrator. Is that correct?

Madam SPEAKER: No, I think that is not correct. The current Clerk was appointed by the Administrator in 1993 and, later in 1993, the parliament changed the legislation for the *Public Sector Employment and Management Act* and, as part of that change, the Clerk of the Assembly was not included as an officer appointed by the Administrator.

Mr MILLS: What instrument enables these appointments? It is quite a unique position in the public sector and what instrument enables the position? Is it the Public Service Act? It really could not go under a minute.

Madam SPEAKER: It is the Public Service Management Act, isn't it?

Madam DEPUTY CHAIR: Employment Management Act, yes.

Mr MILLS: Rightio.

Mr McNEILL: That act is presently under review and we are participating in that review and, in fact, as an agency at officer level, made a submission and contribution to that review to the effect that we consider that the separation of the administration of the legislature from the executive should be established and re-inserted in the law as it existed in the former *Public Service Act* which had a separate section 18A which provided for the appointment of the Clerk by the Administrator, which has been incorporated now as part of the ESMEA legislation to virtually take the Legislative Assembly out of having any identifier in statute, although the Auditor-General, the Ombudsman, and the Commissioner of Police at least are mentioned in the schedule as having a separate status to the public service at large.

The current arrangements are, effectively, that the positions of Clerk and Deputy Clerk, I assume in the current circumstances, would be subject to a contract being executed as an Executive Contract Officer under the terms of the current legislation. That usually is done by the Department of the Chief Minister and the OCPE and, most likely, on the advice of the Speaker at the time,

Madam SPEAKER: This has been the case since 1993, but was specifically changed.

Mr MILLS: This could be the topic of a seminar. I will explore that later. That is a very curious one. I see the clock ticking up there.

Madam SPEAKER: That is life; the clock ticking.

Mr MILLS: The clock is ticking. Madam Speaker, do you have any personnel under the old Commonwealth superannuation scheme? Let me have a look around.

Madam SPEAKER: It is not me.

Mr McNEILL: One.

Mr MILLS: Just the one?

Mr McNEILL: I think Pat Hancock might be still in the ...

Madam SPEAKER: You cannot name names.

Mr WOOD: Nice work.

Mr MILLS: Three, I think.

Madam SPEAKER: Three. I think we have named all of them now. I am sure that is very good for privacy legislation.

Mr MILLS: Although I have other questions and we could talk for a time on that general output, I will leave at that to allow others to ask questions against that allocation.

Output 1.1 – Assembly Services

Madam DEPUTY CHAIR: Do we want to make specifically to the outputs? Okay, then let us start with Output 1.1 which is Assembly Services.

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Mr MILLS: Madam Speaker, how do you measure the members' satisfaction with service?

Madam SPEAKER: Is this me personally, Leader of the Opposition?

Mr MILLS: No. I have to stop objective questions.

Mr WOOD: How many to make it work?

Madam SPEAKER: I will pass that over to Ms Long.

Ms LONG: We are assessing that via a client survey to our key clients, who are members and electorate officer. I can state on the record we have had a grand total of nine responses to date – four members and five electorate officers, and we are very receptive to receiving any more ...

Mr MILLS: I hear what you are saying.

Ms LONG: Yes. So, that process has not been finalised as yet. We are still waiting on at least a couple more we know are coming in. At the moment, it is a 16% return rate.

Mr MILLS: It is not unusual for that to occur ...

Ms LONG: I realise members might have other things ...

Mr MILLS: No, that is all right. How, then, do you come up with an estimate when you have such a small sample? How is an estimate arrived at?

Ms LONG: It is partly arrived at by previous surveys, and partly it is aspirational, of course. I can say, looking at the surveys that have come back, we look likely to exceed that figure this year.

Mr MILLS: Was the actual percentage of parliamentary deadlines met? Deadlines that have been described.

Ms LONG: They are relating to building management those particular ones ...

Madam SPEAKER: What sort of deadlines? Building?

Ms LONG: Yes. Perhaps we could take that in the appropriate output.

Madam SPEAKER: It is not in this output?

Ms LONG: No.

Mr MILLS: What about Assembly Services? I think there is reference in the budget to deadlines being met, and they estimate 95% of those deadlines have been met.

Mr HORTON: If it is referring to the portfolio budget statement, page 8, under the Quality, Quantity and Timeliness, then I think what you are referring to is the benchmark, or the standard of, in this respect, of delivering transcripts, the *Hansard* and those matters, so one of the issues which is being looked at is actually trying to establish from, even from that survey, is to try to establish some sort of performance standards.

The ones that exist at the moment, which are fairly obvious and able to be measured, a lot of those issues are in respect of the production of *Hansard*, the production of transcripts by committees. If you

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look at page 8 there, you can get some ...

Ms LONG: Leader of the Opposition, have you got a copy of the portfolio budget?

Mr MILLS: I do not have that with me, but they are in the budget, page 41 ...

I just find these percentage rates curious, and wanted to know whether, are they were just for presentation purposes, or they may as well just forget it - 95% . I do not think we will just get too worried about it, I think I can draw my own conclusions so ...

Mr McNEILL: You can flesh that out a bit, that is ion the budget paper.

Mr HORTON: The services provided provide timely and accurate advice in relation to proceedings; I mean, it is sometimes very difficult, I suppose, to measure that in terms of ...

Mr MILLS: I think that is the point - 95 % is a nice number.

Mr HORTON: You could argue that, well, if you put 100% there, would you ever get 100%? It only takes, because of the sample of trying to get a measurement, it is very difficult. This is a matter that has been raised at a number of forums, as the Clerk mentioned, at things like ANZACATT, about actually measuring some of this in a parliamentary environment is not like a production line in a factory where you produce 25 cars and you can actually see a total outcome ...

Mr MILLS: No, I have got it. I think the point has been made. It is actually a pretty difficult thing to measure, and yet it is measured with 95%, and you are not the only department to do this, but we will move on.

How many staff are in the committees section, Madam Speaker?

Madam SPEAKER: There are six staff operating within the committees unit, and this is except for the CTC and the Statehood Steering Committee staff.

Mr MILLS: Except for?

Madam SPEAKER: Well, the CTC and the Statehood Steering Committee staff are separate, so in terms of just the normal departmental staff, there are six staff.

Mr MILLS: Okay, can we then talk about CTC and Statehood?

Madam SPEAKER: Yes, we can. Statehood is four staff, and CTC is four staff as well.

Mr MILLS: Thank you. Travel budget for each of the committees?

Madam SPEAKER: I will pass on to Jeff Thomson.

Mr THOMPSON: The staff travel for the Statehood Steering Committees is approximately \$75 000.

Mr MILLS: Can that be broken down? That is the global amount, is it?

Madam SPEAKER: That is essentially, because we have so many forums on at the moment, so there are 44 forums across the Territory, so a lot are in Central Australia.

Mr MILLS: That is fine. Can that amount be broken down into more detail?

Madam SPEAKER: Yes, we can take that on notice.

Mr MILLS: Thank you.

Madam DEPUTY CHAIR: Please repeat that question, Leader of the opposition.

Question on Notice No 2.8

Mr MILLS: The travel allocations of \$75 000 be broken down into greater detail.

Madam SPEAKER: That is for the Statehood Steering Committee.

Madam DEPUTY CHAIR: Madam Speaker if you are happy to take that question on notice?

Madam SPEAKER: Yes.

Madam DEPUTY CHAIR: That is question No 2.8.

Madam SPEAKER: And the CTC to date the staff travel is \$7953.

Mr MILLS: Thank you, Madam Speaker.

Madam DEPUTY CHAIR: That is all in 1.1?

Mr MILLS: No, this on Parliament House functions. Madam Speaker, how many private functions were held on or out the building on the ground floor in the 12 months?

Madam SPEAKER: How many private functions?

Mr MILLS: Yes.

Madam SPEAKER: We had weddings and ceremonies and photos. There were 31. I think, that is it.

Mr MILLS: How many private functions were held in or on the building, about 31?

Madam SPEAKER: The wedding ceremonies and photos, is that the kind of thing you mean?

Mr MILLS: That is right. These are private functions; so 31, is that more or less than the year before?

Madam SPEAKER: There were 30 the year before.

Mr MILLS: There you go, slightly more.

Madam SPEAKER: One more person got married.

Mr MILLS: Can you provide a list of the functions, the nature of the functions?

Madam SPEAKER: Of the private functions? I do not actually have those sorts of details; they were weddings and other functions. I think I have to take that on notice, because there is another type of

function as well, as I said before, but that may well be where a member has sponsored a room or someone else is having a function or Speaker's Corner Café has a function in Parliament House, is that the kind of thing you mean?

Mr MILLS: That is it, exactly it.

Madam DEPUTY CHAIR: Could you please, repeat the question?

Madam SPEAKER: I am sorry, I misunderstood the kind of question.

Mr MILLS: Please provide a list of the functions, the nature of the functions, and the costs of these functions and events.

Madam SPEAKER: Well, if they are private functions, we would not have any idea how much they cost.

Mr MILLS: No, but they pay something to have a function here? Not what was on the menu at the private function, but the costs of running it.

Madam SPEAKER: If it is a wedding for example, in the Speaker's Green, I think it \$150 to hire the Speaker's Green for one hour and that is our only cost, we do not have anything to do with the actual wedding; and then for a function it depends whether it was sponsored. So, for example, if the member sponsored a room for a community group to have a function at Parliament House there are no costs associated with that.

Mr MILLS: That is fine. Perhaps, that can just be stated, I would like to know how many of those there were, and if there was no costs, that is fine, but if it is a wedding it is a \$150 bucks an hour, and how many.

Madam SPEAKER: They can only have it for one hour.

Mr MILLS: They can only have it for one hour, that is fine.

Madam SPEAKER: And only one wedding!

Question on Notice No 2.9

Mr MILLS: One wedding at a time, righto. I assume that has been taken on notice?

Madam SPEAKER: Yes, that is fine.

Mr MILLS: So, it is please provide a list of the functions, the nature of the functions,

Madam SPEAKER: Private functions?

Mr MILLS: Yes, the private functions and the cost of these functions and events. This is not just weddings; it is members hosting private functions.

Madam SPEAKER: And that cost to the Assembly. For example, if you were hiring ...

Mr MILLS: No, at what cost? I mean if there was no cost, say no cost.

Madam SPEAKER: Okay. That is fine. I am just trying to clarify what you want.

Mr MILLS: Yes, that's all right.

Madam DEPUTY CHAIR: For the purposes of Hansard I allocate that question No 2.9.

Mr MILLS: How many public events were held on or in the building or grounds of Parliament House in the past 12 months? Public events. I have been to a wedding here and that is a private event, but I have been to public events too which I would assume, say the V8 super cars is a public event, or Kevin Rudd comes and that is a public event.

Madam SPEAKER: There were 109 protocol functions and there were 290 other functions but they could be things like, for example, for me there are 14 functions but that might be providing afternoon teas for people during the parliament.

Mr MILLS: That is all right. It's just to get an idea of the activity.

Madam SPEAKER: So that is what it is. It is 290.

Mr MILLS: Similarly, I request a list of the functions and the nature and cost of the functions, the charge associated or cost of the functions and events.

Madam SPEAKER: For example, with the Protocol functions, I do not have details. I can only tell you that, for example, the Chief Minister had 55 functions; minister Lawrie had six; minister Burns, nine; minister Vatskalis, 10; minister Knight, four; minister McCarthy, six; minister Hampton, 12; and minister McCarthy, seven. So that is 109 functions. We do not have the details of the catering or anything like that. That is for the Chief Minister. All we do is actually take the bookings and be (inaudible). So they are actually looked after by Protocol. So you need to get that information from the Chief Minister.

Mr MILLS: Okay. All right. I guess I can ask them for a list of functions.

Madam SPEAKER: Which functions do you mean?

Mr MILLS: Protocol functions.

Madam SPEAKER: And in terms of the other functions, for example, you sponsored, Leader of the Opposition, 35 functions. So, I am just saying to you it is broad. I am just saying a lot of those were, for example, for the use of the Palmerston Room because that is a function even though you are just meeting.

Mr MILLS: Yes, that is fine.

Question on Notice No 2.10

Madam DEPUTY CHAIR: So this is a question on notice?

Mr MILLS: Question on notice? Is that? Okay.

Madam SPEAKER: Yes, that is fine.

Madam DEPUTY CHAIR: If you could just repeat the question then, please, Leader of the Opposition.

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Mr MILLS: Thank you. Madam Speaker, please provide a list of the public functions and events and the nature and the cost. I can understand we do not need the cost of these events. Forget the cost.

Madam SPEAKER: Because all of these are in fact by members of parliament.

Mr MILLS: Therefore, there is no charge.

Madam SPEAKER: No. In terms of Speaker, ministers and Leader of the Opposition, there is no charge and other members. They just need to write to me and I waive the fees.

Mr MILLS: If I supplied sandwiches at that little event that I had in that little room, that's my business.

Madam SPEAKER: That is your business. I do not know anything about it.

Madam DEPUTY CHAIR: Madam Speaker, you are happy to take that question on notice?

Madam SPEAKER: Yes.

Madam CHAIR: For the purposes of Hansard I allocate that question 2.10.

Mr MILLS: How does the Department of the Legislative Assembly advertise the availability of Parliament House for functions and events? How do people know that you can have a wedding here?

Madam SPEAKER: Leader of the Opposition, we are not really trying to promote Parliament House as a function centre.

Mr MILLS: That is all right but how do people know?

Madam SPEAKER: It would be word of mouth, and people have gone to weddings here. In the case weddings, we have a very busy wedding season, and we have just started that. In terms of functions, the majority of functions which are held here are ones where people have used Speaker's Corner Café and they want those people to cater for a function. That is really the way it happens; there is no advertising relating to any of that, and we are not actually ...

Mr MILLS: Okay. No, with wedding catering, there is a big opportunity here.

Madam SPEAKER: Indeed, yes. The issue is, of course, as members of parliament we all have precedence in using the rooms. So, if there was something major happening, we do not want to actually be bumping a private function; so we are very mindful of that.

Mr MILLS: Okay. Thanks, Madam Speaker. The last one. Apart from those who have that precedence - members of parliament - how many events and functions were provided free of charge?

Madam SPEAKER: Do you mean sponsored functions?

Mr MILLS: I guess it is captured in that as well.

Madam SPEAKER: We might have to take that on notice because we do not have the details here.

Question on Notice No 2.11

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Mr MILLS: How many events and functions were provide free of charge apart from those that have been public events organised with members of parliament - the private functions that have been provided free of charge.

Madam DEPUTY CHAIR: So this is the question on notice? Are you happy to take that question on notice, Madam Speaker?

Madam SPEAKER: Oh, this is the question on notice?

Mr MILLS: This is the question on notice.

Madam SPEAKER: I thought you had asked me another question.

Mr MILLS: No, this is the question.

Madam SPEAKER: It is the same question.

Mr MILLS: I was wondering if you would take it on notice.

Madam DEPUTY CHAIR: That is question No 2.11.

Madam SPEAKER: I have just been told none, but we will take it on notice; my staff actually look after that.

Mr MILLS: Any even where the charge has been waived, thank you. That is the end for me for Output 1.1.

Madam DEPUTY CHAIR: Member for Nelson, did you have any questions in Output 1.1?

Mr WOOD: I have a few, thank you, Madam Deputy Chair. Minister, what was the total cost of holding the Legislative Assembly sittings in Alice Springs last year?

Madam SPEAKER: \$341 000.

Mr WOOD: As we deal with outcomes, do you think the advantages of such an event outweigh the disadvantages in spending that amount of money?

Madam SPEAKER: That is for the people of Alice Springs to determine. It is important for us, as a Territory parliament, to sit in other places. The people have indicated by the fact that they turn up each time we go there; that, in fact, they are interested in us doing that.

Mr WOOD: I am not disagreeing with you, it is good we do go to Alice Springs. If we could once year it would probably be better. Anyway, thank you very much ...

Madam SPEAKER: Very expensive though, at \$341 000.

Mr WOOD: In relation to Hansard, do you think there is a better way of producing *Hansard* and making it user friendly to the public?

Madam SPEAKER: Can I just ask you, member for Nelson, in which way do you think it is not user friendly? Do you mean online?

Mr WOOD: A bit more friendly online, I suppose. At the moment, it is online, but it does not hit you in the face and say 'welcome'. Are there ways of actually making it so people can use it more easily. I do not find it that easy to use. I do not find it very easy to search on *Hansard*. It sometimes get off into - I do not know; I put in the name I do not get my name sometimes. Sometimes, it says 'no results'. So, I just do not whether it could be time for a review of how user friendly it is, especially as it has been that way, I think, since I started in parliament. Whether it needs to be looked at to see if it could be used better.

Madam SPEAKER: Well, I think there is always room for improvement in everything, member for Nelson, so I am happy to take your advice and take that back to the department and ask if we can look at that.

Mr WOOD: Yes, my trouble is, I am a bit of an IT slow learner a bit, and the thing is that I do have problems with it at times.

Madam SPEAKER: I would have to say that I think the nature of *Hansard* in itself, that is, transcripts of people speaking for hours at end, is perhaps not the most interesting thing that you might find on a website, so it is a bit different to other websites.

Mr WOOD: It has more than just *Hansard*, of course.

Madam SPEAKER: It has, yes.

Mr WOOD: It has committees, it has history, it has, even, I will give you an example, Madam Speaker. Go and look up the second reading on a speech that might have been made in 1999. Just say you wanted to find out the background. Someone can surely, I know someone with more experience than me would find it, but I do not find it easy to find that, and so I just think that maybe, even for younger people who, like, you know, we have people, schoolchildren now, visit Parliament, and they go back to school and they say, oh, let us have a look at the Legislative Assembly website. Is it sort of attractive to younger people to look at, or is it just a sort of a good old public service green and white, and very proper, or could be jazzed up a little bit to make it more attractive?

Madam SPEAKER: Well, member for Nelson, I would be happy to refer that to the House Committee, which I Chair, because I think that might be a good forum for members to discuss that sort of thing.

Mr WOOD: Okay. I am not saying that – it is something that I do use often, but I just wonder whether it could be better?

It has also come to my attention, Hansard is using an earlier version of the program that is on the FTR, the recording device that we use, recently purchased, and it is an earlier version of a program that CTC has recently purchased. Is Hansard using the latest technology, and is cost the restriction for its use?

Mr HORTON: The FTR has just been upgraded to the software 5.3.

Mr WOOD: Is that the same as what the CTC is using?

Mr HORTON: Yes.

Mr WOOD: All right, so that is good. That is what concerned us.

Mr HORTON: We are aware of the problems between the two different systems.

Mr WOOD: Sorry to avoid you there, Madam Speaker.

Madam SPEAKER: No, that is fine.

Mr WOOD: Madam Speaker, last year, the e-mail system changed over to Microsoft. How many services or programs does the Legislative Assembly still use Lotus Notes for?

Madam SPEAKER: It is only used for METS. I might just pass over to Vicki Long I think.

Ms LONG: Lotus Notes is used for METS, and also for the functions database.

Mr WOOD: For the functions database?

Ms LONG: It is part of an e-mail system.

Mr WOOD: Is it going to be phased out, or will we have both systems running?

Ms LONG: Oh, and *Hansard* as well, I have just been advised, thank you.

Mr WOOD: Is that intended to continue, or will it, again, I am not the IT specialist, but I gather some people obviously are on Microsoft, and we have got Lotus Notes running parallel. Is that a good thing, or is it ...?

Ms LONG: In terms of those databases and there link to the e-mail system, there is actually an interface between the two, so their functionality is quite good at the moment, so at this stage there are no plans to change that.

Mr WOOD: Education, minister. Has there been an increase over the last three years in the number of schools visiting Parliament House?

Madam SPEAKER: Yes, in 2008-09, there were 34 schools and 1429 students. In 2009-10, there were 63 schools and 2654 students. That is a fairly big increase, say, from 2001-02 where there is 1735 and then the following year 1301.

Mr WOOD: What sort of feedback do you get from children that attend parliament?

Madam SPEAKER: Fantastic!

Mr WOOD: I thought you would say that.

Madam SPEAKER: I will give you an example. I think it is very high and I frequently receive personal letters from quite young students and their teachers, and most recently I received some letters from a group of students where the member for Goyder had brought some students in from Middle Point and a whole class each sent me a letter, including one of the letters in Braille and I have sent that student back a letter in Braille as well, thanking them for coming into Parliament House.

And I think, particularly with the younger children, it is a wonderful experience for them and I think that for the older ones who are doing legal studies it is terrific, and they particularly enjoy meeting with members of parliament and they do not mind asking you quite personal and other questions.

Mr WOOD: How much do you get paid, is the first question.

Madam SPEAKER: Yes, I have been asked that many times. So it is very successful, and the programs also which go out to schools, are extremely successful, where we do mock parliaments.

Mr WOOD: Could I ask a similar question about the number of mock parliaments that occur here too, has there been an increase in the number of mock parliaments?

Madam SPEAKER: The role play sessions for school and tertiary students in 2008-09 it was 16 with 406 students, and in this current year there have been 18 with 742 students. So in 2007-08, by comparison, there were eight schools and 213 students, so we have increased significantly in this area and, I have to say, it is one of my real passions, the idea that our young people learn about parliamentary democracy and wherever possible encourage the members in the electorate to be involved as well, and most members have been involved when we have gone into an electorate.

Mr WOOD: You have a different mock parliament for say primary schools against middle and high schools?

Madam SPEAKER: Yes, of course.

Mr WOOD: Have there been any educational programs taken out to remote communities, and which communities were they, in this financial year?

Madam SPEAKER: I understand that just recently the Parliamentary Education Unit has been out to Nhulunbuy, and the member for Nhulunbuy was involved in that, and we are hoping to go out in this next year, I think, to the Tennant Creek area. So, obviously we were in Alice Springs last year, as well, so there were those communities. Nhulunbuy was 196 students and their teachers; Alice Springs 330 students and their teachers.

We are hoping to go to Tennant Creek and the Barkly area as well in this coming financial year.

Mr WOOD: How many tours occur in Parliament House, and roughly how many people do you think have toured through the parliament?

Madam SPEAKER: In 2008-09 there were 122 tours and 2 575 people, and in 2009-10 122 tours and 2 108 people.

Mr WOOD: Madam Speaker, in relation to reducing energy costs in electorate offices, has there been any thought put into that area; and I will give an example because I am one of those who sometimes has people in my office and, sometimes myself, leaves things like air conditioners on. Has any thought gone into automatic energy saving devices in electorate offices, or other things that could perhaps reduce the cost of running those offices?

Madam SPEAKER: We are actually in the wrong output area.

Madam DEPUTY CHAIR: You will have to go on to Output 1.2

Mr WOOD: You are right. I have an arrow here that has gone the wrong way. Can I just scrap that until later? Timor – that should come into the top one because that is where I thought it would be like participation in Commonwealth Parliamentary Association and other inter-parliamentary activities. Just a question on Timor, do you have a cost on how much it cost to go to Timor? Timor-Leste, I should say.

Madam SPEAKER: The cost of fares - the cost for members was published in the schedule of members' travel so I have that so you need to look at that separately. In terms of staff travel and accommodation it was \$3839 and that included the clerk's executive officer going to Timor ahead of us to make sure that things were organised and then, on top of that, was accommodation of \$4487.

Mr WOOD: Madam Speaker, I know you have spoken on the outcomes of the trip before but are

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there any plans for a follow up so it does not look like we went over there for a nice day but we actually went over there trying to do something on behalf of the Territory for Timor Leste people and the government? Has there been some follow up and is it possible that there would be another trip to Timor Leste?

Madam SPEAKER: All of those things are possible. You will be interested to know that we invited the President of the parliament to our presiding officers conference. You would be aware that I am hosting the presiding officers and clerks conference for the Australian, New Zealand and the South Pacific in early July and I know that I have mentioned to those members who are on the delegation that we had spoken to the CPA in relation to that conference as to whether we could have the East Timorese to come as observers. That was agreed and we actually have the vice-President who we all met, Mr Keteras, who is going to be coming to the conference and we are very excited about that. I think that in terms of a direct link that will give him the experience of meeting with other presiding officers from small countries in particular and to listen to matters to do with parliament from across all those areas.

Mr WOOD: Did you announce in Timor that there would be two places for students who might want to study at the university?

Madam SPEAKER: No, I did not announce that.

Mr WOOD: Or was it something similar?

Madam SPEAKER: No, I think we were looking at internships in our parliament and so that will be an ongoing conversation one which I will be having with Mr Keteras when he is here.

Mr WOOD: My last one quickly is that there is a 3% efficiency dividend on the Legislative Assembly. Where would you see this 3% efficiency coming from?

A member: Can we just get some clarification with regard to the 3%.

Mr WOOD: Well, in the budget, it requires all agencies to...

Madam SPEAKER: Is this the reprioritisation that you are talking about?

Mr WOOD: No. In the budget for this year it says that there will be a 3% efficiency dividend. My understanding is you have to cut 3% off your budget. I did not know if you actually had a program. Where would you find that 3%?

Madam SPEAKER: Ours is \$189 000.

Mr WOOD: What will that be cut from and will it be detrimental to the running of the Legislative Assembly?

Madam SPEAKER: Savings will be achieved through general operational efficiencies including reviewing and rationalising non-discretionary expenditure. Additional efficiencies can be achieved as an outcome of the agency review of work practice and work flow. Some of the things we are looking at are: tightening of administrative controls, including continuous questioning review and monitoring of monthly expenditure by unit heads; agency-wide review of IT, communication and office equipment; no back-filling of non-essential positions where this is manageable; encouraging the use of excessive and recurrent recreation leave; and lift the HR and financial delegations to a higher level.

Mr WOOD: So, in theory, if there is a job that becomes vacant, you are unlikely to fill it?

Madam SPEAKER: No, I would not say that. What we are saying is we need to make sure that in the

context of a review, that position, as is currently is, needs to be filled, or it needs to be filled in a different way.

Mr WOOD: I think I am running out of time.

Madam DEPUTY CHAIR: We are, we have 25 minutes left and two outputs to go. So, we will move to there being no further questions on Output 1.1.

Output 1.2 - Member and Client Services

Madam DEPUTY CHAIR: We will move to Output 1.2, Member and Client Services.

Mr MILLS: Thank you, and I will knock a number of questions off so we can get through here..
Madam Speaker ...

Madam DEPUTY CHAIRMAN: Just pause please.

Answer to Question on Notice

Madam SPEAKER: I have an answer to one of the questions on notice. It was in relation to private functions waived cost. There was only one, and it was for the member for Sanderson's daughter's wedding and we waived the cost for that.

Mr MILLS: It was a good wedding, too.

Madam DEPUTY CHAIRMAN: Thank you, Madam Speaker.

Mr MILLS: Thank you. Madam Speaker, the work of the Legal and Constitutional Affairs Committee has included recognition of Aboriginal customary law as a source of law in the Northern Territory and a bill of right. What is the work plan for those two projects for 2010-11?

Madam SPEAKER: The work plan for those two projects?

Mr MILLS: Well, okay, I probably said it out of context. What is the status of work on these topics?

Madam SPEAKER: As you would be aware, Leader of the Opposition, I tabled a document in the February sittings relating to those two items, which was a bipartisan, unanimous report on the floor of the parliament. They are information documents for the use of the Statehood Steering Committee during its forums.

Mr MILLS: So, now I go to the work plan that funding has been allocated to achieve in 2010-11 around those topics.

Madam SPEAKER: We have completed the work in relation to those things in terms of the Legal and Constitutional Affairs Committee. The only things that are happening in relation to those would be, perhaps, with the Statehood Steering Committee, where people might ask us about those topics.

Mr MILLS: There is nothing planned?

Madam SPEAKER: The Legal and Constitutional Affairs Committee is not looking at those.

Mr MILLS: Okay. So, there is no funding or specific discrete funding allocated to those two projects?

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Madam SPEAKER: We have completed the work. All we were asked to do by the parliament was to do those two reports, which we did.

Mr MILLS: Okay, thank you. I thought Alice Springs sittings was in this section. I have just one question ...

Madam DEPUTY CHAIR: It is Assembly Services.

Mr MILLS: It is definitely Assembly Services. It is okay, nothing much hangs off it. So, Madam Speaker, what ...

Madam SPEAKER: I am happy to take a question if you want to ask it.

Madam DEPUTY CHAIR: Although Madam Speaker is happy to.

Mr MILLS: Oh look, in the interests of time, it is all right. What additional allowances have been provided to members in their electorate offices that are above the normal electorate office entitlement? There is a RTD allocation, but has there any allowance that is above normal EO entitlement?

Madam SPEAKER: Everything is determined by the Remuneration Tribunal, so there are only things with no extra allowances, if that is what you are asking?

Mr MILLS: Well, personnel, there are no ...

Madam SPEAKER: No, it is not provided by the Legislative Assembly. Everything is determined by the tribunal. Is there something in particular you are interested in?

Mr MILLS: I just wanted to know if there have been any changes or any additional allowances that have been provided. If the answer is no from the Department of Legislative Assembly, that is no. If there is something, then it could be pursued.

Madam SPEAKER: Are you asking about the member for Stuart who has had, because it is the largest electorate ...

Mr MILLS: I am now. What about the member for Stuart?

Madam SPEAKER: I just was not sure whether you had something in mind.

Mr MILLS: It is a general question. Being in my office for 11 years, I know there are sometimes certain works undertaken in one office, perhaps not another.

Madam SPEAKER: The Remuneration Tribunal had, many years ago, when Dr Toyne was, in fact, the member for Stuart, determined that because his electorate was so large that he was entitled to a certain level of Electorate Office, and this has recently been increased by the RTD. I will pass over to Mrs Long though, because that is departmental.

Mr MILLS: That is fine. The question is, is there anything in addition to the RTD, anything extra ...

Madam SPEAKER: No.

Mr MILLS: ... or over and above, any other entitlement that has been agreed to by the Department of the Legislative Assembly? If there is none, and if this is in accord with RTD, no problem.

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Madam SPEAKER: It is on the RTD. We do not have any authority to provide anything which is outside the RTD, and we do not.

Mr MILLS: That is all right, thank you.

Madam SPEAKER: Ms Long would like to make a comment.

Ms LONG: Members, as you would know, are entitled to only one electorate officer, and in order to ensure that there is only ever one electorate officer in an office at any one time, whenever we receive time sheets for casual electorate officers replacing, doing relief in an office, we actually cross-check that against leave forms, or training programs being attended by the permanent electorate officer, so it is very closely scrutinised, so there is never any additional staff provided.

Mr MILLS: Is there a limit to the permanent staff member going off on training, doing other things and requiring another person to cover for the permanent electorate officer?

Madam SPEAKER: I think that would really depend on the member. So, if you had a member who wanted their electorate officer to be gone a lot, which seems pretty unlikely, that could happen. It would depend on what their entitlements were in terms of how much recreation leave or other things, I suppose.

Mr MILLS: Well, it is one point, the electorate officer going off and doing something else, that might fit some other purpose, and having someone come in and backfill, you got two for the price of one. Is there a limit to it?

Madam SPEAKER: Well, every public servant, of course, is entitled to recreation leave, long service leave, and any other kind of leave, and it is not up to us to be saying whether a person is ill, that they cannot take leave.

Mr MILLS: No, I understand that part of it, but is there a limit to the relief pool that is available to a member to draw on?

Ms LONG: It relates to their own leave, which, as Madam Speaker said, it has got limitations. In terms of training, we have not set limits on that training, because the usage of training by electorate officers is actually fairly minimal, and there has not been any unreasonable use of that. In some offices, from time to time, where there is a new electorate officer, there may be a bit of emphasis on training in the early stages, but we have never had to look at it and think, well, we need to put some limits on this.

Mr MILLS: But there are none?

Ms LONG: There are none at this stage, not deemed to be required.

Mr MILLS: My next question relates to, I guess it comes from my own experience of having the one electorate office for, say, 10 years, issues around security have changed in that 10 years, and I know that it was not until it was drawn to our attention that that work needed to be attended to.

Can you describe the program in making sure, across all electorate offices, that they are all up to a certain kind of degree, up to contemporary standards for security for protection of electorate officers in their offices?

Madam SPEAKER: I would Mrs Long to answer that question.

Ms LONG: We have a Speaker's Determination which outlines standards for electorate offices, which includes security, alarms, remote locking of the doors, in some cases, sensory lighting. Also, as part of that, the layout of the office is looked at in terms of being able to block members of the public, and

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escape routes for electorate officers as well. The other thing that we have is also a security monitoring centre as well as the duress alarms ...

Mr MILLS: I have pressed it accidentally and it works.

Ms LONG: Having said that with our Director of Security we have someone who has a great deal of expertise in security and she has a planned program to visit all electoral offices to look at their security arrangements. That has started, but has still to be implemented.

Mr MILLS: I know that is occurring and it is welcome. Is there funding allocated to bring up security deficiencies to the required standard, if identified can it be fixed in the budget?

Ms LONG: Yes, we have allocated some monies in the minor new works budget to allow the security upgrades.

Mr MILLS: Okay, thank you. The next, related to that, when you go to a federal members office it is like going to the bank, you speak through a little hole and that sort of stuff. Are we heading in that direction?

Madam SPEAKER: Well, it would be my opinion, no, and in fact a few years ago there was discussion of area with members on the House Committee and members did not feel that they wanted that kind of security; they wanted to still be able to relate to their constituents in a friendlier manner. Certainly going to a federal member's office is quite difficult, and we have not had incidents I think which would require us to go in that direction.

Mr MILLS: With the assessment being conducted it is being brought to a new standard, but the standard is not the same standard as federal offices.

Madam SPEAKER: That is right. I think one of the main things is separating a community room from the rest of the office so you can lock it off. Peepholes in the back doors and ...

Mr MILLS: Thank you, I will conclude my enquiry on 1.2.

Madam DEPUTY CHAIR: Member for Nelson

Mr WOOD: Thank you Madam Chair. Madam Speaker, I will ask that question again that I put in the wrong place. Does the Legislative Assembly have any plans put in place to reduce energy in electorate offices? I would put the case of automatic shut-down of, say, air conditioners and sometimes I have people who use the community room late at night for cricket club and they all have a wonderful time, they head out the door and I come in the next morning, and everything is still operating.

I did not know whether there has been some thought put into trying to reduce energy use in electorate offices.

Madam SPEAKER: I think the issue with that, member for Nelson, is that an electorate office is separate to say Parliament House so it is under the guidance of the member concerned so, for example in my electorate office, if a community group uses my community room as they do, we have instructions for them which are written and they are given an educational tour before they go in about turning lights off, turning the air conditioning off. In terms of the rest of the office, we just automatically turn those off, but we leave lights on for security as well.

I do not think that it is really up to me to be telling members they have to do various things. It is really about individual responsibility by those members about how they do it but, having said that, there may be something we can do but I think that members' offices are really up to them.

Mr WOOD: I just thought because you pay the bill for the electricity you might have been encouraging people to ...

Ms LONG: Certainly as part of lease negotiations where officers do not have after hours air conditioning we have put it as part of the lease negotiations that that should be in place.

Mr WOOD: No more questions.

Madam DEPUTY CHAIR: Leader of the Opposition, we now go to output 1.3 Building Management Services.

Mr MILLS: Madam Speaker, has there been any equipment lost or stolen during the year?

Madam SPEAKER: No.

Mr MILLS: Have there been any readings of legionella over 100 000 psu in the air conditioning towers?

Madam SPEAKER: No, is the answer.

Mr MILLS: So, they have been checked?

Madam SPEAKER: They have been checked.

Mr MILLS: Is there something that can be tabled which verifies that checking procedures and the conclusions drawn from that checking?

Question on Notice No 2.12

Madam SPEAKER: We can take that on notice. I do not have that sort of data with me. I am happy to take it on notice. I can assure you, Leader of the Opposition, that it is all beautiful.

Mr MILLS: That is all right. I ask for the tabling of the reports that verify that there are no readings of Legionella that are over 100 000 cfu and that will do.

Madam SPEAKER: Yes, I am happy to take that on notice.

Madam DEPUTY CHAIR: For the purposes of Hansard I allocate that question 2.12.

Mr MILLS: Madam Speaker, has social recognition software been installed? I notice little gadgets at some of the doors there and I am just wondering whether we could be looking at it, or something is going to happen?

Madam SPEAKER: As you would be aware when they did the upgrading of the cabling of the building, we upgraded the security systems as well and changed the cards from the blue cards to the white cards. At that time, it was decided by the House Committee, after consultation with both parties, that we would have the system there in readiness, if there was an upgrade of security and it was felt that at this stage it was not required.

Mr MILLS: When do you think it could be required? Is there provision in the budget for its installation?

Madam SPEAKER: This would be if there was a major security issue across Australia and it was

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decided that Parliament House needed to have an upgrade in the security.

Mr MILLS: I do not have any further questions.

Madam DEPUTY CHAIR: Member for Nelson.

Mr WOOD: Thank you. What are the anticipated future maintenance requirements for Parliament House? Are there any major maintenance projects in store?

Mr HORTON: What we have progressed in recent years, and that is still working, is the development of an asset management plan. We have that plan. We are now looking at applying a database to be able to identify major expenditure probably over the next 5, 10, 20 years. There is information which, from engineering reports and building reports that we have had done through consultancies, some of them a couple of years ago now, did identify quite a number of areas that in coming years would need fairly serious attention. Both structural, in respect of the fabric of the building, at some stage it is perceived that it will need painting. There was some corrosion that emerged in the roof which has been dealt with through the R & M program. This was supported by the BAMS inspection which takes place every year and this asset management plan will be able to list those key areas over a period of time as they need to be addressed. For example, some of the air conditioning components will need to be completely refurbished or upgraded in the future.

Mr WOOD: Is there an anticipated life for the building?

Mr HORTON: The building, when it was built, I think it was determined, and the Clerk might assist, but a building like this is designed or expected to last for 100 years as most parliaments around the country do. That is the expectation and providing there is appropriate asset management planning and there are repairs and maintenance programs then that can be achieved.

Mr WOOD: Then it can become a tourist attraction like the Colosseum and things like that.

I would just like to ask a question about the café, the gift shop and the state library. Do we receive income from any or all of those three facilities?

Madam SPEAKER: We do not receive income, as I understand it, from the gift shop or from the library. It is a government agency and we do receive income from Speaker's Corner café but obviously that is a commercial operation with Parliament House with contracts.

Mr WOOD: Do we receive, like I gather, one of these strange things that happens in government that you receive income by paper diversion through DCIS for the state library because they are part of the library service of the Northern Territory?

Madam SPEAKER: No.

Mr WOOD: Could we?

Madam SPEAKER: No.

Mr WOOD: Does it happen with other departments when you use their facilities they charge you something and then ...

Madam SPEAKER: We have the parliamentary library in there as well. It would be quite complex to do that.

Mr WOOD: We are giving them a free building. They could have to go and build a library at Taminmin.

Madam SPEAKER: They could member for Nelson - a very good idea. Difficult on a parliamentary night, though.

Mr WOOD: This question I probably know some background to. Do the people who own the café do the functions here, or is that a separate contract?

Madam SPEAKER: They do not own the café; they have a contract with the Department of the Legislative Assembly and lease the premises. They do all the functions for the Department of the Legislative Assembly. In relation to Protocol functions, that is determined by the Department of the Chief Minister and not by my department.

Mr WOOD: Because we have had a few café people come and go, is there any thought about looking at whether, to make it more viable, have that particular contract as well as running the café?

Madam SPEAKER: Well, there are commercial issues at the moment, and we are having discussions with the Department of the Chief Minister about how we can improve the viability of the in-house caterer of Parliament House.

Mr WOOD: Is there any chance of the café opening a little longer, instead of closing about 3.30 pm or 4 pm, especially when parliament is sitting late?

Madam SPEAKER: I think it closes at 4 pm, but that is really a commercial decision, and is part of our lease agreement with them as well.

Mr WOOD: It has your name on it, Madam Speaker. It says Speaker's Corner. Does that have any influence?

Madam SPEAKER: It is a generic term. We have asked before, and it really is a matter of there is insufficient people coming later at night for it to be viable thing for them to be doing.

Mr WOOD: Perhaps they could put a coffee machine in the corner for us. I do not have anything else on Building Management, Madam Deputy Chair.

Mr MILLS: I just have one more. The commercial kitchen - any plans around the better use of that commercial kitchen in Parliament House?

Madam SPEAKER: There have been some informal discussions with the in-house caterer about using that for some programs, but it is really just discussions at the moment. I am happy to be taking that to the House Committee when I have more details, but it does involve commercial information. I am happy to have a conversation with you out of session, Leader of the Opposition.

Mr MILLS: So, I take from that it is under consideration - the under-utilisation of the commercial kitchen in this building?

Madam SPEAKER: There is a possibility of some things happening there but, given there is a commercial aspect to it, and it is really just under consideration at the moment, I prefer it went through the House Committee. But, I am happy to have a conversation with you about it separately.

Madam DEPUTY CHAIR: Are there any further questions? On behalf of the committee, I thank Madam Speaker for attending and I also thank the officers from the Department of the Legislative Assembly who provided advice today. Thank you very much.

Madam SPEAKER: Thank you very much.

The committee suspended.
