

**In committee in continuation:**

**MINISTER BURNS' PORTFOLIOS**

**Mr CHAIRMAN:** Good morning to everyone. Thank you very much for coming in to the Estimates Committee. I welcome the minister. I note from the schedule, minister, that you are available to answer questions on output group 3.0, Animal, Plant and Fisheries Industry Services which sits within the Department of Business, Industry and Resource Development.

Minister, please introduce the officials and if you wish to make an opening statement you may do so.

**Dr BURNS:** Thank you, Mr Chairman. I will let the officials identify themselves and their positions.

**Mr CARROLL:** John Carroll, Acting Chief Executive Officer of the Department of Business, Industry and Resource Development.

**Mr VIVIAN:** Phil Vivian, Chief Finance Officer.

**Mr SMITH:** Roger Smith, General Manager, Primary Industries.

**Dr BURNS:** Thank you, Mr Chairman. I will make a short opening statement. It basically outlines the portfolio areas and the output areas that I will be answering questions on today in relation to DBIRD animal, plant and fisheries industry services. As the Minister for Primary Industries and Fisheries, I have a responsibility for the animal, plant and fisheries industry services output within the Department of Business, Industry and Resource Development, as indicated on page 139 of Budget Paper No 3.

Minister Henderson and I share DBIRD, for want of a better word, and have a common department. In order to avoid confusion and to make these hearings as open and unambiguous as possible, I would like to make a statement on how we will field questions relating to the Department of Business, Industry and Resource Development.

I have said before I share responsibility for the department with my colleague, the Honourable Paul Henderson, Minister for Business, Industry and Resource Development. I shall today be dealing with output 3.0, Animal, Plant and Fisheries Industry Services. Minister Henderson has responded to questions on output 1.0, Business, Trade and Industry Development Services and output 2.0, Minerals and Petroleum Industry Services, and the questions that have a whole of agency focus.

There is an exception. Grants and sponsorship to industry and business come under output group 1.0, however two programs under that category are the Fertiliser Freight Scheme and FarmBis, and clients of these two programs are in the Primary Industry sector. Consequently, any questions should be directed to me as they relate to my portfolio.

During these hearings, I will address policy and political issues and the senior public servants present here will deal with operational matters. The witnesses from DBIRD have already introduced themselves.

Second on the list after DBIRD will be DIPE, and as Minister for Environment and Heritage I am responsible for activities within the Department of Infrastructure, Planning and Environment under the Environment and Heritage Output Group indicated on page 209 of Budget Paper No 3. This output group is tasked with sustaining the Territory's environment, protection and conservation of our heritage, and effective implementation of the Northern Territory greenhouse strategy.

As Minister for Tourism, I have responsibility for two agencies in the tourism sector: the Northern Territory Tourist Commission, as outlined on page 261 of Budget Paper No 3; and Territory Discoveries, outlined on page 269 of Budget Paper No 3.

Finally, as members would be aware, I am also Minister for Essential Services, and am responsible for operational activities of the Power and Water Corporation. However, questions on Power and Water, a government owned corporation, will be answered by the CEO and Chairman of the Power and Water Corporation later on today. Without any further ado, Mr Chairman, over to you.

**Mr CHAIRMAN:** Thank you, minister. Are there any questions in regards to the minister's opening statement?

**Mr BALDWIN:** May I ask for clarification, Mr Chairman, on Essential Services. Will you not be taking any questions, minister?

**Dr BURNS:** No, this is for the committee this afternoon. Those who have been members of the Public Accounts Committee would be well aware of that area of questioning. So no, I will not be taking any questions on the Power and Water Corporation. That is a government owned corporation and it has been agreed – and possibly the Chairman might want to speak to this as well – that all inquiries within that will be handled this afternoon.

**Mr BALDWIN:** I am fine with that, minister, except that the Statement of Corporate Intent is something that rests with the Treasurer and we were able to ask questions on that. You are the minister responsible for operations. Are you saying that we cannot question you on anything to do with that?

**Ms LAWRIE:** Mr Chairman, there is clearly laid out in the Estimates Committee terms of reference and the Estimates Committee Government Owned Corporations Scrutiny Committee who answers on what aspects. Now, what the minister has repeatedly explained to the member for Daly is correct. It is not a choice situation; it is what we have agreed to as a parliamentary body. You can keep on wasting time, or you can get with the reality, which is operational questions will be this afternoon.

**Mr BALDWIN:** I am very sorry. I thought the minister might be able to answer it for himself.

**Ms LAWRIE:** He has. He has answered twice.

**Mr KIELY:** We can get a copy of the Standing Orders down from the back if you want them.

**Mr BALDWIN:** Thank you for your input.

**Mr CHAIRMAN:** Member for Daly, very clearly, everyone is aware of the process so there is no need for any further questions.

## **BUSINESS, INDUSTRY AND RESOURCE DEVELOPMENT**

### **OUTPUT GROUP 3.0 – Animal, Plant and Fisheries Industry Services**

#### **Output 3.1 – Animal and Plant Industry Production Services**

**Mr CHAIRMAN:** Would you like, minister, to proceed to output group 3.0, output 3.1- Animal and Plant Industry Production Services?

**Dr BURNS:** Absolutely.

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

**Mr MALEY:** I have a number of questions. Before I launch into the questions, having regard to the large portfolio areas you intend to cover this morning, we are going to ask some specific questions, of course, on the output areas, but most of the questions will form questions on notice and they will be

followed up in parliament.

Minister, a general question to record government's response in *Hansard*. At page 142 of Budget Paper No 3 in your table under the heading Output Costs, you have anticipated a \$4.4m cut to animal, plant and fishery industry services for 2003-04. Under the Output Group Animal, Plant and Industry Production Services, you have anticipated a cut of just under \$2m. Could you provide particulars as to exactly where those cuts are going to take place, and whether or not any jobs are going to be lost in that particular sub-department.

**Dr BURNS:** The focus of this committee, member for Goyder, is on output areas. It is clear there. I am not running away from your figure of \$4.4m. It is quite complex by output area - not complex but it is quite detailed. What I am prepared to do, and what I think we should do, is go through the output areas, and I will address, one by one, what comprises each component of that \$4.4m. To get an overall perspective of it, it is true that in Animal and Plant Industry Production Services there is a difference of nearly \$2m, Animal and Plant Resource Protection Services, \$2m, and Fisheries Resource Development Management Services, just under \$300 000. Each one of those I am more than willing to account for. Many of them are to do with carry overs; a lot of them to do with Commonwealth programs that have ceased. What we should do is go through output by output area, starting with the first one, which is the Animal and Plant Industry Production Services. I have flagged to you basically the difference between the two as a \$2m decrease.

**Mr MALEY:** Okay, I have no problem with that. Then that should outline the ...

**Dr BURNS:** Yes, more than happy to. We are looking at about \$1.99m, less approximately \$464 000 relating to carry forwards from 2001-02 committed to projects in 2002-03. We will interrogate each one of these numbers and get some detail, but I am giving you the overall figures for each. That is \$464 000, less approximately \$300 000 for internal carry forwards relating to the microbiology laboratory and veterinary laboratory, and that relates to revenue. I will let Mr Vivian give you a chapter and verse of that. So that is \$464 000, \$300 000, another approximately \$200 000 relating to differences in external revenue projections between 2002-03 and 2003-04; less \$500 000 for the contribution to the CSIRO laboratory, which I had the pleasure of opening last year, and that project is now complete; less \$230 000 for market consolidation and expansion of beef cattle exports to the Philippines and Vietnam. That particular program has come to an end, but we are looking at the future direction and funding for this program in the upcoming financial year. \$80 000 for the potato spindle viroid virus; \$68 000 for transfer of resources to the Katherine regional office; \$38 000 for tax embedded saving; and \$118 000 for corporate overhead savings attributed to this output. I have detailed as much as I can, member for Goyder, the main areas that account for this \$1.99m. Over to you.

**Mr MALEY:** Minister, if you look at last year's Budget Paper 2002-03, and when trying to draw a comparison between the output groups, there seem to be some changes in the output group from last year to this year. Can you explain why that occurred?

**Dr BURNS:** I might ask Mr Vivian, that is more an accounting matter. Were there any specific output areas that caught your attention?

**Mr MALEY:** It applies across all these three outputs, but it applies of course to 3.1 – Animal, Plant and Fisheries Industry services. That is a change in the output.

**Dr BURNS:** Do you want to be a little bit more specific.

**Mr MALEY:** The day before yesterday, going through the budget, you could specifically go to an output group and there would be similar categories. I could not find a specific category for Animal and Plant Industry Production Services. There is Resource Protection, there is Fisheries Resource Management Services. Hang on, I will take that back, production is there.

**Dr BURNS:** So?

**Mr MALEY:** Actually, I will withdraw that. That is output 3.2. Okay. Minister, at page ...

**Dr BURNS:** Would you like to interrogate some of these particular figures that I have put up in relation to this specific output area?

**Mr CHAIRMAN:** Is that in respect to output 3.2 or 3.1?

**Mr MALEY:** No, this is 3.1.

**Mr CHAIRMAN:** We are still on output 3.1?

**Mr MALEY:** Output 3.1. I will go to 3.2 in a sec.

Minister, at page 145 of Budget Paper No 3, under the heading 'Animal and Plant Industry Production Services', you state that the capacity to conduct animal and plant surveillance diagnostic services, including laboratories, cost \$4.5m in 2002-03, and that is expected to be reduced to \$3.93m in 2003-04. Would you provide particulars of exactly what the reduction in capacity will be, and whether or not it will result in the loss of jobs, contracts or consultancy services for that department in that area?

**Dr BURNS:** I just want to clarify to begin with, member for Goyder: no losses in jobs, no losses in contracts.

I will now address the question, which was a decrease from \$4.5m to \$3.93m, which represents about \$570 000. The thing to remember about this particular area is that there is a lot partnership between the department, this section here and industry, in the provision of these services. There is some cost that industry puts towards these services. It was very interesting for me to go out to the Berrimah Farm and find out more about it. Basically, \$200 000 of that \$0.57m relates directly to external funding estimates, and they are usually conservatively estimated due to the uncertainty of being able to secure funding for external services. There is \$100 000 in the microbiology water laboratory. These labs are operated on a full cost recovery based on client demand, and the forward estimates are based on conservative revenue estimates. Therefore, it is anticipated that funding and expenditure for 2003-04 will remain the same as 2002-03. Lastly, \$200 000 for veterinary laboratory services. The financial resources for these lab services are currently being reviewed. This anticipated shortfall will be addressed as part of this review. There is a bit of 'user pays' in there and forward projection of revenue, and that accounts for the \$0.57m.

I am not sure whether Mr Vivian wants to add to that.

**Mr VIVIAN:** I think you have covered it very well, minister.

**Mr MALEY:** Minister, straight underneath that there is the performance measure of the capacity to provide and maintain research facilities throughout the Territory, and specific reference to research farms – that is at page 145 of the budget book.

**Dr BURNS:** Yes, this relates to the research farms?

**Mr MALEY:** Yes. In it, you have '(research farms)' will receive a budget cut of about \$0.5m. Could you provide details of where that \$0.5m will be cut, and what will be the reduction in the capacity of those research farms to continue to provide services? Which research farms will be affected by the cuts?

**Dr BURNS:** I am not sure whether 'cuts' is the right word, member for Goyder. We are really talking about efficiencies here. I will detail for you what is happening here. This matter has been raised in the House - possibly by the member for Daly - about the breeding herds and the research farms. I certainly remember it.

A recent restructuring of the breeding herds on the research farms is now making the management of the herds more cost effective. To some degree, the herds have been aggregated on one farm, which cuts down a lot of the costs in their pastoral care - to use the word - and their maintenance and shipping out. Cattle are sold at the completion of the research trials, and this revenue will offset some of the farm operating costs.

I am also informed that the budget may increase during 2003-04 year, based on the demand for research trials and the subsequent sale of cattle resulting in increased revenue. Mr Smith, do you want to comment on this question as well, about the research farms and the herds?

**Mr SMITH:** I can provide detailed breakdowns if you wish.

**Dr BURNS:** Just in terms of the efficiencies and how those efficiencies will be arrived at.

**Mr SMITH:** The savings and efficiencies are in overall management, approximately \$81 000; at Berrimah Research Farm of \$100 000; and Beatrice Hill Farm of \$41 000. Then there are savings as a consequence of relocating the breeding herd from Douglas Daly to Victoria River and that is approximately \$140 000. Then there are additional reductions in appropriation because we believe that we have the capacity to generate additional revenue and that additional revenue will be generated from Douglas Daly, Katherine Research Station, and Victoria River Research Station. There are efficiencies and in addition to that we expect to generate additional revenue.

**Mr MALEY:** They are the three farms which are going to receive cuts to their operating budgets?

**Mr SMITH:** I can give you the whole list if you like?

**Mr MALEY:** Perhaps you can just table that rather than read it out. Minister, it is up to you.

**Dr BURNS:** We have given it a pretty fulsome answer about what is going on. It comes back to, not so much cuts, but efficiencies in operations and we have given a pretty fulsome answer.

**Mr MALEY:** Yes, but in terms of the detail, what I am after is something I can take back and say, these are the farms ...

**Dr BURNS:** I have given you the detail.

**Mr MALEY:** ... that are going to have cuts in their operating expenses. Your advisors have a detailed document which could be tabled and then the answer would not need any further investigation.

**Dr BURNS:** Mr Smith has - you know, we are getting down to tens of thousands of dollars here. It was a pretty detailed answer. I am very satisfied with it.

**Mr MALEY:** All right. Minister, how much revenue did the research farms raise in the 2002-03 financial year? Were they allowed to utilise all of that money; where did it go?

**Dr BURNS:** I would defer to Mr Vivian on this one.

**Mr VIVIAN:** Thank you, minister. If you refer to Budget Paper No 3 for this current year, on page 290, there is reference to research farms. \$950 000 was the estimated revenue for 2002-03; \$962 000 for 2003-04. That is through the sale of goods and services.

**Dr BURNS:** There was a second part to your question, member for Goyder, from memory. Would you just like to repeat the second part of the question? I think it related to the use of that particular revenue.

**Mr MALEY:** Minister, are you able to provide more detail about the precise revenue?

**Dr BURNS:** I will hand over to Mr Vivian.

**Mr VIVIAN:** The sale of cattle and produce amounted to \$950 000 and housing rent, \$18 000, which accounts for the \$968 000.

**Mr MALEY:** Minister, under the performance measures under the output 'animal, plant and industry production services' you talk about customer satisfaction being 79%. Can you tell the committee how that was determined?

**Dr BURNS:** I will defer to Mr Smith on this. Is that appropriately in your area, Roger?

**Mr SMITH:** Yes. Sorry, I missed the question, what was it?

**Mr MALEY:** The question is just, if you read this, under the performance measures, under quality, it talks about customer satisfaction, and despite these cuts ...

**Dr BURNS:** You say this is on page 145?

**Mr MALEY:** That is correct, yes. The 2002-03 estimate says that 79% of customers were happy, that is what 20% are unhappy I suppose, and that is not expected to change next year. I just want to know how you determine that figure, what sort of actuarials, what sort of surveys you undertook?

**Mr SMITH:** That was based on a customer survey which was done in early 2003, and the data for 2002-03 is based on the survey results. The estimates for 2003-04 are predicted on a no change situation.

**Mr MALEY:** Okay. Am I able to ask for the details of that survey? Is there a graph that has been produced, or do you have a summary of the survey results?

**Dr BURNS:** I would be quite prepared to offer you a brief on the matter, member for Goyder.

**Mr MALEY:** Okay. Minister, I suppose it is inherent, having regard to your previous answers, but are you saying that there will be no research and development projects scrapped in 2003-04; there will be some cuts but no projects are going to be scrapped which are currently on ...

**Dr BURNS:** That is a very good question, member for Goyder. That was one of the first questions that I asked the department. I am assured that that is not the case, but either Mr Vivian or Mr Smith might want to reassure you as well.

**Mr SMITH:** There is no research effort been cut, Mr Chairman. There will be some projects that terminate, that come to an end, and there will be new projects coming on board, but the total level of commitment remains the same.

**Mr MALEY:** Okay. That is just a natural progression?

**Mr SMITH:** It is just a natural progression.

**Mr MALEY:** Okay. Minister, there has been a good deal of interest in the cotton industry and its development in the Northern Territory. Does the government have any plans to regulate the cotton industry at this stage?

**Dr BURNS:** Most members would be aware that there has been a series of questions within the House on cotton and cotton trials in the Katherine region. These are trials that are carried out under the overarching auspices of the Office of the Gene Technology Regulator. These trials, I believe, Mr Smith, have another two years to run, is that correct?

**Mr SMITH:** That is correct, minister.

**Dr BURNS:** No decision will be made until those trials are complete. Possibly you would like to elaborate a little bit further, Mr Smith?

**Mr SMITH:** The current trials have been largely sponsored by the Cotton CRC, together with funding from the Cotton Research and Development Corporation. They should come to an end within two years. There is no decision been made as to whether we go any further after that.

**Mr MALEY:** Minister, how much money did the Northern Territory government contribute towards the development of the cotton industry in the Territory in 2002-03?

**Dr BURNS:** I had better defer to Mr Vivian for a more precise answer there.

**Mr VIVIAN:** The total allocation in 2002-03 was \$310 000, which included \$80 000 in minor new works for construction of an irrigation pivot at Katherine Research Station.

**Mr MALEY:** What is the anticipated expenditure for the next financial year, 2003-04, minister?

**Dr BURNS:** I will once again defer to Mr Vivian.

**Mr SMITH:** If I could answer that, minister. The 2003-04 budget for the Northern Territory appropriation is \$250 000, and that is \$218 000 personnel costs and \$32 000 operational costs. In addition to that, we expect to receive in the order of \$240 000 in external funding.

**Mr MALEY:** Okay. Just in relation to the external funding, minister, there has been some suggestion there are private companies contributing to this project. Are you able to particularise how much private money, as opposed to Commonwealth grants, is being contributed to the development of cotton?

**Dr BURNS:** I thought that was pretty well on the public record, member for Goyder, but, once again, I will defer to Mr Smith.

**Mr SMITH:** The funds are actually contributed, Mr Chairman, through the Cotton CRC and the Cotton Research and Development Corporation. It is fair to say that there is private money going into those corporations, but we do not have a breakdown of that. By far and away the largest contribution to those corporations comes from the Commonwealth CRC funding.

**Mr MALEY:** What arrangements, if any, does your government have in relation to the ownership of the results of this research?

**Dr BURNS:** I will defer it once again to Mr Smith about that.

**Mr SMITH:** The research results are all published, so they are in the public domain, but the CRC agreements provide that any intellectual property which arises from research carried out under the auspices of the CRC is distributed amongst the partners to that CRC in keeping with their contributions to the total program of the CRC. That is a standard CRC agreement.

**Mr MALEY:** All right. Minister, when you say intellectual property, that includes copyright. particularly in the GMO product?

**Dr BURNS:** Member for Goyder, being a legal man, these are very complex issues. I will defer to Mr Smith on this one.

**Mr SMITH:** Yes, once again, Mr Chairman, because it is research that is published in the public domain, the results are always available to the public. So, the intellectual property refers to the development of patents and the development of things such as plant breeders' rights, etcetera.

**Mr MALEY:** Minister, are you able to say precisely how many acres are currently being developed with this research project, and currently under cotton, and what is the anticipated acreage next year? Is there expected to be an increase?

**Dr BURNS:** That is a very specific question, member for Goyder, and if you do not mind I will refer that to Mr Smith.

**Mr SMITH:** Mr Chairman, in 2002-03, 45 ha of cotton was grown at Katherine Research Station. The same amount has been sown again. However, in addition to that there is a further 30 ha which has been grown on land leased from Peanut Co of Australia. That is a total of 75 ha.

**Mr MALEY:** Minister, has any GMO cotton been detected outside the research area? There has been some suggestion and concern raised by groups in Katherine about this, but as far as the government is aware, has there been an escape of any GMO cotton product into the environment outside the strict confines of the research farm?

**Dr BURNS:** I will defer you to Mr Smith on that. I have certainly been interested in this issue. Possibly Mr Smith could also elaborate what steps are taken in terms of ensuring that there is no escape of this renegade cotton into the environment.

**Mr SMITH:** Thank you, minister. There has been no escape from our trials that we are aware of, and in fact, that is part of the ongoing monitoring program. In addition to that, the research that is currently under way is largely being concentrated on the potential environment of weediness of GM cotton. We have published results to that effect. We believe that it can be controlled, and the regulatory requirements of the Office of Gene Technology require that certain steps be taken to ensure that GM cotton does not escape into the environment. However, that does not apply to the Territory because we are not doing it. For example, where GM cotton is fed to stock, then there is a requirement for the licensee to ensure that the paddocks in which that GM cotton was fed are inspected for the presence of GM cotton. Since we do not do that in the Territory, that does not apply here.

**Mr MALEY:** Minister, I am mindful of the time so I will move on to table grapes. The Ti Tree grape project has been an enormous success. No doubt you visited the area and are aware that there are expansion opportunities which exist in this important industry in Ti Tree. Can you inform the committee as to what you are doing to assist this expansion, and what are the current obstacles, if any, for that expansion?

**Dr BURNS:** I will defer to Mr Smith in a second. You are right, I have visited the Ti Tree area. It is a very exciting development, it is a multi-million dollar industry and there are some big players there. I am also aware that there are plans by the Central Land Council, through a project called Centrefarm, to develop further in that area, and it is very interesting. They have had a lot of support from the table grape industry. There are not only opportunities for growing and for more vineyards there to grow more grapes. There are also a lot of employment opportunities. It is a very good step forward for the industry, and a partnership with the Aboriginal people through Centrefarm. Mr Smith may want to elaborate more on that.

**Mr SMITH:** Thanks, Mr Chairman. There is a series of programs that the department has in place to



support the Table Grape Association. My guess is they are probably best covered in five categories. The first is the ongoing Research and Development Program, which is largely focussed on irrigation schedules, pruning schedules, schedules treating with the plant hormones to promote early flowering. There is a program involving the identification of new areas suitable for expansion of the industry, and a number of sites have been identified at areas such as Woodgreen and Pine Hill Station. Resolution of native title is currently under way to release those areas for new plantings of table grapes. There is a program under way with the Central Land Council, which has established a commercial arm called Centrefarm. We have been providing support to Central Land Council to promote the table grape industry on Aboriginal land. It is probable that the first 25 ha of that will be planted this financial year.

The fourth area which will be of interest is that you will be aware that Ti Tree is free of Queensland fruit fly. As a consequence of that, we are looking at a program to start eradicating Queensland fruit fly from Alice Springs so that we do not get any further reinfestation in Ti Tree. That program will be a pilot trial. We will be working on the old east side, which is a discrete area, attempting to use sterile male flies to knock down the fruit fly populations during the winter months without using cover sprays because of the backyard nature of the fruit that are currently grown in Alice Springs.

The fifth area in which we are supporting the industry is in the industry association itself. They have formed a very strong association. We have funded them and are also providing them with ongoing support.

**Dr BURNS:** I will elaborate a bit further, member for Goyder. In a very practical sense, when I was in Ti Tree I met with the growers. They raised a couple of issues or potential problems with me. One of them was the issue of roads around some of the farms. I was able to talk to the minister for roads, the minister for Lands and Planning, and get some action on that, and also with regard to power difficulties they are having during harvest, and the rationalisation there. In many ways, meeting with them I was able to assist them. They put their needs on the table. They are a great bunch of people, and it is a great industry for the Territory.

**Mr MALEY:** Minister, prior to the election, your government, then in opposition, gave a commitment to build a packing shed in the rural area. Would you kindly give the Estimates Committee an update or a status report as to the progress of that project, including what submissions have been received from industry?

**Dr BURNS:** I thank the member for his question. Yes, we did have an election commitment for \$2m for horticulture infrastructure. However, not wanting to go ahead and build infrastructure that was not what the industry wanted, we went out and consulted with the industry. They let us know, in no uncertain terms, what they did not want. All I can say at this stage is that there are a number of proposals before us - and Treasury is involved too. We are keen to spend that money but, at the same time, it has to be spent strategically and effectively. As most people would be aware, there is a bid in from the Katherine area for facilities to facilitate the transport of mangoes in particular, but other horticultural products, and particularly packing and shipping with integration of road and the rail.

There are some proposals on the table; there are also some proposals from some private people. However, we have to make sure with those that there is transparency and that government funds are spent exactly in the right way. That is all I want to say at this stage on that particular issue. I am keen to spend that money but it has to be spent strategically and effectively.

**Mr MALEY:** Minister, I appreciate what you said, but when will you make a decision? When will we know where this infrastructure is going to be built? And what type of infrastructure?

**Dr BURNS:** Mr Smith has been involved in some of these negotiations, particularly with Treasury ...

**Mr MALEY:** Is there a time line? It has been two years now.

**Dr BURNS:** It has been. I am well aware of that. However, we need to arrive ...

**Mr MALEY:** Just in terms of certainty ...

**Dr BURNS:** We need to arrive at a consensus position with industry. It is no good going off and building something that is a white elephant that no-one wants, or causes division within the horticultural industry or the mango industry or whatever. We just have to get agreement. There are some solid proposals on the table. I am not sure whether Mr Smith wants to talk a bit more about the process we are going through at present.

**Mr SMITH:** Yes, minister. The process we are going through at the moment is that we are assessing each one of those proposals to determine – essentially, we are doing a benefit cost analysis, what are the implications for the Territory, what are the spin-offs for the Territory in terms of job creation, potential exports and potential additional produce that flows through the Territory, and also to what extent do those proposals benefit the larger industry rather than just the individual proponents. We hope to get those assessments completed within the next couple of months and then the process will need to be gone through. I cannot say what the time frame would be, minister.

**Dr BURNS:** Thank you, Mr Smith.

**Mr MALEY:** Minister, I know we are eating into the time fairly quickly, but I am aware of the grants which your government has given to the Horticultural Association. Rather than lead in with a bundle of questions about that, my question is: are you able to provide details of any specific marketing support that your government has given to the mango industry, the cut flower industry, the citrus industry in 2002-03; and do you anticipate providing any specific marketing assistance to those industries in 2003-04?

**Dr BURNS:** Member for Goyder, those industries are very vigorous industries and I have had the opportunity to meet a number of the players in those industries. I am very impressed by their vigour, by their independence and 'get up and go'. I will just defer to Mr Vivian. So, we are talking in terms ...

**Mr SMITH:** If I could just respond to that, minister.

**Dr BURNS:** Surely.

**Mr SMITH:** Marketing *per se* is basically the provident of the private enterprise. What we do is we are in the process of assisting those industry sectors to develop market opportunities, to open up access to those markets. For example, we have an Industry Development officer who is seconded to the Mango Industry Association and that individual has been working with the association on a whole series of industry matters. We supported the association in the recent symposium that they organised here which was to develop a mango industry code of practice to ensure that their entire food chain from farm gate through to retailers was cohesive and was supportive ...

**Dr BURNS:** I think you were there, member for Goyder.

**Mr MALEY:** Indeed I was.

**Mr SMITH:** ... and we provide similar services in the other industries. However, marketing *per se* is the prerogative of the individual exporter. We are in the process now of trialling sea freight trials for mangoes. We did that in conjunction with Western Australia and those trials will continue again this year.

**Mr MALEY:** Minister, in relation to the fertiliser freight subsidy, you stated that in 2003-04 the amount allocated to the fertiliser freight subsidy was going to be halved and that money would be re-allocated to the FarmBiz program. For the record, can you indicate how much the subsidy currently is and what will the subsidy be after it is cut?

**Dr BURNS:** The subsidy is going to be phased out over two years, member for Goyder. I will just give a little bit of background as to why this step was taken. In the six months or so, or longer that I have been primary industries minister, I have had very positive feedback from a significant number of primary producers about FarmBiz and its value, and amongst are some of the groups that you mentioned before. FarmBiz is very popular and I was very keen, in line with our economic strategy also, to see an extension of an initiative like FarmBiz. It makes for efficiencies within business, it helps businesses step up to the next level and develop further and plan. It is a very strategic program. Having said that, the fertiliser freight subsidy has been under utilised and I think 50% under utilised. It seemed to me that here is a particular program that was under utilised, used by a few primary producers, but here was an opportunity to develop FarmBiz further and provide opportunities for a greater number of people. Having said that, is it appropriate for you, Mr Vivian, to talk about the money side of FarmBiz and the scaling down of the fertiliser freight subsidy?

**Mr VIVIAN:** In terms of how much was expended on fertiliser freight this year, year to date we have had \$173 000 worth of payments. In the following year, the budget will be \$150 000, and the rate per tonne is coming back from \$55 to \$27.50. That transfer of \$150 000 to FarmBiz is a significant benefit. In addition to the \$150 000 of Territory taxpayers' money, it will bring with it a one-for-one contribution from the Commonwealth, so there is an increased \$150 000 benefit to be drawn from Commonwealth funding as well.

**Dr BURNS:** I am further informed that, just looking at this briefing here, that the numbers accessing FarmBiz are increasing. In 2001-02, 490 people, and so far in 2002-03, 510 people. It is a significant number, and I think it is a great project.

**Mr MALEY:** Minister, there is absolutely no doubt that FarmBiz is something that we support. I get lots of positive feedback from those who use the service. But, minister, why couldn't you have put new money into FarmBiz and maintain the fertiliser freight subsidy? That is the first question.

Second, what sort of consultation did you enter into with the industry before you decided to cut the fertiliser freight subsidy? They say they were not properly consulted.

**Dr BURNS:** I suppose it is a more global question. As a government, we are looking for efficiencies in the operations of departments. I am not saying that departments are operating inefficiently, but in any business or any government organisation, you are continually looking for efficiencies.

Having said that, also in terms of government or business, there are programs and projects that run their life, that might not be as popular they were in past years, so you look to the future. I really think that FarmBiz is looking to the future. The fertiliser freight subsidy was something that was on the decline. So rather than whack new money and add to the budget bottom line and have a ballooning deficit, this government has proven over the past two years that we are adhering to our deficit reduction strategy. We are on target and the absolutely fantastic result this year of our budget deficit – it is still a deficit, but we are really on target and things are humming along very well. We are showing a lot of discipline in government.

**Mr MALEY:** Minister, I appreciate that spiel. I have heard it a few times. Can you please tell the Estimates Committee who did you consult before you decided to cut the fertiliser freight subsidy?

**Dr BURNS:** Just to let the member know that a big part of budget deliberations is a matter of judgment. You do not go out there trumpeting this and that. I know the ...

**Mr MALEY:** So you did not consult? That is fair enough.

**Dr BURNS:** No, no, no. I went on the basis of what I knew about FarmBiz, what people were telling me about FarmBiz and what I could see plainly in terms of the fertiliser freight subsidy. Budget deliberations need to be discreet. There are enough silly rumours that go around the place. I was at a

function in Katherine and the member for Daly came up and said with all the certainty in the world: 'You are introducing a land tax' ...

**Mr MALEY:** You have.

**Mr Baldwin:** You have. It is true.

**Dr BURNS:** We have not introduced any land tax whatsoever. That is a complete furphy, member for Daly. But these rumours abound and that is why there is a need for judgment and confidentiality.

**Mr MALEY:** Minister, you have made a political judgment. You have cut this subsidy which is a bottomline figure for farmers ...

**Dr BURNS:** But, member for Goyder, ...

**Mr MALEY:** I hear what you are saying.

**Dr BURNS:** Sorry.

**Mr MALEY:** Will you at least undertake to write to all those farmers who are going to be affected by this cut in the subsidy?

**Dr BURNS:** I will take advice on this. To be honest with you, member for Goyder, I am not aware of one farmer that has contacted my office or written to me on this issue. Certainly, the member for Daly has raised this issue in the parliament, but I have not been inundated by phone calls from people complaining about it. There may have been some correspondence.

**Mr MALEY:** Well, they do not know about it, do they?

**Dr BURNS:** The budget has been brought down for some time. The point is, it is being phased out over two years, that is the first thing. It is not as if people have said suddenly, bang, come the end of this financial year there is no fertiliser freight subsidy. People can make further plans in terms of fertiliser and how they are going to do that. Mr Smith, have you had any negative feedback about this phasing out of the fertiliser freight subsidy?

**Mr SMITH:** I have not heard anything.

**Dr BURNS:** The only people we are hearing it from are the two people in the universe in front of us here.

**Mr WOOD:** I am in the universe.

**Dr BURNS:** Do you have a question about it, member for Nelson?

**Mr WOOD:** No, I was just telling you there are other people here.

**Dr BURNS:** No, I said people in the universe with a complaint, that is what I meant.

**Mr MALEY:** Minister, I can tell you there are people who are genuinely concerned about it. All I am asking from you is, will you undertake to write to those people, because lots of people do not know about this cut?

**Dr BURNS:** Yes, of course we will, member for Goyder.

**Mr MALEY:** So, you are going to write to those people?

**Dr BURNS:** Yes. But you will not chew my ear about the expense of a stamp and envelope, will you?

**Mr Baldwin:** We will congratulate you for doing your job.

**Dr BURNS:** Well, it is estimates. I am expecting a bit of that later on, so we will come to that when we come to it.

**Mr MALEY:** Minister, I understand there is currently a weed chemical subsidy. Is that the case?

**Dr BURNS:** Weeds are really in the purview of the minister for Lands, however I will take advice about that.

**Mr SMITH:** I do not know what the situation is currently, minister.

**Dr BURNS:** But it is in the purview of the minister for Lands?

**Mr SMITH:** Yes.

**Dr BURNS:** Okay.

**Mr MALEY:** Minister, in relation to the meat industry, are you able to produce a table, it would save going through it step by step, of what industry assistance funding has been provided to the peak bodies and individuals to develop the cattle industry, the buffalo industry and the export of camel meat in 2002-03, and what are the planned allocations to that assistance funding in 2003-04?

**Dr BURNS:** An important question. I am informed that that was part of output 1.0, which was part of Minister Henderson's responsibilities.

**Mr MALEY:** Okay. When I talk to people in the industry, particularly animal and plant production type matters, fundamentally, a good road network seems to be a fairly significant issue. I know, strictly speaking, it is probably not your area, but I will put the question to you. Do you believe, first of all, that roads are a high priority, and which roads do you think should receive priority government assistance in 2003-04 in terms of beef cattle roads and the like?

**Dr BURNS:** Once again, I ...

**Mr MALEY:** Yes, I know what you are going to say.

**Dr BURNS:** No, I am going to acknowledge the importance of what you said about beef roads. Obviously it is within the purview of the minister for roads, but I can assure you, and the committee and the beef producers, that I am constantly in conversation with Minister Vatskalis on this very issue. I am certainly a very strong advocate within Cabinet of beef roads. I presume you questioned Minister Vatskalis about beef roads and what was planned for this year. It is a question for Minister Vatskalis. However, \$4.3m have been allocated in infrastructure initiatives for business; this is in this *Building the Territory* business paper. We have put substantial money into beef roads.

**Mr MALEY:** I am just giving you the opportunity to say, as the minister for primaries industries, what roads you think deserves some priority, because people ask that question all the time ...

**Dr BURNS:** I know, I know.

**Mr MALEY:** ... more specifically than the capacity of laboratories and ...

**Dr BURNS:** Yes, I know. Of course, Mr Bob Lee, the former Executive Officer of the Cattlemen's Association, has moved on now. In my first meeting with Bob Lee I said: 'Can you get a list to me of what the priority roads are in terms of the Cattlemen's Association?'. Mr Lee moved on. I attended, as did the member for Daly, the AGM and dinner in Katherine some time ago. I spoke to Val Dyer, who was the Chair at that stage, and said: 'Look, I am very interested to hear from the Cattlemen's Association exactly which roads they want prioritised'.

I need to have some more discussions about that. I know that, since Mr Lee left, the Cattlemen's Association has been restructuring and reaffirming and finding its direction forward. However, it is certainly on my agenda. Beef roads is a very important agenda item; I acknowledge that.

**Mr MALEY:** Okay. Minister, I have a number of other questions but they are more specific and painful, from a financial perspective, so I might just put them on the question paper in parliament.

**Dr BURNS:** You are very welcome to do that, member for Goyder.

**Mr MALEY:** That will be all the questions I have for this particular output group 3.1.

**Mr WOOD:** Thank you, Mr Chairman. I was not really champing at the bit, member for Daly, although it is very good primary industry comparison.

Minister, you said at the beginning that they had cuts of \$1.9m. Is that correct? You explained how those cuts came to be.

**Dr BURNS:** Absolutely.

**Mr WOOD:** Am I right in believing that the cuts are actually closer to \$3.1m? I cannot distinguish where ...

**Dr BURNS:** No, there were three areas that I went ...

**Mr WOOD:** That is the first category of cuts, \$1.9m?

**Dr BURNS:** Yes, we are talking about \$1.9m in relation to animal and plant industry production services; \$2.1m in animal and plant resource protection; and then fisheries resource development and management service \$0.287m. Does that clarify that for you?

**Mr WOOD:** That is right. Yes, I was not sure whether you were globalising or splitting them up.

**Dr BURNS:** We are in this area now of \$1.998m. At the beginning of the next output area I am more than willing to go through the areas, just to give a global look - in the next area it is going to be \$2.14m - to see what is involved there.

**Mr WOOD:** Yes. Thanks, minister. Minister, you also said there efficiencies. Again, because we are trying to compare the large department, your section, there was a cut of 25 staff in the department - 659 down to 634. How many of those staff were cut from your department?

**Dr BURNS:** The categorical answer to that is none. Maybe Mr Carroll ...

**Mr CARROLL:** Mr Smith has the total.

**Dr BURNS:** All right.

**Mr SMITH:** Mr Chairman, at August 2002, Primary Industry staff based in Darwin was 194. In May 2003, the staff numbers were 201. The increase is primarily because of the additional staff that were brought on board for the grapevine leaf rust. In addition to that, there are 49 staff in Katherine, they remain unchanged - of those, two are business and trade. There are 11 staff in Tennant Creek, which are now increased to 12 - again, two of those are business and trade. In Alice Springs, there was a total of 51 staff in 2002, increasing to 54 in 2003. Of those, six are business and trade and 19 are minerals and energy. In short, there has not been a cut in staff.

**Mr WOOD:** Okay. Thanks, minister. The member for Goyder asked some of ...

**Dr BURNS:** It is fair to say that, because of the nature of the work, staff numbers do vary from month to month and, to some degree, we need to have an overview over a year.

**Mr WOOD:** Maybe it is worth having a breakdown of who is full-time, who is part-time and who is contract, etcetera. I am not saying I need that now, minister, but perhaps that would be helpful.

**Dr BURNS:** We can supply it now, member for Nelson.

**Mr WOOD:** Would you table that, minister?

**Dr BURNS:** Phil, have you - I am sure we have it here.

**Mr VIVIAN:** To give you an idea of some breakdowns on the type of staff employed, this is across DBIRD: 32% in technical positions; 23% in professional; 6% executive; 38% admin and 1% physical. That is in terms of a part-time and full-time break-up. For DBIRD as a whole, as at 31 May, 623 were full-time and 34 were part-time.

**Mr WOOD:** Minister, is it possible to have a breakdown of where people work? I am not saying the names, but who you have working at what place, like how many work at Kidman Springs, how many work at Coastal Plains?

**Dr BURNS:** I am willing to extend a briefing to you on that issue.

**Mr WOOD:** Thank you. Minister, why is the number of research and development projects declining? There is nothing that shows in your ...

**Dr BURNS:** We are on page 145, are we? Oh, I see. Here on page 145, Research and Development Projects, 93 down to 88. Would you like to comment on that, Mr Smith?

**Mr SMITH:** Yes, minister. Mr Chairman, that was largely due to projects that terminated. We normally have research projects which terminate every year. The new ones have not been brought on board yet because we have yet to receive the funding allocations from the external funding agencies.

**Mr WOOD:** Do you expect them to pick up again?

**Mr SMITH:** We expect the entire research effort to be about the same. There will not be any significant difference either way.

**Mr WOOD:** Thank you, minister.

**Dr BURNS:** But it might also be, depending on the scale of the projects, you can have smaller research projects that the total research effort is still equivalent. Just the number is not always a good indicator, although it is interesting to see.

**Mr WOOD:** Thanks, minister. The actual figure for capacity to provide and maintain research facilities for the Territory, I do not know whether that has anything to do with it at all. So, slightly lower say about \$540 000 less. Does that relate to research and development projects capacity?

**Dr BURNS:** We answered that question earlier from the member for Goyder. But possibly Mr Smith might want to elaborate.

**Mr SMITH:** That figure again, Mr Chairman, refers to the research farms, which the minister answered before.

**Mr WOOD:** Minister, the next question is specific to Coastal Plains Research Station. Can you say how many people worked there in 2001-02; and 2002-03; and how many people do you think will work at that research station this year?

**Dr BURNS:** I am informed currently there are two staff members stationed at Coastal Plains on a permanent basis, and also some part-time officers assisting with the office work, and five technical staff who work at Coastal Plains on almost a daily basis to assist with the R&D program, one of whom is based full-time at Coastal Plains. Currently, I am informed the total staff at Coastal Plains is seven full-time and one part-time. In terms of the historical question, I will ask Mr Smith to elaborate.

**Mr SMITH:** The distribution of staff at Coastal Plains is essentially geared to the research projects that are taking place there. The way the horticultural division is organised it has a core of staff to maintain facilities and then research is associated with different industry sectors which are working on particular projects, work at the station for those particular projects. In the case of Coastal Plains, it amounts to approximately five additional people working out there on a full-time basis with projects such as cocoa, bamboo, mango, etcetera.

**Mr WOOD:** Minister has there been a removal of some research projects from Coastal Plains to Berrimah Farm?

**Dr BURNS:** I have been out to Coastal Plains. There are quite a number of research projects there that are very interesting. But in terms of the removal from Coastal Plains to Berrimah I will defer to Mr Smith on this particular question.

**Mr SMITH:** Thank you, minister. Mr Chairman, no there has not been any research projects shifted from Coastal Plains to Berrimah Farm that I am aware of. Coastal Plains is still the major area in which we are doing our trials of mango hybrids. There are some 1800 mango hybrids under testing there. We have a number of trials involving bamboo, we have a number of trials involving dragon fruit and cut flowers, and they are all being continued ...

**Dr BURNS:** And cocoa!

**Mr SMITH:** And cocoa of course, sorry.

**Mr WOOD:** Thank you. Minister ...

**Mr SMITH:** Sorry. The other major trial undertaken out there now is bananas, looking for banana varieties that are resistant to Panama disease.

**Dr BURNS:** That is a very important research project.

**Mr WOOD:** Thank you, minister. Minister, a few years ago, there were recommendations to sell of part of Coastal Plains Research Station. Have those sales happened, and do you have any idea of the value of those sales?



**Dr BURNS:** Sales from Coastal Plains?

**Mr SMITH:** I think the member is referring to the sales of the Coastal Plains Farm not the Coastal Plains Horticultural Research Farm.

**Mr WOOD:** That is right, yes.

**Mr SMITH:** There was a subdivision plan, but that land has not yet been sold. It is still being used by us.

**Dr BURNS:** As I said, without labouring the point, I have inspected the facilities, both the horticulture and the Riverine Buffalo Project out there. I am very impressed by the staff, projects and facilities. From where I stand, I am committed to the continuation of the research effort through Coastal Plains. It is very important for the Territory in a whole range of areas.

**Mr WOOD:** Thanks, minister. That last question related to nearly all the land that is now set aside for experimental pasture cropping. It was proposed to be subdivided and sold off for banana plantations, and some of the wetlands below that were supposed to be sold off. It was a question as to what has happened to that because that was a definite ...

**Dr BURNS:** Sorry, member for Nelson. How long ago were these proposals?

**Mr WOOD:** Probably three years.

**Dr BURNS:** Three years.

**Mr WOOD:** I think your executive officer would probably say about the same.

**Mr SMITH:** That is correct. The proposal was, and remains, to sell a couple of blocks adjacent to the Middle Point Road. These are the higher areas of land, and the remainder of land, which is the transition zone and the floodplains, would remain with us for continuation of the buffalo project. That is still the proposal, but the land sales have not taken place yet.

**Mr WOOD:** And, minister, I think some land was going to be converted over Parks and Wildlife. That is one of the proposals you see on the Land Use Objectives. There may be some internal disputes there.

**Mr Baldwin:** I think that was resolved.

**Mr WOOD:** Minister, just on the GM crops, two questions. Are there any other GM crops being trialled in the Northern Territory?

**Dr BURNS:** Not to my knowledge, and to my knowledge there are no proposals of any further trials. Cotton is it. Can you confirm that, Mr Smith?

**Mr SMITH:** That is correct. There are no other proposals and the only GM crop currently being trialled is cotton.

**Mr WOOD:** Minister, I mentioned in parliament that we had a forum on the effects of genetically modified organisms in the environment. What was raised at that forum was the issue of monitoring off-site for genetically modified crops. I know you said that there appears to be no effect of genetically modified cotton on the natural environment. How did you measure that? Did you have any off-site monitoring sites to prove that was not happening?

**Dr BURNS:** I will defer to Mr Smith, or possibly Mr Peart. All right, Jack. Can you come forward and identify yourself? Mr Jack Peart, who everyone knows, is very familiar with the Katherine region and these trials. So, if you could identify yourself and your position, Jack, and just speak to the question.

**Mr PEART:** Thanks very much. Jack Peart. I am Director Pastoral with the department and Regional Director, Katherine. The information that I was giving to Mr Smith was that there has been, over the last three years, a very detailed study done on the weediness of GM cotton. It was conducted with the CSIRO. It covered most of the Northern Territory and Western Australia, so there has been a very thorough investigation.

**Mr WOOD:** Through you, minister, one of the concerns was: are there any other plants of that species that can be affected by GM cotton?

**Mr PEART:** Mr Chairman, that study included looking at all the native varieties which may have potential to cross with GM cotton. There is very good evidence that there is no possibility of that. It has been very thorough, including no plants and other crop type varieties.

**Mr WOOD:** Is that just going on the basis that you cannot find any species, or you are actually doing monitoring of sites?

**Mr PEART:** There is continued monitoring of sites, yes.

**Mr WOOD:** Thank you, minister.

**Dr BURNS:** I hope that satisfies you, member for Nelson.

**Mr WOOD:** Minister, I was going to ask you a question about the libraries. I know we had the minister for libraries in the other day.

**Dr BURNS:** I am prepared for it.

**Mr WOOD:** That is all right. Do you support your staff in the technical area at Berrimah who are concerned about the future maintenance of their libraries if, as is to be believed, we will have a centralised library system and no library staff on-site?

**Dr BURNS:** That is a very good question. I am very passionate about libraries. They are a very important part of the work that we do, and through my professional career I have had a heavy reliance on libraries. I recognise their importance to professional people and to researchers. I want to give you an assurance here today that there has been no cut, there will be no cut in the next financial year of those library services you have mentioned.

I am informed by the department that, as I have said, the maintenance of an effective library service for our specialist research staff and functions at Berrimah Farm and the Arid Zone Research Institute in Alice Springs is essential. My department is in discussions with Minister Ah Kit's department to ensure adequate library services are maintained, and that libraries are staffed. Funding for library materials is a DBIRD responsibility and has not been reduced in 2003-04. I thank you for bringing this matter to my attention, member for Nelson.

**Mr WOOD:** Through the Chair, minister, I know you said adequate library services, but will that mean that that library, which is a very technical library, will be staffed on-site?

**Mr CARROLL:** Discussions are still going on, Mr Wood, and only this afternoon I am going to sign a letter to my colleague in DCDSCA on the very issue and the matter is not resolved yet.

**Mr WOOD:** Minister, the concern I have is not only for the sake of research in the Northern Territory, because as you say, libraries are very important. Who would maintain the physical library if there was no recognised person there to look after it?

**Dr BURNS:** I have had to deal with libraries, say the Central Medical Library, which is maintained at certain working hours. There are ways that libraries can be maintained. I am very interested in this issue now that you have raised it, and I will be paying very close attention to it.

**Mr WOOD:** Thank you, minister. There is a capital works item which I think comes under you. It is the upgrade of 29 km of road on the Tiwi Islands. Is that correct?

**Dr BURNS:** I am informed that that is under Minister Henderson.

**Mr WOOD:** I did not know where it lay there. That is okay. There was not anything too controversial about it.

**Ms Scrymgour:** There is nothing at all controversial about it.

**Mr WOOD:** The reason I was asking the question, I wanted to know what contribution the company had towards the road.

**Dr BURNS:** I honestly cannot answer that question, but I know the local member is very much in favour of it.

**Mr WOOD:** Well, I was answering her little comment there. Minister, recently I wrote to you regarding a court case which your department had with a banana grower in the rural area of Darwin. Could you tell us what that court case was about, and without detailing who the people are, etcetera, how much public money was paid to cover that court case and the outcome?

**Dr BURNS:** Given it is a legal issue and there are outcomes that are sometimes confidential, I better have a confab with Mr Smith. I am informed by Mr Smith that, as I suspected, this relates to Panama disease, which you would be well familiar with, which is a great threat to our industry. We touched on some of the research effort before to identify resistant strains of bananas to this disease. I am informed by Mr Smith that there was a confidential settlement and so, for that reason I am unable to. Maybe Mr Smith could give some detail, as he did to me, about the area of bananas that were involved and when this occurred.

**Mr SMITH:** There was approximately 30 ha of bananas that were infected by Panama disease. It was the first known outbreak of Panama disease strain 4 anywhere in Australia. The settlement is, essentially, a commercial settlement. It was a commercial settlement based on the advice from the Department of Justice. The details of the settlement are confidential.

**Mr WOOD:** The question I would then ask is: if this disease occurred on private land, how is the Northern Territory government paying for that and for what reason?

**Dr BURNS:** Sorry, member for Nelson.

**Mr WOOD:** This disease occurred on private land. Why then is the Northern Territory government paying for a disease that occurred on private land?

**Dr BURNS:** Well, I suppose ...

**Mr SMITH:** Can I answer that?

**Dr BURNS:** Yes.

**Mr SMITH:** Essentially, we were paying for the costs involved in the litigation, in a situation where, in subsequent cases of outbreaks, we had come up with a scenario which allowed the farmers to continue to harvest their crops under certain conditions of quarantine. This was the first outbreak and we did not have those protocols developed.

**Dr BURNS:** This sort of thing is always a vexed issue. We only have to look back to BTEC. When beasts are destroyed on people's property, it inevitably leads to litigation; that is understandable. However, I could also say to you that, as a government, we have looked at the whole issue of plant health and procedures for the destruction of plant materials that are diseased. There have been a few instances now over the years of problems associated with that balance between maintaining the plant health of commercial plants in the wider economy versus someone's property and someone's own plants. That is the balancing act. The Plant Health Bill is on its way into parliament sooner, rather than later - Roger, is that correct?

**Mr SMITH:** That is correct, minister.

**Dr BURNS:** That will hopefully clarify – well, I am confident it will clarify - a lot of those issues.

Member for Nelson, I have an apology for you over the issue of the road on the Tiwi Islands. I have been informed that it is within this area. Well, I have had information from someone that it is. So, I am prepared to try and answer the question. I really want to help this area. I am informed that it is in 4.22.

**Mr CHAIRMAN:** It is in where, minister?

**Dr BURNS:** Oh, I am referring to our system here.

**Mr CHAIRMAN:** It is output 3.2.

**A witness:** This is about the harvesting, not the road.

**Dr BURNS:** Oh, I see.

**Mr SMITH:** Minister Henderson is responsible for the road, you are responsible for the forestry.

**Dr BURNS:** Oh, well.

**Mr WOOD:** I am running out of time. Minister, three other questions. You spoke about the Ti Tree grape industry. One of the first questions I raised was about any possible effect of uranium in the water and what the results of the studies you have done had proven. The other one was: what is the life expectancy of the water supply in Ti Tree?

**Dr BURNS:** Those are excellent questions. As a broad statement, we have a very dispersed population in the Northern Territory and in some areas it is expanding. People are drawing from a range of water sources. Are we talking about potable water here, or irrigation water?

**Mr WOOD:** Irrigation water, minister. I am under the understanding that that water is not being recharged, so there is a limit to the life.

**Dr BURNS:** Once again, water issues are complicated. If it is potable water, I suppose, it is a health issue; if power and water are involved, it is a Power and Water issue. If it is water for irrigation it really comes under the purview of the Minister Vatskalis, it comes under his Lands portfolio.

**Mr WOOD:** All right. I was trying to refer it to the ...

**Dr BURNS:** There is no doubt that there are a variety of compounds in Northern Territory waters because we draw from such diverse aquifers. But, to be honest with you, I cannot answer that question and the sustainability question that you asked. I suggest you ask that of Minister Vatskalis.

**Mr WOOD:** Thanks, minister. Minister, I received a copy from DBIRD, I think before your were the minister, of the 2001-02 summary of financial assistance. It shows all the grants to industry, export marketing business growth, fertiliser freight, pastoral water enhancement, photovoltaic rebate, tuberculosis freedom insurance program, weeds management, weeds herbicide, FarmBiz and renewable, remote power generation program. Can you still get that data?

**Dr BURNS:** I am informed by Mr Vivian it will be in the next annual report.

**Mr VIVIAN:** Except for the weed status, minister, which will be in DIPE.

**Mr WOOD:** Minister, I have to give you an egg question or two. You would have noticed it has been raised. As you can see just from that list I spoke about, there are certain programs which do assist primary industry. The poultry industry is really on its knees at the present time in the Northern Territory, and I would not be surprised if it probably does not exist in two years time.

Is the government concerned about that? Will the government at least look at the poultry industry to see if there is anything that can be done to assist it? Basically, cheap imports from south and, I raise this as another issue, the lack of consistency in selling Northern Territory produce in supermarkets, that is, giving them adequate shelf space, is basically to the detriment of some of our primary products. I especially relate here to eggs, because if you go to some of the supermarkets they will have the brand names up there, and our Northern Territory produce will be stuck in a little corner at a much higher price, not through their own fault, but simply because they are being out gunned by the big people down south.

**Dr BURNS:** Of course, the whole poultry industry is a hard one. I sympathise with egg growers and poultry growers. We are living so far away from the sources of grain that feed is an additional expense here compared with elsewhere, and then there is just the competition that we all know about, the so-called poultry wars and egg wars down south, and there is a lot of competition in the egg market. I am sympathetic to the egg industry, but I might just defer to Mr Smith. I am informed also that Mr Henderson is working on the supermarket issue. You might talk about the industry here in the future, Roger.

**Mr SMITH:** Thank you, minister. Yes, Mr Wood is correct that the poultry industry in the Territory is under considerable stress. There are two factors involved. The first one, of course, is the lack of cheap feed. All our feed has to be imported, so they are competing with the additional freight costs on feed.

The second issue, which is probably more significant in the longer term, is that we only have a very small market. So they are competing with very large players down the east coast. There is a considerable sorting out of the industry taking place on the east coast and you are getting larger and larger producers because of efficiencies of scale. Our egg producers up here just cannot match that. They just cannot match the prices that Queensland and New South Wales, for example, can put eggs on the Northern Territory market.

**Mr WOOD:** My last question, minister, is on free-range eggs. The reason I raise it is because you will see eggs marketed as free-range. In the Northern Territory, we do not have any legislative guidelines to say what is free-range. Now, you might say that is a DBIRD issue, but it is also a primary industry issue. People would expect when they see a packet of eggs marked 'free-range' that there is a base set of guidelines to say that those eggs come from farms which have A, B and C as the guidelines. I

do not think we have such guidelines. Would the government at least consider guidelines so that people who buy eggs from free-range farms can be guaranteed that they are?

**Dr BURNS:** I am informed that there are national regulations, as I suspected, governing this. I will let Mr Smith speak to this question.

**Mr SMITH:** National guidelines were developed as a consequence of concerns raised right around Australia. There are national guidelines as to what constitutes free-range eggs, battery eggs and barn produced eggs, and those should be underpinned by the *Trade Practices Act*. Anybody advertising free-range eggs in the Territory should be advertising to the same standard as somebody in New South Wales advertising free-range eggs. If there is a breach of it, action should be able to be taken under the *Trade Practices Act*.

**Dr BURNS:** What we might endeavour to do, member for Nelson, is just inquire what the policing authority for this is and give you some more information about that. Is that all right?

**Mr WOOD:** That is very good. Thank you, minister.

**Mr BALDWIN:** Minister, I am seeking a bit of guidance. I have a brochure here and I am not sure whether it is absolutely to do with you, but it is about food safety workshops which your department is assisting with conducting here in the Top End, and quality assurance. I will give you a copy of that it you know what I am talking about and can show your officers.

Minister, my question is: the company that is doing this work is a South Australian company. Are there local companies that can do this assurance work?

**Dr BURNS:** I thank the member for his question. I have been informed that these workshops have been carried out under the auspices of output area number 1.0, which is Minister Henderson. I suspect that you should be taking it up with Minister Henderson. I know nothing about the matter.

**Mr BALDWIN:** Given that you have your departmental heads here, perhaps I could refer the questions to you and ...

**Ms LAWRIE:** Mr Chairman, the member for Daly knows the process. If this is a question that goes to another minister, take it up elsewhere.

**Mr CHAIRMAN:** We have been reasonably flexible and, really, the option is with you, minister. I know you have indicated that it is in the area of responsibility of Minister Henderson, but in the interests of the proceedings thus far - it is your decision as to whether you wish to ...

**Dr BURNS:** I am not sure who from DBIRD has carriage of this, whether they are present. I know nothing about it. There is obviously a political edge to the question, and I am not going to accept it.

**Mr BALDWIN:** In terms of that, Mr Chairman ...

**Dr BURNS:** I suggest that you write to Minister Henderson or ask a question in parliament.

**Mr BALDWIN:** I am happy to do that if you do not want to answer the question.

**Dr BURNS:** There are other forums. We are working through the output areas that I am responsible for, and I more than happy to be open and frank. I am really enjoying this opportunity to showcase this department and Primary Industries and Fisheries. It is a great portfolio. All of them are. Let's keep moving on what we are to focus on.

**Mr BALDWIN:** Mr Chairman, just in response to that, could I say then that these workshops are being carried out for primary producers and this minister is the Minister for Primary Production. He is surrounded by 20 departmental staff including departmental heads, and if he does not want to answer this, I am happy.

**Mr CHAIRMAN:** Member for Daly ...

**Mr BALDWIN:** I pointed that out, and I am happy now.

**Mr CHAIRMAN:** Member for Daly. Minister, I understand what is going on here. Clearly, you do confine your statements relevant to output areas. The minister has indicated that he is not prepared to do that. That is the end of it. Shall we move on to 3.2?

### **Output 3.2 - Animal and Plant Resource Protection Services**

**Mr MALEY:** Minister, Animal and Plant Resource Protection Services is a very important area. I am mindful of the time. I have a number of important questions I want to ask in relation to fisheries. Minister, there are two questions. The first one is, at page 142, under the heading Output Costs, you have Animal and Plant Resource Protection Services. You have the estimate for 2002-03 at \$9.158m, and there is a significant reduction, a cut, in 2003-04 to \$7.029m, that is a cut of a little over \$2.1m. Can you provide particulars as to where those cuts are going to occur in that area?

**Dr BURNS:** The member for Goyder calls them cuts, I call them variations. I will explain the variations. We are looking at ...

**Mr MALEY:** Will any jobs be lost?

**Dr BURNS:** No jobs lost. It is very important that we be clear as to why there is a variation here. I know it might suit the member's purposes to call it a cut, and come out in his newsletter in the *Litchfield Times*, but these are really variations. Let us move through them. I will outline the broad spectrum, and then we can burrow into the detail.

The first one is: less \$1m for Grapevine Leaf Rust and expenditure there. We will explain that when we come to it, in detail, I am quite prepared to do that. There was \$400 000 paid out for TB cases in 2002-03, not included in 2003-04. Less \$312 000 for AQIS, and the 2003-04 budget is a conservative estimate until the Commonwealth provides the NT with the final budget for the program, so we are being a bit conservative there. Less approximately \$260 000 as an estimated reduction resulting from funds carried forward from 2001-02 to 2002-03 committed to projects. There is a carry forward there; that is part of the variation. Less \$275 000 for the Tuberculosis Freedom Assurance Program. I understand if you want to question further about that. That is a very important aspect of animal health and our export industry. There is an increase in there of \$125 000 for Animal Disease Surveillance. This is additional funding over and above the 2002-03 level, as described above.

To recap - \$1m for Grapevine Leaf Rust; \$400 000 payout for TB cases, not included in 2003-04; \$312 000 for AQIS; \$260 000 for carry forward committed to specific projects; \$275 000 for Tuberculosis Freedom Assurance program. There is actually a positive in there of an increased \$125 000 for Animal Disease Surveillance.

**Mr MALEY:** Minister, I am not sure whether it comes strictly under of this output but, as you know, the chiller boxes are about to open; that is the export of feral pigs from Darwin to interstate. That is a big issue in my electorate, and for the member for Nelson as well. There would seem to be hundreds of pig hunters going into the open areas of the Territory. What, if any, resources has your government allocated to monitoring disease in feral pigs, and the meat inspection of those carcasses?

**Dr BURNS:** I would have to be completely honest with the member. I am not really aware of this major export industry in any detail, so I will defer to either Mr Peart or Mr Smith.

**Mr PEART:** Mr Chairman, there is no system in place for meat inspection of feral pigs. This department runs courses for feral pig harvesters, instructing in the hygienic slaughter of the animal, the butchering, and so forth. Within those courses they also give some instruction on what to look for regarding disease and so forth within the carcass.

**Mr MALEY:** Minister, as I said, there are a number of important questions, but I know we have to move on. I have no other questions for this particular output.

**Dr BURNS:** Do you want to ask me about Pig Hill?

**Mr MALEY:** I want to actually, but ...

**Dr BURNS:** I never knew about Pig Hill until you wrote to me.

**Mr MALEY:** I have written a couple of letters, yes.

**Mr WOOD:** Minister, it was announced, I believe, in the *Litchfield Times* where you starred on the front page, that grapevine leaf rust had actually been found in the rural area. I believe that was stated in this paper. Is that true and, if so, how would that relate to the \$1m being cut from the budget?

**Dr BURNS:** As you are aware, the predominant funding for the grapevine leaf rust program comes from the Commonwealth, and it is staged over a number of years. It is a very significant program for us. I hope the Commonwealth is not listening, but our contribution is comparatively minimal; most of the money comes from the Commonwealth. I will go to Mr Smith about the logistics of the expenditure and the project regarding your question about detection in the rural area.

**Mr SMITH:** Thank you, minister. Yes, we found three infected vines in the rural area. We have inspected to date approximately 40 vines and the remainder have been uninfected. Therefore, we are fairly optimistic that it is not widespread in the rural area. We are continuing our search of known vine occurrences in the rural area. Those occurrences are still well within the quarantine zone, so it does not jeopardise the program *per se*. However, until we finish the rest of our investigations, we do not know whether there will be a re-direction of resources required for that eradication program or whether, in fact, we need to go back to the Commonwealth and states to advise them of the new dimension to the program. Therefore, until we finish the processes which is currently under way, we cannot answer those questions.

**Dr BURNS:** You asked a money question as well, so I will ask Mr Vivian to comment on that.

**Mr VIVIAN:** If the \$1m that is in the budget for 2002-03 is not all spent this year we will be able to carry forward. Also, it will be subject to negotiation, as Roger Smith has pointed out, regarding additional funding from the Commonwealth.

**Mr WOOD:** There is a section on page 146 that says 'Capacity to identify, assess and plan the management of an emergency or endemic animal disease outbreak including ongoing surveillance' will be cut by about 25%. Does the government think that is wise when recently we have seen the discovery of one cow with Mad Cows Disease in Canada, and what that did to that country's beef industry?

**Dr BURNS:** That is a good question. I am informed by Mr Vivian that a lot of this capacity really relates to demand. In other words, as to the outbreak of disease, I am assured that if there was an outbreak of TB in animals, sufficient resources would be put against that, and then the Commonwealth recompenses. Is that correct? Do you want to explain - possibly a combination of Mr Vivian and Mr Smith?

**Mr SMITH:** Thank you, minister. The reduction in capacity refers to wind-back of the TB program.



Tuberculosis has now been effectively eradicated in Australia; the program is winding back. There were a couple of TB outbreaks and they required additional resources in order for us to deal with those animals. In the event that we get a further outbreak, we will go back for additional resources. But on top of that, we have an increase of \$125 000 for ongoing animal disease surveillance, for issues other than TB.

**Mr WOOD:** It is really the basis of the next question. The government has cut more than \$0.5m from the budget for providing diagnostic services, and it predicts an extra 1000 clients for diagnostic and related services. Why have you done that?

**Dr BURNS:** We are on page 146.

**Mr WOOD:** Maybe, minister I have gone back - it is in the wrong section again. Minister, now you said that weed control was not at all in your department, is that correct?

**Dr BURNS:** Yes, it is under Minister Vatskalis.

**Mr WOOD:** Does weed management and weed herbicide subsidies come under your department?

**Dr BURNS:** No.

**Mr WOOD:** I will drop that question then. Final question, minister. Why do we have two quarantine services and why not combine them?

**Dr BURNS:** Because one of them is Commonwealth. I know my department works very closely with the Commonwealth on quarantine matters. I will defer to Mr Smith on the rationale behind that.

**Mr SMITH:** The Northern Territory, Western Australia and Tasmania are the only three jurisdictions that operate international border protection on behalf of the Commonwealth. We do that as an agency arrangement. Host border is a responsibility of states so we have a Northern Territory quarantine group which works on quarantine. In fact, both groups are together in the one division. They share the same facilities, they share the same management structures, and they share access to the same scientists and the same laboratories. There is a considerable synergy of effort between the two, but because one is funded by the Commonwealth and we have to respond to the Commonwealth in accordance with the performance agreement, we have to maintain separation of the actual operations to demonstrate that we are using Commonwealth money for Commonwealth purposes.

**Mr WOOD:** It may be worth looking at anyway in future for efficiencies. My last question is pigeons. We had a pigeon eradication program. Has that eradication program finished and has it been successful?

**Dr BURNS:** Just for the record, the answer to that question, I am informed that responsibility lies in Parks and Wildlife.

**Mr DEPUTY CHAIRMAN:** Are there any more questions on that particular output? That being the case we will now close off output 3.2.

### **Output 3.3 – Fisheries Resource Development and Management Services**

**Mr DEPUTY CHAIRMAN:** We now move to Output 3.3 – Fisheries Resource Development and Management Services. Are there any questions on that output?

**Mr MALEY:** Minister, you said this prior to the election and you have also said it publicly at the AFANT AGM and it has been reported in the *NT News* on a couple of occasions, that is the closure of the Adelaide River and Bynoe Harbour to commercial fishing. You said you were going to do it. Can you provide details as to what baseline studies you have done so far in working towards the closure of

those two important areas?

**Dr BURNS:** I will introduce Mr Richard Sellers. If you could just speak into the microphone and identify your position please, Richard.

**Mr SELLERS:** Richard Sellers, Executive Director of Fisheries Group.

**Dr BURNS:** Certainly, the closure of the Adelaide River is an election promise of ours and we will honour that promise within this term of government. I have laid that on the public record a number of times. In terms of complete closure of Bynoe to commercial fishermen, obviously you are reading our election promises closely ...

**Mr MALEY:** That is what you said.

**Dr BURNS:** ... can you just ...

**Mr MALEY:** The Labor candidates in the electorates of Nelson and Goyder both said that Bynoe Harbour and the Adelaide River would be closed to commercial fishing in the first term of a Labor government if elected.

**Dr BURNS:** I know the closure of the Adelaide River is up there as part of our manifesto that we put out prior to the election. I know we want look at Bynoe Harbour as a sort of marine reserve and aspects of that. To come back to your main question about the Adelaide River, I have given an undertaking that we will honour that election commitment within this term of government. So, at the end of this term of government anglers will actually have two rivers which will have been closed by this government, one being the McArthur, the other being the Adelaide.

**Mr MALEY:** The CLP did that. You opened, then reclosed.

**Dr BURNS:** What was that?

**Mr MALEY:** The McArthur was closed, I understood. Then you reopened it and then went back to the original decision ...

**Dr BURNS:** No, no. You ...

**Mr MALEY:** It is just for the sake of clarity.

**Dr BURNS:** If you want to go back into political history, member for Goyder, I well remember the previous government, in its desperate, dying days coming out with this promise that they were going to close all rivers in the Territory to commercial fishing without – you talked about consultation before – consultation with the fishing industry. I remember now Senator Nigel Scullion getting up there and berating Mr Mike Reed about doing that.

We have tried to be flexible in that we came with a promise to close the Adelaide. A case was put in terms of the McArthur, and we listened to people. When we went down to Community Cabinet into the McArthur River people were overjoyed. They have been catching fish up near Borroloola they have not seen there in years. There were people coming up and shaking Minister Henderson's hand and my hand and saying that was really great. King Ash Bay Fishing Club, people in the street, people in the hotel would come up to us and shake our hands. People down there are very happy with that closure, as will people be with the closure of the Adelaide River. There are issues that need to be worked through regarding the closure of the Adelaide River and between commercial and amateur fishermen. That is what our Aquatic Users Group Forum is all about.

**Mr MALEY:** Minister, I have heard that speech as well a few times. My specific question is – and I

know you have skirted around it with motherhood comments – but there has been a promise to close the Adelaide River. We will stick to the one you are more comfortable with. You have said that publicly on a few occasions. There does not seem to be anything in the budget to compensate the commercial fisherman who is there. Can you give the Estimates Committee a deadline as to when that decision will be made? We are nearly in the third year of your first term of government, your third budget. What I am after is an indication from you as to when this is going to occur. A more accurate one than 'my first term, my first term, my first term'.

**Dr BURNS:** We are a government that works strategically. As I said, we are fiscally responsible. We will honour our election promises in terms of closing the Adelaide River. There is another thing called the Treasurer's Advance which, if necessary, can be called on. However, in reaching agreement through the Aquatic Users Group Forum, that is a very important way in which the major stakeholders can come to some – and maybe Mr Sellers would like to elaborate on the Aquatic Users Group Forum, the issues that it deals with, and its progress.

**Mr SELLERS:** Through the Chair, the minister mentioned Bynoe Harbour as well. So, the Adelaide River, Bynoe Harbour, a Tiwi Island issue between Snake Bay and towards Cape Don, are all under discussion within the Aquatic Resource User Group Forum at the moment. There is a meeting scheduled for late July, which the members have determined will be a time that they head towards finalising their discussions on the Adelaide River so that they can provide some advice to government. They have taken that as a priority of the three issues. The other two issues will be discussed beyond that point.

Depending on how that meeting goes, it is planned to be a day-long meeting, there may well be some advice for government after that meeting or it may take one further meeting, but the members are trying to achieve some advice at the end of that meeting.

**Mr MALEY:** Thanks for that. Minister, will you provide details of all research and development money which the Northern Territory government has allocated to development of Northern Territory fisheries in 2002-03, and how does that compare to 2003-04?

**Dr BURNS:** That is a technical question and I will defer to Mr Vivian.

**Mr VIVIAN:** Through the minister and the Chair, in terms of 2002-03, fisheries research projects included: North Australian sharks and rays - \$29 000; FRDC cryptic mortality - \$45 000; wild stock and mud crab - \$250 000; genetic tagging - \$99 000; aqua mud crab - \$180 000; FRDC on mud crab - \$20 000. In 2003-04, FRDC mud crab production system - \$75 000; mud crab PhD work - \$5000; genetic tagging, a further \$155 000; FRDC wild stock mud crab - \$124 000; and North Australian sharks and rays - \$26 000.

**Mr SELLERS:** There are a couple of other projects, I might add, that are still being negotiated, for instance, general funding. But as they have not been settled yet, they cannot be put in the budget.

**Mr MALEY:** Minister, are there any plans to seek a contribution from amateur fishermen for research and development and, if so, what are they?

**Dr BURNS:** The amateur fishermen have come forward and made some proposals in terms of making a contribution to the fisheries effort. I am not sure whether I should really discuss their proposals. I was not really favourably inclined to them, because one of them involved putting an extra licence levy on every boat trailer in the Territory. I do not think I would want to go down that path. I do not know whether the member for Goyder approves of that sort of approach.

**Mr MALEY:** I am trying to find out what you think. You are the government, whether or not the government has a policy on that.

**Dr BURNS:** AFANT, as you know, have made proposals in the past, and in the public arena about having a licence fee for all recreational fishermen. Another thing they put to me was in terms of

putting a levy on all trailer boats in the Territory.

**Mr MALEY:** So you are entertaining the idea of having a licence fee, is that what you are saying?

**Dr BURNS:** No. What I am saying is that AFANT have put that to me. I do not entertain that. If you want to read our election manifesto, there is no licence fee. We are pretty clear about it. What would you do? Would you want a licence fee for all recreational fishermen? You have had a close association with AFANT.

**Mr MALEY:** You are the minister.

**Dr BURNS:** You know what AFANT have proposed because you have been on the executive of AFANT. It is a bit mischievous of you, member for Goyder.

**Mr MALEY:** That was after my time.

**Dr BURNS:** Obviously, you support, as a member of AFANT, a licence fee for all Territorians for recreational fishing.

**Mr MALEY:** No, I did not. That is unfair.

**Dr BURNS:** You did not? So, you were one out in the executive; I thought it was a pretty unanimous decision.

**Mr BALDWIN:** Who is questioning who here? We can swap places with the minister, if he likes.

**Dr BURNS:** I have said enough on that. I think we should leave that one, do you not, member for Goyder?

**Mr MALEY:** I am happy to go through it at length in parliament.

Minister, I know we are running quickly out of time, we have tourism to follow. I will put the balance of the questions on the notice paper in parliament.

**Dr BURNS:** You are very welcome to do that, member for Goyder.

**Mr WOOD:** Thank you, Mr Chairman. Minister, I noticed you said you shook hands with people because you have closed McArthur River. I hope you are still shaking my hand if you close any more of the sea, and I can still get Northern Territory fish at the fish and chip shops from Darwin, because that is one of the concerns I have. I will base the question around that. I was quite aware that the government made a political promise regarding the closure of a percentage of our seas to professional fishing. Minister, before you do that, will you do a comprehensive economic review?

**Dr BURNS:** Sorry, member?

**Mr WOOD:** Before you support your own political promise to close Adelaide River and, I believe, Bynoe, will the government do a comprehensive economic review of the effects of reducing the percentage of sea available to professional fishermen by either closing rivers or by buying back licences? Specifically, in that review – I will give you a number of the concerns I have – what will the cost be in buying licences? What will be the effect on the availability of local fish? What will be the effect on the price of fish to local consumers? What will be the impact on fish imports, especially from overseas? What will be the price of fish - people need to buy fish - from fish farms? One bigger question is: what will be the effect of a reduction in the professional fishing industry on the whole economy compared to any so-called gain from an increase in recreational fishing?

**Dr BURNS:** That is a very good question. It is a fairly complex one, but I have the general points. What you are asking is, in essence: with the closure of further rivers, obviously, taking fishing areas away from commercial effort, what effect is that going to have in the provision of fish into the Northern Territory fish market - for want of a better word; the price of that fish; and ...

**Mr WOOD:** Availability. Can I still buy Northern Territory barramundi?

**Dr BURNS:** ... the availability? But you are talking specifically about barramundi?

**Mr WOOD:** Well, any fish. I am a threadfin salmon man, personally, but ...

**Dr BURNS:** Well, I know Mr Sellers is champing at the bit to answer this question ...

**Mr WOOD:** At the hook.

**Dr BURNS:** Yes, at the hook. However, it is an important question and you and I have had a discussion about this before. It is important for me to lay it on the public record that I respect commercial fishermen; it is an honourable trade. There are some who hold the extreme view that, regarding barramundi fishing, there should be no commercial fishermen. They do not want to see any commercial fishermen anywhere. That is a very extreme view.

I see my role, as minister, that there is a wonderful resource here that I have stewardship of, which is the Northern Territory fisheries and, in particular, our wonderful barramundi fishery. I will compliment the previous government on what they did in buying back barramundi licences. The general figures I have went from about 126 down to about 26. That was a big step forward for our fishery and for the sustainability of the fisheries, and that has to be acknowledged. However, now, as you are acknowledging, we are getting to a stage with approximately 26 barramundi licences left, where we need to be very mindful that, if we buy back licences, where are those fishermen going to go? Where is the effort going to be concentrated? All of that sort of thing. That is a big reason why the users group forum is in operation; to try to resolve those issues between commercial and amateurs.

I have a lot of confidence in the sustainability of the wild barramundi catch in the Territory. Currently, it is about 900 tonnes a year. I have not heard complaints from fishermen, apart from the seasonal variations in fish, that barramundi generally are getting harder to find. Most fishermen recognise that they are limited in their catch by the amount of effort and the length of nets that they can put in the river. A couple of months ago, I visited one of the commercial barramundi fishermen out at Sampan Creek and saw his operation there, and had a long discussion with him about these very issues of sustainability and river closures and whatever. He is very confident about the future of both the barramundi fishery and the salmon fishery. So, it is a matter of not that we will not be getting, or there will not be enough fruitful areas for fishing, it is a matter of resolving who is going to go where.

I would like to throw this question to Mr Sellers.

**Mr SELLERS:** Thanks, minister. Basically, the additional point I was going to make has already been touched on by the minister. That is the main business of the Aquatic Resource User Group Forum is to go through those issues. We have, through our economists in DBIRD, asked them to start looking at some of the economic issues that you raised. When they have come to fruition in those projects and made the reports, those reports will be public. The idea is to have the information on the record. One of the reasons why this group is working very hard is to try to get that balance and to work through the issues that have been raised - not only by yourself, but by the wider community.

**Mr WOOD:** Minister, as I say, I am quite happy for both industries to exist. However, it seems to me decisions are sometimes made on political promises rather than good scientific and economic premises. That is what I am concerned about.

**Dr BURNS:** If I could respond to that, Mr Wood. The Amateur Fisherman's Association have put their point of view too, and from what I hear in the department, that as the population of Darwin grows, there is more pressure on our harbour and the arms of the harbour. There are also a lot of people who fish on the Daly River. We are looking to the future of the amateur fishery and the sustainability of the amateur fishery. I am quite confident about the sustainability basis of closing the Adelaide. However, there has to be a whole range of consultation and agreement between the various parties about who is going to go where and what is going to happen after the closure. To lay it on the line, I think it is a positive decision. It is good for Darwin, it is good for recreational fishermen. At the same time I do not think it is going to really compromise our commercial fishery for barramundi.

**Mr WOOD:** Minister, if a conclusion came down that it would be unwise to close either the Adelaide or the Bynoe or close one or the other or both, would the government still go ahead with the promise to close them regardless?

**Dr BURNS:** Just to clarify about the Bynoe, we made a promise in our election manifesto about Bynoe Harbour, it is the marine park of Bynoe Harbour. We say that we believe that a marine park should be established in Bynoe Harbour but access for recreational fishing should not be limited by the establishment of this park. So, we have talked specifically about recreational access to Bynoe, that is as far as we went in our election manifesto. We certainly said that we would close the Adelaide River and that is my position on the matter.

**Mr WOOD:** Minister, I presume that that means professionals would not be allowed in the marine park? I am not saying it is a good idea but I am just saying ...

**Dr BURNS:** I am very interested in marine parks. There are a couple in Australia that I want to find out a lot more about. We are the Territory, we can do things differently, but we can also learn from other jurisdictions. There are a whole range of models in there in terms of marine park and at this stage I would like to just leave it at that.

**Mr SELLERS:** Minister, it just might help to talk a little bit about a different marine park that is being negotiated at the moment which is Coburg. During the Coburg discussions, the commercial fishermen are part of those discussions and, while there is a consensus reached between all parties there, some areas need higher protection than others, there certainly is vast areas of that park that are still open to commercial fishing.

**Mr WOOD:** Thank you. Minister, in revoted works there is money for dealing with discharge from Darwin Aquaculture Centre. Is the water being discharged into the harbour and what controls are there over the discharge? Is there continual monitoring to prevent any disease being released into the wild? I refer to that case, I think was the year before last, of some virus that we thought had been released from the Aquaculture Centre in Darwin Harbour?

**Dr BURNS:** Do you want to respond to that, Mr Sellers?

**Mr SELLERS:** Through the Chairman, the Darwin Aquaculture Centre is a very advanced piece of technology in terms of hatcheries and aquaculture centres in Australia. It is up there with any of the others that are in other jurisdictions. The minister referred to a scare with white spotting prawns; it was a couple of years ago. That was proven to be only a scare and building on that was the idea of putting in failsafe mechanisms with our discharged water, and those are on the capital items for next year. In terms of the ongoing monitoring, all the animals at the Aquaculture Centre are under close husbandry and there has not been any sign of disease or outbreak since that time.

**Mr WOOD:** Minister, page 147 of Budget Paper No 3, shows that the average cost of engaging regional communities in fisheries activities almost doubled to \$82 000. Why, and what is 'engaging regional communities' all about?

**Dr BURNS:** Hold on, the cost is it? Oh, I see, yes on the table of performance measures, the average cost of engaging regional communities in fisheries activities. Did you want to comment on that, Mr Sellers?

**Mr SELLERS:** Through the Chairman, that actually reflects the expansion of the Marine Ranger Program and the funding that is coming in the coming financial year of \$180 000, which will pick up Port Keats and Maningrida Marine Ranger programs. It shows as a jump like that because the work that we were doing before was not actually engaging people and involving the communities to the same extent. That involvement is for dollars and some infrastructure.

**Mr WOOD:** What do those Marine Rangers do, minister?

**Dr BURNS:** That is a great question ...

**Mr WOOD:** Not too long.

**Dr BURNS:** I could talk about going out to Borroloola.

**Mr WOOD:** I can see the minister winding up.

**Dr BURNS:** I love my portfolio, member for Nelson. This is a very important project. This is a step wise project where Aboriginal people – Aboriginal men, predominantly – are involved in this Marine Ranger project looking after the country – but also as eyes and ears for illegal fishing activities. We envisage these marine rangers going through a training course and sometime in the future being involved in enforcement in these areas because it is a sensitive issue.

I was out at Maningrida about two weeks ago and people are upset. They know there are fishing boats coming in. They say they are also observing them launching boats in the middle of the night and going up the estuaries and fishing illegally. So, these programs are very welcome in these remote communities. I know we are pushed for time, but do you want to talk about the role of the marine rangers?

**Mr SELLERS:** Sure. What we have done is work with police and wider agencies around Australia to come up with a nationally accredited course for the marine rangers. At the first level it gives the people who have completed the course surveillance and general duty capabilities, and as they progress through the course, they go right up to the stage, once they have actually gone through the levels, of becoming complete Compliance Fisheries Officers. At the moment ...

**Dr BURNS:** Which is – sorry to interrupt Mr Sellers – the same course that other compliance officers go through. There is no Mickey Mouse course here; this is proper enforcement and there are a lot of young men out there who are keen to go through this program.

**Mr SELLERS:** At this stage, though, the ones who are on the ground have only completed stage one of the course. They are undertaking surveillance and working in with the police, customs and other groups in the areas to be an extra set of eyes and ears in evidence gathering capabilities.

**Mr WOOD:** Thanks, minister. That sounds good. The last question: the following item was promised in the mini-budget and was due to appear in this year's budget, but I cannot find it mentioned anywhere. Three indigenous community fisheries officers were to be employed in 2003-04 at a cost of \$275 000 a year for the protection and management of their fish resources. Where will I find that in the budget?

**Mr SELLERS:** Mr Wood, it is just a nomenclature issue. It is actually in the Marine Ranger program. So just to focus on the Mabunji group down at Borroloola, in the last year, instead of one being employed, it ended up with four full-time and a number of part-time officers getting leverage from the

money. My staff are in the field at the moment negotiating with the Port Keats people and the Maningrida people to see how much leverage they can get from this year. So, at least another two rangers, probably multiple rangers.

**Mr KIELY:** Minister, I note from the DBIRD annual report that the fisheries group has been involved in an eradication program of exotic mosquito fish in water ways in Alice Springs. Is this an ongoing project and, if so, what is its likely cost in the 2003-04 financial year?

**Dr BURNS:** I assume the member is talking about Gambusia fish?

**Mr KIELY:** I think that is the one, yes.

**Dr BURNS:** Yes. It was felt that it had been eradicated from down there. It is a pest, an aquatic pest. The department is acting swiftly to eradicate these fish from Central Australia. Do you want to comment about this, Mr Sellers?

**Mr SELLERS:** Sure. The Gambusia were introduced throughout southern Australia as a biological control for mosquito and midge infestations in lake systems down there. They proved to be unsuccessful in that introduction and have since become a pest. They were identified near the sewerage treatment works in Alice Springs. We successfully removed them from the areas of the infestation, but they have since reinfected.

It is probably worth noting that the Aquatic Pest Unit has been successful in eradicating a total of three different sorts of animals that have made incursions into our natural ecosystems. The most notable of those was the black striped mussels some time ago. About a year and a half ago, a small tropical aquarium fish was found in Racecourse Creek, called a Jewelled Cyclid, and that was completely eradicated from that system. All of those have made the Northern Territory a leader in this field. In fact, other jurisdictions are implementing the same protocols and measures that we are to identify and stop incursions. At a national level, we are the leading the charge in introducing national protocols for small hulled bio-fouling, so it is actually an area that we, the Fisheries group, are very proud of.

**Mr KIELY:** I have another one. Minister, there has been mention of closure of McArthur River and the implementation of Labor's policy on closure of the Adelaide River in the term of this government. Is there any thought to doing a post-closure review of the economic benefits to the communities surrounding the McArthur system to see how that went in identifying the lessons learned to the Adelaide River in any way?

**Dr BURNS:** That is a very good question, member.

**Mr SELLERS:** We had a national recreational fishing survey that was completed last year, and it is being written up right now. The information in that can be used by economists to compare the value of commercial versus recreational fishing using a model that was developed in Western Australia. We have asked our economist to undertake that work, and from that we will get an NT-wide view of the differences in the values. What we do have for McArthur River is some before and after work in terms of log book and other information that will be used in that process.

**Mr CHAIRMAN:** Thank you. Are there any other questions in regards to Output Group 3.0? Output Group 3.0 is now closed.

#### **Non Output Specific Budget Questions**

**Mr CHAIRMAN:** Are there any questions in respect to non-output specific budget questions?

**Mr KIELY:** Minister, you made mention of the employment opportunities offered to community people in the forms of a marine ranger. I was wondering what other employment opportunities are seen for the community-based population through your portfolio, through the initiatives you are undertaking.



**Dr BURNS:** Certainly, aquaculture and the barramundi aquaculture project provides a great avenue for people. There is land expansion there. Looking to the future, we need to look at sustainable fishing industries in Aboriginal areas. There have been some proposals come to me about trepang aquaculture, which is very positive. Given the previous history of Aboriginal people with Macassan trepangers, I think that is a real goer. They have had a hundred years or longer with the trepangers. I am very keen to facilitate that. I have held a number of discussions in relation to that. Are you talking about primary industry and fisheries as well?

**Mr KIELY:** Yes, talk about that across the output.

**Dr BURNS:** There are joint positions between the department and the Northern and Central Land Councils, all about developing pastoral or business enterprises, getting pastoral properties back into production, and the sharing of departmental officers to facilitate that. That is another issue I have not had a chance to touch on. There is some Aboriginal land that is pastoral land that is not in production. It is very important for us to get it back into production. I get a sense from the Cattlemen's Association that they are very keen to see that happen. There are all sorts of options and models being explored, and that is a very positive thing in the pastoral industry. I know time is running short, member for Sanderson. Maybe we could have a chat over this over lunch, because it is a very important issue.

**Mr KIELY:** It is, and I am quite surprised the committee has not asked too many questions of other portfolios about Aboriginal participation rates in our programs.

**Mr CHAIRMAN:** Are there any other questions in regard to non-output specific budget items? What I propose to do now is to take a 10 minute break and we will be back here at 11.20 am

**Dr BURNS:** Mr Chairman, I would like to thank the officers from this department for their sterling job. They have done a great job and I am sure the committee appreciates their work.

**Members:** Hear, hear!

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The committee suspended.

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**INFRASTRUCTURE, PLANNING AND ENVIRONMENT  
OUTPUT GROUP 2.0 – Environment and Heritage**

**Mr CHAIRMAN:** The committee will now consider output Group 2.0 Environment and Heritage under the Department of Infrastructure, Planning and Environment.

Minister, I invite you to introduce officials and also if you wish to make an opening statement.

**Dr BURNS:** Mr Chairman, I have already made my opening statement so I will let Mr Chambers introduce himself and we will go across this way.

**Mr CHAMBERS:** Barry Chambers, Chief Executive of Department of Infrastructure, Planning and Environment.

**Ms SINGER:** Barbara Singer, Executive Director, Office of Environment and Heritage.

**Mr SUTTON:** Steve Sutton, Director of Heritage, Conservation Services.

**Output 2.1 Environmental Protection Services**

**Mr CHAIRMAN:** Thank you very much and welcome to you all. I now call for questions in respect of output group 2.0, output 2.1 Environmental Protection Services. Are there any questions?

**Mr BALDWIN:** Thank you, Mr Chairman. Minister, I have a whole suite of questions in this output. I am going to cut them down in the interest of getting to my colleague, the shadow minister for Tourism.

My first question in this output area is: Minister, in your budget reply and your budget documentation it states that a review of the *Heritage Conservation Act* commencing in 2002-03 and costing \$130 000 will be completed in the 2003-04 period. In the 2002-03 budget, an amount of \$80 000 was provided for the same undertaking. Could you tell me whether the \$130 000 is new and additional this year to the \$80 000 last year.

**Dr BURNS:** I am very well aware of the review of the *Heritage Conservation Act*, and I can report that it is progressing very well. In terms of payments and the total amount, I defer to Mr Chambers.

**Mr CHAMBERS:** Mr Chairman, the \$130 000 was provided over two years. Some of it was expended in this current financial year. The consultant is working at the moment, and the balance of the funding will be provided in the 2003-04 year.

**Mr BALDWIN:** So it is a total of \$130 000, minister?

**Mr CHAMBERS:** Yes, that is was the total provided for the project.

**Mr BALDWIN:** Okay. That is the only question I have in that output group.

**Mr KIELY:** Yes. Minister, the 2003-04 Budget Overview indicates \$55 000 will be spent on establishing an air quality monitoring program. What will be monitored? Where will the monitoring be done? What are the expected outputs for 2003-04? How much has the NT government spent on air monitoring in the past?

**Dr BURNS:** I thank the member for his question. Air quality monitoring is very important for the Territory, particularly bushfire smoke and particulate matter are a great concern. Ninety per cent of the particulate matter comes from bushfire smoke. I know from my own electorate that there are a lot of asthmatics who suffer heavily from bushfire smoke. Monitoring of particulate matter will be established in Darwin by April 2004 to a standard acceptable under the National Environment Protection Measure, or NEPM, for ambient air quality. Monitoring will continue until the end of October 2005.

It will start well before the commissioning of Wickham Point. There will be three monitoring stations: at NTU, Berrimah and Palmerston in the 2004 Dry season. In 2004-05, two of the monitoring instruments will be moved to Jabiru and Katherine to assess regional bushfire smoke.

In terms of previous years, a total of \$72 850 was spent in 2000-01; \$60 000 for monitoring in Darwin from March to December 2000; and \$12 161 for monitoring in Alice Springs from August to October 2001. We are very aware of the importance of monitoring particulate matter in the air.

**Mr KIELY:** Minister, in southern and eastern states, every now and then you hear about outbreaks of blue green algae in the river systems. Are we likely to face any such threat up here in the north and, if we are, do we have protocols in place to handle it?

**Dr BURNS:** That is a very interesting question, member for Sanderson.

**Mr KIELY:** Unlike others, I believe that environment is an important thing, and I am prepared to ask questions on it.

**Mr WOOD:** Mr Chairman, where is the 'unlike others' from? Is that a personal opinion?

**Mr KIELY:** I take that statement back.

**Mr CHAIRMAN:** Could we continue with the answer, please?

**Dr BURNS:** We are very keen on water monitoring. I would like to get back to the member on that one. It is a very interesting question. I will try to get some more information before the end of this session.

**Mr CHAIRMAN:** Member for Sanderson, do you wish to put that on notice?

**Mr KIELY:** Yes, I will put it on notice.

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**Question on Notice**

**Mr CHAIRMAN:** Would you like to again state the question?

**Mr KIELY:** The southern and eastern states have reported at times outbreaks of blue green algae. The question that I put to you, minister, is: do we have any rivers at risk in the north and, if so, do we have protocols in place to manage such an outbreak?

**Mr CHAIRMAN:** Minister, you are taking that on notice?

**Dr BURNS:** Yes. That is a very important question. I am reflecting more on the question, and it is a very important question.

**Mr CHAIRMAN:** Thank you, minister. That is question 9.1.

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**Mr WOOD:** Minister, yesterday the minister for Lands announced that he was going sell some wetlands to a private developer near Palmerston, ephemeral lagoons. Would you, as the environment minister, oppose the selling of a public wetland to a private developer?

**Dr BURNS:** I am reliably informed and advised that, if they wanted to change the use of those wetlands, they would have to go through an environment assessment process. I agree with the member for Nelson that our wetlands are very important to the ecology and the environment. I will ask Ms Singer respond to that in some detail of the process that would have to be undertaken, and my role in that process.

**Ms SINGER:** Mr Chairman, if the new owner of the wetlands wished to proceed to develop those wetlands, they would presumably have to get development approval under the planning process, and that would trigger the *Environmental Assessment Act*. They would be required to go through and, I would imagine for a development in that sensitive environment, the minister would require them to do an Environmental Impact Statement and it would have the mandatory public consultation process. I imagine that the minister would make his recommendations to the minister for Planning on the outcome of that environmental assessment.

**Mr WOOD:** Minister, I should make you aware that the land had been proposed to be rezoned by the department to TC, which is tourist commercial, which will allow the land to be sold as a different zone, and the proposal is to turn that wetland into an ornamental lake. I was under the impression from the minister for Lands that that was basically what had been agreed on. Am I correct in saying that that would not be allowed by your department to happen?

**Dr BURNS:** No, I think Ms Singer has outlined the process that would have to be followed. Mr Chambers has just advised me also, that even though there may have been some rezoning, I am not

aware of the specifics of the land that you are talking about. Mr Chambers assures me that that would not remove the need for an environmental assessment. The process that Ms Singer outlined before would still be in train. I am not going to say one way or another. The whole case is very hypothetical. I would have to make a judgment on the facts and the advice that was put before me. However, I have already foreshadowed to you the importance that I put on wetlands.

**Mr WOOD:** Thank you, minister. Minister, the budget highlights for DIPE, on page 211 of Budget Paper No 3, makes no mention of the government's Litter Abatement Strategy. Is that because the strategy will be fully funded by the Beverage Industry Environment Council?

**Dr BURNS:** Which output are we looking at?

**Mr WOOD:** Well, DIPE in the budget highlights.

**Mr CHAIRMAN:** 2.1. Environmental Protection Services.

**Mr WOOD:** Litter.

**Dr BURNS:** Which page are you ...

**Mr WOOD:** I was referring to the budget highlights. When I referred to them, there is nothing there. I was wondering whether one of the highlights would be the Litter Abatement Strategy, which you announced in parliament?

**Dr BURNS:** It is in the budget highlights, is it, Mr Wood?

**Mr WOOD:** No.

**Dr BURNS:** It is not in the budget highlights?

**Mr WOOD:** No. I am wondering if it is not in the budget highlights, because you did announce you were going to have a Litter Abatement Strategy. Is that because it is fully funded by the Beverage Industry Environment Council?

**Dr BURNS:** I will be making a major announcement on the Litter Abatement Strategy in August. There seems to be a lot of misnomers and misinterpretations of this \$500 000 that has been put on the table by the beverage industry. It is not part of government coffers, nor will it ever be. The basic proposal has been put on the table by the beverage industry, and there is a lot of detail and negotiation has to be worked out. There is \$250 000 in projects that they are involved in or would like to be involved in around the Territory. I know, for instance, in Katherine they had a project of providing litter bins and making it more culturally appropriate to use the litter bins. They had artists paint the litter bins. It was actually, from what I have been informed, quite a successful project in that litter in certain areas was disappearing into the bins, because the bins were placed in the areas and they were more litter friendly bins. There is a whole range of things regarding litter abatement that the beverage industry might want to be involved in.

There is a further \$250 000 that could be available for a whole range of things – untied small grants or whatever. Really, the situation is far from settled or detailed. I can put to rest this misnomer or furphy that somehow the government has taken \$500 000 off the beverage industry and it is in the government coffers. It is not.

**Mr BALDWIN:** Could I ask ...

**Mr WOOD:** No, I will leave my other question. We are running short of time.

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

**Mr BALDWIN:** Yes, I do, Mr Chairman, just on that same issue. Minister, to clarify, are you saying that you have no input into what happens to that \$500 000?

**Dr BURNS:** No, I am not saying that at all. What I am saying is that this is money that has been put on the table by the beverage industry, and there are many interested parties, groups and organisations which would be involved. To say that I have control of this money is not so. Member for Daly, I have already made my position clear on this particular issue. It is not part of any output. I have taken the question with good grace; it is not part of any output area in the budget. I suggest we focus on the output groups, which we should be doing.

**Mr BALDWIN:** Minister, this is ...

**Mr CHAIRMAN:** The minister has already indicated his position in respect of this. There are opportunities, of course, to ask these types of questions, if members wish to, in regards to the non-output specific budget questions area. That being the case, that concludes output 2.1 ...

**Mr BALDWIN:** No, I have another question relating to output 2.1.

**Mr CHAIRMAN:** Sorry. Yes.

**Mr BALDWIN:** Nothing to do with the money from the Beverage Industry Council, but can you tell me how you are going to fund the Territory Tidy Towns program?

**Dr BURNS:** An offer has been put on the table for the Territory Tidy Towns project of \$75 000 within this financial year, and it is a very important offer. There is a total of \$150 000 that has been offered - \$75 000 in this financial year and \$75 000 in the next financial year. Members would be aware that government, historically, has funded Keep Australia Beautiful to the tune of \$160 000 in administrative support, and then further monies in rent assistance and vehicles, probably to a total of somewhere around \$220 000. I guess, with the extra \$150 000 that has been put on the table for Tidy Towns, that makes a total funding of around \$370 000, which is a very good level of funding.

Historically, government has not funded Tidy Towns. We recognise the importance of Tidy Towns to the community, particularly in some of the more remote regions and, in view of that, we have come to Tidy Towns with an offer.

**Mr BALDWIN:** Minister, from where is that money derived?

**Dr BURNS:** That money will be derived from a variety of sources across government. We are flexible. We recognise the importance of Tidy Towns. We are efficient managers. I am advised that we do have those monies available and an offer has been made to Tidy Towns in fairly short time, so that they can get the show on the road, so to speak. I am more than confident of this money, and it is now incumbent on Tidy Towns to consider our offer of \$150 000. The other thing that Tidy Towns was asked to do was come up with a business plan, a way forward over the next few years to look at making Tidy Towns sustainable.

**Mr BALDWIN:** So, minister, you believe that the money you are offering is sufficient to undertake the program for this year, and that it is timely with enough time to get through ...

**Dr BURNS:** Before we stepped in Tidy Towns had no money. It was important for us to step in and to make the offer. What we see, as far as Tidy Towns in other states, is that they manage to gather a lot of support from the corporate and business sector. We are asking Tidy Towns here to look at doing the same. I realise that raising funds is hard. When I was with the Heart Foundation I did a lot of

fundraising and it is difficult. But for worthy causes, whether it be the Heart Foundation or Tidy Towns, I know Territorians and Territory businesses are very generous. They recognise the importance of these sorts of endeavours. I am confident, but really the ball is in Tidy Towns' court.

**Mr BALDWIN:** Minister, you said before you stepped in they had no money. Surely they had some money. Where did that come from?

**Dr BURNS:** I cannot pretend to speak for the board and the committee of Tidy Towns. What I have already enumerated to you is the approximate level of funding that government, including when you were in government, gave to Keep Australia Beautiful which is in the order of \$160 000 with a further approximate \$50 000 in terms of rental support and support with vehicles. It is quite substantial support that government gives KAB and now the ball is in their court to some degree. But \$150 000 goes a long way to hosting Tidy Towns this year.

**Mr BALDWIN:** Minister, isn't it true though that the money, before you so-called stepped in, came from the Beverage Industry Environment Council?

**Dr BURNS:** I have already explained that. This money is not coming from the Beverage Industry Environment Council. The \$250 000 – whatever you want to call it – that the Beverage Industry has put on the table, is not in government coffers. I made the offer from government to Tidy Towns and a total of \$150 000. I am quite comfortable with it. I know there are people, including yourselves, who are trying to assert that somehow we are taking \$250 000 off the Beverage Industry and only giving Tidy Towns \$150 000. It is ridiculous, and I have explained why it is ridiculous. There has been no agreement at all reached with the Beverage Industry on what they have put on the table. The negotiations are still going forward.

**Mr BALDWIN:** Minister, my question was: before this action, before the \$500 000 from the Beverage Industry, who funded the \$250 000 to the KAB and Tidy Towns programs?

**Dr BURNS:** It is on the public record that funding used to come through an organisation called the Territory Anti-Litter Committee or TALC - you are well aware of this, member for Daly - of \$250 000. In terms of the history between the Beverage Industry Council and Territory Tidy Towns, you had better ask them. I am not pretending to speak for them. All I am here today to do is to go through the output groups of government expenditure. In terms of a non-government organisation like Tidy Towns and what money they may have previously from the private sector is a matter between them and the Beverage Industry.

**Mr BALDWIN:** Minister, you know full well where that came from. Minister, will the NT government be signing the national packaging covenant?

**Dr BURNS:** That is something under consideration. The national packaging covenant has been around for some time. I might pass to Ms Singer because she has been part of the ministerial continuity, I believe, over a considerable time that probably goes back into the previous government. I am not asking her to give a political answer but maybe she could just give us some of the history of the national packaging covenant and the government.

**Ms SINGER:** The current national packaging covenant dates from 2000. It is a five year program so the current one is due to cease in 2005. The Environment Protection and Heritage Ministers Council has initiated a review of the effectiveness of the current National Packaging Covenant. The outcome of that review is several weeks away. I would imagine that the government will be taking the outcome of that review into account in deciding whether to sign the National Packaging Covenant.

**Mr BALDWIN:** Thank you. Minister, my last question in this area is: do you support a move towards CDL in the Northern Territory?

**Dr BURNS:** Which budget output are you looking at here?

**Mr BALDWIN:** The one we are in, which is all about environment protection services.

**Dr BURNS:** You are asking a very generic question in terms of CDL. I do not mind taking the question. The history of this is clear. The government undertook to look at a particular model of container deposit legislation, did so over a number of months and gave it very careful and close consideration. At the end of the day, our advice was that the model that was proposed had taxation, legal and logistical issues. On that basis, it was decided that we would reject that particular model of container deposit legislation. Because this is a taxation issue, and taxation issues are dealt with at a national level, container deposit legislation is on the agenda of the ministerial council, and we will pursue this at a national level. Our support for CDL, workable CDL, is still there, but it all has to happen at a national level.

**Mr KIELY:** Feral pigs is what I want to talk to you about now. What sort of damage are they doing to our environment, and what action is the government taking, either by itself or in partnership with others to fix up the land degradation caused by the pigs?

**Dr BURNS:** I am concerned about the effects of feral pigs on the environment. They are also a traffic hazard. I hate to think how many accidents on the road from Katherine have been from feral pigs running out on the road. Responsibility for the management of these pests lies with the Minister for Lands, Planning and Environment. I thank the member for his question. Pigs have been raised a couple of times here today.

**Mr CHAIRMAN:** Any other questions on output 2.1? That is now closed.

**Output 2.2 – Heritage Conservation Services**

**Mr CHAIRMAN:** We will move on to output 2.2 – Heritage Conservation Services.

**Dr BURNS:** Sorry.

**Mr WOOD:** That is all right. I might put mine into non-output specific.

**Mr CHAIRMAN:** I was under the impression that we had exhausted this output.

**Mr WOOD:** You just said 2.2, didn't you?

**Mr BALDWIN:** Are we in output 2.2? Is that what you are saying?

**Mr CHAIRMAN:** We are in 2.2, Heritage Conservation Services.

**Mr BALDWIN:** I indicate to you, Mr Chairman, and to you, minister, that I have a number of questions in this area. I appreciate your staff being available to handle these questions. However, I am going to place them in other forums to you in the interests of getting through this to save some time.

**Dr BURNS:** Yes, you are very welcome.

**Mr CHAIRMAN:** Thank you.

**Mr KIELY:** I have a question. Minister, I recall that during the Alice Springs sittings, you referred to additional resources being devoted to heritage conservation in Central Australia. Can you provide details of the provisions of heritage conservation services to Central Australia that are contained within the budget?

**Dr BURNS:** We recognise the heritage values of Alice Springs. At a regional level, we spend

substantially in heritage protection. There has been the transfer of a Senior Heritage Officer to Alice Springs. It is very important to safeguard the heritage in Alice Springs and facilitate the listings of other heritage buildings in the Alice Springs Cultural Precinct.

**Mr CHAIRMAN:** Have you finished that, minister?

**Dr BURNS:** Yes.

**Mr CHAIRMAN:** Are there any other questions in regards to output 2.2, Heritage Conservation Services? Member for Nelson?

**Mr WOOD:** Not in output 2.2.

**Mr CHAIRMAN:** Okay. That concludes that output.

### **Output 2.3 – Greenhouse Policy**

**Mr CHAIRMAN:** We will move on to output 2.3 - Greenhouse Policy.

**Mr WOOD:** Minister, can you tell us why it will cost \$340 000 to develop the Territory's greenhouse policy? Would you be able to table a breakdown of that expenditure, to save time?

**Dr BURNS:** Miss Singer will respond.

**Ms SINGER:** Through the Chair, the breakdown of \$340 000: that pays for three staff, that is about \$220 000; and there is about \$115 000 in the operational group. This group provides a whole-of-government coordination of the development of greenhouse policy. In 2002, we released a public discussion paper towards a greenhouse action plan for the Northern Territory. In 2004, we will be going out to the public with a draft greenhouse strategy for the Northern Territory, which will be based on the consultations and feedback we got from the public on the release of the discussion paper this financial year. That is a substantial portion of our money. We also participate in national forums, because greenhouse is really a national issue, so we need to service the Northern Territory's input into the development of national greenhouse policy.

**Mr WOOD:** Thanks, minister.

**Mr BONSON:** Through the Chair to the minister: I note the government has been trialling the use of greenhouse-friendly hybrid petro-electric vehicles. How many of these hybrid cars does the government have in its fleet? When did the government purchase these cars? How does the efficiency of these cars compare with that of others?

**Dr BURNS:** I thank the member for his question. We have two Toyota Prius hybrid vehicles. They were purchased in May 2002. I am very fortunate to have ridden and driven in one of these vehicles and I can commend them to others. We as a government should be considering purchasing more of these greenhouse friendly vehicles, particularly for travel around town. The fuel rate is about 5.6 litres per 100 km. There is one in Alice Springs which consumes about 6.8 litres. I am not sure why the one in Alice Springs consumes a little bit more. They produce significantly less carbon dioxide which is very significant in reducing greenhouse emissions. These cars are not completely cost effective, but it is getting very close, in terms of their purchase price. They are comparatively expensive for their size. It is something we are looking at, something we are trialling seriously, and something that can have an effect, if we enlarge the fleet of these hybrid cars, on reducing greenhouse emissions.

**Mr CHAIRMAN:** Thank you very much.

### **Non-Output Specific Budget Questions**

**Mr CHAIRMAN:** We now move into non-output specific budget questions in respect of this output



group 2.0. Are there any questions?

**Mr WOOD:** Yes. Minister, will you support the CDL legislation that is before parliament, and, if not, why not?

**Dr BURNS:** I have already mentioned some of the problems that have become manifest with CDL legislation. I know there are some; the particular model that we looked at had taxation problems, there were legal questions and also questions about the logistics of it. Reluctantly, that particular model was rejected.

The new model that has been put up by the member for Braitling - contrary to what has been said in some areas, I have had a briefing from the member for Braitling on this issue. I am interested in what the member for Braitling has to say and what she had to tell me about that particular model. However, I am still convinced that there are still major taxation issues implicit in container deposit legislation. I will repeat again that, at the ministerial council in Melbourne, the South Australian minister, Mr Hill, informed the meeting that even in the South Australian model it is very vulnerable to challenge. In fact, it has been challenged in the past and went to the High Court. Basically, if they had increased the levy by any significant amount, the whole thing would have fallen flatter than a pack of cards.

Therefore, the core with CDL is to support it at the national level, where you have the states, territories and Commonwealth, who is the taxing agent, together and looking at a unified national system. That is what I will be doing; that is where my support will be. That is all I have to say, member for Nelson.

**Mr WOOD:** I will not continue because we do not have much time, minister. When you signed off the deal with the Beverage Industry Environment Council, was there any pressure on you accepting that \$500 000, that you also consider signing the packaging covenant agreement?

**Dr BURNS:** Look, I have not signed anything.

**Mr WOOD:** No, no, I have not said you have, I am asking ...

**Dr BURNS:** You did.

**Mr WOOD:** Oh sorry, I was referring to ...

**Dr BURNS:** You said 'when I signed off'.

**Mr WOOD:** You have accepted, I presume, the money from the beverage industry?

**Dr BURNS:** I have not ...

**Mr CHAIRMAN:** Member for Nelson, can you please just allow the minister to answer.

**Dr BURNS:** I have not accepted the money from the beverage industry; that money is on the table. I have said, and detailed here a number of times today, that there is still a lot of negotiation to go through before things are definite and sealed. As I said before, I am expecting to make a statement to the House in August on litter abatement strategies. I will be making details available then. But I can assure you that I have signed off on nothing. Once again, there is this inference that there is this money - somehow government has put its hands out and got this money from the beverage industry and pulled it back into the government coffers. That is not true.

**Mr WOOD:** Minister, is accepting this money part of the conditions that you would consider signing the packaging industry agreement?

**Dr BURNS:** Cabinet has made its position clear regarding CDL and have empowered me to negotiate at a federal level on CDL. There has been no deal struck regarding me saying: 'I will take this money if we do not accept CDL'. That is not correct.

**Mr WOOD:** No, I did not mean that.

**Dr BURNS:** Well, that is what you seem to be inferring.

**Mr WOOD:** I am asking whether ...

**Mr CHAIRMAN:** Member for Nelson, I just want to make this very clear. The minister is responding to a question. I know it is some times difficult not to interject, but I would ask members to perhaps not do that. It does make it very confusing. Please allow the minister to answer his questions before you interject.

**Dr BURNS:** I know we are dealing with non-specific questions relating to output areas, but this \$500 000 you are talking about - neither it nor CDL are part of the budget papers. I believe, member for Nelson, I have been very accommodating to you. I have endeavoured, as much as I can, to answer your questions and be straight up and down, but we should be moving on.

**Mr WOOD:** Minister, with all due respect, this section is to help us deal with policies. One of the policies you mentioned was signing the packaging covenant. I am not talking about CDL. What I was asking was: is one of the government's conditions possibly, by accepting the money from the packaging industry that it would consider signing onto the packaging covenant agreement?

**Dr BURNS:** I will let Miss Singer answer that question in terms of signing the National Packaging Covenant.

**Ms SINGER:** We have been asked to provide some advice, further advice on whether or not signing the National Packaging Covenant would be of benefit to the Northern Territory, but there is no obligation. I mean from my personal point of view if we sign it, it means more work for my office. Nevertheless, we will be looking at this national review that I mentioned earlier that is undertaken looking at the effectiveness of the current National Packaging Covenant. It may be that we advise government to wait and see if there is a National Packaging Covenant Mark 2. One of the requirements, if you do sign a National Packaging Covenant, is to develop a jurisdictional action plan and that would take some time to develop and we might be better off if the government, for whatever reason, decided to sign up to the National Packaging Covenant to wait to see if there is indeed, a second National Packaging Covenant. That is not guaranteed at this stage. We are under no obligation to sign it. Industry cannot force government to sign anything.

**Mr WOOD:** No, I did not say that. I just did not know whether acceptance of the money ...

**Ms SINGER:** I do not know.

**Mr WOOD:** I should not be asking you that, anyway.

**Mr CHAIRMAN:** Do you have a question?

**Mr WOOD:** No, I have finished there.

**Mr KIELY:** Minister, plastic bags have been getting a bit of a run in federal parliament I believe, and locally. Do we have a position? Does your agency have a position on plastic bags?

**Dr BURNS:** We are moving towards a position on plastic bags. There are two pulverised positions nationally on plastic bags. Certainly, the federal government –and I know the Liberal Party had its convention or its meeting in Adelaide and voted for a ban on plastic bags. To be frank with you, that is a position the South Australian government also has. The Victorian government I believe, wants to put in a levy. There are certainly organisations like - they call themselves Planet Ark - which want to see a levy. There has been a levy that appears to work in Ireland. I just need to find out a bit more information and put it before Cabinet.

I can tell you one thing and that is the Commonwealth, state and territory environment ministers are coming to a very strong position about plastic bags because they are a menace in the environment. They are a major part of the litter stream, and they annoy a lot of people. I have seen them blowing around everywhere and fouling up the environment. We are putting the weights on the retailers to do something about the reduction in consumption of plastic bags and the way they end up in land fill and I am glad to be part of that. As a community we need to have action on plastic bags.

I cannot voice a personal view, but I have said that looking at the Irish model, from what I am informed, it does work. However, I am yet to come to a final view on that.

**Mr CHAIRMAN:** Thank you. That concludes consideration of all outputs. On behalf of the committee, I thank officers from the Department of Infrastructure, Planning and Environment for your attendance here today.

**Mr BALDWIN:** And I join with you on that, Mr Chairman.

**Mr CHAIRMAN:** Just whilst the changeover is occurring, I advise that Minister Ah Kit advised us that he would be obtaining some information in respect to indigenous essential services, capital works, power, water, sewerage, and airstrips and barge landings. I now table that information.

The Minister for Employment, Education and Training has also tabled responses in respect of questions 2.3 through to 2.18, so they are now being tabled.

#### **NORTHERN TERRITORY TOURIST COMMISSION**

**Mr CHAIRMAN:** Minister, I understand there will be no opening statement. You have already indicated that. I invite you to introduce the officials accompanying you at the table.

**Dr BURNS:** Mr Chairman, most people would know Maree Tetlow, the Managing Director of the Northern Territory Tourist Commission. To my left is Valerie Smith, Manager of the Secretariat and Noeline Biddell, Manager for Finance. We have other people who may come to the table, and I will introduce them when they come to the table.

**Mr CHAIRMAN:** Thank you, minister. The committee will now consider the estimates of proposed expenditure contained in the Appropriation Bill 2003-04.

#### **OUTPUT GROUP 1.0 – Tourism** **Output 1.1 - Marketing**

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

**Ms CARNEY:** Minister, in relation to marketing generally, I note that the total operating expenses for the Northern Territory Tourist Commission, which hereafter I will refer to as the Commission, was \$27.202m. Staff costs are \$5.568m, which leaves \$21.634m. The budget for 2003-04 for marketing is \$23.1m.

**Dr BURNS:** Sorry to interrupt, member for Araluen, you are referring to the table on page 263 of Budget Paper No 3?

**Ms CARNEY:** And also a reference to staff costs which is on page 267, Payment to Employees, and Total Operating Expenses, as outlined on 261. So, total operating expenses for 2003-04, \$27m, less staff costs, and I am rounding off the figures here for your benefit, \$5.5m, which leaves \$21m. Yet the budget for marketing, on page 263, for 2003-04, is \$23.184m. How is it possible to have a budget for marketing of \$23m if, from the overall budget, you are left with a figure of about \$21m?

**Dr BURNS:** I am informed that the marketing staff are included in the marketing budget, but perhaps you would like to elaborate on that, Ms Tetlow.

**Ms TETLOW:** Basically what happens is we have marketing representatives and sales reps who are part of the marketing function.

**Ms CARNEY:** So, through you, minister, on 267 of Budget Paper No 3, the payments to employees, does that not include marketing staff?

**Dr BURNS:** Say again, member for Araluen.

**Ms CARNEY:** Does the payment to employees not include payments to staff working in marketing?

**Dr BURNS:** I am informed that that figure is all staff, member for Araluen.

**Ms CARNEY:** Perhaps you could indicate again, you are left with \$21m and yet the budget for marketing is \$23m, how can that be?

**Dr BURNS:** Ms Tetlow would like to respond to that.

**Ms TETLOW:** I will refer to the financial officer.

**Ms BIDDELL:** You are looking at two different perspectives here. The cost of the output would include personnel costs, whereas in your statement, your operating costs, you are splitting it up by category of costs, which is employee benefits and operational costs, so it is two completely different perspectives.

**Ms CARNEY:** Thank you. The estimate for marketing for 2002-03 is \$21m, the budgetary allocation in 2002-03 was \$23.9m, does that mean that there was an underspend of \$2.1m?

**Dr BURNS:** Hold on, I am looking at page 263, member for Araluen. I have the marketing estimated actual for 2002-03 is \$21.7m ...

**Ms CARNEY:** That is right.

**Dr BURNS:** ... and the budget expenditure for 2003-04 is \$23.1m.

**Ms CARNEY:** Does that mean that you are expecting an underspend, or significantly less funds being spent in marketing?

**Dr BURNS:** Why is that?

**Ms CARNEY:** I will ask the questions, if that is all right, and perhaps you can answer them.

**Dr BURNS:** Oh, well you need to expand. It is a fairly cryptic question. Basically \$21.7m ...

**Ms CARNEY:** Perhaps we can put it this way, which will no doubt assist. The 2002-03 budget

allocation for marketing was \$23.9m. The estimate, as on page 263 for 2002-03, is \$21m.

**Dr BURNS:** Where are you getting this figure? I do not see it on page 263.

**Ms CARNEY:** Well, minister, I would have thought that you would have perhaps brought with you last year's budget, because this is about comparisons. I have an extract from last year's budget and the marketing allocation for 2002-03 was, I repeat, \$23.9m.

**Dr BURNS:** I see. So you are making a comparison between the figure in this budget book, which of course is Budget Paper No 3 2002-03, and the figure that is the estimated actual in 2002-03. There is a fair bit of detail in there.

We are getting down to the Holiday Centre costs. As I have said in parliament a number of times, and I think it is important for me to go through the history of this, it is an important aspect. I know there are some people who have been going around saying there is \$2m less in terms of the tourism spend. In last year's budget, in the forward budget expenditure for the Tourist Commission, the Holiday Centre, which is a call centre which employs a bit over 20 people, an expenditure just over \$2m, was underneath the Tourist Commission budget expenditure. Following a review by Treasury, and the former Auditor-General, acting on, I suppose, comments in the Auditor-General's report about the need for more clarity in the relationship between the Tourist Commission and the Holiday Centre, and the other arm of the operation which is Territory Discoveries, which we are coming to soon, in the interests of that clarity the operations, funding and staffing for the Holiday Centre should move from underneath the Northern Territory Tourist Commission budget into the Territory Discoveries budget. So, really, the \$2m you are speaking about is all about the Holiday Centre budget and staffing.

**Ms CARNEY:** For clarification, on the face of it, if you are comparing 2002-03 with 2003-04, what appears to be an underspend, you say that that is a result of your transfer of the Holiday Centre. Is that correct?

**Dr BURNS:** Yes, that is what I am informed.

**Ms CARNEY:** Thank you. We will obviously come back to that in Territory Discoveries.

In 2002-03, as I have said, budgetary allocation for marketing was \$23.9m. In 2003-04, an amount of \$23.184m was allocated for marketing - that is on Budget Paper No 3, page 263. That represents, does it not, a cut of \$764 000?

**Dr BURNS:** Yes, I am advised that previous figure again has the Holiday Centre in it. That is at the nub of the issue. Following recommendations by Treasury, and a review by the former Auditor-General - a very skilled public auditor, Mr Iain Summers - we went along with his recommendations. For the sake of clarity, the operations of the Holiday Centre was shifted from underneath the Northern Territory Tourist Commission into Territory Discoveries. That is where you will find that amount in the budget papers.

**Ms CARNEY:** We will come back to Territory Discoveries. Do you, therefore, say that on any interpretation, there is a reduction of funding to the commission in respect of marketing, from one year to the next? You say, do you, that that is a direct result, or the reason for that is the transfer of the Holiday Centre?

**Dr BURNS:** I am not saying there is a decrease in funding. All I am saying, member ...

**Ms CARNEY:** No, no, you may have misunderstood the question.

**Dr BURNS:** All I am saying is that you are trying to compare apples and oranges. You are comparing two different things. You are comparing a figure from a previous year that included the Holiday Centre

in its operations, with a figure that does not include the Holiday Centre in its operation. I stand by that; that is the state of it. The operations - somewhere over \$2m, we are talking in approximate figures here - for the Holiday Centre and the 20-odd staff; it is probably closer to 23-odd staff - have gone from the Northern Territory Tourist Commission, in budget terms, to under Territory Discoveries.

**Ms CARNEY:** I wanted to get on to some other areas but with respect, I do not think the maths adds up. The costing of the Holiday Centre was about \$2.33m. From your answer, of the \$2.17m in my first question, and the \$764 000 in my second question, that does not add up to the equivalent cost of the Holiday Centre, does it?

**Dr BURNS:** I believe you are looking at issues related to accrual accounting. I am not sure whether Noeline wants to speak to that issue, or Maree?

**Mr CHAIRMAN:** Just for *Hansard* purposes, could officials identify themselves. It makes it easier for *Hansard*.

**Ms TETLOW:** I can answer that, Mr Chairman. It is primarily the Holiday Centre, but there are some other minor adjustments which we are happy to state here if ...

**Dr BURNS:** Yes, I would like you to.

**Ms BIDDELL:** First of all, we have an adjustment of minus \$500 000 that was transferred over to next year for international marketing; we have an additional \$694 000 for goods and services revenue; additional commission from the Holiday Shop of \$7000; transfer of capital funding to operational that we had allocated for our reservation system of \$120 000; we increased the SLA fees between Territory Discoveries and the NT Tourist Commission on the base of their agreement by \$68 000; there was a transfer of long service leave to the Central Holding Authority by Treasury of \$117 000; depreciation was increased to include a new server we bought for the reservation system which was \$12 000; the transfer of the Holiday Centre out, which was over \$3m; SLA funding for the Holiday Centre that was transferred to Territory Discoveries was an increase of \$950 000; assets transferred to Territory Discoveries as a result of the Holiday Centre moving was \$62 000; personnel balances moved to Territory Discoveries because of the Holiday Centre was \$31 000, and we had a reduction of \$500 000 of the marketing campaign which was transferred to next year.

**Dr BURNS:** If I could just add to that, Noeline, these transfers, these very detailed transfers, between the Territory Tourist Commission and Territory Discoveries during 2002-03 were tabled in the Legislative Assembly on 29 May 2003. They are on the public record. One would hope that the member for Araluen was there. There is nothing hidden here. This is all on the public record. The details of what Noeline, the finance officer, has just spoken about is on the public record and really, member for Araluen, you have been flogging this dead horse about a \$2m cut to the Tourist Commission budget for some time. You have painted yourself into a corner and, basically, I would say, give up on it. There is nothing there. It is all on the public record. We are explaining to you how it has occurred and it is wrong for you to put out these furbies.

**Ms CARNEY:** Thank you for that lecture, minister. Can I say that I am well aware of the transfer of excess allocations – I have it here – but it, in fact, did not contain the detail that I have now received by virtue of asking the question. So, thank you.

I move on now to international marketing. What is the international marketing budget for 2003-04 and how does that compare with the previous year?

**Dr BURNS:** I will ask Ms Tetlow to answer that question. If you will just bear with us.

**Ms CARNEY:** You do not know what the answer is?

**Dr BURNS:** No, we are not saying that. We are just saying we are ascertaining – if you want to move

on with the questions, officers are actually locating this figure. But I am very confident ...

**Ms CARNEY:** Thank you, minister. I will take up your offer of moving on, thank you.

**Mr BONSON:** Through the Chair, I could I hear the minister's response?

**Dr BURNS:** It is on the public record that this government has spent an extra \$500 000 per year on international marketing. It is also on the public record that Cabinet has been quite flexible in allowing the Tourist Commission to carry-over these figures given the fluid international situation in terms of international travel. The exact break-up of that travel between years and whatever it is, is quite a complex matter, and officers are finding that number for you.

**Ms TETLOW:** The year 2003-04 will be \$5.173m.

**Ms CARNEY:** Sorry, is that ...

**Ms TETLOW:** That is for 2003-04.

**Ms CARNEY:** Are you aware, minister, that the international marketing budget for 2002-03 was, in fact, \$5.287m?

**Dr BURNS:** Which budget book are you referring to here, member for Araluen?

**Ms CARNEY:** Which one do you think, minister? It is the 2002-03 budget book, an extract of which I have here. I certainly would have thought that you would have it with you.

**Dr BURNS:** There are elements of some of the statements that you make about budgets, member for Araluen, that, to be honest with you, I have found quite confusing. If I could just ...

**Ms CARNEY:** Clearly ...

**Dr BURNS:** No. I will answer this the way that I want to. I think that you are absolutely confused between what is an estimated actual expenditure and what is a budgeted expenditure. I refer to your comments in the House on the Appropriation Bill and your speech. You started talking about, 'some \$700 000 off the mark in terms of his media release on 3 March'. You made a statement there where you compared the estimated actual for 2002-03 of \$27.9m with the 2003-04 budget figure of \$27.2m and tried to put on a \$700 000 difference. Well, between the numbers there are is a \$700 000 difference but the numbers are not comparable, because you are talking about – and I know members of the Public Accounts Committee will be aware of this – an estimated actual expenditure, and trying to compare that with budgeted expenditure for the next year and trying to say that there was some sort of underspend on that. Really, I do not think you know a hell of a lot about budgets, but I will take your questions.

**Ms CARNEY:** Thank you very much, minister.

**Dr BURNS:** My pleasure.

**Ms CARNEY:** What was the international marketing budget for the Commission in 2002-03?

**Ms TETLOW:** For 2002-03? It was \$5.173m – no, that was 2003-04. Sorry. The 2002-03 figure was \$5.192m versus 2003-04, which is \$5.173m.

**Ms CARNEY:** Thank you. In this year's budget, is it the case that the only apparent increase in funding for international marketing was \$500 000 that was allocated last year?

**Dr BURNS:** I am informed that \$500 000 was added last year, and this coming year 2003-04. So, in line with what we have stated publicly, there has been an extra \$500000 allocated to international marketing over two successive years.

**Ms CARNEY:** In fact, minister, it was allocated in last year's budget, correct?

**Dr BURNS:** Some of it was allocated, but the Tourist Commission did ask for some flexibility in the spend, given the international situation, and Cabinet agreed to that. I have heard from other jurisdictions where tourist agencies have had trouble getting flexibility into their spend. We have tried to address the situation in a realistic and flexible way.

**Ms CARNEY:** But it is not the case, is it, that the \$500 000 described by you in media releases and elsewhere is new because it was allocated in last year's budget, correct?

**Dr BURNS:** It is going to be new next year as well. It is new money on top of the forward estimates for tourism spending.

**Ms CARNEY:** Minister, with the figures we have received for the international marketing budget, we have two figures. As I understand it, 2003-04 was \$5.173m and 2002-03 was \$5.192m. Where does the \$500 000 fit anyway?

**Dr BURNS:** I am reliably informed and advised that it is \$500 000 in each year.

**Ms CARNEY:** The figures, minister, do not add up, but clearly you are becoming very agitated. I understand the stresses that you are under with police investigations and so on, so I will move on.

**Mr CHAIRMAN:** Member for Araluen!

**Ms CARNEY:** Yes, Mr Chairman.

**Mr CHAIRMAN:** I remind you that such comments are not helpful. This whole exercise has been carried out in a spirit of goodwill and with a high degree of maturity. Such comments are not welcome and I will not tolerate them. Is that clear?

**Ms CARNEY:** Absolutely, Mr Chairman.

**Mr CHAIRMAN:** Thank you. Please continue.

**Ms CARNEY:** I might say, however, that it does cut both ways, and if the minister could directly answer some questions, we might be able to get through it a bit more.

**Mr CHAIRMAN:** Member for Araluen, I intend to ensure that that occurs.

**Ms CARNEY:** Thank you. Minister, in relation to domestic marketing, how much is allocated for domestic marketing in 2003-04?

**Dr BURNS:** I am advised that the domestic marketing budget for 2003-04 will be \$5.6m, a 22% increase on 2002-03.

**Ms CARNEY:** What was the figure for 2002-03?

**Dr BURNS:** Well, I suppose, if you calculate 22% less. It is a 22% increase, so it is approximately a



fifth, isn't it?

**Ms CARNEY:** Minister, do you have a figure?

**Dr BURNS:** I can find out for you.

**Ms CARNEY:** All right. Perhaps we can move on and we can come back to that in the interests of time.

I note you issued a press release and, indeed, wrote in the May edition of the Commission's newsletter, that the total advertising spend for last year was \$3.8m. Is that the actual spend for 2002-03?

**Dr BURNS:** If you just hold on a second, I am informed that the 2002-03 spend was approximately \$3.1m.

**Ms CARNEY:** Thank you. What was the total advertising spend for domestic marketing in 2002-03?

**Dr BURNS:** For domestic marketing? That could include some cooperative advertising as well. Did you want to speak to that, Maree?

**Ms TETLOW:** Is it possible to just define domestic marketing, I suppose we have as, it could be advertising. What specifically do you define? I have a lot of items here, that is all.

**Ms CARNEY:** Paid advertising.

**Ms TETLOW:** For 2002-03 it was \$2.901m. For 2003-04, we have \$5.163m.

**Ms CARNEY:** Thank you. There was the allocation in 2002-03 of \$3.1m and, of that, \$2.9m was spent. That is an underspend. Any reason for that?

**Dr BURNS:** I am not sure about being an underspend. Did you want to respond to that, Ms Smith?

**Ms SMITH:** Some of the money in the \$3.1m for Domestic Marketing Communications is spent on things like pre-production costs, so it is not actually spent on paying for advertising as such.

**Ms CARNEY:** In-house costs?

**Ms SMITH:** No. For example, if we got a graphic designer to do something for us.

**Ms CARNEY:** Thank you. Minister, is the additional \$1m for Domestic Marketing Communications, which has been referred to by you on various occasions and, indeed, that was announced in the budget, is that the same \$1m that you announced in Alice Springs for an advertising campaign in March?

**Dr BURNS:** It is \$1m that will continue from one financial year to the next.

**Ms CARNEY:** If you do not mind, I will put the question again. Was that \$1m the same \$1m you referred to when you launched the campaign in Alice Springs in March?

**Dr BURNS:** When I launched it, I made an announcement in Alice Springs about an extra \$1m being invested in Domestic Marketing, an announcement that was very warmly received, and that is the \$1m. Now, some of that \$1m, I think, Ms Smith has outlined to you, that there are pre-production

costs, there is continuity of a program over a calendar year, if you like, that might traverse across financial years.

**Ms CARNEY:** I think as I understood your answer, it was the same \$1m. Why then did you refer, in your press release, and on radio and elsewhere, to the \$1m that was announced in the budget as 'new'?

**Dr BURNS:** It is new money. It is new, extra money into marketing, and it has made the Domestic Marketing the biggest spend since the 1994 campaign. I am quite proud of it, member for Araluen.

**Ms CARNEY:** In your press release of 12 June, you said:  
*Government has injected an additional \$2m to promote the Territory and attract more visitors.*

Elsewhere in your press release, you said that that came on top of the \$600 000 for the Arafura rescue package. Where does that \$2m that you referred to come from? Is that contained in the 2003-04 budget?

**Dr BURNS:** Before we go there, it has been drawn to my attention that the total domestic marketing funding package of \$1.5m was allocated by Cabinet. The \$1m that you are talking about was announced in March. The other \$0.5m had not been announced prior to the budget being released. So, there was an announcement; there was new money. The industry would be very pleased that this government is putting substantial extra monies, not only into domestic marketing and international marketing, but being responsive to situations like the cancellation of the Arafura Games, and coming to the table with a \$600 000 package to try to entice those who were attending the Arafura Games as athletes, and new visitors as well. I do not resile from any of that. I am sorry, I just had to set that record straight. I will take your question again.

**Ms CARNEY:** On the basis of that then can I seek some clarification? You referred to \$1.5m in the clarification you just gave. Then you referred to \$500 000. In respect of that \$500 000, was that the \$500 000 ...

**Dr BURNS:** No, I am talking ...

**Ms CARNEY:** Hang on, can I finish the question? Was that the \$500 000 that was allocated in 2002-03? It is a different \$500 000.

**Dr BURNS:** No. We are talking \$500 000 for international marketing which is separate from the domestic marketing budget. You did ask a question about the Arafura Games rescue package and \$600 000. Did you want me to expand a bit more about that?

**Ms CARNEY:** I asked it in the context of - in a press release you said you had \$2m for the Commission which came on top of the \$600 000 Arafura package; that is, read \$2.6m. Where are those figures contained in the budget paper because I cannot find them?

**Dr BURNS:** Yes, it is in that \$23.184m on page 263.

**Ms CARNEY:** Sorry, in which figure? The \$23.18m, did you say? It is contained in that?

**Dr BURNS:** That is what I am advised.

**Ms CARNEY:** That is what you are advised.

**Dr BURNS:** Sorry, I should clarify that. The \$600 000 for the Arafura Games rescue package will not be included in that because that really came out of the Arafura Games and within the budget that sits under Minister Ah Kit. Basically, it is very simple. The Arafura Games were cancelled. The minister

answered extensive questioning about this the other day. I invited industry to meet with me at an emergency meeting on the day that the announcement was made that the Arafura Games was cancelled. They put some very strong views to me. One of them was that they wanted to see developed some airline packages that included, basically, cheap fares, or cheaper fares and cheaper accommodation - a travel/accommodation package. Also a voucher system where there would be some inducement for people to come here.

We announced that Arafura Games rescue package. I commend the officers of the Northern Territory Tourist Commission for moving very quickly and talking with Virgin Blue, and also with Qantas - there was joint marketing that went on, very effective joint marketing - and also the voucher system. I also commend Tourism Top End for becoming involved. They really swung into this with a vengeance and were very supportive and administered the whole voucher system.

Given the disastrous situation, we were able to address the concerns of industry in a very constructive way and, as a government, show flexibility in funding in that we could use some of the money that was previously allocated to the Arafura Games to try and turn that terrible situation around.

**Ms CARNEY:** Minister, I assume that you, or your departmental officers, have this prepared: what was the total paid advertising or promotion for 2002-03 in relation to television, print and cinema? Or radio?

**Dr BURNS:** Yes, that is a detailed question. I will ask Ms Tetlow and our financial people to answer that.

**Ms TETLOW:** The numbers that we referred to earlier; the \$3.089m versus the \$5.377m ...

**Ms CARNEY:** Sorry, say again.

**Ms TETLOW:** I beg your pardon, I have the wrong numbers. I will repeat that. Marketing communications, \$2.901m versus \$5.163m.

**Ms CARNEY:** I am sorry, through you, minister, the question was a breakdown of promotional advertising paid up for television, print and cinema, and radio and other media.

**Dr BURNS:** We need to take that question on notice.

#### Question on Notice

**Mr CHAIRMAN:** Member for Araluen, would you like to just repeat that question for *Hansard* purposes?

**Ms CARNEY:** Yes, thank you Mr Chairman. The question on notice is: what was the total cost of paid advertising or promotion by the commission in 2002-03, including a breakdown of all forms of media. A follow up question may also need to be on notice based on the fact that the minister does not know the answer to that question. That is: what were the target audiences by age group and other category, for instance, drive market, in respect of that advertising.

**Mr CHAIRMAN:** Can I just clear this up. So there are two questions, or there is one?

**Ms CARNEY:** Well, no that was one. But I am outlining the second because it is integral ...

**Mr CHAIRMAN:** To assist Hansard, in respect of your first question, that is number 9.2.

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**Mr CHAIRMAN:** You now have another question?

**Ms CARNEY:** Yes. What was the target audiences by age group and other categories of the paid advertising and promotion?

**Mr CHAIRMAN:** Minister, you are taking that on notice?

**Dr BURNS:** We will take the first question on notice. It is welcome. The second question, I believe that may be able to be answered in terms of target segments.

**Ms CARNEY:** Can I just indicate that if that is in a tabled form I am happy to accept that.

**Dr BURNS:** Yes, it is a very complicated question because it really depends on the campaign. Obviously, each campaign is targeted at various segments of the market. The Big Green campaign that you have mentioned previously in the House had an expenditure I am informed here of \$127 000 or thereabouts. Its purpose was to build visitation to the Top End region during the shoulder season. Its timing was in February and March 2003. The consumers, the audience, of that were 500 000 selected households targeted with a direct mail brochure and 10 747 consumers received an e-mail version of the brochure. I am pleased to add that e-mail is becoming an increasingly important part of marketing.

The creative elements of that campaign were direct mail brochure to the 500 000 households, the e-mail I have just mentioned, and an online page with product offers on the [www.ntholidays.com](http://www.ntholidays.com) links with two co-op partners.

You are probably aware of our print, branding and tactical campaign. The public is very well aware because I am getting receiving positive feedback about it. That has a cost of \$1 248 433, and its purpose was to establish the positioning of an NT holiday experience and drive visitation during the peak season. Of course, the peak season is between July and September 2003. The timing of that campaign was between April and May 2003. We are all very interested in these very crucial campaigns. The consumer group, which is the focus of your question, was the national market segments of the affluent adventurer; package; culture; comfort-seeker; active explorers; and outback escape.

**Mr REED:** Could we have them a bit slower, minister. Could you repeat those?

**Dr BURNS:** Sure. Then there was the Centre Region campaign, and the amount I have here is 147 ...

**Ms CARNEY:** Sorry, minister. We asked if you could repeat what you said in terms of the affluent categories.

**Dr BURNS:** I am sorry. The affluent adventurer; the package traveller; those seeking culture; comfort-seekers; active explorer – and I believe that that would include bird watchers – and outback escape. Now, moving to the Centre region campaign ...

**Mr Reed:** At least you know what one is.

**Dr BURNS:** I know a turkey when I see it.

**Mr Reed:** I know a spangled drongo, and I am looking at one.

**Dr BURNS:** Good.

**Mr CHAIRMAN:** Okay, let's get back to it.

**Dr BURNS:** The Centre region campaign, \$147 473. Its purpose was to build visitation to the Centre region during its shoulder season, May to July 2003. May-June 2003 is the timing. The consumer is the national market of Australia, the affluent adventurer; package tourists; and those seeking culture and through the retail travel agents. The creative elements of that campaign was a direct mail campaign to 66 000 individuals. I can say with my extensive experience in direct mail that it is a very good way to get business and peoples' attention.

There was an e-mail communication to 23 126 prospects. Once again, the online page that I mentioned before. There were media kits developed including media releases, motivational stories and images, novelty toy and images. I will not comment on that. They were sent to consumer media outlets and 12 travel trade media. Five page editorial spread in the edition of *Voyeur* magazine. Most people know that that is an in-flight magazine. Two Northern Territory Tourism Commission ads were placed in the May edition of *Voyeur* magazine.

I have already talked about the Arafura rescue package. That has been very important. We are also part of the 'See Australia Campaign'. That was \$50 000 contributed by the federal government, and the NT Tourist Commission contributed \$133 125. The purpose of that was to increase domestic visitation in cooperation with the See Australia campaign. That is May-June 2003. There were particular targets in the mass industry in Western Australia and South Australia. They have a high propensity to travel at short notice to the Northern Territory, so we are being very focussed and efficient with our marketing strategies.

There was a generic ad, the creative elements of this campaign, that appeared in 15 papers from 27 May to 1 June. There was a central ad with product deals in 15 papers from 2 to 8 June. There was a Top End ad with product deals in 15 papers from 10 to 15 June. The other campaign was the tourism recovery package - \$1.5m. I have come to an end, unless you want me to go into next financial year.

**Ms CARNEY:** No. I think you are doing a very good job filibustering, minister. You are very aware of how much we have, so I will ...

**Dr BURNS:** You asked a question.

**Ms CARNEY:** Hang on. Some of it was not answered, but I will ask it in another forum. Minister, out of all the things you mentioned, I do not think you referred to any television advertising. Why not?

**Dr BURNS:** This is an important issue. I have stated that the television ads for this year are late. That has to be acknowledged. Nevertheless, I will be launching them next week. They are later than I had hoped, but there is a general consensus that this has been, unfortunately, a very unusual year. We have had SARS, a war in Iraq, the Bali incident. In terms of encouraging visitors in our shoulder season, I believe these ads are going to be very effective. Of course, electronic advertising, the TV and cinema advertising, is just one part. I have mentioned a number of parts before that started much earlier this year, and I have had quite positive feedback from our print ads. So, yes, it is late, I acknowledge that. It will not happen again next year. In some ways, it is an unusual year, and it may well pay dividends for us. I am quite confident that it will.

**Ms CARNEY:** So, minister, it is the case that in the last 12 months there have been no television ads advertising the Northern Territory to the national market.

**Dr BURNS:** I would have to ...

**Ms CARNEY:** So you do not know the answer to that question?

**Dr BURNS:** There is a lot of television in Australia. There are all sorts of different types of advertising. Do not be precipitant here. I am trying - this is important. This Estimates Committee is all about inquiring into the facts, finding out information, and possibly learning, member for Araluen. I definitely want to receive the best advice about all the information that I give to this committee so that it is correct. I am not just going to blindly rush in there, impulsively, as some people seem to do with everything that they get, like when they send their presses out criticising everyone for Virgin not coming to Alice Springs on the very day that it is announced. I have a cooler head, member for Araluen, and I am going to inquire as to your question.

Yes, there have been television ads in cooperation with our partners. So far, in 2002-03, there has not been a generic television campaign by the Northern Territory Tourist Commission. Did you want to speak a bit more about these partnership ads in cooperation, Ms Tetlow?

**Ms TETLOW:** Yes, thank you. The television ads have been with partners, and they have been tactical in nature, not branding or brand-building ads, which are about to be launched next week.

**Ms CARNEY:** Through you, minister, Ms Tetlow was referring to partnership advertising over the last 12 months. Minister, you seem not to know whether there has been any television advertising undertaken by the commission in the last 12 months. Noting all the problems that the Territory tourism industry is facing, that you spoke of before, with all of the marketing expertise that the commission has, why did you not direct them to get on with some television advertisements in an attempt to stimulate the industry, knowing how very powerful the medium of television is?

**Dr BURNS:** With all respect, I have told you before why I wanted to check with the officers here about what had happened over the past 12 months in television advertising. You are making some assertions on the basis that I am taking care with what I say. I am trying to ascertain and take advice from officers. I am going to continue that.

Regarding the television campaign I have already acknowledged that it is later than I would like. However, I have every confidence given the agency, given the creativity that has come out in the print advertising, and the complementarity between the print advertising and the electronic and cinema campaign. That is another thing that is a little different about what we are going to do - there is going to be cinema advertising. All in all, we are using every branch. You are just putting all your eggs in the electronic basket, so to speak. I have already told you some of the things that we have been doing that are a little different: direct mail is very important, targeting the very segments of the market we want to attract to the Territory in a way that is new, that has a bit of energy about it.

I do not back away from the fact that we are doing things a bit differently. Television advertising will be part of what we are doing. As I say, I am launching the television ads next week. I am very confident that they will be very successful.

**Ms CARNEY:** Thank you, minister. The industry will, I am sure, be very grateful that you have overseen the placement of some television ads in the last 12 months. The television ads to which you are referring, I assume, are from the 'It will never, never leave you' campaign.

**Dr BURNS:** Predominantly, that is right.

**Ms CARNEY:** Is the entire campaign, 'It will never, never leave you', a \$2.8m campaign, a \$3.8m campaign, or is it a \$1m campaign with all the advertising that you have referred to in your previous notes?

**Dr BURNS:** It is an integrated campaign that has a very good strategy to it, and it has been very well thought out ...

**Ms CARNEY:** Look, I am not suggesting that it has not been, but ...

**Dr BURNS:** ... by experts in this field. I will ...

**Ms CARNEY:** Get the answer. Thank you.

**Dr BURNS:** All I can say to you is that the 'never, never leave you' theme has been chosen as our domestic marketing strategy. It runs through all our domestic marketing. We have already outlined to you the funding for our domestic marketing strategy. I am also informed that this particular campaign will go over two years. That is the answer to your question.

**Ms CARNEY:** Thank you. In relation to the Arafura Games rescue package, did advertising for the voucher system just occur in Australia? Did it include print media, television and mail out?

**Dr BURNS:** No. I will let Ms Tetlow give the detail. It was basically a joint marketing campaign through the two major airlines which, of course, are Virgin Blue and Qantas, and through major wholesalers. Is that correct, Maree?

**Ms TETLOW:** Yes.

**Dr BURNS:** That was actually the suggestion that was made by industry. They wanted it to be done through the airlines, because the airlines have the capacity to ramp up such a campaign very quickly; they have the networks to make it work. They certainly have the punch in seats and cost of seats. They have the connections with the accommodation industry. May I say also that the accommodation industry in Darwin was just absolutely magnificent in the way that they worked in with the commission and the wholesalers to provide packages that would be an incentive for people to come to Darwin at a time when we were expecting to be full for the Arafura Games. It was a critical situation, but everyone has worked together and that situation was ameliorated.

Did you want to speak exactly about that aspect that the member for Araluen has raised?

**Ms TETLOW:** Thank you, minister. The main objectives for Arafura were to retain the 700 Arafura 2003 participants who had pre-registered. The second objective was to encourage incremental holiday visitors to Darwin to fill a hole in tourism bookings. The actual partners that were involved were Qantas Holidays, Travel Point, Great Aussie Holidays, Territory Discoveries, and they offered to their clients the vouchers and advertised that particular point. The type of advertising included primarily press, but also included the vouchers and the online component.

**Ms CARNEY:** Thank you. Minister, New South Wales and the ACT are the Territory's most important interstate holiday markets, accounting for 36% of visitors. The source for that is the strategic plan document that you launched, at page 50. How many ads have been placed in newspapers in those jurisdictions in the last 12 months? I am sorry. How many newspaper ads have been placed in those jurisdictions in the last 12 months promoting the Northern Territory?

**Dr BURNS:** That is a good question. It is also a complicated question at the same time because with joint marketing campaigns the badge on it might not necessarily be wholly and solely that of the Tourist Commission. Basically, these cooperative marketing campaigns are very important. You did also mention the Sydney market and, of course, we have had the very good news of Virgin going into Alice Springs and there was certainly a lot of advertising which might not have necessarily - some of it was newspaper advertising - but it was predominantly billboard advertising to entice people to travel Virgin into Alice Springs, which everyone has universally welcomed.

Whilst newspaper ads are important, we have to also realise that there other very effective ways of advertising. I am not sure whether you have take advantage of the Virgin flights into Sydney yet and seen some of the billboards there advertising ...

**Ms CARNEY:** Minister, do you know how many newspaper ads have been placed ...

**Dr BURNS:** Wait, wait, wait ...

**Ms CARNEY:** ... in those newspapers in those jurisdictions ...

**Dr BURNS:** ... I am coming to that.

**Ms CARNEY:** Please answer the question.

**Dr BURNS:** I am coming to that, member for Araluen. You are not in your party room now. There is no need to shout and go ballistic ...

**Ms CARNEY:** Certainly not, minister, but you know very well that ...

**Dr BURNS:** ... just settle down. You will get the deputy leadership yet.

**Ms CARNEY:** ... you are filibustering in the most embarrassing way imaginable. Please answer the question.

**Mr CHAIRMAN:** Can I just have some order, please. Minister, I thought I made it very clear what the conduct might be, so I do not need to repeat myself.

**Dr BURNS:** I apologise, Mr Chairman, but I was provoked.

Given the complicated nature of your question, as I have outlined to you, I am prepared to take that question on notice, member for Araluen.

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**Question on Notice**

**Ms CARNEY:** Thank you. The question is: New South Wales and ACT are the Territory's most important interstate holiday markets accounting for 36% of visitors. How many ads have been placed in newspapers in those jurisdictions in the last 12 months?

**Mr CHAIRMAN:** Taken on notice; question 9.3.

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**Ms CARNEY:** Minister, at Budget Paper No 3, page 264, there is a footnote about marketing activities and it refers to brochures, cooperative campaigns, and so on. Those activities are obviously critical to the promotion of the Northern Territory. Against that backdrop, why are they being reduced in the current climate? Specifically, the number of marketing activities will be reduced from 223 to 214. Running down the page, and it is on page 264, there is a prediction that the number of trade consumer shows that will be attended by the Commission will reduce from 99 to 93. Further down the page, there are 13 research projects estimated to have been completed in 2002-03 and there is an expectation that only 11 will be completed in the following year. Given that those marketing activities are crucial to the industry, can you tell us why they are being reduced?

**Dr BURNS:** You have been selective with some of the figures you have quoted. I will address each of the issues that you mentioned. You did not mention the fact that, say, trade and media familiarisations undertaken will increase from 233 in 2002-03 to 246 in the next year, and research projects are increasing. Those research projects are very important. They include the Travel Monitor; subscription to intelligence and information gathering things like Roy Morgan's Holiday Tracking Survey; domestic campaign tracking; a whole range of very important research projects that provide a lot of information to the Commission.



Having said that, it is reasonable for you to raise these issues. The first one is in terms of trade and consumer shows attended and, yes, it does say 99 in 2002-03 to 93 in 2003-04. I am informed that the number is likely to be less in 2003-04 due to the fact that some of these major shows are held every two years. You would really have to look at a three year rolling average to get a good feel for that.

As I have said on the floor of parliament, I attended Australian Tourism Exchange in Melbourne just recently and gained a lot of knowledge from that. I respectfully suggest the member for Araluen also gets to some of these trade shows and understands what they are about. Some of these things are biennial, and that accounts for some of the difference.

Marketing activities undertaken: I am informed that the marketing activities include brochures produced, cooperative campaigns and advertising campaigns undertaken. The number undertaken in 2003-04 is expected to be less than 2002-03, but the cost is expected to be higher due to an increase in the quality of the activities. We know that consumers are after quality. It is a very competitive market place. Some of the market segments that we are trying to attract are sometimes very affluent people, and they expect that quality of material to be placed before them. There will be fewer, but the quality will be better. Convention bids submitted, I do not think you mentioned that.

**Ms CARNEY:** That was not part of my question.

**Dr BURNS:** No. I have covered a few there, member for Araluen. You did mention quite a list there.

**Ms CARNEY:** You have answered the question, thank you, minister, which is very encouraging. I have no further questions for that output, Mr Chairman, but I believe that my colleague to my left does.

**Mr REED:** Minister, in 2000-01, the commission's budget was \$26.7m. Four years later, 2003-04, it is \$27.2m. That is a major reduction, taking into account inflation. Given that the industry is facing the most competitive period in its history, do you think that it is sufficient support for an industry that employs more Territorians than any other?

**Dr BURNS:** That is a very important question. There is no doubt that I would like to be able to give the Tourist Commission – I think the member for Araluen is talking in the area of \$10m or \$20m more than they currently receive. Over the past year some of the activities that we mentioned - increased domestic marketing, increased international marketing, the Arafura rescue package - we are endeavouring, with the resources we have, to allocate the right sort of money to the Northern Territory Tourist Commission. We have to do that in a sustainable way.

In respect of the commission itself, I was very pleased to announce Mr Richard Ryan as the Chair of the Board of the Tourist Commission. He is a well renowned and well respected businessman who is used to assisting and supporting organisations to get the best out of them. I have feedback from both the board and employees of the Tourist Commission that he is taking a very hands-on approach. He has delved right into the business and the structure of the commission. I am very confident that the commission, with the resources that it has, is delivering very effective outcomes and strategies for the tourism industry in the Northern Territory.

**Mr REED:** Thank you, minister. I note your agreement that there has been effectively a major reduction in the commission's budget over four years. Could you explain to me now, though, the name of the current advertising agency employed by the commission, the cost of the contract on an annual basis, and the period of the contract?

**Dr BURNS:** Before I ask officers to do that, Mr Reed, I entirely rebuke your suggestion. That is your hypothesis. We have seen some of your reductions in the past ...

**Mr REED:** The figures speak for themselves, minister.

**Dr BURNS:** ... for presentational purposes. At least everything on our budget is on the up and up, and everything is there for the beholder. There is more information and discourse in our budget papers than you ever had in yours. So, do not start ...

**Mr REED:** Taking into account inflation, you are behind four years.

**Mr DEPUTY CHAIRMAN:** Member for Katherine, let him finish the question.

**Dr BURNS:** After having said that, and putting that on the record, I will hand to Ms Tetlow to give you some detailed information about the advertising agency and what sort of money we are investing there.

**Mr REED:** You might also ask Ms Tetlow to tell us if she agrees in relation to the budget situation, Mr Chairman.

**Mr DEPUTY CHAIRMAN:** Member for Katherine, there is no further question to be put to the minister until he finishes this one, please.

**Mr REED:** Thank you.

**Dr BURNS:** Ms Tetlow.

**Ms TETLOW:** Thank you, minister. The ad agency's name is Euro RSCG. The actual contracted amount is \$3 033 916 over five years.

**Mr REED:** So, that is over five years.

**Ms TETLOW:** Over five years.

**Mr DEPUTY CHAIRMAN:** Are there any further questions for output 1.1? There being no further questions, I will close output 1.1.

#### **Output 1.2 – Tourism Development**

**Mr DEPUTY CHAIRMAN:** We will now interrogate output 1.2, Tourism Development. Are there any questions?

**Ms CARNEY:** Yes, thank you. In relation to tourism development, minister, how much of the commission's budget was devoted to business tourism in 2002-03?

**Dr BURNS:** Ms Tetlow.

**Ms TETLOW:** For 2002-03, it was \$936 000.

**Ms CARNEY:** Do you have a percentage figure for that, from the overall budget. I am given to believe that the budget relocation for business tourism represents about 2% of the commission's budget, is that right?

**Dr BURNS:** We would have to calculate that, member for Araluen.

**Ms CARNEY:** Perhaps we could do that on notice.

**Dr BURNS:** It is correct, I am informed. Business tourism 2%, yes.

**Ms CARNEY:** Thank you. And how much of the commission's budget, in percentage terms, was actually devoted to tourism development in 2002-03?

**Dr BURNS:** What specifically do you mean in terms of 'tourism development', member for Araluen?

**Ms CARNEY:** With respect, minister, what an extraordinary question. This is an output area in your budget. It is an output area from the Northern Territory Tourist Commission. It has pages devoted to it. It is called 'tourism development'. I do not think I need to ...

**Dr BURNS:** Yes, but what specifically under that umbrella are you referring to?

**Ms CARNEY:** How much of the Northern Territory Tourist Commission's budget is devoted to the area of tourism development in 2002-03?

**Dr BURNS:** In 2003-04 it is 5%. You spend a lot of time up there in your room. You could get a calculator out. It is very simple.

**Ms CARNEY:** Minister, this is a forum where we ask you questions.

**Dr BURNS:** Yes.

**Ms CARNEY:** You answer them. I am glad you understand that.

**Dr BURNS:** You are having a lot of trouble with your maths. Six two, four six.

**Ms CARNEY:** Do you think it is satisfactory for you, as Minister for Tourism, to preside over only 5% of the commission's marketing budget to be devoted to tourism development in light of the crisis the industry has been experiencing for the last 12 months?

**Dr BURNS:** One of the important areas that we are involved in, in tourism development are the regional tourist associations. They are a very important part of tourism development and we fund those areas quite adequately. Generally, they do a very good job. I have mentioned Top End Tourism before, and their energy and vitality. We are working strategically in this area. You will notice there, under some of the performance measures for tourism development, are business submissions developed for airlines. I would expect you to know that that has been very effective, with Virgin Blue coming into Alice Springs on a daily basis. We are having Virgin Blue coming to Darwin five times a week from Sydney, and also seven times a week from elsewhere. We are also putting very strong business cases to international carriers. It might seem a small amount to you, but it is working very strategically and it is having immense benefits to the Territory, and to the Alice Springs region in particular.

You are talking about CATIA that is a fine organisation, with their CEO, Mr Catchlove. We are talking about the Aviation Development Director, Mr Peter Roberts, who is doing a fine job. I believe that you will find there will be many important developments on the international aviation front within coming months. Not least of all to mention the charters that are coming into Alice Springs direct from Japan. There is quite a lot going on in tourism development. I do not think you should talk it down.

**Ms CARNEY:** Minister, you know, do you not, that the industry is not happy with tourism development only attracting 5% of the commission's budget?

**Dr BURNS:** No tourism operator or tourism organisation has ever put that view to me. In fact, when I went to Alice Springs to meet with CATIA, the two things that they mentioned to me were firstly, Virgin Blue into Alice and the second, the Mereenie Loop Road. As minister, I have delivered on both of those things. They did not talk to me about this issue; they talked to me about having a closer

relationship with the Aviation Development Committee. I acknowledged that and we are doing that. Some of this is just coming from you, member for Araluen.

**Ms CARNEY:** Well it is not, minister. Had you been at the – I will not go into it, but I can assure you that industry is not happy. You mentioned in an earlier answer the regional tourist associations ...

**Dr BURNS:** Well, maybe the members – I will not interrupt, sorry.

**Ms CARNEY:** Hang on, I will ask my question on the RTAs. The suggestion you made, I believe, was that the RTAs play a significant role in the development of the Territory's tourism industry. Given the crisis the industry has been in for some time and appears likely that it will continue, why did you not increase the funding to the four regional tourist associations around the Territory in your budget?

**Dr BURNS:** I would have liked to increase their budget. I believe the total budget was \$2m. I will just get apprised of the exact spread. \$640 000 went to Tourism Top End; \$400 000 to the Katherine Region Tourist Association; \$320 000 to the Tennant Creek Regional Tourist Association; and \$640 000 to CATIA. Yes, I would have liked to have given them more but I was not able to. However, I am also very pleased with Tourism Top End. They are making partnerships with local government. Local government has a role to play in the development of regional tourism. The Darwin City Council, I believe, has gone into a partnership with Tourism Top End - \$90 000 to promote Darwin as a destination. It is just not this tier of government that has a role, it is the industry and also local government.

**Ms CARNEY:** Obviously government does have a role with respect to the RTAs because government funds the RTAs. Did you attempt – make any effort - to represent the needs and aspirations of the industry by requesting your Treasurer for an increase in funding to the regional tourist associations?

**Dr BURNS:** I am informed that the funding to our regional tourism associations is probably the best in Australia.

**Ms CARNEY:** That is not the question.

**Dr BURNS:** But it is relevant. I have said before and I can go over it again, surely, certainly, I would have liked to give more money to the Regional Tourism Associations in this budget. It was not possible. This is a government ...

**Ms CARNEY:** Did you make any attempt - that is the question.

**Dr BURNS:** No, no, let me finish, member for Araluen. This is a government that is showing fiscal discipline. We have a deficit reduction strategy. We have turned around a situation that was completely out of control under the former government and we are trying to bring the budget into the black. We are trying to reduce debt so that between \$500 000 and \$600 000 a day from the debt that we inherited from you is not an impost. When we can clear that sort of debt and reduce those sorts of debt repayments, it is then that we can look to substantial increases in some of the areas that you are talking about. But really, the policies of the previous government left the public purse impoverished.

**Ms CARNEY:** Thank you, minister, I will take it as a no, that you did not lobby for the industry by even asking the Treasurer for an increase in funding to the RTAs. That concludes my questions in respect of this output. I do have some questions for non-specific outputs.

**Mr CHAIRMAN:** Are there any other questions in regard to this?

**Mr KIELY:** I have a quick one. Minister, \$42 000 has been provided within the budget to support the Aviation Development Director. What contribution is this making to the expansion of aviation services into the Northern Territory?

**Dr BURNS:** With respect to the member, I did answer that in relation to a previous question from the member for Araluen. I will not add to that. I have laid that on the record. However, there is one important element to add that this is a very cooperative approach and strategic approach to increasing airline capacity into the Territory. Not only is the Tourism Commission contributing to that position but also DIPE and DBIRD. Within government there is cooperation between agencies and also cooperation outside the government because the Northern Territory Airports Corporation is funding half of that position. It is a very strategic partnership and already it has borne a lot of fruit. As I have said, I am quietly hopeful of more international capacity coming into the Territory in the next six to 12 months and those charters from Japan are really the beginning of that.

**Mr KIELY:** Thank you.

**Mr CHAIRMAN:** Thank you very much. There being no further questions we go to the non-output specific budget.

#### **Non-Output Specific Budget Questions**

**Ms CARNEY:** Thanks, Mr Chairman. Minister, presumably you are aware that on page 263 of the commission's budget the outcome for tourism says: 'Increased tourism visitation and associated benefits to the NT economy'. You are aware, are you not, that visitor numbers to visitor centres in the Top End, Katherine, Alice Springs are significantly down? What specific initiatives are contained in this budget that will get tourists to the Territory in the next three to six months? Obviously, it is a quite specific question.

**Dr BURNS:** Member for Araluen, I did detail to you the campaigns that have been launched in this financial year. They are very important. Those are the specific things that we are doing in terms of campaigns. There is also liaison with the travel press. There is a whole range of things that are being done, that are proposed over the next year, to increase visitor numbers. I have already mentioned to you the very strategic partnership and the Aviation Development Director. Surely, when you are talking about increased travellers into the Northern Territory, a daily service into Alice Springs from Sydney, the major market for Central Australia, approximately 1000 seats a week. That kicked in a couple of weeks ago mainly due to the efforts of the business case that has been put by the Aviation Development Director, and by lobbying by me, in spite of the negativity of the opposition which called Virgin's fleet a 'shoddy fleet', in spite of what the member for Araluen said that how dare we even contemplate entering into any sort of agreement with Virgin Airlines. Also, Virgin coming into Darwin five times a week direct from Sydney, that is about 750-odd seats a week.

We are doing plenty, member for Araluen, but all I see you doing is talking it down. That is not to say things are not difficult, things are not tough, but you talk about your anecdotal conversations with industry ...

**Ms CARNEY:** I will be sure to pass that on, minister. Thank you.

**Dr BURNS:** Would you let me finish please?

**Mr CHAIRMAN:** We have about 20 minutes left.

**Dr BURNS:** Yes, I am just finishing this question. I am receiving reports from various sectors of the industry that things are looking up, that things are getting better. That is all we can do: work hard to try to be strategic, to rebuild our tourism industry. Lord knows we have had September 11, the Bali incident, SARS, a war in Iraq. These are all very negative things. We have to work hard to redress the situation.

**Ms CARNEY:** You are aware, aren't you, that almost every, without exception I think, jurisdiction in Australia has increased their funding to the Tourism Commissions: Queensland, Tasmania, South Australia. Why haven't you significantly increased funding to the commission so that the commission

can assist the people who own and operate businesses in tourism to ensure that they do not go broke, so that they are still operating over the next three, six, 12 months? Why won't you inject significant funds into the commission's budget?

**Dr BURNS:** That is a very interesting and important question. When I first became tourism minister, I asked for some information about how the Northern Territory Tourist Commission compares, in terms of its annual budget, with Tourist Commissions elsewhere as a percentage expressing the budget of the Northern Territory Tourist Commission, say, as a total of the total budget for the Territory. These are some very interesting figures.

I will read them slowly for the member for Araluen. Expressed as a percentage of total state budget: New South Wales - 0.2%; Victoria - 0.2%; Queensland - 0.2%; Western Australia - 0.4%; South Australia - 0.7%; Tasmania - 0.9%; the ACT - 1%; and the Northern Territory - 1.2%. In answer to your question, in terms of punching above our weight, we are already doing that. We are already funding our Tourist Commission approximately six times that of Victoria and New South Wales. There is no getting away from those states having enormous budgets. We can never compete with them.

I have been taking a bit of notice of some of the things that you have been saying, money that you said that we should be spending in terms of the Tourist Commission. At one stage there, I think it was in the Alice Springs sitting, you said we should extend the voucher system to every tourist who comes into the Territory. \$70m!

**Mr BURKE:** Come on, we only have 20 minutes.

**Dr BURNS:** No, the point I am making here, and I notice the Leader of the Opposition is sitting beside the member for Araluen, this is just the ...

**Mr BURKE:** Well, we have only got 20 minutes. Come on. We do not want a speech; just an answer.

**Dr BURNS:** ... profligate, spending, spendthrift stuff that the CLP went on with for years. One year, \$1m deficit turns into over \$270m.

**Ms Carney:** Absolute nonsense. You know the context in which that statement was made. It was not an open ended invitation for every tourist in the Northern Territory forever and a day.

**Mr CHAIRMAN:** Member for Araluen, can I have some order please? I made it very clear. The minister is now answering a question. Please do not interject.

**Mr BURKE:** Could you be brief, minister?

**Dr BURNS:** No. I will just recap. Those figures show that we are spending well above our weight. We are the highest spending in terms of percentage in Australia, up to six times some of these larger jurisdictions. We are at a disadvantage in that we do not have the total budget that they have, but I believe we are putting adequate funds into tourism. This government has shown itself to be flexible and responsive. I have outlined the Arafura rescue package, the extra monies into both international and domestic marketing. I do not think the member for Araluen should be talking it down all the time.

**Ms CARNEY:** Minister, I am not talking down the industry; I am merely trying to represent the interests of those working in it.

In relation to page 264 of Budget Paper No 3, an amount of \$50 000 has been allocated for convention bids in 2003-04. Can you advise whether a bid was made for Alice Springs to host ATE for next year and, if so, what was the outcome of that bid?

**Dr BURNS:** That is the number of convention bids submitted. It is estimated that there will be 50 in

the 2003-04 financial year. My understanding is that the ATE will be held in Melbourne again next year. I am not sure what the program is for the year after, but I will let Ms Tetlow respond to that question.

**Ms TETLOW:** That was a question in regard to ATE next year, is that right?

**Ms CARNEY:** Yes.

**Ms TETLOW:** We did put in a bid, and we were unsuccessful. It is going to the Gold Coast.

**Ms CARNEY:** How much has been put aside for convention bids? I ask that question in light of the excellent facility at Alice Springs, the Alice Springs Convention Centre, and the importance of business tourism. Is there an allocation for convention bids?

**Dr BURNS:** I am aware there certainly is a position within the Northern Territory Tourist Commission that is dedicated to this very important activity. I will let Ms Tetlow answer that.

**Ms TETLOW:** The budget for business tourism incorporates that specifically as it relates to bids. Most of the bidding expense is in the actual documentation. It does not include, for example, incentives or anything of that nature. Anything to do with sponsorship or whatever would come out of the portfolio that would be of interest, or from corporate private sector.

**Ms CARNEY:** Thank you. Is it not true, minister, that the Northern Territory was unsuccessful in its bid to host ATE because it simply did not offer enough, and the Territory was outbid by another jurisdiction, and is not that a problem?

**Dr BURNS:** I was never privy to those negotiations. I am informed that the board dealt with that particular issue. I would imagine there is some confidentiality. To be honest with you, I am not aware of what you are talking about.

**Ms CARNEY:** Why am I not surprised, minister! You are the minister presiding over the second most important industry in the Northern Territory in terms of revenue, an industry that employs some 18 000 people ...

**Ms LAWRIE:** Where is the question?

**Mr CHAIRMAN:** The question, please, member for Araluen.

**Ms CARNEY:** ... and you admitted in estimates that you do not know the answer to that question ...

**Ms LAWRIE:** Ask a question, that is a statement. You know estimates is about questions.

**Ms CARNEY:** Thank you. Can I say that that concludes my questions for that output. I am aware we have Territory Discoveries to go, but my colleague to my left has a couple of questions.

**Mr BURKE:** Minister, what overseas country would Steve Irwin be a household name in, do you think, primarily?

**Dr BURNS:** Steve Irwin? Well, he is very well known.

**Mr BURKE:** What overseas country would you think he would be almost a household name in?

**Dr BURNS:** I know he is very popular in the United States.

**Mr BURKE:** Target market of the Northern Territory, do you think?

**Dr BURNS:** It is one of them. Our primary market has been European countries, as you are well aware, member for Brennan.

**Mr BURKE:** What do you think Americans associate Steve Irwin with?

**Dr BURNS:** With the television show.

**Mr BURKE:** And crocodiles?

**Dr BURNS:** Crocodiles.

**Mr BURKE:** What do you think most overseas people associate the Northern Territory with?

**Dr BURNS:** What budget area is this relating to?

**Mr BURKE:** Just asking you. Advertising, promotion.

**Dr BURNS:** If you want to talk to me about episodes of the Steve Irwin show that you have seen on telly, we will do it another place.

**Mr BURKE:** Wouldn't you think most overseas potential tourists would also associate the Northern Territory with crocodiles?

**Dr BURNS:** You are just being very convoluted.

**Mr BURKE:** I am asking you a question.

**Dr BURNS:** No, no, they are ridiculous questions.

**Mr BURKE:** They are not ridiculous questions. You have a target market of people you want to attract to the Northern Territory, a primary part of your advertising campaign is crocodiles, because it features in one of your ads - 'It will never, never leave you', a big crocodile. Now you have Steve Irwin, who is associated in the United States and Europe, but primarily in the United States – household name 'crocodiles'. Northern Territory would be of interest to people to come to crocodiles. Why is he promoting the train?

**Dr BURNS:** That train is part of the Territory.

**Mr BURKE:** Why doesn't he work for the Northern Territory Tourist Commission? Why did the Great Southern Railway get him and not the Northern Territory Tourist Commission? Was there any effort made to get Mr Irwin to work for the Northern Territory Tourist Commission?

**Dr BURNS:** I think you are very confused. First of all, your questions do not refer to any specific output area, and really you are confusing ...

**Mr BURKE:** I am not being provocative at all.

**Dr BURNS:** No, no. Let me finish, member for Brennan. You are confused. You are talking about an international campaign and you are talking about a domestic campaign. Our domestic campaign features a crocodile in one of the advertisements, that is true, but it is not our international campaign.



**Mr BURKE:** So you wouldn't see the crocodile hunter, Steve Irwin, as being of any potential use to you in a promotional campaign working for the Northern Territory Tourist Commission?

**Dr BURNS:** I am informed that the Northern Territory Tourist Commission has contributed \$200 000 to this very cooperative campaign involving Steve Irwin with Great Southern Rail so ...

**Mr BURKE:** That was what I was trying to get to.

**Dr BURNS:** Maybe you should have asked the question, what role, and been a bit more direct about your questioning, member for Brennan.

**Mr BURKE:** Rather than being so obstructive, all you had to do was - that was what I was trying to get to: was he involved, is the Tourist Commission involved with Great Southern Rail or not?

**Dr BURNS:** It is hard to know what you are getting to. You are having a lot of difficulty getting to the question, and you are going to have a lot of difficulty getting to the next election as leader.

**Mr BURKE:** You can be as provocative as you like, but I now have a part answer to my question.

**Ms Carney:** At last.

**Dr BURNS:** If you had been a bit more direct, it would have been a bit easier.

**Ms Carney:** If you had have been a bit brighter, you would have ...

**Mr CHAIRMAN:** All right, all right.

**Mr WOOD:** Minister, could you tell us how many indigenous-owned tourist operations there are in the NT? I will put three questions together. How many people are directly involved in tourism, and what percentage would be indigenous, and what effort do you put into developing the indigenous tourist industry?

**Dr BURNS:** I will take that question on notice. I can tell you that just recently I signed off on some funding support for the Jawoyn in some of their tourism activities. That is very exciting. There are a number. Of course, there is the Anangu Tours in Central Australia who win the Brolgas every year. However, we need to be doing a lot more in indigenous tourism. It could take many phases. The Gama Festival is attracting a lot of international interest but and we have been looking at developing indigenous tourism. I am quite prepared to give you a briefing about that.

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#### Question on Notice

**Mr CHAIRMAN:** Before you go on, member for Nelson, I really do need to clarify this. My understanding is that you asked a question and the minister said he was prepared to take it on notice. Would you repeat the question for *Hansard* purposes?

**Mr WOOD:** How many indigenous owned tourist operations there are in the NT? How many people are directly involved in tourism, and what percentage would be indigenous, and what effort do you put into developing the indigenous tourist industry?

**Mr CHAIRMAN:** That question is 9.4.

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**Mr CHAIRMAN:** Do you have another question?

**Mr WOOD:** Yes. Minister, will your department be looking at using the rail for intra-Territory tourism promotion? I raised this issue in Alice Springs.

**Dr BURNS:** There will be a lot of flexibility of passenger travel on the line. I know the RTAs are integrally involved in marketing. I have heard talk of a Darwin-Katherine line. Is that ...?

**Mr WOOD:** No. I mentioned in Alice Springs about a cheaper form of transport – I even called it the Backpackers Special – that we could promote so people from Darwin visiting Alice Springs, especially during the school holidays, the first school holidays when it is still quite hot here and the weather, as we know, when we went to Alice Springs, is beautiful. There is an opportunity within the Territory to use the train for marketing holidays for ourselves. Would your department be looking at such promotions?

**Dr BURNS:** This is the Great Southern Rail?

**Mr WOOD:** The Ghan. Or, whether there is a possibility – I have said it before – of attaching a passenger train to a freight train. It is not uncommon for that to occur in other parts of the world.

**Dr BURNS:** I know that not all the travel and passengers on the train will be first class and silver service, so to speak. There will be budget travel, particularly for backpackers. I will endeavour to get some more information for you from Great Southern Rail.

**Mr BURKE:** Why didn't you know, minister, that we were contributing to the Steve Irwin campaign, and you had to be told by an advisor?

**Dr BURNS:** Your question, member for Brennan, was very convoluted ...

**Mr BURKE:** But you did not know.

**Dr BURNS:** It was a little incoherent, I thought. Basically, the thrust of your question was: why weren't we getting Steve Irwin as a flag ship for our international campaign for marketing into the Territory? Then you talked about the Great Southern Rail. I believe I have answered your question. Once we picked up what you were actually on about, we were able to answer your question – with all respect.

**Mr BURKE:** You did not know. That is a bit of an indictment, really. You did not know until an advisor told you, that the NT government was contributing to the Steve Irwin campaign for Great Southern Rail. I reckon that is a real indictment on ...

**Dr BURNS:** Is this a question ...

**Mr BURKE:** ... particularly as the railway is coming in a couple of months and you did not even know.

**Mr CHAIRMAN:** Where is the question in that? Is that a question? Obviously, it is not, so we will now proceed to consider questions regarding the business line, Territory Discoveries. I will now call for questions.

#### **OUTPUT GROUP 1.0- Territory Discoveries Business Line – Territory Discoveries**

**Ms CARNEY:** Minister, how is Territory Discoveries funded? There is no cash allocated to Territory Discoveries in the appropriations contained at the end of the budget speech.

**Dr BURNS:** My understanding is that, currently, Territory Discoveries receives a CSO from the government. That is approximately \$805 000. Did you want to comment on that, Maree?

**Ms TETLOW:** Yes, minister. Basically, Territory Discoveries is funded in three ways: through equity injection, commissions from its holiday packages sold, community service obligations and services level agreement.

**Ms CARNEY:** Do you say that there does not need to be an appropriation in the budget in order for Territory Discoveries to receive its money?

**Dr BURNS:** That is a matter that is probably more appropriately, and should have been, directed to the Treasurer.

**Ms CARNEY:** You are the minister, so you must presumably know how TD gets its money?

**Dr BURNS:** Through the Tourism Commission.

**Ms CARNEY:** If it is through the Tourism Commission, does it follow then that the appropriation for Territory Discoveries is comprised in the commission's budget appropriation that is contained at the end ...

**Ms TETLOW:** I can answer that for you. The community service obligations and the service level agreement amount and some equity is also covered in the Tourism Commission's budget, yes. The commissions are through actual holiday packages sold, which is a revenue line that comes in through Territory Discoveries.

**Ms CARNEY:** Thank you. I have been told this is my last question. I have so many. The budget allocation provided to the commission to operate the Holiday Centre - as per a press release of yours, minister, dated 30 May this year – was \$2.848m. Given that this allocation was, or has been, transferred to Territory Discoveries, why is there an operating result for Territory Discoveries of minus \$1.194m? For your reference, that is on page 273 of Budget Paper No 3.

**Ms TETLOW:** I can answer that. That represents the loss that will need to be paid for, as was the previous year. Every year it operates at a loss, and that is the amount of the loss projected for that 2003-04 period.

**Ms CARNEY:** Thank you. I will not, obviously, be able to ask any more questions. I take this opportunity to thank you, minister, and thank you to the staff of the commission. I know it is always a pretty awful experience coming along, but we are grateful.

**Mr CHAIRMAN:** I also add to that. Thank you very much, minister, for your time this morning and this afternoon. Also, to officials who accompanied you here. It is much appreciated. That concludes the Estimates Committee. Thank you all for your attendance.

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The committee adjourned.

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