

The Estimates Committee convened at 8.00 am.

CHIEF MINISTER GUNNER'S PORTFOLIOS

AUDITOR-GENERAL'S OFFICE

Madam CHAIR: Good morning and welcome to today's Estimates Committee hearings. I acknowledge we gather this morning on the land of the Larrakia people and pay my respects to elders past, present and emerging. I welcome you, Chief Minister, and invite you to introduce the officers accompanying you.

Mr GUNNER: I am here this morning with Julie Crisp, the Auditor-General of the Northern Territory.

Madam CHAIR: Thank you, Chief Minister. I will invite you to make a brief opening statement. I will then call for questions relating to the statement. The committee will then consider any whole-of-government budget and fiscal strategy-related questions before moving on output-specific questions and finally non output-specific questions budget-related questions. I will invite the shadow minister to ask their questions first followed by committee members. Finally, other participating members may ask questions.

The committee has agreed that other members may join in on a line of questioning pursued by a shadow minister rather than waiting till the end for a shadow's questioning on that output. Chief Minister, do you wish to make an opening statement regarding the Auditor-General's office?

Mr GUNNER: As by convention, I am happy for the Auditor-General to make the statement and for the Auditor-General to take the questions.

Ms CRISP: Good morning and thank you, Madam Chair. The Office of the Auditor-General is a statutory office established by the Legislative Assembly in the *Audit Act*. The role of the Auditor-General can be viewed as a safeguard intended to maintain the financial integrity of the Northern Territory's parliamentary system of government.

The Auditor-General audits public accounts and other accounts taking in to account recognised professional standards and practices. It carries out audits that it has been directed to do by the minister, conducts audits of performance management system, conducts audits of public sector entities including whole-of-government accounts being the Treasurer's Annual Financial Statement.

It also has responsibility for reviewing information referred pursuant to the *Public Information Act* and reports to the Legislative Assembly on the audits mentioned above.

The office's cost recovery model endorsed by government in the 2015–16 budget process enables the office to recover costs from other statutory entities outside of the public account.

During the year we undertook 136 new audits and reviews. It is consistent with what we undertook in the prior year through the audit office following machinery of government changes, which saw a reduction in the number of audits required and the number of agencies, but not a reduction in the level of work required.

We also undertake a range of data analytics activities designed to inform accountable officers. Over the year to date, we have undertaken 40 of those for 17 government agencies where we have looked into salaries, consulting and legal expenditure, gifts and benefits expenditure and grants and subsidies.

Of the 136 audits that we commenced, 109 have been completed by 31 May. I think we have eight left. We anticipate that they will all be completed prior to the 30 June. The office is likely to end the year with a small surplus.

I would like to put on record my thanks to the personnel in the office. Many of you know there are only four staff in the office; they do an amazing job. They are dedicated and have worked exceptionally well as a high-performing and supportive team. My thanks to them.

You would also be aware that we outsource 95% of the audit work we do to seven firms around town and there are 150 audit personnel who are involved from those firms in the audits of the Northern Territory public sector. My thanks to those partners and staff.

I am happy to take any questions.

Madam CHAIR: Thank you, Auditor-General. Are there any questions relating to the statement?

Mr HIGGINS: Thank you. I too appreciate the work that gets done in the lead-up to the estimates and thank all the staff involved.

From the opening statement, you said the number of audits was reduced, but I notice in the actual expenditure that the authorised auditor fees increased from roughly \$2m to \$3m in the last year. I know in the statement you also said that did not mean the amount of work had decreased. Could you explain please?

Ms CRISP: The level of work that we undertake through the audit program, as far as the number of agencies, reduced. We used to have 33 government agencies but with the machinery of government changes that brought that down to 20-odd agencies. Obviously the level of transactions is still the same, it is just delivered through a smaller number of agencies.

What we also see is that sometimes there are technical challenges with some audits. Some are more technical than others and that requires a higher level of staff. We pay a higher hourly rate for the more senior or qualified technical expertise. We do see an increase there.

We operate under a triannual contract with the authorised auditors. This is the second calendar year of that and it has an increment factor, the contract value goes up as well with CPI. Some of the more technical areas relate to the utilities entities. Whilst the costs have gone up with those entities, we also recover those costs directly back from the entities. As far as appropriation, that has not increased as a result.

Mr HIGGINS: I am still grappling with it. Where we are returning the costs from some of those external bodies there is a difference of \$1m, a 50% variance, in the appropriation. Not in the appropriation—the amount we spent. It went from \$2.096m to \$3.001m. If that does not reflect work that we have back from those other agencies, how much are we expecting back or how would you offset that?

Ms CRISP: The original budget for 2018–19 had just under \$2.7m in appropriation and what we recovered back from statutory entities was \$1.8m.

Mr HIGGINS: A lot of that would then be the difference between the \$2m and the \$3m. Obviously it does not go into expenditure, it goes into the revenue side and then Treasury takes it.

Ms CRISP: No. Treasury leaves us alone. Bless Treasury. What we recover back in direct costs, we do not charge any incremental charge to those entities. So what we pay the authorised auditors, we recover back directly. The \$1.8m is offset: in one side, out the other. The appropriation is spent on the compliance audits, performance management system audits and also covers the office salaries which are around \$700 000.

Mr GUNNER: Hopefully Treasury were not listening there, Gary, and taking policy notes about taking a little tithing on the AG's office.

Mr HIGGINS: I would take every opportunity to get stuck into Treasury. Basically what you are saying, if I am interpreting it right, is that your appropriation for this is \$2m, knowing that you are going to get \$1m back from those statutory authorities. Is that putting it in simple terms?

Ms CRISP: The appropriation is closer to \$3m and, yes, we get about \$1.8m back.

Mr HIGGINS: The efficiency dividend—how is that going to affect your agency? Have you been exempt? When we talk about staffing numbers...

Ms CRISP: We are not exempt from the efficiency dividend. The impact going into the 2019–20 budget sees a reduction through efficiencies of \$9000. Over the longer term, through forward estimates, it lands at about \$22 000 so it is the equivalent of one audit. It just means we have to be more efficient in delivering the audit program.

Mr HIGGINS: We are not going to chop someone's leg off and end up with 3.875 of a person.

Ms CRISP: Not quite the cost of a kidney. We have not seen a reduction in staff and in fairness, do not expect to. We have not been asked to reduce staffing numbers. We would be going from four to who knows what if we were.

Madam CHAIR: Any other questions on the opening statement? Thank you.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

Madam CHAIR: The committee will consider the estimates of proposed expenditure contained in the Appropriation Bill 2019–20 as they relate to the Auditor-General's Office. Are there any agency-related whole-of-government questions on budget and fiscal strategy? That concludes consideration of agency-related whole-of-government questions on budget and fiscal strategy.

Mr WOOD: Can I ask a general question of Chief Minister? Have you considered reappointing the Auditor-General for another term?

Mr GUNNER: No. I am not sure when her term expires.

Mr WOOD: I just thought I would take the chance to put in a reference.

Madam CHAIR: Perhaps you can ask that under staffing or corporate and governance?

Mr GUNNER: I have to say, I have not considered it. The consideration is what I have not had.

Mr WOOD: I thought I would get in early and say I think the Auditor-General has done a fantastic job and I hope you would reappoint.

Mr GUNNER: It was a good prompting, Gerry.

OUTPUT GROUP 1.0 – AUDITS AND REVIEWS Output 1.1 – Audits and Reviews

Madam CHAIR: We will now move on to consider Output Group 1.0, Audits and Reviews; Output 1.1, Audits and Reviews. Are there any questions?

Mr HIGGINS: What sort of challenges do we see coming up in the next 12 months?

Ms CRISP: Thank you for the question. From an audit perspective, the challenges are very much the same year-in, year-out. We obviously have different government programs and initiatives and we look at those through the performance management audit program. Some of those are more complex than others.

The audit of financial statements largely remains the same. The challenges are really around—if we look at the forthcoming year, we have some changes in accounting standards around leases. I think the committee was briefed on those yesterday. A lot of that requires estimation of the forward values and costs of those leases. The more estimated numbers fall into financial statements, the more work you have to do on the assumptions that sit behind that.

There are also incoming changes to how revenue is recognised but that is less of an issue for the public sector. To the point about estimated numbers, future gas contracts, future revenue sources that will come out of having a gas pipeline now present other assumptions that we need to look at.

The utilities entities are always more challenging audits primarily because their assets are valued based on their future revenues and returns so there are a lot of assumptions and estimates in there. The work itself will not change significantly.

Mr HIGGINS: Do you see any problems with a lowering of the standards undertaken by an agency because of some of the efficiency dividend and the restrictions on budget? Is it any of your roles to keep an eye on the fact that the standard of accounting in an department may be being cut back, or not given the priority it should be because of some of the restrictions placed on them? I am not saying whether the restrictions are justified or not, it is simply whether if you place restrictions will people take shortcuts?

Ms CRISP: The financial management framework within the Northern Territory under the *Financial Management Act 1995* and the Treasurer's directions is pretty robust and has been in place for decades. The Treasurer's directions are currently being reviewed and updated so that they are contemporary, because some of them required practices that might have been appropriate 10–15 years ago, but are not now in a more digital world.

That control framework is strong. It has remained unchanged. We audit agencies' compliance with that framework as part of the audit program. For every agency we undertake a compliance audit, and we do that about this time of year. We are just coming off the back of that program now. We go through the agencies and we check their compliance with those controls. We have not seen an increase in control weaknesses or control breakdowns as a result. Every year, I think, the accountable officers and their agencies get better with those things.

Mr GUNNER: In fact, through the Chair, with the reforms that we have brought in, there should be a strengthening now. We have insisted that the Chief Financial Officer will be elevated in every department to the executive management leadership team, which we see as really important in making sure that those sort of conversations are considered highly important. It should actually be strengthening post those Langoulant report changes.

Mr HIGGINS: I am not saying that we are not strengthening it or that the procedures are not there, it is more on 'should audits be placing a greater emphasis on ensuring that that is not happening?' It was more an extension that challenges over the next 12 months. My experience in business et cetera is that when times get tougher people will try to change things around. That is evident with people who are charged with different things in that financial area. That is why I asked the question. It is not a criticism of government and the position we are in or anything like that. It is just saying, 'Look, this is a thing and is that something that auditors would start to look at'.

My father was an accountant. One of his things was that if you want look for the crooked company, look for the people who are buying new cars when businesses were going backwards. It was just a little indicator and I am saying is that the sort of stuff that maybe would take a bit more time for the Auditor-General in the next 12 months?

Ms CRISP: What I would say directly in response to that is that we sometimes see increased challenges around procurement. In fairness, procurement is something we look at in depth and we look at it whether it is through a major project's clause or whether it is within individual agencies. I might add that the procurement processes are strong and robust. It is making sure that the agencies have followed those processes absolutely, but as a higher priority when times are tough some of the challenges do not necessarily come within the public sector through procurement, they come from outside as influences on the public sector. We are very much aware of that.

Procurement factors not only in our audit program quite strongly, obviously the Buy Local Industry Advocate also requires all agencies to undertake an internal audit of procurement. The results of those are reported through to him. It is a very strong focus on procurement. Your point is absolutely correct; when times are tough sometimes we do not see the best behaviours.

Mr GUNNER: Specifically on your point, Leader of the Opposition, on cars—you will be able to ask the Minister for DCIS more about this. We have extended how long we will hold our cars for by a year. I think we have taken on your old man's advice and delayed purchasing cars by an extra year.

Mr HIGGINS: It was an interesting view. It pointed to a lot of people who weren't doing things right.

Mr GUNNER: I have a friend who has a stationery store in Darwin. He said you can tell when times are tough by how many pens people order. When times are tough, they stop ordering pens.

Mr HIGGINS: Yes. They go to pencils.

Mr GUNNER: I always thought that was comical. There is always a pen somewhere.

Mr HIGGINS: Pencils—so you can rub them out.

I know this is a view and you may not be able to give it—do you have a view about the changes that are proposed for the Integrity and Accountability Legislation Amendment Bill that is currently before parliament. Did you make a submission to the ...

Madam CHAIR: Can I just mind under Standing Order 109 that you cannot have an expression of an opinion. I am not quite sure how that varies from a view. Just keep that in mind when answering please.

Mr HIGGINS: My thing would be if I supplemented that with 'have you done a submission to the scrutiny committee or were asked to do a submission to the scrutiny committee on that?'

Ms CRISP: I was advised that the scrutiny committee was hearing it and I have not made a submission.

Mr HIGGINS: Do you plan on making one?

Ms CRISP: No.

Mr HIGGINS: That is fine, I just wanted to know that one. How many referrals have we had for breaches of the *Public Information Act* in the last financial year?

Ms CRISP: We have had five referrals in relation to the *Public Information Act*. I have not received any in the last four months.

Mr HIGGINS: How many of those five referrals were upheld? Do you have a breakdown on that? Is it reported in your annual report?

Ms CRISP: They have all been reported through my reports to the Legislative Assembly. It would be fair to say that one of the challenges in interpreting matters referred under the *Public Information Act* is the clause on statement of facts versus statement of an opinion and whether that has been demonstrated.

I will say that most matters referred to me would probably be able to be breached on that. It is a technical breach and to that point it is what drove the amendments to the *Public Information Act* that came through a few months ago.

Mr WOOD: Chief Minister, I thought the Auditor-General did not agree with the changes you brought in to the public interest section of the act.

Madam CHAIR: Are you asking that question of the Chief Minister, or the Auditor-General?

Mr WOOD: I am asking why did he not listen or take up the advice of the Auditor-General.

Mr GUNNER: We have done all of this in parliament. This debate has been and gone. We are here today to talk about the budget appropriation. If you ask a question about the budget appropriation I am happy to answer it, but that debate has already occurred in parliament.

Madam CHAIR: And I will remind you that we are at Output 1.1, which is Audits and Reviews.

Mr WOOD: I was following on from what the Leader of the Opposition just raised. There was no objection to that.

Madam CHAIR: Do you have any questions on Output 1.1?

Mr WOOD: I do, but I will have to wait for the ...

Mr HIGGINS: All yours, Member for Nelson.

Mr WOOD: Auditor-General, there were two areas over the last few years that you have looked at with some concern, one was Power and Water in relation to having a full approved audit. Has that now all been satisfied to your best extent?

Ms CRISP: In the context of auditing the utilities, I have not modified any opinions in relation to those audits. The opinions have been clean, meaning that I did not identify issues in relation to the Power and Water Corporation. Does that answer your question?

Mr WOOD: There was a year where you could not give a full audit approval.

Ms CRISP: That is correct.

Mr WOOD: I am wondering whether that had now all been satisfied.

Ms CRISP: That matter related to assets. That has now been satisfactorily resolved. I will leave the technical explanation of how that was done to Power and Water, but we are comfortable that the records and the

assets now match up and that the values reported get consolidated into the Treasurer's annual financial statements and are accurate.

Mr WOOD: The other area was Northcrest, which raised the issue of land valuation. I am not sure—it also raised some other issues. Your recommendations in relation to that—were they taken up by the department and did you get a response that would satisfy you that things would be done a bit differently, especially from the point of view of having adequate time for land valuation?

Ms CRISP: I have not revisited that particular development, noting the findings that came out about getting a more timely evaluation once that recommendation came out—going back and doing a subsequent valuation would not have added anything to it.

The major projects we look at—part of the audit program is to see if there is land involved, that it has been valued by an independent valuer in an appropriate time frame where the information can be used to inform the ultimate decision-maker.

Mr WOOD: Did you look at the new hotel site at the wharf?

Ms CRISP: Yes, we have looked at the luxury hotel. The valuation of that block of land was undertaken. The land that was originally identified for development was not ultimately the land that was used, but all that land had been subject to valuation.

Mr WOOD: Would that valuation take in land that was originally marked as public land—as against Crown land for development? Public land was originally meant to be preserved under the Planning Scheme, so if the public loses out on some of that land because of development, does that make the developer more responsible for payment for taking up public land?

Ms CRISP: Off the top of my head, I cannot remember the intricate details. I am happy to take it on notice if you would like me to look into it and bring the answer back.

Mr WOOD: I will write a more fulsome note to you about that. Then I can show you what I mean. It is a bit hard without the diagrams. The Chief Minister knows.

Ms CRISP: I look forward to that.

Mr WOOD: The other area I may have raised—your limitations on who you can audit. Has there been any move by the government to allow you to audit local government? At the moment you do not have the power to do that.

Mr GUNNER: You can follow that money wherever it goes, can you not?

Ms CRISP: The *Audit Act* will provide for me to follow the dollar, as it were, if it is NT Government funds but only at the request of the minister. The Auditor-General does not have a mandate to go off on a tangent looking at what happens to the funds once they have been received by the private sector or a non-government organisation. I can only do that at the request of the minister. But that power is in the act.

Mr WOOD: You cannot look at local government under the act at the moment?

Ms CRISP: The *Local Government Act* is a separate piece of legislation. I am permitted to be appointed by a local government entity as the auditor, so that piece of legislation allows for the local government entity to appoint either the Auditor-General or another auditor to undertake the audit. It is not a mandated part of that act. The elder act does not say I must audit.

Mr GUNNER: I see this is a policy question, Member for Nelson. The Auditor-General is for the Northern Territory Government's books, so cannot audit up to the Commonwealth—sorry, the three spheres, not the three tiers. She cannot audit across to the Commonwealth or local government until local government has other revenue sources besides the NT Government. In some respects a policy question is for local government minister—not necessarily in estimates—about how it should audit itself. The Auditor-General has the ability under the act, as she explained, to follow NT Government money if need be.

Mr WOOD: I was probably taking it on from the workshops we had with Mr Fleming about the role of ICAC and how it can follow even Commonwealth money. I presumed that we need to review the role of the Auditor-General in relation to an overarching power. I am not saying councils should not still be audited, but there

may be cases where the auditor might say, 'I need to review a couple of councils as an independent auditor from the bigger, overarching picture' and even if it is money that some group has that has had Commonwealth money invested in'. Do you think that we should look at what powers our Auditor-General ...

Mr GUNNER: If I could touch on the policy distinction between the Auditor-General and the anti-corruption commissioner ...

Mr WOOD: That is why I am asking the minister.

Mr GUNNER: ... obviously the Auditor-General is looking at the NT books and the anti-corruption commissioner is looking at the NT laws, which covers us all and that is why there can be that distinction between NT government and local government for the anti-corruption commissioner versus the Auditor-General.

The question about how you audit local government and whether it should or should not be the Auditor-General's from that perspective is a policy conversation for the Local Government minister, not necessarily for estimates, but I understand where you are coming from and it could be that the solution is that you expand the office of the Auditor-General to be the NT books and local government books but it is a policy question essentially.

For me, that is the distinction between the Auditor-General and the corruption commission if that helps explain why the anti-corruption commissioner might go across what you see as lines.

Mr WOOD: I might ask Mr McCarthy when he comes.

Mr GUNNER: He will enjoy the conversation, Mr Nelson.

Mr WOOD: That is all the questions I have.

Madam CHAIR: No further questions on Output 1.1? That concludes consideration of Output Group 1.0.

OUTPUT GROUP 2.0 – CORPORATE AND GOVERNANCE

Output 2.1 – Corporate and Governance

Madam CHAIR: The committee will now consider Output Group 2.0, Output 2.1, Corporate and Governance. Are there any questions?

That concludes consideration of Output 2.1.

Output 2.2 – Shared Services Received

Madam CHAIR: The committee will now consider Output 2.2, Shared Services Received. Are there any questions?

That concludes consideration of Output 2.2 and Output Group 2.0.

Non-Output Specific Budget-Related Questions

Madam CHAIR: Are there any non-output specific budget-related questions?

On behalf of the committee I would like to thank the Auditor-General for attending today, and will now move to consideration of the Northern Territory Electoral Commission.

Mr GUNNER: I thank the Auditor-General for everything she has done. I will now need to have a conversation with her—I have learned something today about her term. I thank the Member for Nelson for raising that, and I thank all of her staff as well.

NORTHERN TERRITORY ELECTORAL COMMISSION

Madam CHAIR: I invite you, Chief Minister, to introduce the officials accompanying you and if you wish to make an opening statement regarding the Northern Territory Electoral Commission.

Mr GUNNER: I am with Iain Loganathan, the Electoral Commissioner for the Northern Territory. As I mentioned before, by convention I am happy for the Electoral Commissioner to make the opening statement.

Mr LOGANATHAN: I have a general opening statement not specifically in relation to the budget estimates but in relation to the state of the electoral rolls.

As we have just come off the back of a federal election and leading in to a Territory election next year, at the moment there are 139 273 people on the NT electoral roll, and that equates to 84% of eligible electors being on the electoral roll in the NT. This compares to a national average of 96.8%. There are 25 000 people missing off the electoral roll in the Northern Territory and the AEC estimates that 16 000 of those are Indigenous.

If I can put that in a national—in terms of the people missing off the electoral roll, nationally there is about 500 000 people missing off the electoral roll. The Northern Territory makes up 1% of the national roll. We make up 5% of the people missing off the NT roll.

The turn-out at the recent federal election in the division of Solomon was 83% and the division of Lingiari was 73%. These were the two lowest turn-out figures of any division in the 151 federal divisions. The point that I am trying to make here is that Territorians are less likely significantly to be on the electoral roll, and even if they are on the electoral roll they are less likely to vote.

In relation to the electoral roll in the Northern Territory, since the Territory election in 2016, the 16 urban divisions have increased by 5393, while enrolment in the seven remote divisions has decreased by 1797 and in the two rural divisions have decreased by 587.

A lot of these details are contained in the redistribution report that was released last month and it clearly shows that the AEC's automatic enrolment programs are not applied to remote and rural areas, which means that we are seeing roll accuracy decrease in those areas, but we are seeing roll accuracy and enrolment increase in urban divisions.

To conclude, in relation to that statement, part of our funding for the next financial year includes an allocation of funding towards running a remote education and enrolment program in the lead-up to the Territory election. The Chief Minister has written to the Commonwealth Minister for State requesting information in regard to turn-out and details of the federal election. We can use that data and target electors who have not voted, and potentially may not be on the electoral roll, to improve the accuracy of the electoral roll before the election next year.

Madam CHAIR: Are there any questions related to the statement?

Mr HIGGINS: Thank you, commissioner. I thank all the public servants who have prepared work for today. I know the Electoral Commission does a fantastic job.

If I could just pick up on a couple of the comments. It is my understanding that the decrease, when we refer to the decrease in people in the rural and remote areas, is around the automatic registration by the AEC and it is on the basis that the AEC will only alter that registration on the electoral roll if the person has a physical mail delivery at their place of residence. Is that correct?

Mr LOGANATHAN: Yes, that is correct.

Mr HIGGINS: When we look at anyone who moves out of a remote or rural electorate into an urban one—I think there is even parts of Palmerston that still do not have physical mail delivery to their residence, but excluding that—if they move into a residential area, that transfer will take effect. But if the opposite occurs, it does not take effect?

Mr LOGANATHAN: That is correct.

Mr HIGGINS: Does the AEC advise people—where they have picked up that change—that they are not updating their electoral roll information and therefore the person should do it themselves?

Mr LOGANATHAN: The issue is that the person does not have a mailing address, there is a difficulty in terms of communication with that elector. What the AEC has been doing for some time now, is if that elector has an email address on their enrolment form, or a mobile number, they will contact that elector using those forms of communication and advise them that they need to update their enrolment details.

Mr GUNNER: There is a broader policy question, which goes beyond the auto-enrolment. I think you have picked up on a very reasonable area of concern. If you go to manually enrol, there are some limitations on how you can do that around your terms of address, which I think puts some Territorians at a disadvantage.

Mr HIGGINS: That is the point I am trying to make.

Mr GUNNER: I agree with you, but I think it goes beyond the auto-enrolment.

Mr HIGGINS: When you said if they do not have a mail address, my understanding was if you used a post office box, you still would not be automatically transferred?

Mr LOGANATHAN: If you have a PO box address as your contact details and you have a physical address—well you must have a physical address—the AEC will still send the mail to the physical address, they will not send it to the PO Box. If that mail returns RTS, then no transaction occurs because the AEC makes the assumption that they have not been able to communicate with that elector.

Mr HIGGINS: So they will not post it to the post office box, they will post it to my home address and it will disappear into the ether.

Mr WOOD: Do they not know that post offices do not accept mail unless it has a post office box, unless they know you? If it has a street address, mail gets returned, generally speaking.

Mr GUNNER: I have a lot of houses in my electorate that do not have letterboxes.

Mr WOOD: I know the rule. It depends on the post office a little bit but if people do not put their post office box number, quite a lot of mail goes back to the sender.

Mr LOGANATHAN: The answer to your question is, yes, they know but from a broader AEC perspective, it is a national organisation and this is not really an issue in Melbourne or Sydney. It certainly is an issue here. At the last meeting of all the electoral commissioners, the federal electoral commissioner said that he would start reviewing the business rules regarding automatic enrolment and looking at these kind of issues. All electoral commissions would be involved in that review.

The points that you are making here are certainly points that we have been making with the AEC for numerous years. The way the rules are applied does not make sense up here.

Mr HIGGINS: We use the Commonwealth roll. Are we the only ones who use the Commonwealth roll? Does every state use it or do some states run their own roll separate from the Commonwealth?

Mr LOGANATHAN: Some states run their own roll but they data share with the Commonwealth. WA, Queensland, Tasmania, ACT and the NT use the Commonwealth roll solely.

Mr HIGGINS: Based on the states you reference, size would not justify us running our own roll or would it not have that great an effect on it?

Mr LOGANATHAN: For the Northern Territory to run our own roll, firstly you would need to change the *Self Government Act* because...

Mr GUNNER: We cannot do that.

Mr HIGGINS: Damn. Just scrap the act.

Mr LOGANATHAN: That act says that if you are a Commonwealth elector then you are a Territory elector.

Mr HIGGINS: Is this being taken up? I know you said you are taking it up with the AEC. Do you know if it has been taken up at a higher level? That is probably a question for the Chief Minister.

Mr GUNNER: I have had conversations with the Prime Minister because as you might be aware, Leader of the Opposition, the Prime Minister abandoned the Northern Territory Electoral Commission. Our electoral commission is now based out of Brisbane despite the significant challenges we face in the Northern Territory around both enrolment and participation. For me, that was a significant and alarming decision from the

Australian Government. It reflected a series of decisions they made about removing public servants from the Northern Territory. I have raised it with the Prime Minister.

Mr HIGGINS: That is raising the fact that they moved the staff there which has got nothing to do with the automatic enrolment. It is specifically the automatic enrolment.

Mr GUNNER: I have had conversations about all of that with the Prime Minister and with the then federal Leader of the Opposition too. I had it with both sides about my concerns about how the enrolment works. As I said, my concerns go beyond automatic enrolment. It also goes to having the fixed address. You have picked up on automatic enrolment and I think your concerns about that are perfectly legitimate but if you think about our population and its mobility and what addresses some people actually have and how that works for the post office, it is complex and goes well beyond what the Australian Electoral Commission is considering.

Those members who have remote seats would have plenty of examples of how a homeland might work in with a town centre and how the population might move between the homeland and the town centre and the nearest big town on the Stuart Highway and the fluctuations between the two. There might be plenty of very obvious reasons why something might get returned to sender that does not reflect that person's desire to be on the roll and willingness to vote and where they live. I think Territorians are at a significant disadvantage by the way the Australian Electoral Commission is doing it. Easiest is not best.

Mr HIGGINS: That is right. You talked about education you have planned. Can you give us an idea of how much of that education you have? How many communities will you visit? Or is that going to be based on turnout from the last federal election or do we go back to the last Territory election?

Mr LOGANATHAN: When we talk about education, we break it down into two parts. We have education—we have an arrangement with parliament here where we do education to kids. We do an exercise called 'democracy dash' here and in Alice Springs which includes all the kids into all the democratic institutions. That is part of our education program.

But, as you state, there is a clear issue in terms of—we need to educate people about the democratic process and about why they should enrol, why they should vote and what it means in the broader scheme, particularly an understanding of the three levels of government. As you stated, we will be looking at the turnout from the federal election. But we are fortunate to have a fixed term and a Dry Season election. The plan is that we will be travelling to as many communities as possible in the lead up to the election.

We know, in terms of our areas of focus, that Central Australia is certainly an issue for us. We have a staff member in Alice Springs who is based with the Department of Local Government. Their sole focus is improving roll accuracy and providing education to the remote communities in Central Australia. That is something that is ongoing down there. It occurs here as well. As we get closer to the election and it becomes more immediate, the profile and the visitations will certainly increase.

Mr PAECH: Do you use interpreters when you go to these remote communities, given that one in three Indigenous Territorians is not on the electoral roll?

Mr LOGANATHAN: To answer your question, Member for Namatjira, yes. The protocol for the Electoral Commission is for any community that we visit, that we would go to the council or to another appropriate organisation there and seek the services of an appropriate local person, preferably two, one male and one female, to work with the officers there for the period that they are there to provide interpreter services and local knowledge.

As you will be aware, the enrolment forms—if people do not have a driver licence or other forms of ID, one other option is to have people witness that they know the person. So therefore that local assistant can play that role.

Mr PAECH: Just following on from the automatic enrolment, or the federal direct enrolment and updates, in the Northern Territory Electoral Commission's opinion, the automatic enrolment is created to benefit urban populations because it automatically enrolls. Whether it disenfranchises remote people because they are not automatically being enrolled—if the Australian Electoral Commission were to recognise a particular location on a remote community where mail could be sent and delivered, would that then enable remote Territorians to be placed on the roll automatically?

Mr LOGANATHAN: Absolutely. We are not talking about just remote communities. We are talking about communities like Nhulunbuy and Tennant Creek, that they are excluded. Tennant Creek does not have street

mail delivery services, it is all PO Boxes. All these large communities are excluded. Our view that we have made to the Australian Electoral Commission is to expand automatic enrolment.

Mr PAECH: Can I ask you this question: what places within the Northern Territory are on the federal direct enrolment and update?

Mr LOGANATHAN: The communities are Darwin, Palmerston, Katherine and Alice Springs.

Mr PAECH: All of which in the current redistribution are over quota, or have a robust quota.

Mr LOGANATHAN: To answer your question, they certainly are closer to the quota than the remote divisions. I go back to the figures I quoted in my opening statement, saying that enrolments in the remote divisions have gone down by approximately 1800, while in the urban divisions they have gone up by about 5700.

Mr PAECH: Sure, so I put this question to you: if automatic enrolment were happening in the bush, do you think that would impact on future Northern Territory redistributions?

Mr LOGANATHAN: Absolutely it would, because we would have a more accurate roll in remote areas. As I said in my opening statement, there is a clear trend that enrolment accuracy is increasing in urban centres and decreasing in remote divisions.

Mr GUNNER: It would be safe to assume that is where the underrepresentation is occurring—remote. One of my other concerns is based on how the system works. If you are someone who is mobile, if you end up being on the roll and staying on it, it will be at that address—Darwin, Palmerston, Katherine or Alice Springs—and you are reflected as a Darwin voter as opposed to outside one of those places, even though that might be where you live seven months of the year.

There is both underrepresentation—and it might be that you are put on the roll at an address with a post office box in Darwin as opposed to your homeland. There are a couple of concerns that fall into that.

Mr WOOD: That would also apply—there are 25 000 people in the rural area who do not have postal deliveries. People do come from the city to the better part of the world—the rural area—to live, but sometimes they presume they will get postal deliveries and mark their documents with such and such as an address and wonder why they do not get any mail.

I know what the member is saying, and it is an important point, but it applies—I notice in my electorate it went down by 500 or something like that. Was that a case of people going and people coming, and those people not registering because they may still be on the roll in Darwin or Palmerston, or wherever they came from? There are some issues about the accuracy of those. Do you see that as well for the rural area?

Mr LOGANATHAN: The figures show that the rural divisions have decreased in numbers, but not to the same percentage as the remote divisions, so it is a lesser issue. If you look at the number of electors who enrol online in rural divisions, you will see it has the highest percentage of any divisions in the Northern Territory. The data indicates that if rural electors are not—because they are not being automatically enrolled, a significant portion are doing it online. That is not the case with remote divisions.

Madam CHAIR: Can I just remind members we are still talking about the statement. The Member for Blain has a question.

Mr MILLS: Thank you for the opening statement. Some quite fascinating figures are there, when we consider the democratic process and when we have 25 000 who are not on the roll. Is that correct?

Mr LOGANATHAN: That is correct.

Mr MILLS: That is almost the equivalent to five electorates.

Mr GUNNER: We are not proposing to add five electorates.

Mr MILLS: That can bear a significant impact on the democratic process of the Northern Territory. I am curious—this talk about automatic enrolment and so on, maybe I do not understand it. How do you know there are 25 000 missing.

Mr LOGANATHAN: That is based on the AEC looking at ABS data. It is a national agreement and there are other factors we need to take into account, such as non-citizens because they are not on the electoral roll. It is an estimation that has occurred for a number of years. There is no better guide—it is as good as we can get in regard to understanding the difference between the population and the enrolled population.

Mr MILLS: Given this is about our democratic process and strengthening it, we know there are 25 000 people in a place that has small electorates—if you can just dream for a moment, knowing how many there are and how important this is, what would you like to have in order to reach those 25 000. We are members of the parliament and are committed to democracy. What do we need to do to improve this?

Madam CHAIR: We cannot have matters of opinion. I will leave it to you with how much you want to say, but it is a matter of Standing Order 109: questions should not be hypothetical or call for expression of opinion.

Mr MILLS: We will say we know what the problem is and how serious it is, how could this be fixed?

Mr GUNNER: The Electoral Commission could move back to Darwin—the Australian one.

Mr LOGANATHAN: To answer your question, I will put things in perspective. There are 25 000 people missing off the electoral at the moment, so 84% of electors who should be on the roll are on the roll. Let me say that is the highest that has ever been in the Northern Territory. This has always been an issue, but believe it or not, it is actually getting better despite the huge number that it is.

In response to your question, what is missing in the Northern Territory in terms of delivering democracy is a remote field program. I was employed at the Australian Electoral Commission for a number of years and we had field officers who travelled out to remote communities and conducted education visits, they met with groups, they met with the councils and schools, and they ran enrolment programs and assisted people to get onto the electoral roll. Since the changes in 2017, that does not occur.

As we have been discussing here, the automatic enrolment programs do not apply to remote areas. The data is showing us that remote electors are not using online enrolment. The reality is that the quality of the roll in remote divisions is declining. One of the proposals that was contained in the 2016 Territory election report was to allow enrolment on the day. At the moment we have the rolls closing and if you are not on the roll then you do not vote. The reality is that the point in time where the Electoral Commission has the most amount of resources in a remote community is the day we are out there voting.

The proposal that has been put forward is that if an elector comes to the polling place and they are not on the roll, they can complete a form and their vote will be what is called a declaration vote. That will be assessed by us if that is a legitimate enrolment, then that vote would be counted and the elector would be added to the electoral role.

Mr WOOD: Could I ask on enrolment, but in your annual report you said that there was no remote work done because the AEC had gone away—it was not here anymore.

Mr PAECH: Queensland.

Mr WOOD: Yes. But in your opening statement you also said you were going to do some of that for your work. Have you got some money? How is that going to happen?

Mr LOGANATHAN: Member for Nelson, the Electoral Commission is not funded for an ongoing remote enrolment program, that was the point. Because the AEC does not do it, we are not funded to fill that space. What I was making, in regard to my opening statement, is that part of our budget for next financial year is a draw down for the Territory election in August next year, and that includes \$280 000 of funding for us to conduct an enrolment program that will start in the latter part of this year and next year to improve roll accuracy.

Mr WOOD: I have one other question on turnout. I was going through your figures last night and it said that turn out is still low at around 75% at the last NT election. So if there are 137 639 electors on the electoral roll, I have worked it out that about 35 000 did not vote in the NT election—would that be correct?

Mr LOGANATHAN: I think the figure would be higher. In our election report I think the report we said was that five out of eight people actually voted. When you take into account people who should have been on the electoral but were not, and those that did not vote, that is what the percentage is.

Mr WOOD: You also said that youth enrolment was down as low as 64.7%. Do you know where those youth are? Are they in remote communities? We are getting on to the point that the Member for Namatjira said about lack of how people can enrol. Is a lot of that youth enrolment in remote communities rather than urban communities?

Mr LOGANATHAN: I do not have any quantifiable information to give you a breakdown by divisions what percentage of youth enrolment is compared to others. We do know that, in terms of the general trend, enrolment in remote areas—the quality of the roll is significantly less and the data would indicate that it is even worse for the young population. If I am an 18-year-old in Darwin and I get a driver's licence, I do not have to do anything, I automatically get placed on the electoral roll. There is nothing for an 18-year-old living in a remote community that allows that to occur.

Mr PAECH: Is the Northern Territory Electoral Commission looking at having a series of conversations with the Australian Electoral Commission on information sharing? If I am signing someone up for Centrelink, we enrol them—or Territory Housing—they are being enrolled to vote. Is that a discussion that is occurring?

Mr LOGANATHAN: It is occurring. We have written to the AEC on numerous occasions. The specific data we are looking for is the Centrelink data or VAS data or I think they are now called the Services Australia data. The AEC is not using that data and we want that data because when we travel to a community, at least we know who we are looking for. At the moment, the AEC has not given us the data, based on privacy grounds. We are still arguing the case.

Mr PAECH: One further question, and I know the Chief is—would that not then give you more reason, if the Department of Social Services federally were out doing that work, which could contribute to the federal direct enrolment? They could be doing that at the same time. They are obviously fixing an address to their participant, whom they are signing up for CDP, Newstart or similar alliance, is that more of a reason to be able to do the direct enrolment?

Mr LOGANATHAN: It is not as simple as that. The AEC did have an arrangement with DHS to maintain the roll in remote areas and they abandoned that at some stage in 2017 because it was not effective.

Part of the issue is that, in terms of DHS, they are not particularly concerned about someone's real place of living. They are looking at where they can communicate with the elector. If someone is in our community and they are just going to be there for a period of time, they are the details they have, even if that person is visiting for a few months, but their real place of living is elsewhere.

Mr GUNNER: That I think goes to the policy question you raised earlier, what counts as a residence for the electoral commission. That is where the heart of solving this rests. At the moment, if you are under 18 years of age in Darwin, easy. If you 18 years and getting your driver's licence in a remote community it is hard. It goes to what can you count as a residence, if you solve that you can solve these problems.

It is not straightforward, there are complications, you want to be maintaining roll integrity at the same time. That is at the heart of it. It is in that difference between a permanent fixed address with a letter box and a community. Somewhere in there needs to be the answer.

Mr PAECH: I struggle with the Australian Electoral Commission's position on this. I think it is integral, regardless of where you are, to be on the roll. I would hate to be seeing continual not be putting on for the integrity purposes of the roll, which only disenfranchises people in democracy. Thank you for the responses.

Madam CHAIR: Any further questions relating to the statement?

Mr HIGGINS: You talk about people have to have a permanent place of residence, I recently did one online helped a lady in my office, and she did not have a permanent place of residence. There was a way we altered her electoral information

Mr LOGANATHAN: Do not confess to a ...

Mr HIGGINS: No, it was a legit thing you could do!

Mr LOGANATHAN: That elector would have been enrolled as an itinerant elector which is a class of elector. For example, grey nomads sell up their house and drive around the country, there is that option available.

Mr PAECH: So how do you vote in an election if you are an itinerant voter?

Mr LOGANATHAN: So it will be the division that you left. Where your last residential address was is where you would maintain your enrolment.

Mr HIGGINS: I just wanted to make that point. I knew what it was.

Mr GUNNER: That goes to the audit of enrolment question. You cannot put itinerant on a drivers licence.

Mr HIGGINS: The issue around legality. My understanding is it is compulsory for you to enrol to vote once you reach 18 and it is then compulsory once you are enrolled to actually vote. What action is taken in that regard? I am not suggesting that we clamp down on that but where do those responsibilities lie? If you have someone over the age of 18 that has not registered—we are talking about 25 000 people missing from the roll—what is the legality around that? Who controls that?

Mr PAECH: Are you talking local government, Territory, federal?

Mr HIGGINS: Yes, that is what I am trying to find out.

Mr GUNNER: So if you are 40, never voted, never got on the roll; who is responsible for that and what happens?

Mr HIGGINS: Yes. Who is responsible and what happens?

Mr LOGANATHAN: The short answer to your question is that the AEC is responsible for it. They maintain the roll in the Northern Territory. I can say to you that the AEC's position on this is that they certainly do not retrospectively fine people for not being on the roll. Obviously the focus is to engage with that elector and get them to enrol and participate.

Mr HIGGINS: To me, that makes a bit of a farce of saying it is compulsory to enrol. We have a law there that is then not being upheld by a lot of people and no enforcement. I am not suggesting that we do it.

Mr LOGANATHAN: The alternative then is that you create a disincentive for someone to enrol because they are going to be retrospectively fined for the period of time that they did not. I do not think that would quite work.

Mr GUNNER: I think it is fair to say that our levels of civil obedience are actually pretty high. That is probably one reason why the penalty regime has not been actively considered or executed because our civil obedience is quite high. It is important to consider, with regard to most laws require civil obedience rather than police activity.

Mr HIGGINS: We get people come into my electorate office all the time who are just not on the roll. As much as we prompt them and give them forms.

Madam CHAIR: We are not meant to have a discussion.

Mr PAECH: Following on from the Opposition Leader, in terms of a local government election, after the election is it up to the local government to make a decision whether they will enforce the fine recovery for those who did not vote?

Mr LOGANATHAN: Member for Namatjira, the answer to your question is yes. If they choose to do that then the Electoral Commission does that on their behalf on a cost-recovery basis.

Mr PAECH: Then it would be the same for the Territory and federal systems?

Mr LOGANATHAN: For the federal system, the discretion is with the AEC. For Territory elections, it is with us.

Madam CHAIR: Any further questions on the opening statement?

Mr MILLS: Yes, just these missing people on the roll. I guess it would be for you Chief Minister to comment on. I am curious as to the Commonwealth Grants Commission when it apportions GST to each of the states and territories, it is on a per capita basis. Are these figures that are being cited here in terms of the electoral roll, are they the figures that are considered for the grants commission or are they other figures?

Mr GUNNER: We can talk to this further with DCM. DCM coordinated a program across government with the Electoral Commissioner where we looked at Medicare and enrolment, so a central activity. It is more the Medicare figure that is relevant here but the public health network is reasonably strong remotely, we are not finding many that are off Medicare. The numbers missing from the roll are disproportionate to the numbers who are missing from Medicare.

That goes to the similar debate we had about how do you consider who is on the roll and what information you consider as relevant? At the moment, we are probably maintaining a stronger line or higher bar—depending how you want to frame it—around enrolment versus Centrelink, Medicare et cetera. It is a reasonable question. It is something that we have consider and happy to go further to the DCM side but we have been working on making sure every Territorians is accounted—because it is say \$11 000 a head, \$13 000 a head if you are not counting them. The good news is the raw enrolment figures are not what hurts us but they are indicative of a problem.

Madam CHAIR: Any further questions on the opening statement?

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

Madam CHAIR: The committee will now proceed to the estimates of proposed expenditure contained in the Appropriation Bill 2019–20 as they relate to the Northern Territory Electoral Commission. Are there any agency-related whole-of-government questions on budget and fiscal strategy?

Mr HIGGINS: Can ask for clarification? When you said before you do a draw down on—the question was around doing education and the budget said that that is not an appropriation that you normally have—your answer implied to me, the impression I got was that you are drawing \$200 000 to \$300 000 down from the 2020 August elections.

Can you explain how that works? I interpreted from that that you get an allocation to run the election and you are drawing some of that money out. I am not saying that is what it is meant for but can you explain that process?

Mr LOGANATHAN: Absolutely. Opposition Leader, if you look at our appropriation for 2019–20 compared to 2018–19, you will see that it is an increase of approximately \$1m. The cost of the Territory election is estimated to be \$3.5m. We will be appropriated \$1m of that in 2019–20 and \$2.5m in the election year.

Mr HIGGINS: Okay. When you talk about the 200 000 odd that you mentioned before—sorry, I cannot remember the exact ...

Mr LOGANATHAN: Two hundred and eighty thousand.

Mr HIGGINS: Two hundred and eighty thousand—that is part of that \$1m. What are the other \$700 000 planned to be used for?

Mr LOGANATHAN: I have those figures here. There is \$300 000 in public awareness and that will include the show circuit, products and form design, branding and advertising. There will be \$200 000 for information technology—those electronic certified lists that we use that make the arrangements—to continue using that.

The development of an online nomination and enhancements to political donation returns and other IT including system checking. We will be establishing some regional offices in the months leading up to the election and we estimate to spend \$110 000 there in staffing, leasing and travel and accommodation. We have allocated \$45 000 for the online training modules for election staff and internal staff training and \$100 000 in the procurement of materials.

Mr HIGGINS: When you talk about doing all of that education and going out and consulting, do you have a plan on which communities you are going to visit over what time at this point in time? I know you will eventually but have you got it at this point in time?

Mr LOGANATHAN: The short answer is no. We certainly have started some preliminary planning in that regard. In the lead up to the federal election working with local government and DCM and Aboriginal Affairs and using their field officers we travelled to 62 communities and reviewed the roll before the federal close of rolls.

We plan to continue using that network and augment them with additional resources but for us what we really want is the turn-out at the federal election via community because that is obviously going to be the most important indicator that we have. We have requested that data from the AEC. They have just declared the poll and they will get it to us as soon as possible, but we do not have it to-date.

Mr HIGGINS: Okay. That is all.

Madam CHAIR: Any further questions on whole-of-government budget and fiscal strategy?

Mr MILLS: I actually have two questions here on behalf of the Member for Nhulunbuy. The Member for Nhulunbuy is a member servicing a remote electorate. His question to you, commissioner, is—he says he is concerned about the change back to full preferential voting and that there might not be enough funding for the remote electoral education program. What does \$280 000 achieve in terms of the remote electoral education program? How many staff are employed, how many interpreters, how many remote staff, how many education sessions happen, and across how many communities? Does this include homeland towns?

Mr LOGANATHAN: At this stage I do not really have all the data to be able to answer all aspects of that question. I am happy to ...

Madam CHAIR: Would you like to take the question on notice?

Mr LOGANATHAN: Yes.

Question on Notice No 3.1

Madam CHAIR: Member for Blain, please restate your question for the record. I will get you to state that those questions are on behalf of the Member for Nhulunbuy.

Mr MILLS: This question is on behalf of the Member for Nhulunbuy. What does \$280 000 achieve in terms of the remote electoral education programs? How many staff are employed? How many interpreters? How many remote staff? How many education sessions happen, and across how many communities? Does this include homeland towns?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The questions asked by the Member for Blain on behalf of the Member for Nhulunbuy of the Chief Minister has been allocated the number 3.1.

Madam CHAIR: Do you have further questions?

Mr MILLS: One more question. Commissioner, how do you know if your education process is working? The key performance indicators do not include a decrease in unintentional informal votes as a way of measuring performance. Would this not be the best way to see if the remote electoral education process is working, rather than simply measuring participation?

Mr LOGANATHAN: Whilst the questions is in regard to unintentional informal voting, while it might not be stated as a performance indicator it certainly is an indicator. We do an informal ballot survey after every election and that detail is provided. As implied in your question, it is an excellent indicator in regard to whether the education programs have worked in advising electors how to cast a formal vote.

The Electoral Commission certainly does use that and publishes that data in its election reports.

Mr WOOD: I have a question but I do not know where it fits.

Madam CHAIR: I will read the note I have and it will give the committee an idea. While the Chief Minister is responsible for the NT Electoral Commission, responsibilities under the *Electoral Act 2004*, the Minister for Local Government, Housing and Community Development is responsible for the NT Electoral Commission responsibilities under Chapter 8 of the *Local Government Act 2008*. However, the Electoral Commissioner

has asked that any questions for him regarding local government be asked during his appearance today with the Chief Minister and the committee has agreed to the Electoral Commissioner not reappearing before the committee with the Minister for Local Government, Housing and Community Development.

In short, this is your chance to ask those questions.

Mr GUNNER: Ask away, Gerry.

Mr WOOD: I am raising this because it is an issue I came across in the last election. Even though I am not standing in the next election I hope it does not come back again. I will read from your annual report:

Complaints were also made alleging that the Country Liberals' HTV material was deceptive due to its message 'Just Vote 1 – You only need to number ONE box'. This also advocated a formal vote under OPV, and did not contradict the Commission's voter information campaign.

The Act prescribes that election campaign material must be authorised and clearly state the name and address of the person publishing or distributing the campaign material. It does not, however, specify the size of the authorisation or require the origin of the advertising to be clear. In the case of large posters or billboards resembling the Commission's voter information campaign and displaying barely readable authorisation, the question could be posed as to whether the spirit and intent of the legislation are being observed, i.e. that voters are informed about the source of political advertising.

Under section 270 of the act, it says:

(3) A person must not publish or distribute any campaign material that:

(a) is likely to:

(i) mislead an elector; or

(ii) deceive an elector ...

I was an elector, and I stood 100 metres away from the polling booth. That sign was on the fence. I clearly thought that was the Northern Territory Electoral Commission's poster. To me it was deceptive. Why was not any action taken under that section of the act to at least warn the CLP that that sort of advertising was deceptive and to make sure that that sort of advertising does not occur in the next election?

Mr LOGANATHAN: I am happy to answer that question, Member for Nelson. Let me say that we received legal advice in relation to that sign, and that sign was compliant with the *Electoral Act 2004* at that point in time. So there was no breach of the *Electoral Act 2004* in regard to that sign. I did share and had concerns with regard to whether it could be misleading, and hence why that issue was raised in the election report. The proposal that the Electoral Commission has stated is that the font of the authorisation has to be of a size so that it is clear to the average person in relation to who that sign belongs to.

You have seen the recent case in the federal election where we had signs in purple in Mandarin. There was confusion in the Division of Chisholm that they were AEC signs. They were my words that you were quoting there. I think that the spirit of the act has not been followed. I think that the way to ensure that people are responsible and accountable in terms of who is making their statement is for the authorisations to be clearer in their party colours so that electors are not misled.

Mr WOOD: But there was no action taken under the other section of the act. You are quoting act from the point of view of whether it has been authorised, I am saying that the poster itself was likely to mislead or deceive an elector, because clearly the people I spoke to believed that that was saying that the only vote you needed to do was put '1'. It looked so much like one of your posters that it did deceive. I am wondering what legal advice did you have that would have said that those posters did not deceive or mislead an elector?

Mr LOGANATHAN: The fact that the posters just had '1', there is nothing misleading about that. That was a formal vote at the last election. That is not relevant. The issue was that the way the posters looked they seemed to resemble our signage. But the advice that we received was that there was no breach of the act. If they have met the requirements of the act—it is authorised—and that is a legitimate election strategy to advise electors just to vote '1'.

Mr WOOD: That would be fine, and we are not saying what was on it was not illegal, but what we are saying is that it said, 'Must not publish or distribute', it does not say necessarily what is on it. It just says, 'Must not publish or distribute any campaign material that is likely to mislead or deceive'. Regardless of what was on it, it is the perception that when you saw that sign, you believed the advice, which may be technically correct, was coming from the Electoral Commission. So they did not take that into account?

Madam CHAIR: Member for Nelson, I know you have made your point and there may be a parting of ideology.

Mr WOOD: No, it is not ideology. My case is about—I do not care who put that sign up. It just happens to be that sign that was ...

Madam CHAIR: We are here to talk about the budget and it is a little ...

Mr WOOD: Well, we talk about when we come to these things ...

Madam CHAIR: I do not think it is going to be resolved and you are not going to get the answer you are looking for today, so could we move on?

Mr WOOD: No, I am not—I just need to clarify that at least whether the Electoral Commission can look at those things at the next election.

Mr LOGANATHAN: Absolutely, Member for Nelson. That is why we have put the recommendation in the report. My hope is that the act will be changed so some things like that cannot occur at the next election.

Mr WOOD: You mentioned also the need for the commission to further explore an electronic or automated system for the issue and return of postal votes. Why is an alternative to investigate internet voting? How far have you gone with those sort of investigations and have you got appropriate funding to do those investigations?

Mr LOGANATHAN: The answer to your question in relation to funding is yes. Part of the million dollars that has been allocated in the next financial year to IT systems will be used toward that purpose. The commission is exploring three options now in relation to—the term that we use is electronic postal voting—to allow votes to be sent using a computerised system. I am not too sure if members are aware, but when the public service votes on enterprise ballots they use an internet voting system called Netvote. We are looking to possible modifications of those systems as a trial towards overseas electors.

There is another system that is available that we are also trialling at the moment and the ACT has a similar issue and they are developing a system and they have said to us that if the system is developed in time, their election is in October 2020. There is an option that we could possibly use their system. They are the three things that we are looking at.

Only 20% of overseas postal votes were returned and counted at the 2016 election so it is clear that the current system is not working and we need some alternative way to ensure that electors who are overseas have an opportunity to have their voices and votes heard.

Mr WOOD: The 2016 amendments removed any restrictions on elector voting before election day and allowed electors to opt for convenience voting at an early voting centre during the two weeks prior to election day. Is that a decision made by you or is it in the legislation that two weeks is the early voting period?

Mr LOGANATHAN: It is the timetable that dictates the period of early voting. The ballot papers are only printed on the weekend. Mobile polling starts on that Monday for a two-week period. That is the period of early voting as well.

Mr WOOD: There is a lot of discussion. I think the Commonwealth had three weeks? Am I correct?

Mr LOGANATHAN: Three weeks at some locations and two weeks for the rest.

Mr WOOD: Have you looked at the effect of early polling from the point of view of the candidate? One is, in a large electorate you have to first of all find out who your opposition is. You only find that out on the Friday and by Monday people are doing early voting. Is there any thought being given to the fairness of that from a democratic point of view so that a candidate at least has an opportunity to find out who is going to be on the ballot paper, to then say to people who they think they should give their preferences to?

Do you think two weeks is actually too long from the point of view of what this whole thing was about which was to allow people who could not vote on that Saturday to have an earlier vote? I use early voting too but is it becoming an excuse to not turn up on the Saturday and at the same time, not allow candidates to do what they should be able to do and inform the public of who they should vote for?

Mr LOGANATHAN: I will respond to your question. I go back to my opening statement in saying that the core issue that is faced in the Territory's democracy is participation. The electoral commission wants to make it as easy and convenient for people to vote. I am absolutely supportive in terms of having no criteria to early vote so that more Territorians vote.

In relation to your issue in regard to candidates and how to vote cards and dealing with those issues, what the electoral commission has proposed in the election report is extending the timetable—bringing it forward so that we are doing the draw earlier so there is a little more time for candidates to work out any preference deals prior to early voting.

Mr WOOD: Especially for large electorates.

Mr LOGANATHAN: In saying that, Member for Nelson, my primary concern is the voter not the candidate.

Mr WOOD: There are two sides to an election are there not? The ones who vote and the ones they are going to vote for. It still has to be fair, regardless of whether you are making the system easy to vote. There are two sides to an election.

Mr GUNNER: It would be reasonable to suggest, Member for Nelson, that if you wanted to be a member of parliament for any seat, but say a large seat, if you do not turn up and put your hand up for the voters until the day that voting starts, you are not going to have a chance. You have to be out there months in advance.

Mr WOOD: I did not mean that at all. But you do not know who ...

Mr GUNNER: I should not be giving political advice.

Mr WOOD: That is fair enough, I agree with you but if you do not know who is on the ballot paper because the ballot paper is not printed in time for you to get that information out, then I think there is something lacking in the system as well. I know we are short on time.

You also raised the issue of increasing the fee for not turning up for voting. You mentioned there was 8124 electors who failed to respond to the first or second notices for not voting at the election.

When we talk about the number of people who do not vote, does that match the figure of 8124? Are we saying that there are so many people who are on the roll and do not turn up to vote, that matches that figure of the number of people you actually send the second notice. Has the fee now changed from I think \$25 to \$50, as you recommended?

Mr LOGANATHAN: At this stage, there has been no change to the fee. In relation to the second notices, there are some parameters we apply whether we send out the second notice. For example, an elector's first time on the roll, they have not voted, they might just get a warning letter. An elector over the age of 70 years, the same principles apply. Parameters are applied in regard to who we further target in relation to non-voter notices.

Mr WOOD: Is there an age limit on whether you have to vote?

Mr LOGANATHAN: No.

Mr WOOD: If you are 99 years, you still have to vote?

Mr LOGANATHAN: That is correct,

Mr WOOD: I will remember that.

Mr LOGANATHAN: There is a requirement in relation to that. We will chase you up in a few years, Gerry.

Mr GUNNER: You still will have to vote, Gerry.

Mr WOOD: I will be using the Internet by then.

OUTPUT GROUP 3.0 – ELECTORAL SERVICES
Output 3.1 – Electoral Services

Madam CHAIR: The committee will now consider Output Group 3.0, Electoral Services, Output 3.1, Electoral Services. Are there any questions?

Mr HIGGINS: Most of the questions I have, I think will be answered on that Question on Notice.

With the training and education et cetera, it raises the question, when do you get additional funding for an election? Presumably from this you are getting \$1m this year leading into it, then \$2m or \$3m leftover in the following year to run the election?

Is it more now, if we have this problem with the AEC, that some of that funding should be brought back in to the other years where you do not have that additional funding? You can actually undertake that education and communication in the communities all the way through?

Mr GUNNER: That would be cost-shifting from the feds.

Mr HIGGINS: That is actually federal money?

Mr GUNNER: The intention of the question is about some of the work the AEC is now no longer doing, whether we need to pull forward NTEC money to cover that activity?

Mr HIGGINS: We are moving \$1m this year for the election and we have another, I think, \$2m. Was that the figure?

Mr LOGANATHAN: \$2.5m.

Mr HIGGINS: The following year—so we have it in two years, but we have a four year cycle. To address part of this problem, is it feasible that some of that money should be brought into the other two years? I know your preference would be to get an increase to cover that. We could say, should there be an increase to cover some of that education that has now been dropped by the feds? I recognise that.

Mr LOGANATHAN: If I am trying to make one point, it is to say that remote enrolment is not working and we have to do something about it. It has to be ongoing and it is going to take a long time to reverse these trends. Whether it be the commonwealth or us or a shared arrangements, there has to be some ongoing arrangement that we deliver democracy and education to remote communities so that people are coming to the polling place and making an informed choice.

It is getting worse, and if things do not change in that regard, we can go up there for the next six months or in the six months leading up to the election and try to put a Band-Aid on it and improve it. The trends are concerning.

Madam CHAIR: Are there any further questions? That concludes consideration of Output Group 3.0.

OUTPUT GROUP 4.0 – CORPORATE AND GOVERNANCE
Output 4.1 – Corporate and Governance

Madam CHAIR: We will now consider Output Group 4.0, Corporate and Governance, Output 4.1, Corporate and Governance. Are there any questions?

Mr HIGGINS: I note that you pointed out with the Integrity and Accountability Legislation Amendment Bill 2019, the issue of appointments for the commissioner. You said the main problem with the bill is providing for a cap of two five-year terms for appointment of the commissioner is out of line with other Australian jurisdictions. I think you make the point that you end up, because of that, four months out from the 2024 election. Can you tell us whether that has been addressed or not accepted? What is the outcome of that issue?

Mr LOGANATHAN: You would have obviously seen my submission. I understand that the Department of the Chief Minister has put in a response to that, but I have not had any further discussions or involvement in whether any decision has been made.

Mr HIGGINS: In regard to ICT services, we are talking about computer stuff, et cetera you said you already had sufficient funding for that. How much was your ICT expenditure as at 30 March this year and how much was allocated in the 2018–19 budget?

Mr LOGANATHAN: There is a separation here as there will be ICT expenditure that is related to the election, and not ongoing ICT expenditure of the organisation. We have one officer who is an IT officer. I am going to have to take that question on notice because I do not have the specific figure as of at the 30 March.

Mr HIGGINS: I was trying to get—if I just go on the figures, rather than put it on notice at this point, there was \$180 000 as the budget for corporate and governance, which includes your ICT. There is a million dollars in the electoral services. So is your answer saying part of that million dollars is used for the election ICT part as opposed to having it in the corporate and governance?

Mr LOGANATHAN: That is correct. We have \$200 000 of the \$1m that has been allocated towards IT.

Mr HIGGINS: Okay. That gives me the information that I needed. With your ICT do you engage any contractors directly, or are they all through the central area?

Mr LOGANATHAN: They all go through a procurement process. The service that we use for electronic certified lists, that is the same system that was developed by the ACT and it is a Canberra contractor who provides that service. We have an arrangement with that contractor that has gone through the procurement process. We also have an arrangement in relation to the net ballot software that I had discussed, and also we are going to use the same learning platform as the Department of Health uses to deliver Internet training.

Mr HIGGINS: So all of those are actually outside of the Northern Territory. I can understand why the one from Canberra, the certified lists—that is their thing. Are they fly-in fly-out if they have to do any work, or do they do it all from Canberra?

Mr LOGANATHAN: There is no fly-in fly-out. What we are really paying for is a licence to use their software, servers, and cyber security and controls during an election period. At the last election they had one officer fly up at the start of the election just to troubleshoot and make sure everything worked smoothly.

Mr HIGGINS: How confident are you about the security of their servers?

Mr LOGANATHAN: I am extremely confident. They are IRAP certified, which is required by Home Affairs. We have gone through a cyber security assessment through Home Affairs. The service that we provide meets its requirements.

Mr HIGGINS: That is all I have on that one.

Madam CHAIR: Any other questions on Output 4.1, Corporate and Governance. That concludes consideration of Output 4.1.

Output 4.2 – Shared Services Received

Madam CHAIR: The committee will now consider Output 4.2, Shared Services Received. Are there any questions?

That concludes consideration of Output 4.2 and Output Group 4.0.

Non-Output Specific Budget-Related Questions

Madam CHAIR: Are there any non-output specific budget-related questions? On behalf of the committee I would like to thank the Electoral Commissioner for attending today.

The committee will now move on to consider the Office of the Independent Commissioner Against Corruption.

Mr GUNNER: I thank Iain for his time and all the staff at the Electoral Commission.

OFFICE OF THE INDEPENDENT COMMISSIONER AGAINST CORRUPTION

Madam CHAIR: Chief Minister, I invite you to introduce the officials accompanying you and if you wish to make an opening statement regarding the Office of the Independent Commissioner Against Corruption.

Mr GUNNER: I am here with Ken Fleming QC who is the Commissioner of the Office of the Independent Commission Against Corruption. I also have Matthew Grant who is the General Manager and Kylie Davis who is the Business Manager.

As per convention, I am happy for Ken to make the opening statement as the Independent Officer.

Madam CHAIR: Welcome, Ken.

Mr FLEMING: Members, Chief Minister, thank you for the opportunity of being able to address you. The ICAC act was passed in November 2017 and commenced on 30 November 2018. I commenced my appointment on 2 July 2018. I lay that foundation to show the newness of the office and the things that we have had to do.

Establishing the office, of course, is always a very challenging task—establishing any new agency, but we have had the added complexity of it being a new act. It had new powers, new and very substantial. There are security issues surrounding what we do and there are very significant privacy considerations, including the protection of people's reputations. We note that the bipartisan act, which it was when it was passed, requires a lot of our work to be done in private for that very reason.

As an office we have been working very hard at first recruiting and that is ongoing to this day although we are approaching capacity. We have been developing the ICAC website, a requirement under the act and a very important tool for informing the public. I have been developing practice directions and guidelines which are all published on the website.

In addition to that we have been finding appropriate office space. There is a project on foot and the approval of that is before the Treasurer as we speak. We still do not have appropriate office space so we have consequential security issues.

The other thing we have been doing is establishing an IT system, an appropriate case management system, and also linking in to the government services. The approval for the IT system also is presently before the Treasurer and we look forward to that happening.

Opposition Leader, we are also getting a new car. It has not arrived yet.

In terms of the IT system, it was said by the Treasurer yesterday, or the Under Treasurer, that efficiency dividends would come out of IT. Given that we have no IT and had to find other ways to perform our tasks, we expected that there would be a loading in our favour in respect of that. In fact, we come with a halo because of our budget of \$3.6m for this financial year. We will probably return about \$1.5m of that, about 40% of it. There are reasons for that, but I will ask for it back.

Mr GUNNER: Carryover.

Mr FLEMING: We acknowledge the assistance we have received from everybody, especially the Chief Minister's department for the support it has provided us. It has not been an easy process to establish such a function.

We are approaching our full staff, but there are some more to be recruited. Our intention is to foster public institutions that actively resist corruption by putting public interests first and providing transparency and certainty in the provision of services to all the NT. We investigate improper conduct; that is the overarching concept. Under that there is corrupt conduct, misconduct and unsatisfactory conduct—gradations of conduct and consequences.

We have a responsibility to, insofar as the act can do it, protect the whistleblower. We have educational processes that we are carrying through, and we refer matters to other agencies for them to investigate if and when appropriate. We need the cooperation of the public to speak with us.

We are establishing a strong network of investigation and we ask the public to have some confidence in that. We have 16 full-time equivalent positions, and they are in a mix of temporary and permanent roles. There

are nine full-time equivalent roles and seven temporary roles. In addition to that there is me, as the commissioner.

We have had to strengthen the front end of our processes because we have received, as of 11 June, 228 reports of improper conduct. But we know of other matters which will come to our attention or which I will report. Those reports continue to come in as we talk with Territorians, and we have so far personally spoken to about 1000 public servants. We have conducted something in excess of 50 information sessions. When I saw that figure I thought, '1000 out of 24 000 public servants—we still have a fair way to go'. But we have penetration through the media as well, and we are grateful for all the efforts.

We note the NT staffing cap. We say three things about that—we note this age of stringency: One, the ICAC was an electoral promise; two, we consider it to be a frontline service because we are, in fact, fighting corruption; three, we are at the forefront of generational change in the Territory.

One of the great responses and refrains I get is, 'But that is the way we do it in the Territory'. I want to reframe that so that it becomes, 'How can we do it better and with integrity in the Territory', so that we are at the forefront of generational change in the services we provide. That of course has consequences in respect of stringency on our budget.

We have been receiving and identifying many reports, as I have said. We are actively investigating, referring and seeking further information on many of the reports that we get. Member for Nelson, the Commonwealth funds you mentioned earlier, if I could put a little more clarity around that. Whenever Commonwealth funds are administered by Northern Territory public officers, then it is the behaviour of the public officers with which we are concerned and we can look at that.

We also have an argument under the definition of public resources that if Commonwealth funds are used for a purpose of the Northern Territory Government, then that probably falls within the definition of public resource and we can look at that as well. But, it is the behaviour of the public officers who administer the funds which is of great concern to us—great interest to us, I should say.

We have released reports, fax sheets and presentations. We do not have to report to parliament according to the act, until after June 2020 because we have commenced within the course of the financial year. However, we are not going to allow an opportunity to report to you to go by and we intend to give you if not an annual report, then a progress report. You will have that as soon as we have the figures together after 30 June.

We continue to information sessions, in fact one tomorrow is listed for the Department of Housing in which there are some 300 public servants gathered from around the Territory. We see those opportunities as very significant opportunities to penetrate into the community. We are a bit disappointed, though, that only about 20 per cent of the reports of improper conduct are coming from within the public service. The great bulk, 50 or more per cent, come from people who are dealing with government. That has implications that need to be thought through because it is a confidence-in-government issue. That is of course one of our obligations.

We thank you very much for the opportunity to be here today.

Madam CHAIR: Thank you, commissioner. Are there any questions on the statement?

Mr HIGGINS: First, thanks for that, commissioner and I thank all your staff for getting you ready for today, your first experience here with estimates. Before I get to some questions on that, can I ask for some clarity? It is probably the Chief Minister that can do this. Page 4 of budget paper states that the Information Commissioner has been transferred from Attorney-General and Justice to the Office of the Independent Commissioner Against Corruption, yet on page 49 the output shows under the Ombudsman's office. Can we clarify that in some way, shape or form?

Mr FLEMING: It did not come to us. It went back to the Ombudsman's office. What did come to us was part of the budget, because PID Commissioner and the Information commissioner were joined at the hip. We had to separate that out. We got the PID and somebody else got Information.

Mr HIGGINS: So that is a positive. We will leave the rest of the discussion on that one, we do not want to highlight that to anyone.

Madam CHAIR: Are there any questions relating to the statement?

Mr HIGGINS: I am still getting some clarification. Page four of Budget Paper 3, also states that the Public Interest Disclosure Commission has been transferred from the Department of the Attorney-General and Justice to the Office of the Ombudsman NT, yet page 96 says that the Public Interest Disclosure Commissioner was transferred to the Office of the Independent Commission Against Corruption. There seems to be some confusion.

Mr GUNNER: This goes through all those legislative changes we made in the Chamber, in some respects the debate was there. We can arrange a briefing about how everything got separated but the ICAC Commissioner might be happy to take questions now about what he is doing under his role against the budget.

Mr HIGGINS: It is more just what falls under there now?

Mr GUNNER: I would have thought, to the Estimates Committee where we are now, I think where your question may be going, what appropriations have now been provided to the commissioner to do his job against what responsibilities. Would that be a reasonable summary?

Mr FLEMING: We received PID. I inherited all the PID files, staff and budget, which is essentially the whistleblowing element of the legislation.

Mr HIGGINS: I was getting confused when I was reading the budget paper. When you talk about 220 reports that were made and we said 20% were coming from the public sector, 50% from government, can you give us some indication as to how they are categorised? I am not after exact figures, you may not be able to give me that, but who are they against? Are they against the public service as opposed to political as opposed to something else? When you mention those four categories, how would you say they are roughly falling?

Mr FLEMING: I can give you some quite precise figures up to 13 May, a month ago. The sources of the reports were:

- 19% anonymous
- 58% the public
- 23% public offices or public bodies.

Of those, 46% related to government agencies—out of that we exclude Police, Fire and Emergencies:

- 16% were against Police, Fire & Emergencies
- 1% against universities
- 5% against Corrections
- 3% against courts and judiciary
- 4% against the Director of Public Prosecutions
- 6% against councils
- 3% against MLAs
- 2% against independent officers
- 3% against hospitals and
- 8% against bodies other than a public body—for example method of tendering, elusive tendering those sorts of concepts of people who are dealing with government funds.

Mr HIGGINS: Out of that, how would you categorise, roughly as a percentage, those other four levels you talked about?

Mr FLEMING: It is 20% corruption, 53% misconduct, 8% unsatisfactory conduct, 1% anti-democratic conduct—I suspect that will come more to the fore as we approach election time. A particular area of concern

for me—8% were about conflict of interest. That is an issue which needs a lot of work. A lot of good work has been done by all the departments, but there is still a lot of misunderstanding about what constitutes a conflict of interest, especially in a jurisdiction which is small. It is not the fact that there might be a conflict it is the way in which the conflict is handled. That is the critical element.

That is an area of concern, 8% ...

Mr GUNNER: And we should clarify these are all allegations obviously at this stage.

Mr FLEMING: Of course, these are allegations, yes. These are the reports of improper conduct. One percent is reprisal, that is reprisal under whistleblower-type legislation and 9% were not within my jurisdiction at all.

Mr HIGGINS: In that 9% I presume would be vexatious type ones? Are you getting many of them?

Mr FLEMING: There are some vexatious ones.

Mr HIGGINS: Would they be included in that 9%?

Mr FLEMING: They are in that 9%. People think that we have the capacity to solve all the problems in government. You would probably know that.

Mr HIGGINS: That is all I have on the opening statement.

The committee suspended

Madam CHAIR: Are there any further questions on the statement?

Mr WOOD: You might have answered in that question about the 9%. How many investigations were rejected, how many were sent to others and what is left over, what are you going to do with them?

Mr FLEMING: The easy one is 9% not within jurisdiction. There have been already a number of referrals. There are still assessments going on about whether or not they reach the threshold of improper conduct so they too will be rejected at some point in time.

Mr WOOD: So there is a difference between being rejected and being sent to someone else.

Mr FLEMING: Indeed. We will reject some. We will then choose the agency to whom we send it, if it will be appropriate for someone else to investigate it rather than ourselves. We keep oversight of the matter. I cannot give you a complete breakdown of where we are at with referrals but the 9% we can say are not within jurisdiction. That is the only one we can positively say.

Mr GUNNER: Do you want to put that on notice, Gerry, or wait for the annual report which will probably contain that kind of information?

Mr WOOD: Well that is not far away. You had a 100-day report and one of those classifications in there was conduct which was called 'inappropriate performance of functions'. Are you able to explain what that actually means?

Mr FLEMING: Inappropriate performance of functions is deliberately a very broad concept that is a catchall for behaviour. Putting legal definition around it will be the job of the courts if necessary, but if you have a responsibility under and act and you perform it in a way which is inappropriate. That is simply what it means: inappropriate conduct.

Mr WOOD: I will leave it as very broad.

Mr FLEMING: Very deliberately broad, as many of the definitions are in the ICAC act. They will have definitions put around them by courts which have to consider what the meaning is.

Mr WOOD: The other one I had was in relation to—I am trying to find the proper terminology; I think you mentioned it in our workshop—mandatory reporting. Has any work been done, or have you spoken to the

Chief Minister about whether there should be amendments to the act in relation to the fact there is no penalty for me, as a public officer, in not reporting even though it says I should report.

Mr FLEMING: I have not spoken to the Chief Minister about that, as to whether there should be amendment. I had the opportunity last week of speaking to most of the ICACs around Australia, and in most of the acts there is no penalty. I suspect that is because of the difficulty of carrying something like that forward to a prosecution. It would be an exceedingly difficult thing to prosecute.

Again, an offence has to be very clearly defined, and if there is any element of my setting the parameters, rather than the act itself, it immediately introduces a weakness into a prosecution process. I would still like to see some strengthening of it somewhere, but we are actively discussing how we might go about that.

Mr GUNNER: Member for Nelson, we have to flag—from my point of view as Chief Minister, and a government point of view, we would like to see the Office of the Independent Commissioner Against Corruption operating for a while—the actuals, rather than the estimates—and then consider a number of potential reforms, clarifications or tweaks. That will come after the first formal report to the parliament. You would consider a number of things rather than being ad hoc about a range of things.

Let us see the office go for a while. This is an historic first for the Northern Territory. Let us see how it goes for a while. That would be fair.

Mr FLEMING: It would. We had the opportunity of discussing for this year, but I suspect next year, when there is an act amendment opportunity, we will be very interested in being in that space.

Mr WOOD: That is one of the outcomes in the budget papers, that your job is to deliver training and review practices, make recommendations, refer matters and make public comment. It is pretty broad, what you are required to do.

Mr FLEMING: Yes, it is.

Madam CHAIR: Are there any further questions on the statement?

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2019–2020 as they relate to the Office of the Independent Commissioner Against Corruption. Are there any agency-related whole-of-government questions on the budget and fiscal strategy?

Mr HIGGINS: I have a simple question, and I think you may have answered it by saying they cannot take an efficiency dividend from a computer system you do not have, which is pretty good. We have moved some agency budgets into yours, so when I read the budget—this year, 3.610; next year, 3.623, which is an increase of 13 000. I acknowledge you will carry some money forward, if Treasury approves it. Have you been asked to offer up any efficiency dividends or anything along those lines?

Mr FLEMING: Nothing specific, but we acknowledge the general responsibility.

Mr GUNNER: Being the establishment of a new office—and this will be true of any new thing in government—you have the estimate of what it might be, then you have the actuals, then you may consider those. This goes to the question from the Member for Nelson. Once you make some considerations, you let it get up and running. It might be that it can operate at half the price, or twice the price, but you make an actual decision around the actuals.

Mr FLEMING: Twice the price, I think, Chief Minister.

Mr GUNNER: I note the budget submission from the commissioner.

Mr HIGGINS: New car against corruption.

Mr GUNNER: As Chief Minister, it is probably prudent to never poke the bear.

Madam CHAIR: That concludes consideration of agency-related whole-of-government questions on budget and fiscal strategy.

OUTPUT GROUP 5.0 – INDEPENDENT COMMISSIONER AGAINST CORRUPTION
Output 5.1 – Independent Commission Against Corruption Operations

Madam CHAIR: The committee will now consider Output Group 5.0, Independent Commissioner Against Corruption, Output 5.1, Independent Commissioner Against Corruption Operations. Are there any questions?

Mr HIGGINS: My only question—you have nine full-time staff and seven temporary, how many of those are police officers who have been seconded—or anyone else? When you say nine full-time are they permanent with you? How are the seven temporary being filled at the moment? I presume they just have not been advertised full time.

Mr FLEMING: There are no police officers seconded presently. We have had some issues in the investigation space. They are resolving as we speak in some respects. There is advertising going out in respect to one full-time position and some secondment positions. We gratefully receive applications from qualified and appropriate people, wherever they come from.

Mr HIGGINS: Are the secondments you are talking about from the public sector in general?

Mr FLEMING: Yes.

Mr HIGGINS: And specifically excluding police?

Mr FLEMING: We have not specifically excluded police.

Mr HIGGINS: No, but you do not have any at the moment.

Mr FLEMING: No, we do not have any at the moment. We have targeted people with the skills sets to be able to get us up and functioning and Kylie and Matthew have very skilfully worked the budget. We have not had so much in the way of operational cost in the first year so we have been able to convert some of that into full-time positions which has got us over an initial hump.

Mr HIGGINS: I will be interested to see whether there is, in fact, a hump or whether it has gone up and will flatten out at that level.

Mr GUNNER: That is a very important observation from the corruption commissioner, which goes to—is this going to be an office that grows and shrinks based on allegations, or will it be a consistent level of accusations. It is a first-time office; we do not know.

Mr HIGGINS: Is it the intention that those seven temporary would become permanent, so your base starting will be 16?

Mr GRANT: it is our intention to increase the size of our staffing level. At this stage we have 228 complaints, as we have said. We are working our way through those complaints. A number of those complaints will translate into full-blown investigations. They are our reactive investigations and we have to service those investigations.

The commissioner is interested in a number of topical matters that he might turn into self-initiated investigations as well. A lot of those investigations are long-term investigations; they can take up to two years to complete. We have to service the complaints coming in from the public as well as the long-term investigations.

Mr HIGGINS: I am trying to get a handle on how many staff—and I may be misinterpreting this. If we will get a staff complement of 16, say full-time, when we have these other investigations will we bring in people temporarily for that? How do we address that?

I am trying to get a feel for what the staff numbers, based on what you have now, might be permanently. I know that if you have larger investigations you will have to draw resources in, so I am just trying to get a feel for that.

Mr GUNNER: This could be a reasonable way to posit it and I will pass it onto the office. There will perhaps a consistent level of complaint or allegation. What will probably be the most intensive side of it is when those are worthy of a more substantive investigation. There is a degree of work that might be consistent around allegation and clearing house—yes/no. Where the intensity will come from is substantive investigation.

Then—and this will be the complexity for the office—it will be, depending on the nature of that substantive investigation, who they need to do that work. That is where we want the office to be flexible in what it considers at that point in time, whether it needs someone from external to the Territory to come across, whether it be appropriate to be internal, whether it is coordination from another independent office. That probably does not have a simple, 'here is your FTE' answer. That probably has a more—'depending on what you do on each of those complex investigations' answer—a completely different answer potentially every time about who is doing the work and where. I am happy to pass to them to ...

Mr HIGGINS: I understand that you are going to have these ups and downs with those ones. I am just trying to get a feel for what the base staffing level might be for that plateaued inquiry. That is all I am chasing.

Mr GUNNER: That original—how do you handle the allegation?

Mr HIGGINS: Is it going to be 16 or do we look at growing that. I am not asking you to tell me how many you are going to grow it by that is a surprise you can keep for other people.

Mr GRANT: I can probably answer that by saying we made the mistake of driving our staff too hard early in the piece. We ran our staff to about 150% and we experienced some burn-out. We brought those seven temporary staff on-board to assist with that process. We could easily occupy all 16 staff at this stage in dealing with the complaints that are coming through the front door.

Another added complication is the specific skill sets of the staff. As we take on financial investigations we will be looking for forensic investigators as we take on more complex investigations that involve a lot of data. We will be looking for people with those skill sets.

Whilst we may have 16 staff that take care of the majority of operations and investigations we may need to call on other skill sets and bring them in.

Mr GUNNER: It may be that it ends up similar to the Auditor-General's office and operation. We just have to work through the actuals and take advice from people doing the work.

Mr HIGGINS: I accept that you will have those fluctuations. That is standard. I was just trying to get a feel on how many we might have there permanently as a base.

Mr FLEMING: It is very tempting to give you an answer to all of that—as many as we can.

Mr HIGGINS: I was giving you the opportunity.

Mr FLEMING: Sixteen is operative at the moment but the more investigations that we have to do—this is where we have to leverage off the investigations that can be conducted by other departments, and we intend to do that.

There is no point in our doing an investigation if there is full capacity in another department to do, say, investigation in to misconduct or unsatisfactory conduct. What the act expects of us is that we will look at corrupt conduct, the highest level of the conduct; systemic conduct; sensitive issues; and serious issues and also want us to put an emphasis on contemporary as well, although there are plenty of historical issues which are being raised.

Madam CHAIR: Are there any further questions on Output 5.1? That concludes the consideration of Output Group 5.0.

OUTPUT GROUP 6.0 – CORPORATE GOVERNANCE

Output 6.1 – Corporate Governance

Madam CHAIR: The committee will now consider Output Group 6.0, Output 6.1, Corporate and Governance. Are there any questions? That concludes consideration of Output 6.1.

Output 6.2 – Shared Services Received

Madam CHAIR: The committee will now consider Output 6.2, Shared Services Received. Are there any questions? That concludes consideration of Output 6.2 and Output Group 6.0.

Non Output-Specific Budget-Related Questions

Madam CHAIR: Are there any other non-output specific budget-related questions?

On behalf of the committee I would then like to thank the Independent Commissioner Against Corruption for attending today.

The committee will now proceed to consider Outputs relating to the Ombudsman's Office.

Mr GUNNER: I would like to thank Ken and his staff for coming to their first estimates and recognise all the work that they have done to prepare for their main job, but also for answering the questions of the committee and we thank them for that.

Madam CHAIR: Thank you, Chief Minister.

OMBUDSMAN'S OFFICE

Madam CHAIR: Chief Minister, I invite you to introduce the officials accompanying you and, if you wish, to make an opening statement regarding the Ombudsman's Office.

Mr GUNNER: We have Peter Shoyer, Ombudsman and Information Commissioner. As per convention I invite the Ombudsman to make the opening statement rather than myself.

Mr SHOYER: Thank you, Chief Minister. I will make a brief opening statement to indicate that this year the Office of the Information Commissioner transferred to the Ombudsman's office. This will be the opportunity to ask about the Information Commissioner's office as well as the Ombudsman's office. There was also one small correction I wanted to make to one of the general questions that was made by the Opposition Leader. I do not know whether this is the best point to do it, but I will steam ahead.

It was in relation to travel and to the mix between travel—so the full figure for the year was \$23 117. The actual figure for intra-Territory was \$11 827—this is up to the end of March—interstate was \$9917, and overseas was \$1372. The total cost of international travel was for one trip, \$2077. There were some small coding errors and further expenses that were received after 31 March in relation to that final figure, but I have no other introductory comments.

Mr GUNNER: On behalf of the Opposition Leader, how old is your car?

Mr SHOYER: I think it is coming up to four years now.

Madam CHAIR: Are there any questions on the opening statement, Member for Nelson?

Mr WOOD: That one was fairly small, so I cannot ...

Mr GUNNER: On behalf of the committee, considering if the Opposition Leader had no questions, if you want we could take questions ...

Madam CHAIR: On notice? I am going to the Member for Nelson because sometimes there is that follow on. He may re-join us ...

Mr PAECH: Because the statement was so small, I guess it could be quite broad.

Mr GUNNER: We are happy to take all questions.

Madam CHAIR: Let me move off from questions on the statement. I will allow you some latitude.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

Madam CHAIR: The committee will now proceed to consider the estimates of proposed expenditure contained in Appropriation Bill 2018–19 as they relate to the Ombudsman's Office.

Are there any agency-related whole-of-government questions on budget and fiscal strategy? There not being any questions on the whole of government questions, then that concludes consideration of agency-related, whole of government questions on budget and fiscal strategy.

OUTPUT GROUP 7.0 – OMBUDSMAN'S OFFICE
Output 7.1 – Ombudsman Operations

Madam CHAIR: The committee will now consider Output 7.1, Ombudsman Operations. Are there any questions?

Mr WOOD: Good morning, commissioner. Do you now have a formal relationship with ICAC?

Mr SHOYER: We have met with ICAC on a number of occasions, but we have not developed a memorandum of understanding yet. That is something we will probably do in times to come. What we have been doing is working through the different roles that we have. We have reported at least one matter to them formally.

We have also shared information about the types of matters that we get in so we can establish what they are interested in. We can let them know about trends and talk about the different areas that we are working in at a particular time. So we are meeting with them on a semi-regular basis to follow up on those issues.

Mr WOOD: On some specific issues, you have done some fairly important investigations in days gone by. One was related to the Bagot community's water and, I think, electricity bills. Has that issue been sorted out now? Has there been some finalisation of that?

Mr SHOYER: To my understanding, that is ongoing. We are continuing to monitor, but we will ask for an update on that for our annual report. But, no—there are still a number of issues around that debt. One thing we have been doing is looking at a number of communities in addition to Bagot, mostly around the Darwin area, where there have been issues with similar debt arising from council rates as well as from electricity and water supply where the debt has been growing over time, where you have a large community with a number of people in it and so the debt builds up fairly rapidly. We have been trying to facilitate discussions between those communities and local councils on the one hand, and the various government departments to see what can be done there.

We have been working with the Department of Local Government, Housing and Community Development and their town futures unit and they have been doing a lot of work there. That is something we are continuing to monitor. We are trying to facilitate cooperation between the communities and the agencies there. In relation to the specific Bagot issue, as far as I know, that has not been completely resolved.

Mr WOOD: I am just interested in what you said about local councils. My understanding is that in my area there are a number of Aboriginal communities and they, I thought, came under charitable organisations and were not really under the control of the council. Is that an issue?

Mr SHOYER: There is obviously an analogy there and I think it is a valid analogy. It is one that we have raised but that is not necessarily the case with every Aboriginal community. There are various ways that Aboriginal communities are treated and they differ from community to community. That is something that we are working with Housing and Community Development on to try and look at that whole issue and try and get some certainty and common treatment across government, to the extent that is justified.

There can be circumstances where you have communities in an urban area, where services are being provided to a large number of people so there is obviously an argument there that they should contribute an appropriate amount to rates but there are also areas where they are caring for a large amount of land which is not necessarily subject to urban development and there is a question as to what rate is appropriate for them to pay in those circumstances.

Mr WOOD: In relation to—another large report you did was on women in prisons, specifically in Alice Springs. I note in your annual report, you said progress is being made but much still needs to be done. Is that also an ongoing matter?

Mr SHOYER: Absolutely. The entire field of corrections—but particularly in that case, we considered women but we also discussed more general issues. The entire field of corrections and the justice system is where there needs to be work done. In that particular case, there are women who are contained within a male prison and one of the things we continue to push for is to have the women separated in a different facility. However, we appreciate that is going to take time and we expect that to take a number of years.

I have been meeting with the Corrections Commissioner on a regular basis to follow up on the particular issues but we have also been pursuing a number of broader issues through the Department of the Attorney-

General and Justice. These are very difficult issues. They take long-term investment. I know the Corrections Commissioner has been commenting recently about the change in approach that he has been advocating. I think it is very important that we continue to pursue that and that is something where we are getting regular updates on progress in that area. Again, there is a continuing need for work.

Mr WOOD: You will still be keeping an eye on what is happening and reporting back in?

Mr SHOYER: Absolutely. We have asked for quarterly updates and we are getting those from both corrections, in relation to specific issues, and the Attorney-General in relation to broader issues. I will be reporting on those in the annual report.

Mr WOOD: On a different issue altogether, you mention also in your report about visitations. Are you subject to the efficiency dividend and if so, is visitations to remote communities something that is likely to be affected by that?

Mr SHOYER: Yes, we are subject to the efficiency dividend. This year it was 3%. That is something that has been ongoing I think for at least 16 or 17 years that I have been in the Territory. Fundamentally we have to manage within our budget. That is something that I have recognised as an essential part of what we do so we visited 20 Aboriginal communities during the year. We will always do what we can within budget. I think we can still continue that sort of approach. We have developed a three-year plan recently in relation to Aboriginal communities, we will definitely maintain that.

Mr WOOD: As an outcome of those visits, do you get any Aboriginal people from those communities writing to you with concerns about government or local government issues? Is there a good outcome from those visits?

Mr SHOYER: There is a good outcome in a number of respects. We do not go out there expecting people to complain straight away. It is the sort of thing where, if someone knows who we are, they do not necessarily have a problem at the time. They may have a problem in two years' time and think, 'I will call the Ombudsman'. But we do get some complaints initially. Often, they are not necessarily just community issues, they may be related to housing, education or police matters. We get a range at the time. We get some writing in afterwards, but the main focus from my point of view is just on increasing awareness that there is someone out there who they can contact, if they have an issue.

Madam CHAIR: Are there any further questions? That concludes consideration of Output Group 7.0.

OUTPUT GROUP 8.0 – INFORMATION COMMISSIONER **Output 8.1 – Information Commissioner Operations**

Madam CHAIR: The committee will now proceed to Output Group 8.0, Information Commissioner, Output 8.1, Operations. Are there any questions?

That concludes consideration of Output Group 8.0.

OUTPUT GROUP 9.0 – CORPORATE AND GOVERNANCE **Output 9.1 – Corporate and Governance**

Madam CHAIR: The committee will now proceed to Output Group 9.0, Corporate and Governance, Output 9.1, Corporate and Governance. Are there any questions?

That concludes consideration of Output 9.1.

Output 9.2 – Shared Services Received

Madam CHAIR: The committee will now proceed to Output 9.2, Shared Services Received. Are there any questions?

That concludes consideration of Output 9.2, Output Group 9.0.

Non Output-Specific Budget-Related Questions

Madam CHAIR: Are there any non-output specific budget-related questions.

There being none, on behalf of the committee I would like to thank the Ombudsman and Information Commissioner for attending today.

The committee will now proceed to consider outputs relating to the Department of the Chief Minister.

Mr GUNNER: I thank Peter for his time here and his staff, I think he benefited from being the fourth of the independent officers to come before the committee.

DEPARTMENT OF THE CHIEF MINISTER

Madam CHAIR: The committee will now consider output groups relating to the Department of the Chief Minister.

Chief Minister, I invite you to introduce the officials accompanying you and if you would like to make a brief statement regarding the Department of the Chief Minister.

Mr GUNNER: Thank you Madam Chair. I have with me today the CEO, Ms Jodie Ryan; Deputy CEO, Ms Maria Mohr; Deputy CEO Mr Andy Cowan. We have other officers, we may invite at the appropriate time, depending on the questions from the committee.

Budget 2019 is a budget that puts jobs first, delivers a safe Territory and drives long-term social change. Our plan is to deliver for all Territorians, tackling challenges and opportunities, social and economic, for the benefit of all Territorians. DCM plays an integral role in delivering the government's plans, very much from a coordination and policy point of view.

We have funded the establishment of Activate Darwin; transforming our public places and activating the CBD through events and promotional activities, while cutting red tape and encouraging investment.

The 10-year population growth strategy, and the Territory master brand, our Boundless Possible campaign takes advantage of our strategic geographical location, promoting Darwin as a place to do business, to relocate and enjoy our magical lifestyle and the Territory as a whole.

Funding has been allocated toward the future of Jabiru and for infrastructure upgrades. I have written to the Prime Minister since the election, asking him to join us in signing an MOU and release those funds more quickly for Kakadu and Jabiru.

We are committed to the Barkly and the regional deal struck with the Commonwealth to improve the social and economic wellbeing of the region. We are progressing the discussion about treaty, or treaties, with Territorians and the negotiation of more local decision-making agreements with Indigenous communities. We are changing the way government works for Indigenous people and remote Territorians for the better.

We are investing in our children, and funding has been allocated to the department to deliver the strategy, Great Start Great Future.

We have significant investments in crime prevention and antisocial behaviour, offered through a coordination role within the Department of the Chief Minister.

Budget 2019 commences implementation of budget repair, which deals with the \$876m deficit left by the CLP and the \$500m in GST cuts from the Australian Government. This is a plan to fix the budget in a fair way, not with cuts, slashing, burning or hiking up power prices, which we saw the CLP do last term, but a measured long-term plan to bring back the budget to structural repair.

All agencies are contributing to the plan, including the Department of the Chief Minister.

I take this opportunity to thank all staff involved in the preparation of the budget, the Root and Branch review, and now the estimates hearing. A significant amount of work was done by many people over a long period of time, and it was over and above what they would normally do for budget and estimates preparation. It has been a herculean effort.

Madam CHAIR: Are there any questions on the opening statement?

Mr HIGGINS: Yes. Thank you, Chief Minister, for your address. It covered a broad area, so I might wait for specific questions further down. I also thank the public servants. A lot of work goes into a normal estimates,

and this time we have the budget repair. I also note the written questions we submitted on 3 April, and I appreciate that those answers were received on 24 May; however, I did not receive those from the Chief Minister until 8.15 am yesterday.

I will ask some general questions about the efficiency dividends. What is the amount of the efficiency dividend that the agency will be tasked with finding?

Mr GUNNER: Three per cent.

Mr HIGGINS: Can we get that in an amount?

Ms RYAN: It has increased from 2% to 3% for 2019–20. The additional amount we have asked from this budget for 2019–20 is \$521 000. Because it is 3% again next year it is \$1.5m ongoing.

Mr HIGGINS: How do we plan on achieving that?

Ms RYAN: In order to achieve the efficiency dividend that had already been set in the last budget, DCM went through a restructure through the year to reorganise ourselves now that we have been in place for a couple of years. We took into account that efficiency dividend in the restructure. I think for 2019–20 we will have to look at where we can pare back a bit, and for 2020–21 that will be a bigger task through the year.

DCM is largely people, not programs. We have some programs, but it is largely people, so we will be managing it through our staffing structure.

Mr GUNNER: DCM is an attractive agency to take staff from, and an attractive agency to work in for a while in regard to career progression. There is a significant amount of churn through the agency, in a positive way, which means we can manage that.

Ms RYAN: About 20%.

Mr HIGGINS: We often find that certain programs get moved in and out of the Chief Minister's department, which makes it hard to follow the budget. I am sure I will have some questions on what these changes are. I accept that it is simple movement of programs et cetera. I understand that happens, but are there any programs or services we will cease in that two-year period, and when?

Ms RYAN: In the Root and Branch review, some of our savings were a reduction in the travel in our office. We said we would reduce our travel costs through the year.

Mr HIGGINS: Andy is missing out on that.

Ms RYAN: Andy is doing enough travel for the three of us put together. In the Early Childhood Plan, there was some funding for a ministerial advisory council that had been provided to DCM. Given the number of other ministerial advisory councils and other committees that are in place, that has been offered up as a saving. That is an actual program saving of \$120 000.

Mr HIGGINS: Early childhood?

Ms RYAN: It was the ministerial advisory council on early childhood but we have other advisory councils.

Mr GUNNER: We have obviously discussed that with NTCOSS and the NNPG. What we are looking at doing instead is having a social advisory structure that mirrors our economic advisory structure so this will come up again under DTBI. We have formally adopted regional boundaries for the first time in the NT. I would assume every Territorian would have assumed that we already had this but every department had been working since self-government to a different set of boundaries that they had determined themselves about what their activity was, say from within the Katherine office.

I see that as highly inefficient and the Cabinet and the government saw that as highly inefficient, or not as effective as it could be. This term, we have set regional boundaries that every department is working to. If you have a meeting in Katherine with other departments, they are all servicing the exact same communities. We are now mirroring our EDCs against those boundaries and I have asked for us to work on establishing social committees that mirror the same format. We are looking now at a change at how we work.

Mr WOOD: Can I just ask a question on that?

Madam CHAIR: Yes, you can, if it is following the same line.

Mr HIGGINS: Can I just ask, following the same line—where you have set those boundaries, one of the things I have been chasing through written questions, and I think it has been an interpretation of the question that I ask. I have been trying to ascertain—when we talk about boundaries, I am asking if this boundary fits into this—you have boundaries that we use for staff in saying that they are in a remote area and they get paid additional salary or whatever, but then we have boundaries that are there for health and say, transport to hospital.

While the employee gets treated as remote, the person wanting to go to hospital is treated as suburban. There are a whole stack of these variations and I have been trying to get a handle on why we have so many variations and what is needed to overcome that.

Mr GUNNER: That is a different question. I will clarify. When I talked about a common set of boundaries, previously in Katherine if you had a regional co-ord, some of those agencies would have Groote in or not in their boundaries or Numbulwar or Ngukurr in or not in. You can imagine they are all in quite close proximity to each other but Corrections had one, Health would have the other and Education would have the other. Nobody in Katherine could have a common conversation about what they were doing.

It is a separate question to 'are you remote or not remote' for certain programs. They are two separate things. In terms of how we would answer that question...

Mr PAECH: Is this the boundary like Big Rivers?

Mr GUNNER: Yes, what the regional network will work to. In Alice Springs now. If you have a regional co-ord, everybody in Alice Springs is talking to the exact same set of boundaries. They would all provide—we can now better coordinate consultation or physically going out to a community or who is doing what and when. All that sort of stuff is now—Katherine was the most affected. It had the most significant deviations of the boundaries from department to department.

Mr PAECH: So Katherine being close to Big Rivers and Central Australia—is that, Opposition Leader, what your question is around where they fit if someone is over the border?

Mr GUNNER: My understanding of what the Opposition Leader was asking is for the PATS or something, you are classified as. That would be separate completely and each department would have its own way of looking at it. I am not sure if there is a simple way for me to answer the Opposition Leader's question about that. I was trying to clarify the boundaries I was talking about and how they are different to what the Opposition Leader was asking.

Madam CHAIR: Member for Nelson, you have a question rather than a clarifying question.

Mr WOOD: No, it is a question in relation to—I was reading those regional councils—I could not work out for the life of me why we did not follow the regional council's boundaries. I mean, they have existed for how many years now? 20 years? Why did we not use existing local government council boundaries?

Mr PAECH: There are more of them.

Mr WOOD: Why did we not use those? So you are talking about making sure there is overlap, or that here is a boundary that covers service to that community—why did you not match that up with those boundaries?

Mr GUNNER: We had a long conversation about this, Gerry.

Mr WOOD: Well I was not in it.

Ms RYAN: Thank you, Member for Nelson. We have regional offices and most agencies do, not all, but most. Those offices are based in Katherine, Tennant Creek, Alice Springs and Nhulunbuy largely, though we have a few other smaller ones. The regional boundaries actually follow around those larger centres, so you have the Big Rivers region with the Katherine as its centre. You have the East Arnhem with Nhulunbuy, Barkly with Tennant Creek as its centre, and Central Australia with Alice Springs. We have also recently instigated a Top End region because we realised we were focused on ...

Mr WOOD: I thought that the Vic Daly seemed to get missed out?

Ms RYAN: Vic Daly is part of the Big Rivers region.

Mr GUNNER: Member for Nelson, I think put most simply there would be duplication. So we have a regional co-ord we have essentially shaped the boundaries around the regional co-ord. We used ABS data and a few things like that. Essentially in Katherine you have an array of senior officers and a DCM person who can chair that meeting, then you can better delegate or authorise local decision-making in that region and break it down.

We started going just off the shire boundaries. You seem to be asking those same people to meet twice? Does that make sense?

Mr WOOD: I am not saying meet twice, I am saying ...

Mr GUNNER: I do not think you would want that. I am trying to explain how the boundary is practical.

Mr WOOD: If I was living out there—it is another layer.

Ms RYAN: We also have members from those councils who are invited onto the regional co-ord committees.

Mr WOOD: That is good.

Mr GUNNER: From my experience, if it helps Member for Nelson, I have obviously caught up with the council presidents in most of those areas and had conversations usually through local decision-making agreements. They seemed very comfortable with how we have broken it up, and how they are now working with the departments as a result of that.

Mr WOOD: I would not get on the road of local decision-making.

Mr HIGGINS: I am sorry that I actually interrupted the Chief Executive Officer's answer there, as we seem to have gone off on a thing. Can I ask if you have any more to say on what programs and services we are going to see? I am sorry, we have probably lost your line of thought.

Mr GUNNER: Opposition Leader, you are going to want what programs will essentially stop operating or what might ...

Mr HIGGINS: Yes, but trying to achieve these efficiency dividends. We mentioned early childhood.

Ms RYAN: The other one we have is protocol. We have taken savings from that budget, so we will have to shrink some of the events held at Parliament House. Of the other two programs we are running, we have a project team for hydraulic fracturing implementation and a project team for the implementation of the Riley review recommendations. Both of those teams will cease in the middle of the financial year, so the end of the calendar year.

Mr HIGGINS: So their roles are then being transferred to other departments, or anything that is left over?

Mr GUNNER: Line agencies in terms of ongoings, rather than a coordination role.

Mr HIGGINS: So how many staff positions will be cut? Of those, how many will be executive contract and how many other, if we will cut any staff.

Ms RYAN: So that is what we are in the process of working through for next year. We will have to look at our structure. It is more along the lines of, as the Chief Minister mentioned, our high turnover rate. As a person leaves we are likely to sit, look and say, 'Do we need that ongoing or can we deliver that in some other way?'

Mr HIGGINS: I know I have the figure here for Treasury, which identified staff as \$100 000. On the Root and Branch review there was that number. How many have you identified in the Department of the Chief Minister?

Ms RYAN: So that was their savings target from root and branch—10 staff. Ours was around those other programs I talked about, not specifically to staff.

Mr HIGGINS: Okay. Were people told to identify through staff or overall? Did Treasury opt to do it through staff as opposed to programs?

Ms RYAN: Yes, every agency was asked to look through what they could do. Treasury, even more so probably than DCM, is completely a staff-based agency.

Madam CHAIR: Does anybody have any more questions on the opening statement?

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

Madam CHAIR: The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2019–20 as they relate to the Department of the Chief Minister.

Are there any agency-related whole-of-government questions on budget and fiscal strategy?

Mr WOOD: Chief Minister, you have under one of your portfolios defence, jobs and veteran affairs. I, for the life of me, cannot find anything ...

Mr GUNNER: That is in the policy section of DTBI. Are you talking about my portfolios and where they sit?

Mr WOOD: I studied your section under Trade, Business and Innovation. Is there a place for defence, jobs and veteran affairs?

Mr GUNNER: When we get to the Department of Trade, Business and Innovation I can take them all there.

Mr WOOD: I could not find anything.

Mr GUNNER: We can give you better advice when the CEO of DTBI is here, but I would say essentially within the policy section of the DTBI. Are you okay with that?

Mr WOOD: I was looking for some documents that told me what it did.

Mr GUNNER: I carry that in a different department. We have the defence section and the defence advocate—all that work around defence and veterans affairs occurs within the Department of Trade, Business and Innovation, which is not the department with me at the moment.

Mr WOOD: That is all right. I Googled as much as I could and I came up with a blank—that was when I put in defence, jobs and veteran affairs. I did not get anywhere. That is what I was concerned with, whether it was something we were going to discuss today or not.

Mr GUNNER: It is definitely within the Department of Trade, Business and Innovation. We have people there that do that work. It is very good. When Shaun Drabsch, the CEO of DTBI is here we are more than happy to take those questions.

Madam CHAIR: Are there any other questions in that area?

That concludes consideration of agency-related whole-of-government questions on budget and fiscal strategy.

OUTPUT GROUP 10.0 – ADVICE AND COORDINATION **Output 10.1 – Strategic Policy Coordination and Engagement**

Madam CHAIR: The committee will now proceed to Output Group 10.0, Advice and Coordination, Output 10.1, Strategic Policy Coordination and Engagement. Are there any questions?

Mr HIGGINS: I will give a heading on these.

Mr GUNNER: We are happy to work through it, Leader of the Opposition.

Mr HIGGINS: The Royal Commission—I will ask some questions on that. In relation to the Royal Commission, can you give us an outline on what recommendations have been implemented and at what cost?

Mr GUNNER: The RMO, which is the Reform Management Office, sits within the Department of Territory Families and they keep track of that.

Mr HIGGINS: Okay, we will keep that for Territory Families.

Mr GUNNER: It started off, to be fair to you, with us and then got moved out.

Mr HIGGINS: Are you keeping a track of the recommendations if I drop the costs out of that? Is the Chief Minister keeping a track of the recommendations that have been implemented?

Mr GUNNER: We work with the Department of Territory Families but RMO now sits with them.

Mr HIGGINS: What is included in the budget for 2019–20 of \$2.367m that is tacked against the royal commission?

Ms RYAN: That is around local decision-making. Some of the recommendations around the royal commission were in regard to local decision-making. That was some additional staff to be placed in the regions, also capacity-building grants that were to be given to organisations to help them build capacity around local decision-making.

Mr GUNNER: At the heart of a lot of the royal commission's recommendations was local decision-making, which was welcomed and that goes towards how we as a department are implementing some of the recommendations rather than the coordination of recommendations.

Mr HIGGINS: I have some other questions on the implementation plan on Safe, Thriving and Connected and the costs of what that has been over the last 12 months. Are they for you?

Mr GUNNER: That is with the Reform Management Office as well.

Mr HIGGINS: Can you give me an outline then at what priority legislative amendments have been enacted since April 2018 in regard to that. Or would that be Attorney-General?

Mr GUNNER: The royal commission? The Minister for Territory Families has been doing that work and we have had debates on the floor, so that is where that is sitting.

Mr HIGGINS: When will the commissioner for children and young people be established—the commission? Is that you?

Mr GUNNER: We can take that on notice if you want. All that work is with the Reform Management Office. That is the children's commissioner—that was expanded.

Mr HIGGINS: That is all right, I just want to go through a couple of these that may have sat there. What was the final cost of the Pepper inquiry?

Mr GUNNER: If you like we will take that notice, but I think we have previously answered that publicly. We do not have the exact figure with us, but we can take it on notice.

Question on Notice No 3.2

Madam CHAIR: Opposition Leader, please restate your question for the record.

Mr HIGGINS: What was the final cost of the Pepper inquiry up until the end of this financial year?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader is allocated the number 3.2.

Mr HIGGINS: How many staff are still allocated to working on that, and how long will this continue? There is a budget allocation of \$600 000 for 2019–20.

Mr GUNNER: I will pass to the CEO in a second, but we have been doing a coordination role which will essentially transition into the line agencies taking the lead as we get through the early recommendations.

Ms RYAN: At the moment we have five staff employed in that area. It is due to run until the end of this calendar year. That is largely around the coordination of the recommendations and working with the Departments of Primary Industry and Resources and Environment and Natural Resources.

Mr HIGGINS: You have five staff. The Treasury figures say \$100 000. That is \$500 000. You have \$100 000 and throw other stuff around that, I presume.

Ms RYAN: We have some funding for the consultation regarding the SREBA and the work we are doing with the CSIRO.

Mr HIGGINS: At the end of the calendar year, I presume that \$600 000 will be spent then. If we have five staff and \$100 000, if you use that over a year that is \$100 000 a year. I am just thinking out loud. What will happen to those five staff?

Ms RYAN: Some of them have been seconded from other agencies, so they will go back to their agencies. Some were staff we pulled out of DCM from their current roles, so they will go back to their current roles.

Mr HIGGINS: What implementation from a policy perspective still remains outstanding from the Pepper inquiry?

Mr GUNNER: That is probably a long answer, Leader of the Opposition.

Ms RYAN: The implementation will take three to five years. The focus in this first part has been on recommendations required to be completed prior to exploration being finished. Those are almost done.

Mr GUNNER: We do not have a simple numerical answer for you in terms of x number done.

Mr HIGGINS: It is more about what policy ...

Ms RYAN: As at 31 March we had 50 recommendations implemented, and there is expected to be a range more before the end of this financial year.

Mr HIGGINS: So, we have 50 implemented. Remind me how many recommendations there are?

Ms RYAN: There are 135.

Mr HIGGINS: Versus ...

Mr GUNNER: Fifty. But remember it was chunked up over several years. There were a number needing to be done prior to commencement of exploration, which was separated in the report, and there a number of others that had to be implemented prior to production.

Ms RYAN: A large number of those were the SREBA.

Mr HIGGINS: Can you table at some point the latest status report of that implementation plan?

Mr GUNNER: We are happy to take that on notice.

Ms RYAN: It was released two weeks ago.

Question on Notice No 3.3

Madam CHAIR: Opposition Leader, please restate your question for the record.

Mr HIGGINS: Can you please table the latest status report of the implementation plan?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader is allocated the number 3.3.

Mr HIGGINS: Boundless Possible—how are we measuring how effective that has been, whether it is working et cetera?

Mr GUNNER: A large amount of that will be done by research. There was a degree of qualitative research done prior to the campaign starting, and we will need to do something similar to measure progress. I am happy for the CEO to talk about some of what we are doing. We are not a year in yet so we would not want that testing to start yet but it is important to measure how it is going. Tweaks or not tweaks or other adjustments we might need to make to the campaign. I will have the CEO talk to that.

Mr HIGGINS: I am after what we are going to use to measure it, you know, the number of people that move here or whatever.

Mr GUNNER: That is where you start confusing the Boundless Possible campaign with the population plan.

Mr HIGGINS: I was only using that as an example.

Mr GUNNER: For us, what we are looking at is changes to perception and reputation of the NT. Things that go to influencing decision-making. The majority of that is qualitative research. There was similar stuff done prior to the initial campaign starting. We spoke to some of that data and released some of that data.

It is essentially a research program that we had done. It is probably not as neat as having this number...

Ms RYAN: Going to the master brand and population and bringing the two together. The master brand itself is not just a campaign, it is a 10-year program of works. We have commissioned CDU, as per the population plan. CDU did our initial piece of research that we based the population plan on. We have commissioned them for stage two and they are undertaking that work now. That work is actually looking at the drivers of what attracts people here, retains people here and why they leave. It is a more granular look than what they did with their initial research.

They are in the process right now of undertaking large survey groups and I think there is a survey on the CDU website that people can access. They are looking at some focus groups and they are looking at additional data like the final census data, regional migration data and other ABS stats that they can get. They are hoping to give us a snapshot of where they are in the middle of next month and then they will provide a final report at the end of December.

Going to what kind of KPIs we are looking at, because it is the first year, it is a bit tricky. We have been keeping track of our websites, engagement and who has been visiting the website. We also have the program for ex-pats and I think our latest ex-pats is 1900 and that is going up every single week. We are going to look at job applications and not just public sector job applications but we are talking to groups like Hays about whether they see an increase in applications from interstate and also looking at engagement post things like the master brand ads in cinemas down the east coast. We are able to see that as those ads run through, there have actually been lifts in website engagement.

We are looking to the CDU research but we are also going to do another piece of research prior to the master brand around perceptions—even though it will only be 12 months in—to see if some of those perceptions have started turning around.

Mr HIGGINS: So 12 months in we will see a report. When you look at those perceptions—I can remember the presentations that were done and they had all those perceptions, so I presume we are going to see that 'this is how it started', 'this is now what it is at', and how you deem that a success or not. I am not too sure whether that has been identified. It is something that I thought we might have had some indications on but I know you have said it is over 10 years. We will see something in 12 months. Will that be brought back to parliament or what will happen to that?

Mr GUNNER: There will definitely be public stuff done around it and I assume that would probably include parliament too.

Mr HIGGINS: When we talk about the population plan, and I know it sort of links in with that...

Mr GUNNER: We recognise that there is a significant interconnect between the two and we are now working more on the back-end side from us as well. We are more than happy to throw it all in and mix it all up. It is fine.

Mr HIGGINS: Boundless Possible is trying to improve the impression of the Northern Territory. Then we try and look at attracting people here and we have incentives. How are we measuring the success of that, separate from Boundless Possible—so we are sort of saying—you mentioned job applications? What is our starting point? When are we reviewing and reporting on that? The people that move here, et cetera—what are we using to measure the success of that and how often are we measuring that?

Ms RYAN: The plan is 12 months in, which is the end of this calendar year so we have the time frame. I know one of my staff has been talking to Hays, I do not know if the others have been spoken to, but they are looking at the job applications they were getting from interstate people prior to that and then they will look at the year since, so you will actually be able to compare.

Mr GUNNER: Comparative data, year on year.

Ms RYAN: It is the same with the public sector, because we control those systems we will be able to see how many applied prior to then and in 12 months' time.

Mr GUNNER: We obviously want to be able to marry that up with private sector data.

Mr HIGGINS: Private sector data—how do we know whether people move here? How are we going to measure that? Is that going to be—we had problems about the electoral roll. Where are going to measure that from?

Ms RYAN: So we will look at things like—ABS data is one, MVR is a really good source of data. People may not change their Medicare address or electoral details, but they generally get a new licence—well they have to get a new licence—and change their registration details on their cars.

Mr HIGGINS: We hope.

Ms RYAN: We hope. Those sort of data sets are ones we are interested in getting.

Mr GUNNER: Obviously we want to try to dig deeper into this. It is about whether the number of people applying for a job goes up. So only one person gets the job, but are we seeing an increase in applications? And obviously the stuff before regarding if we are running an advertising campaign through cinemas in fixed locations on the east coast. Are we seeing a spike post that in engagement, i.e. is the advertisement actually hitting an audience and working and whether there is a difference in some markets to others?

For example, there might be an argument that people in the Brisbane/Gold Coast area, for want of a better description—what would be the best way to describe it?

Ms RYAN: South East Queensland.

Mr GUNNER: South East Queensland might have a greater disposition towards moving to the NT than a similar area in Melbourne. Therefore, what is the best place for us to put our money and get a result?

Mr HIGGINS: I know from my tourism experience that we were able to identify which state you got more people from. I think the same would apply here. When we look at campaigns like this, there have been some failures in that tourism area over the years. We had the Territory one. I have forgotten what it is, but the one with Paul Hogan and all that sort of stuff. Then they had the lady—I forget her name—which was a total failure. People make mistakes in these things.

What are we doing to ensure how we are running that campaign is successful? One of the things I will point out is—and I know this is a local perception—Mix FM did a survey. I did a survey myself which was a straight question that was, 'How do you see that Boundless Possible campaign?' There was a lot of negativity from Territorians towards it. I do not know why. Is that going to be addressed? The opinion that I give out in public is nothing; I do not offer an opinion on it.

Mr GUNNER: I do not think there is anything offensive about the advertisement, but the campaign was based off Territorians telling their own stories about their experience in the Territory. That is how the narrative was written. There is a confusion between what a master brand campaign, slogan and an advertisement are.

The narrative was simply setting up the spine of it. I am very relaxed; you do not have to say the words Boundless Possible. You could say any combination of things as long as it is to the spirit of what we are trying to put forward in terms of the Territory story. It is not prescriptive. You do not have to use the explicit words of the narrative or the explicit slogan. You can use a different hashtag if you want. It is about how we portray ourselves interstate.

Here are some things that are genuine to Territorians in how they talk about the Territory that are different to how we are perceived down south. Most of these campaigns usually take a while to warm up anyway, that is part of the history of master brand campaigns. It takes people a little while to realise that this is not just a slogan, Boundless possible—bang, done. That is just a shortcut.

For me this will always take a bit of time to be absorbed, adopted and used. The most important audience, in some respects, is the interstate audience initially but we do want Territorians to embrace it and use it. We want Territorians telling our story themselves, there is no better ambassador for the Territory than Territorians. Sometimes we are our own worst enemy; the stories we choose to tell about the Territory are often hilarious ...

Mr HIGGINS: Often to keep in-laws away!

Mr GUNNER: ... to support a certain view of the Territory that is not necessarily conducive to people wanting to choose to move here. We have to be careful about what we do.

Mr HIGGINS: My question is, there are a lot of people not supportive of the whole masterbrand campaign, from a territory point of view. How are we going to address that? You always need a master campaign and you want to lift the perception of the Territory; I agree with that. But as I said, there were a couple of surveys and it highlights that we need to do something. Are we planning on doing something to try and lift that?

Ms RYAN: As the Chief Minister said, these things do take some years. When New Zealand launched 100% Pure, apparently New Zealanders hated it. Now it is embraced the world over. It is the same with Tasmania; it took three to five years before Tasmanians themselves starting embracing it.

What we have been doing is talking to as many people as possible. This is I think from last month, but we have actually face-to-face spoken to more than 5000 Territorians, we have talked to more than 1400 businesses, government agencies, non-government organisations and community groups. The Instagram fans and the Facebook followers are growing every week.

Mr HIGGINS: Which fans?

Ms RYAN: Instagram apparently. I do not know what that is! It will take time and I think the Chief Minister's point is, you do not have to like the Boundless Possible tag. It is a bit jarring, which is good because it will not wash over when you have all these other ads running in front of you.

Mr GUNNER: It was deliberate by the company, to make it jarring.

Ms RYAN: It is the story behind it, it is the narrative. I do not think any Territorian whom I have spoken to, and actually listened to the narrative, has not gone wow! At least one part of that touches them.

It will take time to grow, we will keep on engaging with businesses. We are particularly focused on businesses because they can use the campaign to actually employ staff, either locally or when they cannot get staff locally, bring them up. It is around that perception change. Even if you do not like it, we are diverse, we are never going to agree on the one thing, but it is about getting behind it so that we can change that perception of the Territory.

The other thing we are doing, is we have an advisory committee set up which is made up of local people, not public servants, across the Territory. That is to help us engage more broadly and give us ideas on how we work with non-government organisations.

Mr HIGGINS: My concern has been as long as I can be assured—I do not get to tick these things off I am just a member of parliament. I want to feel assured that we are monitoring it and trying to address some of these problems and just not throwing money ...

Mr GUNNER: If I can put some perspective on this, you mentioned tourism campaigns before—I think there has been a long history of tourism campaigns and how you measure them. What we found in doing this work around a population plan is that lots of people around the world—this is mentioned in the CDU research—have claimed to have a population plan. Very few really did when you dug into it. There was no existing pro forma for measurement.

In some respects, we are doing a world-first in having a population plan that generally is about population, has measures under which are about measuring it. Obviously, we are very much aware of the interconnect and often confusion between the population plan and Boundless Possible. I think a lot of the way that we are going to judge, in the early days, the effectiveness will be through those research papers from Charles Darwin University. That will be a longer more complicated piece of work than a straight, here is an A4 page with some numbers on it. It is going to be more thorough and that will be informing us as to how we keep adjusting the population plan or the Boundless Possible campaign, recognising the two interconnect.

We want to be spending this in a way that works and we want to be clarifying our market. For the master brand campaign they identified, from the top of my head, 2.1 million Australians who were latent Territorians and we are working on how to keep targeting them, where are they and what is the best way of reaching them—recognising there was nothing we could pick up that said, 'they are all parked in South East Queensland and they all go to the cinema'. We are trying to work that through. There is a degree of innovative work required here to really land it.

Mr HIGGINS: If I can just pass comment. One of the things I see missing at the moment is that narrative in the Territory. There are a lot of placards around with 'Boundless Possible' on them, but they do not talk. There is no narrative, so you are not seeing it anymore.

Mr GUNNER: That is a reasonable comment.

Mr HIGGINS: I move on to the City Deal. How much have we spent on that to date? There does not seem to be any allocation in 2019–20, or is that somewhere else?

Mr GUNNER: A degree of work is happening within. We have staff working on the City Deal—one is sitting behind me—who were appointed prior to the City Deal being there, so it is not necessarily against that column. Activate Darwin is an outcome out of the City Deal that DCM is doing, which is reported separately. That is \$3.2m, which is a collection of various things we were doing in government already and putting it all together in one spot to make it easier to work with government. We now have a board that looks after it.

A significant amount of work within the City Deal is being done through other agencies. The biggest example is one that would not be recorded in government books, that is, CDU in the CBD—which is council, federal government and the university.

Mr HIGGINS: You mentioned the \$3.2m city activation initiative—what is included in that one?

Mr GUNNER: That is bringing together into one spot activities that activate the CBD. That is events, promotional action and stuff we were doing already, but in various parts of government. We wanted to make it as easy as possible to work with government and put it all in one spot. Over time, depending on the appetite of the City of Darwin, we could relocate that outside government to an independent body. It would be similar to the Waterfront board, but contingent on the appetite of the City of Darwin. We can do this bit.

Mr HIGGINS: You mentioned the board—who is on that at the moment?

Mr GUNNER: Bridgette Bellenger knows every member off the top of her head. She has written it by hand. The members are Sam Burke, Michael Hannon, Jason Hanna, Nerida Hart, Mark Garraway, Scott Waters, David Slama, Toni Cutler, Bridgette Bellenger, Elena Gomatos and Greg Thomson.

Mr HIGGINS: That \$3.2m—we have \$2.5m allocated for education and civic precinct. What is in that one?

Ms RYAN: Under the City Deal CDU is getting a grant of \$97.5m from the Commonwealth. The Commonwealth advised us earlier this year that it would pay it next year, or at least some of it. CDU needed

to get started on that straight away, so DCM paid that \$2.5m to CDU. When the money comes in from the Commonwealth we will get that back.

Mr GUNNER: We are a very cooperative government that wanted to make sure there were no delays in the City Deal. We are sometimes the oil that keeps the wheels turning.

Mr HIGGINS: Like our visits to Canberra. My understanding is that the \$97m is conditional upon them raising other finance somewhere. How does that fit?

Mr GUNNER: We can comment on that. The federal government has provided \$97.5m to CDU. The works will cost more than that. I realise I am talking on behalf of the university, but they are working the NAIF for financing there. I understand it is on track.

Mr HIGGINS: What would happen to that money if they did not get it? I am not saying they will not, but the feds are giving them that much, or will, and we are giving them \$2.5m. When do we know about the NAIF stuff and what will happen if they do not get it?

Mr GUNNER: That should come through soon. All conversations have been positive and it meets the criteria of the NAIF. There has been no indication from anybody that it is not the way to proceed. As you know the Australian Government set NAIF up and the Australian Government is saying \$97.5m and NAIF will do the rest. I think everybody is fairly comfortable that it will work itself through.

Mr HIGGINS: Do we have any idea when that decision will come out?

Ms RYAN: Around November.

Ms HIGGINS: The end of the calendar year. Can I just get some indication as to when an announcement about that NAIF funding might be made to us for CDU?

Ms BELLENGER: We have been working closely with NAIF and the Commonwealth Government on the funding arrangements for the CDU project. The early indications are that hopefully in November it will be finalised but we are certainly working to get it done a bit quicker. We have NAIF with CDU, the council and ourselves in town in two weeks to try and finalise everything that needs to be done to take that loan forward.

Mr HIGGINS: Just on the CDU education hub, my understanding is that it has now closed down. Why did that close down?

Mr GUNNER: That was a decision by the university around who was accessing it during what hours, as is my understanding.

Madam CHAIR: Leader of the Opposition, it is that the end of your questions around the City Deal? I am conscious that the Member for Nelson has a question in that same area.

Mr HIGGINS: I have finished with the City Deal.

Mr WOOD: My question is around the heat mitigation program. You are trying to cool the city but not necessarily green the city. Why do you still allow buildings to be built side-by-side and right to the edge of the footpath, thereby restricting the easiest and cheapest method of cooling—the use of trees? This is what was introduced by Labor many years ago and this one here is where you do not allow trees to be grown, simply because the planning scheme does not allow it.

Mr GUNNER: There is an extent to which I can answer here and an extent to which it needs to be put to the minister for Planning. Our heat mitigation study will inform planning. I sat down with the professor who did the study and the then government architect talked it through. There are lessons out of that that have been passed on to the department of Planning.

We started our body of work with the department of Planning a while ago now about what we could do to green the CBD through planning changes. There are some lessons—Singapore in particular—about how you do that. There are a number of studies behind what you do there.

Essentially what you are asking about is a body of policy work within the department of Planning, which has commenced already. It is in process about how you do that, recognising that there is a large amount of work that can be done on this by property owners. At the moment we are working on the things that are within our

control or the City of Darwin's control right now. CSIRO has picked up that work from us and it is now running the CSIRO Darwin Living Lab, they are calling it now. They are doing ongoing monitoring work on the heat within the CBD.

We are running a trial down on Cavenagh Street which is often characterised by the shade structure and the vines and the greening there but there are other things happening in Cavenagh Street in addition to that. You would have seen the paint on the intersection of Cavenagh and Knuckey Street, which is as I understand it, the same paint they paint on military planes so they can avoid heat detecting missiles so it is pretty incredible paint.

There are a range of things we are doing but I accept your point about planning in the CBD. There is a body of work happening within the department of planning which they can talk to. The heat study we have done is actively informing them about what needs to be done.

Mr WOOD: I know this might be self-indulgent. I said from the day this was introduced and passed by Labor, that you have just taken away your opportunities to have a city where you can grow trees. A classic example of how it should have been done is Smith Street. At the bottom end of the mall buildings are set back, there is a bit of lawn, there are some trees. We have gone to the reverse. You only have to look at Woods Street, it is side-by-side stuff. It is not the Gold Coast. The Gold Coast is a big improvement on us because they have left space between their high-rise buildings for greenery.

Mr GUNNER: If I can alleviate concern there potentially, Member for Nelson, while not taking away your criticisms of the previous planning decisions, in Singapore it is not just about the plants you have on the ground. There is an obvious example, one of those hotels, the Ritz Carlton, where there is 1000% more parkland in the hotel that there is in the park. That all goes towards how you green a building on each level as you go.

There are things you can do within a building and not just at ground level. Your concerns with that go to ground level. I am not saying those concerns are not legitimate but there are ways that you can tackle this from a planning point of view that do not require simply what you do at ground level.

Mr WOOD: Without getting us too much into debate that might be off-budget, the point is that even in George Brown's day, he said we should be shading our roads. The reason you shade the roads—you do not have to go and paint them with fancy paint—is so it has a natural coolness because people walk the streets. They do not walk the hotel so much because they are mostly air conditioned, but they walk the streets. The simplest way that is mentioned in the mitigation program is 30% of the CBD covered in trees makes an enormous amount of difference.

Mr GUNNER: We are in furious agreement, Member for Nelson. If I can explain some policy difficulties with what you are asking for—there are spots where you cannot plant trees, like in the middle of an intersection, where the paint is. You cannot plant a tree there; you would block traffic. Large chunks of our CBD you cannot plant trees in because of what is underneath the ground. That is why you see so many planter boxes because it reflects that you simply cannot plant the tree in that spot.

That is one reason why we are looking at and measuring the effectiveness of paint, trees in planter boxes and vines. There are a number of policy solutions we are looking at in the CBD. I agree with you about trees but there are many places you cannot plant a tree and get that outcome.

Mr WOOD: I will get off that little bit of horticulture. I just have one more question. It is in relation to the Cavenagh arches, as I will call it. What was the purpose of just cooling a small section of Cavenagh Street? What was the idea behind it? What are the outcomes that you expect to get from that? What was the original budget? What was the final budget in constructing that?

Mr GUNNER: Some of this will be answered within DIPL because they did the work, but I can talk to the why. I am breaking it up. It is a trial. That is why it is an arch for a particular section of road. We did the heat mitigation work which now CSIRO are running through their living lab. It showed where the heat was generated and how it moved through the CBD.

Cavenagh Street was a main contributor to both heat generation and movement of heat. That is why we picked that end of Cavenagh Street. You had the car parks at State Square which were often the oven, generating a lot of heat, and a lot of the heat moved down through those streets conveniently lined up to neatly take it. Cavenagh Street being dual lane was both a generator of heat and the most significant contributor to the heat being transferred through the CBD particularly at that end.

That is the why it is 55 metres at that spot. It is all part of a trial to see, based off the evidence, if this a way through it.

Mr WOOD: What did it cost and did you stick to budget?

Mr GUNNER: The actual cost of the structure and doing it was not delivered through DCM, but DCM provided the research and evidence behind why we were doing this.

Mr WOOD: I have more questions but not on that subject.

Madam CHAIR: Just reminding everyone we are on Output 10.1. Do you have further questions on that?

Mr HIGGINS: I do. I will raise the heading again so that if other members have questions on it, they can then come. The Parliament House car park—who is developing an operational plan for that car park? What do we see being in it and when might it be available?

Mr GUNNER: DIPL will take that question on the operation.

Mr HIGGINS: So that is the ongoing operational plan. Do we have any negotiations—and I think the Speaker said refer it to the Chief Minister—about how many car parks from Parliament House are going to go in there and whether they are going to be free or what the cost will be.

Mr GUNNER: DIPL is obviously working on the operating model. My understanding is that the number of car parks that Parliament House has now will be met within the car park. I can get that confirmed. There is a degree to which we can probably confirm that and a degree to which DIPL will answer it.

Madam CHAIR: Do you want to put that question on notice?

Mr HIGGINS: No, it is alright.

Mr GUNNER: My understanding—for Parliament House it will be business as normal just in a different location.

Mr HIGGINS: Does that imply that there will not be any cost to that? Are we going to charge people like those from Parliament House and the jurors to use the carpark? Will we get to a point where you have the public in there? Will they be charged?

Mr GUNNER: Some of that will go to the operating model and a question for DIPL, but for Parliament House my understanding is that it will be business as usual. The same for the Supreme Court and the juries, which the Chief Justice and the panel were saying that it is very important to the successful maintenance of the jury pool—the provision of parking.

Mr HIGGINS: Can I infer from that if there will be so many spots left over for the public, and that the policy is to charge for that?

Mr GUNNER: That will be confirmed through DIPL. DIPL is going to be managing the operating model so I would be talking to DIPL about that.

Mr HIGGINS: It is more a policy issue that I am asking about. Is the policy to charge? I am getting nods.

Mr GUNNER: What I am saying is that a fulsome and accurate answer is better provided through DIPL, which will be performing the operating model, and it will be a more complicated answer than yes/no.

You have Monday to Friday, you have weekends—Parliament House carpark at the moment is open on the weekends for anyone to use. The operating model will be more complicated than yes/no. That is why you are better off asking DIPL and getting a fulsome answer.

Mr HIGGINS: I have no more on Parliament House. On the Alice Springs city deal I am looking more about—what are the terms of that city deal? We have a website dedicated to the Darwin City Deal but we do not seem to have anything on the Alice Springs city deal.

Mr GUNNER: There is not a formal city deal with the Australian Government. Maybe it is a lexicon usage. What are you referring to when you say Alice Springs city deal? What are you describing?

Mr HIGGINS: It is more—what are we going to be doing in the CBD?

Mr GUNNER: The CBD investment that we are working through with Alice Springs Town Council?

Mr HIGGINS: Yes, so that is being done there. When I talk about the Darwin City Deal I am referring to the website that says this is what we are going to do.

Mr GUNNER: That is the formal agreement with the Australian Government and others. That same thing does not exist in Alice Springs. I would there to be an Alice Springs city deal from the Australian Government.

Mr HIGGINS: I am talking about the website. It gives us the information. Is there anywhere equivalent to that to get information about the Alice Springs one?

Mr GUNNER: Not at this stage.

Mr HIGGINS: Is there plans to do one?

Mr GUNNER: I would love to put more of this up online. There is a body of work that we are doing with the Alice Springs Town Council. Would it be correct to say at the moment, Bridgette, we are in the Alice Springs Town Council's hands what we can and cannot release about what we are doing with the shade and other things? It is out to tender.

Mr HIGGINS: What was the reason for the re-vote from last financial year?

Mr GUNNER: Agreement from the Alice Springs Town Council.

Mr HIGGINS: That was purely just timing?

Mr GUNNER: Yes.

Mr HIGGINS: There was \$5m unallocated last year when this was discussed in estimates. What happened to that funding?

Mr GUNNER: We have used that now. Because of the length of time getting resolution through the Alice Springs Town Council about the things we want to invest in the CBD, we reallocated that \$5m towards programs over a two year period rather than just letting it sit there. We thought, 'why not look at things we can do in the Alice Springs CBD in the interim?' That is the youth engagement night officers. We can talk to that if you like, Leader of the Opposition. We can break that down for you.

Mr HIGGINS: If you could break it down because I have another question—there is \$1.228m for breaking the cycle of crime. Do you want to give us a breakdown?

Ms RYAN: The breakdown that we have for that is across a couple of agencies, but for DCM there was a small amount \$218 000 in 2018–19 and then there is \$1.228m in 2019–20 and 2020–21. That money is for extending Alice Springs for the youth drop-in centres—grants for the two youth drop-in centres.

There are some Tangentyere men and women's groups that we giving grant funding to—the Aboriginal elders program to help youth. We are also providing some additional funding to increase the transport options so that the Commonwealth-funded pick up options for kids will go from five days to seven days. That is the DCM funding.

Mr HIGGINS: How are we going to measure the effectiveness of some of that?

Ms RYAN: That is a good question. We would have baseline data. We are doing some work in Alice Springs around the number of kids picked up through the security patrols and also some work over the school holidays. We have some baseline data and we will be keeping track of that through the year—the number of kids going into the drop-in centres.

Mr HIGGINS: Could we get a copy of some of that baseline data?

Mr COWAN: Yes. We have done a piece of work based on the school holiday programs, which we engage CDU. We are using that, as Jodie indicated, as baseline, and we will be continuing to evaluate the effectiveness both across agencies through the regional co-org committee to ensure that it is addressing priorities.

Mr GUNNER: For me, it is more about monitoring and adjusting as you go. You do not necessarily want people using these services. A head count does not necessarily get you there. It is about making sure you have the right services on at the right time and then keep taking advice from agencies about where and how you need to adjust. The city of Alice Springs can often be most informative on that. It is more a continuous monitoring and adjustment process.

Mr HIGGINS: I agree with that. If I have the baseline data, I do not jump to conclusions if there are other factors that come into it, besides the number of people who are being arrested.

Madam CHAIR: Opposition Leader, would you like to put that on notice?

Mr HIGGINS: Yes.

Question on Notice No 3.4

Madam CHAIR: Opposition Leader, please restate the question for the record.

Mr HIGGINS: Can we get the baseline data tabled?

Madam CHAIR: Chief Minister, are you happy to accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The Leader of the Opposition's question is allocated the number 3.4.

Mr GUNNER: I would like to provide additional information to a previous question from the Leader of the Opposition. We have received advice that there will be a website for the CBD of Alice Springs in about four weeks, which is good. That shows progress with Alice Springs Town Council. I am very excited to hear that.

Madam CHAIR: Are there any further questions for Output 10.1?

Mr HIGGINS: I have finished with the Alice Springs deal and I will move to political donations.

Mr GUNNER: We are also happy, Leader of the Opposition, next time you are in Alice Springs, if you want a briefing from Cliff, who is the regional director down there, and the other agencies, about how that program is working and tracking and how they are monitoring it. Some of that is more informative than the baseline data.

Mr HIGGINS: That would be good. Sometimes you get advice from people which is based on rumours and not factual stuff.

Madam CHAIR: I am conscious of the time and pointing out that we will be going until 12 pm and then we will be take a half hour break. You can keep going with your questions.

Mr HIGGINS: Political donations—the enquiry. I acknowledge you and I have had a lot of discussions on this, but what is the status of that enquiry? Where is it at and the stuff that came out of it?

Mr GUNNER: We are going through the final Cabinet process essentially before introduction into parliament. That is to be advised soon.

Mr HIGGINS: You can see why I get confused. Have we announced which recommendations in that report we are accepting and not accepting, or not accepting now?

Mr GUNNER: To paraphrase, we have essentially done in-principle acceptance and we will be able to provide advice to you and the public soon about exactly how we are going to be implementing that. You have caught not mid-stride, just towards final stride.

Mr HIGGINS: What was the time you said, we are going to be introducing stuff on that?

Mr GUNNER: I can advise you very soon; I just cannot advise you today.

Mr HIGGINS: I have nothing else on political donations.

Madam CHAIR: The Member for Nelson has questions on this particular output, it is a matter of whether you want to go back and forth or we give you priority?

Mr WOOD: I do not know anything about political donations, Leader of the Opposition.

Mr GUNNER: I think you would have received plenty of in-kind donations, which is also captured.

Mr HIGGINS: Renewable energy—what is the status of the renewable energy studies?

Mr GUNNER: The minister for energy is probably best placed to answer that. We did the roadmap through DCM, but we now have a minister for energy and that would sit with Dale.

Mr HIGGINS: We will refer all of those to her. Population plan—I know we discussed this. How many people have actually moved to the NT as the result of that investment in that population plan?

Mr GUNNER: Most of that would sit with DTBI. DAMA II and the incentives all sit with the department of trade, not DCM.

Mr HIGGINS: Antisocial behaviour—regarding the homelessness project that was announced recently. That is not making people homeless; it is the other way around. What are the performance measures that we have around that? Do we have any performance measures we are going to use in that and how are we gauging it?

MR GUNNER: The department of housing will answer that question.

Mr HIGGINS: Alcohol policy—will that go to the Attorney-General?

Mr GUNNER: Yes, Attorney-General. It might be the Department of Health actually. We can get you clarification. It will be the same person, maybe just a different portfolio.

Mr HIGGINS: Early childhood development—we had that advisory committee on early childhood development.

Mr GUNNER: That is the ministerial council. Some of that would sit with us, depending on the question. We do the coordination, some might sit with the line agency.

Mr HIGGINS: How many staff are employed in that unit at the moment? I think we have actually said that will be gone.

Ms RYAN: We have provided some advice but that has gone to RMO.

Mr HIGGINS: So then, what aspects—so that is now actually completely gone out of your budget?

Ms RYAN: We still have some elements from a whole-of-government perspective.

Mr GUNNER: We have a social policy unit that helps coordinate and provide advice. Depending on what your question is, there is an extent to which we can answer it.

Mr HIGGINS: The question there is about the starting early for a better future. Is any of that funded out of Chief Minister's in regard to the policy area?

Ms RYAN: All of that was transferred to Territory Families to the RMO.

Mr HIGGINS: All that has been transferred. Have we done anything in policy on hearing health through any of the joint public-private ventures?

Mr GUNNER: Any policy or any outcome?

Mr HIGGINS: Any outcome, any policy, anything?

Mr GUNNER: The Minister for Health will be able to talk to outcomes. The policy work was done in the paper. It is with health in terms of the implementation and outcome. Obviously Menzies is a part of that.

Mr HIGGINS: Just on that early childhood—and we are talking about policy, has an early childhood development shared outcomes framework been developed at all?

Mr GUNNER: Yes.

Mr HIGGINS: Where is that?

Ms RYAN: That is being developed within our social policy team.

Mr HIGGINS: So that is being developed at the moment.

Ms RYAN: Yes.

Mr HIGGINS: So do we know when that might actually be released?

Ms MOHR: We are currently working with a range of NGOs to progress that. We are hoping that it will either be by the end of this calendar year or early next, particularly focusing on what we will be measuring to determine that the framework can operate.

Mr HIGGINS: Earlier we were talking about the ministerial advisory council for children and young people. That was the one we got rid of. How many times did they meet in the last year? They did not meet.

Ms RYAN: We never formed it.

Mr HIGGINS: Never met? Never formed it?

Ms RYAN: No.

Mr HIGGINS: How many consultations with community were started to develop the local decision-making framework? Which ones are planned for this year and what is the budget?

Mr GUNNER: From what I can see, I can tell you where we at. We might need to take on notice the number of times we have been out to a particular area.

Mr COWAN: Leader of the Opposition, in regard to LDM, we had our policy approved by Cabinet last August. Currently where we are in regard to our implementation, we have had a strong engagement process across the Territory.

We have seven agreements at different stages of implementation planning. You would be aware in your own electorate of the Kardu Alliance Daly. We have a regional statement of commitment in that area. We have a Yolngu region local decision-making partnership commitment, Banyala Aboriginal Corporation statement of commitment. We also have agreements that are a bit more progressed with the Yugul Mangi Development Aboriginal Corporation, Jawoyn Association Aboriginal Corporation, Gurindji Aboriginal Corporation and the Anindilyakwa Land Council—that is a heads of agreement.

A number of those commitments at the moment are at various stages of implementation and planning. Anindilyakwa—we are due out there. The Chief Minister will be out there later this month to sign off on the first three detailed implementation plans. We have made significant progress on a number of different agreements, but we have had a lot engagement across the whole of the Territory in our different regions. I am happy to go through the communities we have been working with across the different regions, if you would like?

Mr HIGGINS: Yes, that would be good. So these are ones where we have not started any formal agreement.

Mr GUNNER: it is not a formal signing of a statement of commitment, but there have been formal conversations.

Mr HIGGINS: So we have had seven. Was it seven that were signed?

Mr COWAN: Correct.

Mr HIGGINS: These are the ones that are not signed, but we have started to have some negotiations. When you go through those could you actually say whether we are trying to get that agreement this year, others do not worry about.

Mr COWAN: I might need to take some of them on ...

Mr GUNNER: Yes we can—so as to manner and pace. We have not been saying to a community that we want this done this year. It is the pace at which they want that done, if that makes sense?

Mr HIGGINS: Yes.

Mr COWAN: If we go to Central Australia, to date we have engagement with LDM across 23 remote communities. I guess being mindful, as the Chief Minister mentioned, we are very much being led by the community about how fast or slow they would like to go in regard to this process. What has been really important as part of this is that we have worked very closely with both our interpreters and also APONT, the Aboriginal Peak Organisations NT, on both our policy document and implementation tools to ensure we have a central place where people can get information.

We have also translated those into a number of languages in partnership with the interpreter services and we have them sitting on our website. In regard to other locations outside remote communities, we have been working with Tangentyere Council Aboriginal Corporation. This is an agreement with 11 Alice Springs town camps which is being progressed, and five Aboriginal corporations. This is one of the first agreements we have been working through regarding town camps. There are a number of other conversations across the Territory.

We have been working with Mutitjulu Community Aboriginal Corporation on a commitment agreement. We had early conversations on the back of previous meetings with Cabinet ministers last year, out of the community cabinet meeting. That has been a number of engagements with Mutitjulu Community Aboriginal Corporation. We have been working with Warlpiri Youth Development Aboriginal Corporation. There have been a number of presentations that have been made to that board.

We are also working with the small community of White Gate. We have ongoing meetings with those guys at the moment. We are working specifically with the following communities: Haasts Bluff; Papunya; Mount Liebig; Kintore; Titjikala; Bonya; Engawala; Atitjere; Yuendumu; and Imanpa. That sort of gives you a bit of a snapshot of Central Australia.

If I move up to the Barkly, we have significant engagement across the Barkly over the last couple of years. We have worked closely with local authority members. I guess that during this process, you would be well aware of the signing of the Barkly Regional Deal. One of the things that we have been very conscious of is that it is the whole Barkly. There has been significant engagement through the Barkly deal process over a number of remote communities to ensure that we are really staying true to that deal.

In the Barkly region that deal is the platform for LDM and we have used the principles of LDM to facilitate the agreement with both the Commonwealth and local governments. A good representation of that is the Barkly Leadership Table, where we have Aboriginal corporations, traditional owners, the three levels of government and business sitting at that table about the Barkly Regional Deal, informing the 28 priorities that have been identified by all parties.

In addition to that, or as part of the Barkly Regional Deal, we have money allocated to support grant funding to support local decision-making across the Barkly Region, for those remote communities. It would be fair in saying, with our partnership with the three levels of government, local decision-making has always been at the heart of how we have structured that deal with the Commonwealth and the Barkly Regional Council. I think that covers off from a Barkly perspective.

Big Rivers, I have mentioned in regard to Yugul Mangi. That agreement has been signed. We have a joint project group that is working on implementation and that is around six socio-economic priorities. We have negotiations progressing with Alawa Aboriginal Corporation. We also have Wulungarra Nampa Pinku Aboriginal Corporation and that is a broader Big Rivers process where we are looking at the corporations' capability and governance across the region. They are in early conversations there.

Jawoyn local decision-making multi-agency partnership—we are again focusing on social and economic priorities in that area. Gurindji we have also signed an agreement there and we are working very closely with the Gurindji Aboriginal Corporation to progress the commitment there. That is progressing very well in the Big Rivers region.

There are a number of other conversations that are happening with Aboriginal communities across the Big Rivers region. I do not have them all listed here, Member for Nelson.

In East Arnhem, I have mentioned the Anindilyakwa Land Council, Groote Eylandt local decision-making agreement. As I mentioned before, I think it is 19 June the Chief Minister will be signing off on those implementation plans. They are focusing on three areas as part of the broader implementation: law, justice and rehabilitation; housing; and regional economic development. They are the three priorities that have been identified there.

Blue Mud Bay we are progressing negotiations on community safety and housing and infrastructure elements. There is also a strong focus on economic development in that region. We have a meeting focusing predominantly on economic development but also other parts of the agreement on 20 and 21 June out at Blue Mud Bay. That is being led by Djambawa Mariwili and the broader group of traditional owners across that region. We are hoping to be in a position later in July to be formalising that agreement and the implementation.

A couple of weeks back there was a signing of the Yolngu region local decision-making partnership. That was on 30 May. This is a broader agreement between the Northern Territory Government, ALPA, ARDS Aboriginal Corporation, Laynhapuy Homelands, Miwatj Health, the Australian Government and the East Arnhem Regional Council. There was a signing agreement for that statement of commitment, looking at how we work together across both government and Aboriginal corporations in the region. That is a very exciting piece of work and it is great to have that announced as the way forward, working across some of those Yolngu-speaking nations.

There is also other broader work that is tying into local decision-making in the East Arnhem region. At the moment we are trialling an East Arnhem cultural competency training program which is being led through the regional coordination committee. That is once again in partnership with ARDS. That is looking at how we ensure that public servants have the right skills and training to ensure that they engage effectively through the local decision-making process and more broadly in the region.

We will be looking at the learnings coming out of that with the opportunity to look at rolling that out across different regions. We have general cross-cultural training across government which is very important. That is quite a high level, more broadly for the Territory. This is working closely for the East Arnhem region and ensuring it is contextual and it is detailed and there is a mixture of online training but also face-to-face to support improved competency for our staff out there.

There is other priority engagement that has been occurring across East Arnhem, at Lake Evella and the homelands there, at Marthakal, Galiwinku and the homelands and also Ramingining and Milingimbi. I have not listed all the areas where conversations are occurring but there has been very detailed engagement across those regions.

In regard to the Top End, there has been significant engagement at both Gunbalanya and Maningrida and the Tiwi Islands. There have been a number of visits and engagement across those different locations. Obviously that work that you are aware of that I talked about earlier about the West Daly agreement but we are also working with Nauiyu with Green River Aboriginal Corporation on a multi-agency partnership. That is progressing and there has been very detailed engagement at Nauiyu in regard to that local decision-making agreement.

The other one that falls within the Top End region is also the work we have been doing with the traditional owners at Jabiru. Similar to the Barkly regional deal, we have used local decision-making principles that have underpinned some of those negotiations. As you would be well aware with that partnership with the Commonwealth Government, local traditional owners and also the local mining company, Energy Resources

Australia. That has underpinned our approach as we have worked towards the future vision for the Mirarr people represented through Gundjeihmi Aboriginal Corporation around their vision for the town as a tourism town and also a broader service town for the region.

That provides a snapshot across the regions.

Mr GUNNER: As comprehensive as that was, we did not touch on Darwin. And there has been conversations with Larrakia. Gwalwa Daraniki is interested in an LDM with us and separate to that Yilli Rreung have done a significant body of work around a memorandum of understanding, which may be more appropriate as an LDM agreement. I have asked Andy and Bridgette to follow that up with Yilli.

On top of all of that, there is also conversations in and around Darwin.

Mr HIGGINS: You might want to provide that to Hansard.

Mr COWAN: I will just mention one more thing, Opposition Leader. What has been important is yes, traditional owners and Aboriginal people have been the forefront and should be at the forefront of all of those conversations, we have been working with and have really strong commitment from local government and from the Australian Government on this process. We are working very closely to look at how we can align our programs so there is no duplication across the Territory.

Policy-wise there is good alignment around supporting the vision of traditional owners as the right people to be making decisions on-country and about their future.

Madam CHAIR: It being 12.10 pm, I will call our lunch break. We will be back in 30 minutes at 12.40 pm.

The committee suspended.

Madam CHAIR: We will recommence. We are on Output 10.1.

Mr WOOD: I have quite a few questions. Following on from what Mr Cowan said, in relation to two areas of concern for me—one is Yilli Rreung. What are the negotiations with them considering they have multiple land areas? Some are where traditional owners live; some are where non-traditional owners live; some are on leased land; and some are on Aboriginal land.

Mr GUNNER: If I can provide some context, Yilli Rreung has organised itself and a number of other stakeholders in Darwin separately to us, and put forward some terms and conditions around a potential MOU. They have now approached us on that. That is for clarification. It is just what Yilli Rreung has done.

Some of that I cannot answer yet because it reflects the work Yilli has done, but we can keep you briefed as we go through that work with Yilli.

Mr WOOD: Can I put on record that a lot of the work that the new people in Yilli Rreung are doing, especially at the Knuckey Lagoon and the 15 Mile, is really good. It is looking the best it ever has. It does not mean there are not issues, but there is a bit more pride in the place at the present time.

Mr GUNNER: The people at Yilli are working with at the moment are Danila Dilba, NAAJA, Larrakia Nation, Ironbark, CAPS, FORWAARD and DAIWS. That is a good collection of people.

Mr WOOD: You are leaving Aboriginal Development Foundation out of that.

Mr GUNNER: This is the work that Yilli has done as I am clarifying. We are now going to sit down with them and say we are happy to work with them on a MOU. They may also want to consider and LDM. As we have found through Kardu west, conversation started off around the Kardu Alliance which is Wadeye-based and then it grew in to the West Daly region. Something similar may happen here as well, but I do not want to take away from the fact that they have done this work. I thank them for that. That might be everyone we work with and we work with other people separately to this.

It depends on what is in the agreement. The questions that you asked about what was in our—we will have to have those conversations with them.

Mr WOOD: That is fine, but the reason I raised that is because three of those places the lease of the land is owned by Aboriginal Development Foundation which has been an ongoing issue.

The other one is Daly River and as you know I have a bit of a soft spot for Daly River. That is where I spent a good part of my early life. I have similar concerns to what Miriam-Rose Ungunmerr raised. She has raised it a number of times but she raised it recently in an *NT News* article about the loss of control of their town, Nauiyu, from days gone by when the councils were amalgamated. Her concern was about the number of suicides that have occurred there, the number of unemployed people and some of the social issues in relation to local violence between gangs that did not occur when they ran their own affairs. I am interested to see if there is an attempt with what is going on there ...

Mr GUNNER: Nauiyu was mentioned.

Mr WOOD: Yes, Nauiyu was mentioned because I am going there on Saturday to help launch the Merrepen festival.

Mr GUNNER: I can talk about this from a policy point of view first, and then I will ask Andy to pick up the Nauiyu conversation.

We recognised the sentiment that Miriam and others have expressed regarding local decision-making. We had been out of government for four years and did a serious body of policy work on what we can do in regard to local decision-making. There was more than just the council or shire reforms, and there was the intervention, which happened at the same time.

We look at those things that impact on people's lives in community and realised it went well beyond local government. We wondered what process we could adopt that would provide people living in a community the ability to pick and choose a bit about what they want control of—health, education, housing, local government. There were a number of things within that which are powerful and often impact on them more than the local government side of things.

The policy we have come up with can include local government, and there are areas where local government has signed up to the agreement at the community's request and become involved in what they have control of. There are things outside local government that have a much bigger impact—housing is an obvious one.

I see this as a policy offering that will have more impact on the community if we go through it. Those things you quoted on behalf of Miriam in regard to some of those impacts—there are things here that will have a more profound impact on that than simply the old community government council model. I ask Andy to cover what is being covered in the Nauiyu conversations.

Mr COWAN: The Green River Aboriginal Corporation in Nauiyu community—those conversations are very well progressed. We have a draft local decision-making agreement. Member for Nelson, a key focus in that is housing. Workforce development capacity for people to engage in that program is at the forefront and the centre for those guys. Being involved in repairs and maintenance and construction of new houses ...

Mr WOOD: Can I just ask about housing before you get too far? Is Nauiyu regarded as an outstation when it comes to new housing? My understanding was that it was never permitted to have any new houses because it was classed as an outstation.

Mr COWAN: I am pretty sure it is a community.

Mr GUNNER: We can double check. Housing will definitely have an answer on that.

Mr WOOD: It has not had new houses for years.

Mr COWAN: In regard to the housing program it is best to ask the Chief Executive of Housing or the minister, but we can follow that up.

In regard to your comment regarding concern for youth, we recently funded a local decision-making grant to support mediation, which is the start of the process in what we have heard in those conversations about the local decision-making agreement.

I am happy to organise one of our staff to brief you on further detail, if that is okay, Chief Minister, regarding the local decision-making agreement. I do not have full details on that agreement today.

Mr WOOD: The concern that Miriam was talking about, and I notice it when I go there, is unemployment. We talked about local government, but that local government was able to employ pretty well everybody. There were times when people made their own houses. That is an issue I raised with the previous government. I remember raising Emu Point with Adam Giles—an outstation with no more houses. It has potential to make houses, but nobody seems to care about putting methods of employing people to build their own houses, which would at least cover unemployment but also reduce overcrowding in those outstation areas.

Mr GUNNER: The minister for Housing would be happy to have that question and answer. We have a policy important to this—we are looking at how our housing policy can work with homelands. We are working through that. One of the early wins will be if there is a functioning company with good employment in, say, Gapuwiyak, which will obviously reduce the cost of work in the homeland. First of all there is a good return there. Then how do you work with the homelands extra. What conversations can we have with the new federal Minister for Aboriginal Affairs around flexibility there—\$550m that could also then embrace homelands. To what extent could we look at a Room to Breathe-style program on homelands?

There is a whole body of policy work that I think we can do and that we all want to try to work through, giving proper recognition to the importance of homeland and that the current policies do not quite fit it. While there is a natural logic progression as to how we ended up where we have ended up and how the funding works. If you only invest in community, then you are going to keep drawing people out of a homeland, which is not an outcome we are seeking.

There is a way through this. I know the Housing minister believes there are some practicalities to this. The key to it is getting the cost under control and that is functioning Indigenous enterprise and employment in a community, which will then lead to a much better way of solving this.

Mr WOOD: What probably I was getting to was that they used to make their own houses. There are people in Arnhem Land who make timber. In Daly River they used to make the bricks. It was not just about bringing bricks in, they made them. We had people who made mudbrick houses. The conservation commission had cheap designs for houses.

We have all this stuff now that comes from above that says we are going to have \$495 000 houses, of which the structure of the house is imported and maybe local people put it up. Before, we actually had people making a house on the site.

Mr GUNNER: Have you talked to the minister for Housing? That is the old SIHIP model, whereas we are trying to do local decision-making and putting this in the hand of locals.

Mr WOOD: I am just trying to spread the money around a bit.

Mr GUNNER: We accept your policy assertion.

Mr COWAN: I have just confirmed that it is part of the 73 remote communities, so it is classified as a community.

Mr WOOD: Yes, because it did not have any houses that were there.

Mr COWAN: One of the issues Housing can talk in further detail about is that I understand that it has been raised that some of the land is in the flood zone area. I think it is being worked through with the Catholic diocese to ensure that program can roll out.

Mr WOOD: Just put stainless steel cupboards in and make it a brick house—they just wash them out and away we go again.

I may get back to where I was originally at the start of this section. I have a few questions. Minister, can you give us an idea of what the government has in mind regarding the INPEX village? I emailed Minister Lawler's office and they said they sent that message on to you. I hope they have, because I have been telling people—if you had not got that ...

Mr PAECH: The Gerry Wood retirement village.

Mr WOOD: No, I hope not—I would go bush.

Madam CHAIR: We just need to get an answer first.

Mr WOOD: All I was saying that in that email I was asking because a lot of people are asking what is going to happen. Would it be possible to have a couple of open days?

Mr GUNNER: If I can touch on that. We will have a formal process where we will allow people to come forward with their suggestions for the site, and that will include open days. There have been suggestions that would not quite work for that site. I understand exactly where the suggestion has come from and why. But it is not until you physically see the site that you can work out that this one would not work out and this one will. It is also—have you been out to the site, Gerry?

Mr WOOD: I tried to, but RAMS services told me to go to see the NT Government.

Mr GUNNER: So you have not been out on the site?

Mr WOOD: I was there eventually, as it was very hard to get in there.

Mr GUNNER: I meant while INPEX was there.

Mr WOOD: My concern is that a lot of people were making comment. If you had an open day and the local school had the barbecue and you had a little pop up stall for people's ideas, they get to understand what is there before they make too much comment.

Mr GUNNER: That is the idea.

Mr WOOD: I also would like some clever people, with either engineering, economic or other sorts of backgrounds that would come into this mix because I do not want this to become a cost to the taxpayer. This needs to be something that would be sustainable into the future and so the community can still use those facilities.

Mr GUNNER: So we are in agreement. There needs to be an open day. People need to physically see what is there and the size of what is there to come to an understanding of what we are doing going forward. There is probably no one answer for the site, because of the sheer size of the site there will have to be multiple solutions. Unless someone comes forward with something that is creative for the entire site, it is mammoth.

Mr WOOD: I think the community was promised—it was not written down of course but promised—what would come to them at the end of this would be that there would be facilities there that community could use. I am not saying it would be exclusive to the community—I have already had approaches from a swimming club and a wheelchair basketball team.

Mr GUNNER: That is where there needs to be formal conversations with say Litchfield Council, for example, about who will pick up and pay for ongoing costs.

Mr WOOD: I am hoping, because I will not be able to have that broad leadership role in here. I will help, but it would need some government body to say, right, we will take this under our wing and see what we can come up with.

Mr PAECH: What is the land tenure of it?

Mr WOOD: It is Crown.

Mr GUNNER: It was a lease that was given back to us. For some background, we were initially approached for a five-year rollover. We had not been entertaining any thoughts with what to do with this site until very late in the piece, when they decided not to do the five-year rollover, and instead gifted it to government. We are now working through what we may or may not be able to do with the site. It was not like we had a year or two think time on it; we came in late.

Mr WOOD: That was the disappointing thing.

Mr GUNNER: To be clear, that was not INPEX decision, there were other partners with them in the project who made the decision about not doing the rollover. INPEX gave the gift and they would also have been happy if they were making the sole decision. They were looking for a five-year rollover.

Mr HIGGINS: How long before the rollover was due to take place did you get told, a short period?

Ms RYAN: A week, and we got extended for a few months while we negotiated.

Mr GUNNER: It was very late. You do not want to look a gift ...

Mr WOOD: That is true, but you have to maintain and look after that place now.

Mr GUNNER: There is a period of time which the bills will still be picked up, not by us yet. We have a period of time to work through.

Mr WOOD: Any idea what that time is, someone said the middle of July?

Ms RYAN: End of July.

Mr WOOD: My concern was that there would be a cost of keeping that place in good nick, someone has to be there to maintain it. Is it too early to say there is a budget for it?

Mr GUNNER: It is too early to say, because there is still time to make decisions.

Mr WOOD: So we might be able to get the other thing going—I can tell people. That is good.

Local decision-making—was there any local decision-making about the use of the INPEX bus depot for youth skills centres—which is probably not in Howard Springs, but in Holtze, if my geography is right—my concern was how much local decision-making was about using that site?

Mr GUNNER: As you know, Member for Nelson, as a government we identify sites on which we can do things and there is formal consultation periods about what you do with that site, which allows the locals to have their say. As you know, through the planning prism, there is plenty of opportunity to allow people to put through their opinions as locals.

Mr WOOD: Planning is not consultation; planning is commenting. Mr Cowan has just told you what local decision-making is. I would have loved to have the same process that has been done for this particular site, the same as INPEX.

Mr GUNNER: I think you are playing with semantics here, Member for Nelson.

Mr WOOD: No, I am not. I am playing reality. I will not bog us down with that.

I am taking some of these from headings in the report; will the implementation of five-year funding agreements with the NGO sector be affected by budget repair measures? In other words, will they be cut back?

Mr GUNNER: No. The length of the agreement will remain for five years.

Mr WOOD: What research do you do to inform an evidence-based understanding of social policy issues and is that research released to the public?

Mr GUNNER: It would depend on the issue. Do you want us to make a general comment?

Mr WOOD: A broad comment.

Ms MOHR: We work a lot with the other line agencies, particularly the Department of Education and the Department of Health, it really depends what the topic is. We are also doing a lot of work with Menzies at the moment, particularly on the impact of early childhood development and early childhood strategy.

Mr WOOD: You are probably expecting this one, minister. In relation to economic policy, you announced the pay freeze for politicians and public service executives. I know that was a recommendation of the Langoulant report, but you did not follow everything in the report.

In relation to parliamentary wages, I will do that one first. I have not received anything from the Remuneration Tribunal except the letter, which came the day after your press release, asking me for comments on the Remuneration Tribunal. That is a general thing I get every year.

How can you override the Remuneration Tribunal before it has put forward a recommendation? I will be blunt; it would have been nicer—I said this yesterday. I understand the government has some issues with its budget, but if someone had come up and asked me personally, ‘Would you voluntarily not take a wage increase this year?’ I would have said yes.

The way it came across was that you told me and other members of parliament, ‘You will have a wage freeze’. You have not gone through the independent Remuneration Tribunal and no one asked me if I thought it was a good idea.

Mr GUNNER: I wrote to the Remuneration Tribunal on the back of Mr Langoulant's recommendation, asking them to consider and adopt it. They wrote back to me saying yes. I went through the independent Remuneration Tribunal, and that is the method in which the pay freeze has occurred.

Mr WOOD: They sent a letter which basically said submissions close on 14 May. In that there was no mention of any pay freeze. That is the bit I am concerned about. Why could someone not ask us? The other issue you can maybe answer—can you make an agreement that goes past the next election date?

Mr GUNNER: The RTD is separate to government.

Mr WOOD: Yes, but you are the one who made an announcement that there will be a three-year freeze.

Madam CHAIR: Member for Nelson, I am not quite sure this sits under Output 10.1. I am happy if the Chief Minister wants to answer, but there are a range of things under Output 10.1 that we should be paying attention to.

Mr WOOD: Strategic policy—that is why it is there.

Mr GUNNER: I have answered it.

Madam CHAIR: We did go through this extensively yesterday, so I am not keen to re-cover that ground.

Mr WOOD: But we did not get that answer from the minister.

Madam CHAIR: We might just move on to other things that are under the output.

Mr WOOD: This is especially important for school principals, because I was told letters would not be signed because they believed ...

Mr GUNNER: That is a question for OCPE.

Mr WOOD: But you made the press release saying there would be a freeze.

Mr GUNNER: In regard to budget appropriations and where that sits, it is with the Minister for Public Employment.

Madam CHAIR: Which is coming up.

Mr WOOD: You made that statement; is there any legal backing to the government making that announcement over people who have a contract?

Mr GUNNER: I have answered that publicly; we will be renegotiating every contract between now and August. We have plenty of time.

Mr HIGGINS: Can we have the letter from the Remuneration Tribunal tabled?

Mr GUNNER: That should be fine.

Madam CHAIR: Do you want to wait to table that or take it on notice, so that puts it down as an action?

Mr GUNNER: We will take it on notice.

Question on Notice No 3.5

Madam CHAIR: Opposition Leader, please restate the question for the record.

Mr HIGGINS: Can the Chief Minister please provide a copy to the committee of the letter he received from the Remuneration Tribunal in response to his request for a wage freeze.

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader is allocated the number 3.5.

Madam CHAIR: We are on Output 10.1, Strategic Policy Coordination and Engagement. Member for Nelson, do you have anything further on that?

Mr WOOD: Yes. Chief Minister, in relation to the environmental offsets policy, what exactly is it?

Mr GUNNER: That comes under the Minister for Climate Change, Minister Lawler.

Mr WOOD: You say in your annual report that you are promoting the use of the Have Your Say website. Who is responsible for running that site? Who checks to see if the questions and the discussion paper are unbiased? I have a letter from a group called CATWA, a group of women in Victoria who have responded to prostitution through the Have Your Say site. I thought I had it with me here—they clearly state some of the matters put in the discussion paper and the questions are biased and sometimes incorrect, and I agree with them. I have read that document and the questions and it was not neutral.

Madam CHAIR: Could you ask the question please, Member for Nelson?

Mr WOOD: I need to put it in to context. Minister, why do some issues, for instance end up in Have Your Say and some do not? RU486 is one. There is another issue on gender at the moment that is not in there. Who actually oversees the running of the Have Your Say site?

Mr GUNNER: We run the Have Your Say website but agencies would be choosing whether they use it or not as their vehicle for consultation, and they are the ones that respond.

Mr WOOD: How do I find out why something is not in Have Your Say and why something is because it seems inconsistent? We have another paper from the gender group in Minister Wakefield's office saying, comment on this. It came by email, by the way. Then we have one on altruistic surrogacy, we have one on prostitution and when it came to RU486 it was not on there. Someone makes these decisions about what should be on and what should be off.

Is there an overarching body that looks after this site?

Mr GUNNER: It depends on the issue and how they are running their consultation processes. We have not been dictating to agencies.

Mr WOOD: It seems to be inconsistent.

Mr GUNNER: Have Your Say is a tool that can be effective for certain consultations and for others where you might want other forms of submission.

Madam CHAIR: Chief Minister, are you happy to take that as general feedback?

Mr GUNNER: Yes.

Madam CHAIR: That is perhaps where that is going. Are there any more questions on Output 10.1?

Mr WOOD: You can tell me whether this is someone else's area but you mention in your annual report about the legislation to create an offence to operate a vessel with a blood alcohol content above 0.05. Where is the decision on that? That is a Riley recommendation.

Mr GUNNER: The policy sits with the Transport minister.

Mr WOOD: Why, under shared priorities for the regional network, do you not include fixing extremely low—or mention at least—extremely low school low attendance at some of our schools? Some of our remote schools have attendances between 30% and 50%, and also there is areas of high unemployment.

I took figures from NT Treasury, which was the 2019 Aboriginal labour force, which basically said that matters have become worse. As a result, the gap has widened by 5.2 percentage points to 48.7 percentage points in the NT over the intercensal period. As reported in the 2016 Census, unemployed Aboriginals in the NT make up 10% of the total working age population, representing the third highest proportion of all jurisdictions.

You have a shared priorities policy. Some of those, I believe, are really fundamental issues being addressed, because without those being addressed Aboriginal people will not be part of the economy. More likely, many of them will end up in prison.

Mr GUNNER: I can confirm it is a priority. Why it is not under that particular area, I can seek advice on. It is definitely a priority for Education and within DCM it is one of the drivers of our local decision-making policy about local communities taking control of their school. Concerns around attendance and effective attendance are a large part of that. As you would know 80% is the important mark here but whether a kid goes to school for 80% of a school year—attendance as a raw stack can actually mask a problem.

Department of Education will be able to talk about this in greater detail. In Gunbalanya, for example, when they have a local set up there with the election et cetera—their attendance rate has not increased markedly but the quality of the attendance has in terms of how many kids are going for 80% of the school term. They would accept that too but there has been a significant outcome there in terms of the 80% mark.

We have that as a priority through LDM and Education has it as a priority. In terms of the shared bit, I do not know if there is an administrative answer around that.

Mr COWAN: Member for Nelson, through our regional coordination committees, that our regional executive directors chair in all of our regions, Education sits around the table and part of the priorities that are discussed are some of those cross-cutting, inter-agency challenges like school attendance and that is where part of the whole-of-government coordination occurs to support improved attendance.

As the Chief Minister said, as part of local decision-making, there is a community-led schools policy which the Minister for Education will be well placed to talk to. Local decision-making is also a key priority in addressing some of those low levels of school attendance; having Aboriginal people having a stronger say in the running of the schools.

Mr WOOD: I suppose from a budget outcome point of view, you may have all those local decision-making processes set up but if I am purely looking from a budget point of view, the outcome next year and the year after, if it does not achieve some changes, I am going to be asking what this policy has achieved. That is what I would like to see come out.

Mr GUNNER: Maybe I can talk to the Anindilyakwa agreement, if you are okay with that Gerry. Education was accepted as one of the areas. There is a general plan about what we might want to do there. They want to look initially at a day boarding school at Milyakburra before slowly transitioning to take over the other three schools that are on the site.

What we are negotiating out through that contract is the ability to hold each other to account: we transfer the money, they get kids to school et cetera. That has been negotiated out through that. We accept that there needs to be outcomes. Anindilyakwa has accepted that they are happy to sign an agreement where they are held to account and they can also hold us to account. It goes both ways, the point of contract law.

This goes to the frustrations that a lot of these people have in communities—that government has a policy, then two years later has a different policy, and then two years later has a different policy. It is about putting them in control over a sustained period of time in a way they can hold us to account as much as we can hold them to account in terms of an outcome.

Mr WOOD: My last question on this section is about Jabiru. What was the agreement when the mine finished? Was Jabiru meant to go back—I gather it was meant to be bulldozed—to being Aboriginal land? Is that what will happen?

Mr COWAN: Yes, the initial agreement was for it to be returned as part of the park. There has recently been a native title determination for Jabiru and it is Aboriginal land.

Mr WOOD: When the town is reconstructed, will the town be a private town or a public town.

Mr COWAN: Currently the traditional owners are working with the Commonwealth Government regarding a 99-year lease, a section 19A lease under the *Aboriginal Land Rights Act*. That is part of the process. They are the traditional owners for the town of Jabiru. The tenure that is being proposed and it is being worked through at the moment is for that to be a lease under the *Aboriginal Land Rights Act*.

Mr WOOD: What I am getting at is that the community then receives a whole heap of infrastructure which is worth a lot of money that is technically supposed to get flattened when the mine closed. Is there any offset between the government having to pay a lease agreement for 99 years and the handing over of infrastructure to offset that cost?

Mr COWAN: At the moment we have an MOU that we are working on with the Commonwealth Government and the traditional owners and Energy Resources Australia. Part of the negotiations to deliver on the vision for the traditional owners is to work through that around existing assets—do they stay or do they go—and what are the responsibilities of each of those MOU partners around the future infrastructure.

It has been made very clear by the traditional owners that they want the town to stay and seeing a future for tourism and for expanding and supporting service delivery in the West Arnhem region. Part of that will be worked through as part of the implementation. With the commitment from both governments—a significant financial commitment from the Commonwealth Government in the park and also the town, and also a commitment from the Territory government to support the future of Jabiru.

Mr WOOD: This might be a technical question, but if you develop that town with roads, who is responsible for those roads? Is it the local government, the Traditional Owners or the NT Government?

Mr COWAN: With most things within the town of Jabiru, and Kakadu, it is quite a complex web, Member for Nelson. Some roads are owned by the Northern Territory Government and some are owned by the Commonwealth Government. Through that, the long-term leasing arrangements will be worked through as part of those negotiations. But it is quite complex in regard to the different ownership.

Part of the Commonwealth funding contribution that they announced is to support improvements in roads within Kakadu, it is a \$70m commitment. We were working closely with the Commonwealth Government and Parks Australia, and also their roads organisation, to ensure there is a broader roads strategy. That will pick up some of your question regarding the ownership of the roads, the repairs and maintenance going forward, and which roads get prioritised initially to support an uplift in tourism and improve safety in the park.

Mr WOOD: So is there a role for the West Arnhem Regional Council?

Mr GUNNER: If I can answer, Gerry, some of that is still being clarified about who picks up which road when the GTDA moves on. So it is not a simple answer yet, as it is something that is being worked through.

Mr WOOD: So is the West Arnhem Regional Council involved in these discussions?

Mr COWAN: Yes, definitely. We are meeting regularly with the West Arnhem Regional Council and keeping them across the implementation and the priorities. It has also been involved in our working groups.

Mr WOOD: Finally, what is the \$125m for infrastructure within the budget for?

Mr COWAN: I can answer that.

Mr PAECH: While Mr Cowan is finding that, just from what Gerry was saying, it is not just roads, it would be the housing as well as to what the relationship will be and how they will be classified?

Mr GUNNER: The likely model there is similar to the DEAL model in terms of the housing asset base that was owned by the mining company. A developer in East Arnhem Land created that model where they handed over the housing in trust and they created Developing East Arnhem Limited company, which used that housing to create enterprise within the township. I would assume it would be some variation on that model.

Mr COWAN: Regarding the \$125m identified in the budget, there were a number of commitments that government made in the middle of last year in July, with a commitment to essential services in the town. There was also a commitment on a guarantee for the public service numbers to ensure we stabilise the population with a transition to mine closure, which was a similar learning we had with the curtailing of the refinery in Nhulunbuy—that worked very well for stabilising the population.

Some of that funding will go towards a new power solution within Jabiru. There will be funding towards a Bininj resource centre, which is to look at cultural heritage and Aboriginal economic development. That is a physical building which will be for all Aboriginal organisations within the park.

Mr GUNNER: I will jump in quickly there. That one is very important for the future of investment in Kakadu and keeping Kakadu open and creating great opportunities in Kakadu. At the moment in Jabiru, the Mirarr have a resource centre which recognises their role as Traditional Owners of Jabiru. There are a significant number of other traditional owners through the Kakadu National Park that do not have a space like the Mirarr do. Mirarr recognised that and it is really important that there is a space for them in Jabiru's natural collection point. We recognise that.

This investment for the Territory government, it would be fair to say, is significant for the Australian Government and Parks Australia getting positive outcomes in the Kakadu National Park, so everyone is a winner.

Mr COWAN: I guess there is funding there, as we talked about before, for roads and essential services, looking at water network maintenance, funding to look at a future airstrip—or upgrading the existing airstrip I should say, looking at upgrades to the existing landfill capacity within the town.

We also have a number of priorities that we will look at improving service delivery, looking at the current medical facility. Opportunities to diversify around education, being a dual-world heritage national park. Funding to support improved mobile connectivity in Kakadu predominantly, both from a road safety perspective but also at some of those key sites so you can use social media to show where you have been and help talk up the park.

We have also got funding going towards, and the Chief Minister touched on this, a new company that we have established with the traditional owners, Gundjeihmi Aboriginal Corporation, which is representing the traditional owners, which is Jabiru Kabolkmakmen.

This company is being set up on some of the learnings of developing East Arnhem Limited which was created post-curtailment to diversify the economy in the East Arnhem region. Similar learnings from there, longer term it will be around economic development but in the short term it is looking at how we can transition from the current tenure arrangement and ensure that there is confidence moving into a new township lease.

There is a long of work that needs to be done around some of the liability sitting within the town and how we discharge that liability to ensure that there is a plan around, for example, some of the asbestos that is sitting within the town centre and the built environment.

The other function of the company is also to provide a project management facility. This really is being set up to support with the implementation of the commitments from both the Territory government and also some of the elements from the Commonwealth government.

Mr WOOD: Could I ask quickly ...

Madam CHAIR: If it is the same, because I have the Member for Fong Lim ...

Mr WOOD: Yes. If people who live there and want to stay there—will there be the ability for people living in Jabiru?

Mr COWAN: Yes. Part of that process in moving to a new lease is meeting with all existing sub-lease holders, people living in the town, the significant work that is kicking off around that. We will, hopefully by the end of this financial year, be opening a new shop front in Jabiru which will be the place for this new company, Jabiru

Kabolkmakmen and that will provide a central point for residents to meet and find out about the implementation and keep them informed of the process going forward.

Mr GUNNER: An important variation to the point of Jabiru is happening right now. Remember, Jabiru is there to service the mine, at the moment. The traditional owners are part of this process where Jabiru can now service the region, which is an important change. In terms of how we view the town, the point of the town, how the town is going to be working, which is important to note. In terms of, can people live there—yes. It goes beyond that, there is now a change to the spirit of Jabiru.

Mr WOOD: As long as they keep the footy team going I am happy.

Mr GUNNER: Well, they are the Bombers, so I am not sure about that.

Mr COWAN: Member for Nelson, so you are comfortable, there is significant work happening there across all those parties to ensure that we have a strong future for Aboriginal people living in the park, but also for the broader region. It is quite an exciting program.

Mr COLLINS: My question is on advertising. How much has the department paid to the NT News in the last year and what is the forecast spend for 2019–20, bearing in mind there are three separate entities. There is the Sunday Territorian, Darwin/Palmerston Sun and the NT News, which make up the spend.

Mr GUNNER: We are checking to see if we have the answer on us or need to take it on notice. We will take it on notice.

Question on Notice No 3.6

Madam CHAIR: Member for Fong Lim, please restate the question for the record.

Mr COLLINS: How much did the department pay to the *NT News* in the last year and what is the forecast spend for 2019–20, bearing in mind there are three separate entities, the Sunday Territorian, Darwin/Palmerston Sun and the NT News.

Mr PAECH: What about the Centralian Advocate?

Mr GUNNER: Do you want the Centralian Advocate?

Mr COLLINS: Yes. My apologies, Member for Namatjira.

Mr COLLINS: Just also on that, whether the relationship is an ad hoc relationship or whether there is an ongoing contractual relationship.

Madam CHAIR: The Member for Fong Lim's question is allocated the number 3.6.

Madam CHAIR: Any further questions on Output 10.1? That concludes consideration of that output.

Output 10.2 – Regional Coordination and Aboriginal Affairs

Madam CHAIR: We will now move onto Output 10.2, Regional Coordination and Aboriginal Affairs. Are there any questions?

Mr HIGGINS: I have a few. I am sorry that some of them are related to Jabiru as well, as it falls into this area. I did not want to add them to the other. The first one relates to alcohol management plans. There has been a lot of toing and froing between the Territory and federal governments about the alcohol management plans and how many sit on the minister's desk.

Before I ask the specific question, I will point out that the Riley Review final report references that since 2015, the NT Government and the Australian Government have agreed to move away from the standards and approval processes of the alcohol management plans and focus on the development of alcohol action initiatives. I know that recently the Chief Minister said there is a whole stack on the Indigenous Affairs minister's desk, and he said 'no'.

Mr GUNNER: I can clarify. Under the intervention the NT Government lost this power, as identified by Chief Justice Riley. The federal government has indicated for a long time that they are not going to be taking this approach with alcohol management plans. We would like them to change their position. The reason why there is not a large number sitting on the desk of the federal Aboriginal Affairs minister's desk is because the federal Aboriginal Affairs minister advised that he would not be considering them.

We are happy to put 40, 50, or 60 on his desk, but what is the point of that if they will not be processing them. There has been a significant amount of work in this space. We want to have progress in this space. We see this happening under the local decision-making framework. It is about people locally expressing their opinion about whether they want or do not want a social club and in what circumstances, making sure that everybody in that community is being consulted. Not everybody wants one. It is about working through things with locals.

From our point of view in terms of DCM and our ability to answer this, it is through the LDM. A lot of the other questions you might pose to the alcohol minister, who does the AMPs. We are simply seeking from the Australian government an indication of whether they are willing to work with us on this issue or not. If they are not we will wait peacefully until 2021 when we get the power back. If they are willing to work with us, then we can proceed with a number of things.

I am sure you had the same conversations I had in Wadeye. They have had some conversations, both men and women, towards having a social club on community. They want to know how they proceed with this. At the moment we are saying to them that we are happy to have these conversations through the LDM, there is a significant body of LDM happening out in the community. They already have police in that community. It is one where significant progress could be made, but at the moment the federal minister has the final power on this. I might hand it over to Bridget to talk more at that point.

Mr HIGGINS: I think my question is that there has been the accusation that these are sitting on the minister's desk.

Mr PAECH: Well they are.

Mr HIGGINS: I will just answer that. The Chief Minister just said, 'No, they are not sitting on the minister's desk', Chief Minister. Could you tell me if there are any sitting on the federal minister's desk. The answer you gave before was no.

Mr GUNNER: It is the semantics. They are not physically sitting on his desk, in his in-tray right now.

Mr HIGGINS: Thank you.

Mr GUNNER: But there have been significant numbers put forward that were not considered. What we want is for a federal minister to say they will work with us.

Mr HIGGINS: This is not a criticism of what is happening or what we are trying to do here, it is the spin that has been around it. When I try to find answers on this—so I tried to find answers on this by seeking 12 months to find out whether there were any sitting on the previous minister's desk. He said there were none. I then heard the same thing come out on 5 June.

Mr GUNNER: It is a very cute answer from the Australian government.

Mr HIGGINS: It is a very cute answer from you to say on 5 June that they are sitting on his desk. What is the difference then? Has Riley said that we are using a process called development of alcohol action initiatives? We have been doing that since 2015. Can we get an understanding of what the difference between that and the alcohol management plan is?

Mr GUNNER: That would sit with the alcohol minister, if that is your specific question, it is not worth me. Licensing NT—the Attorney-General.

Mr HIGGINS: How much discussion have we had with the new minister in regard to ...

Mr GUNNER: We have formerly written to him. The Minister for Aboriginal Affairs has rung him and we will be having this conversation with him.

Mr HIGGINS: I want to know what the conversation was—the questions that we are asking you. Have we written to him to say we do not want to go with the development of these action things? We want to go with the local decision-making. How much detail have we passed on to them?

Mr GUNNER: We will get clarification. We will give advance notice to the Health minister or the Attorney-General on this. There is 30 or 40 or there might be more alcohol management plans that have not been progressed by the Australian Government.

Mr HIGGINS: Who is sitting on them at the moment? Has the Attorney got them?

Mr GUNNER: They have been done and put forward. They are not sitting on the Aboriginal Affairs minister's desk now because he went—'no, nothing to see here. I do not want to do it.'

Mr HIGGINS: Can we get a list of what those 40 are?

Mr GUNNER: We have been stymied on this by the Australian Government. We would like to have progress on this reflecting what local people want in their communities and I see this as a question of equality. Not everyone wants one. For example, in the conversation I had in and around APY with women there—'we are dry; we do not want to go back to that'. there are other communities that actively think this will lead to a better and safer outcome in their community, and Wadeye is an obvious one that has put that case.

We will give notice to the alcohol minister about this so that she can answer these questions.

Mr HIGGINS: My reason for asking these questions is not to say what we are trying to do is wrong. I completely agree. I am a strong supporter of that local decision on whether they want it or not, but it is very hard to have discussions with these ministers if I am getting incorrect or misleading information. What I want is clearly the facts and that is it—without the politics in it. I just want the facts.

Mr GUNNER: I understand what you are asking, Leader of the Opposition. This is where it sits. The intervention came in. It took this power away from us and gave it to the Australian Government. The Australian Government has consistently said no. Both parties federally have said no.

What we are seeking permission for is the ability to do this here. There is a whole body of work that we can do if the Australian Government is prepared to work with us or not on it. The federal government often gives a very cute answer, but it is not physically sitting on our desk right now. That and ignorance of all the work that has happened prior to today.

We simply want a green light from the Australian Government whether we can or cannot proceed with this otherwise we will simply proceed with it when we get the power back in 2021.

Mr HIGGINS: Can I get a list of those ones?

Madam CHAIR: Are we putting a question on notice here?

Mr GUNNER: We are giving notice to the alcohol minister.

Mr HIGGINS: The alcohol minister can also then give us some evidence on where these have been lodged with the Commonwealth. If they have been lodged they must go with an application form or a letter. If I can have those that say 'here it is', it makes my job easier if I go down there to try and lobby for it, which I will be shortly.

Mr GUNNER: This is where I see with the new minister rather than having this old fight that we keep having with the previous minister which was just nonsense. All we need for the new minister is a clean slate. Is it a yes or a no? Then we will proceed with him if it is a yes. If the answer is no, we will wait until 2021.

Mr HIGGINS: I do not want to go there and have him say no, I do not have any sitting on the ...

Mr PAECH: They would be invalid anyway. They have been sitting there or they have been pending for so long.

Mr HIGGINS: I am trying to find out if they are sitting there and which ones they are.

Mr GUNNER: That is actually a very fair comment from the Member for Namatjira. I would not want to rely on the work that led to the plan being developed prior to 2015 to form our work now in 2019.

Madam CHAIR: Are there any further questions on Output 10.2?

Mr HIGGINS: Barkly region—in the budget there is an allocation of \$2.2m. Can we actually say what projects that is for and that is a commitment to the federal coalition government Barkly Regional Deal? What is that actually for?

Ms RYAN: On the funding, there is \$500 000 for a community-funded project and \$300 000 for mediation available around communities.

Mr HIGGINS: Was that remediation?

Ms RYAN: Mediation.

Mr GUNNER: Ali Curung, for example.

Ms RYAN: There is also \$1m for a trauma-informed care service, which we will probably end up giving to Health to work with, but it is placed with us for the moment. There is \$300 000 for a social investment service. A lot of the DCM money will go to non-government organisations to deliver services.

Mr HIGGINS: What was the first one again, the \$500 000?

Ms RYAN: The community-funded projects.

Mr HIGGINS: What would they be?

Mr GUNNER: We are shuffling through notes, but we will get you an answer.

Mr HIGGINS: Will DCM employ any additional staff to do that? Or will that be handled within?

Ms RYAN: We are handling a lot within, but there is some money coming from the Commonwealth to help employ someone to manage the deal between the partners—that is, us, the Commonwealth and the council.

Ms BELLENGER: We will also have an additional staff member with the Department of Business, Trade and Innovation as an economic development officer to raise the level of work being done across the Barkly region.

Mr HIGGINS: Will they be based in Tennant Creek?

Ms BELLENGER: Yes. You may have noticed recently an advertisement for a backbone team there as well to support the Barkly governance table and take the Barkly Regional Deal forward.

We are working across agencies now in regard to staffing and location to co-locate agencies together, like the Barkly business hub, to make a better process more efficient for the Barkly region.

There are a number of community mediation programs happening, particularly in Ali Curung, but more broadly as well. That has been rolled out for about 12 months now, and we have seen a bit of a difference. Most recently there was a 'return to Ali Curung' function at the community, where everyone got together and talked about returning to the community in good spirit and goodwill. A lot of the funding has gone towards those.

Mr HIGGINS: How many additional staff will we end up with in Tennant Creek, either through DCM or some of these other ones? Do we have a feel for that? You were saying 'co-locate' ...

Ms BELLENGER: There is probably only one planned for.

Mr GUNNER: This is where it gets a bit complicated. We have a report, which is a bit dated now, whereby post-mapping exercise we put additional people in Tennant Creek—alcohol and other drugs nurses, Public Housing Safety Officers. We put a significant number of extra people in Tennant Creek for a specific reason and specific services. That happened prior to the Barkly regional deal being negotiated and recognised by the Commonwealth. We can probably update that.

Bridgette is correct in regard to the specific outcome of the Barkly regional deal being one additional person in DTBI, but that minimises the additional people we put in ahead of the deal being negotiated.

Mr HIGGINS: The figure I am after is the additional people are there, supporting the region, not necessarily DCM staff but positions we may be funding.

Mr GUNNER: There is more to that services mapping exercise.

Mr HIGGINS: Can we get an update on that?

Mr GUNNER: Yes. I am sure we can. We will take that on notice.

Question on Notice No 3.7

Madam CHAIR: Opposition Leader, please restate the question for the record.

Mr HIGGINS: Can I get an updated copy of the Barkly services mapping exercise?

Mr GUNNER: The regional director in Tennant Creek will understand what we are talking about. There will also be a potential increase in NGO staff in the area as well as a result of the Barkly regional deal. We will attempt to include that in the answer to the extent we can.

Mr HIGGINS: I am trying to find out how many additional resources are being put in there that are being funded by ...

Mr COWAN: Across the 28 projects that the three levels of government have committed to, we hope there would be a number of jobs, whether it is with the weather radar or the new youth justice facility ...

Madam CHAIR: Mr Cowan, procedurally I need to give that a number. We can discuss it further afterward. Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader is allocated the number 3.7.

Madam CHAIR: Please feel free to continue discussing.

Mr GUNNER: It is a good question. My last few—I have obviously been to Tennant Creek a lot over the last 18 months—at my formal engagements I always try and provide an update of that because I think it is really important to know. A common example would be the three Public Housing Safety Officers that used to service Tennant Creek out of Alice. We now have them permanently based in Tennant Creek. They are the sort of things that have happened over the last 18 months that we will provide you the detail on.

Mr HIGGINS: They would be very good ministerial reports. Just picking up for the Member for Nelson there. The coordination of government services and when all these issues in the Barkly started, what sort of changes in terms of coordination have we got there?

Mr GUNNER: In the Barkly or full stop across the Territory?

Mr HIGGINS: In Barkly. I know we have heard mention of co-location of some of these services.

Mr GUNNER: I will hand to Andy or Bridgette but I will start with a little bit first. We made the significant change that we discussed earlier that affects everybody which is an agreement about the exact regional boundaries which has been very helpful. As part of that decision, we also made it clear that the DCM person in each region was the local chair of the co-ord. There is a clear structure as well as a common boundary.

In Tennant Creek, we increased the seniority of the person who was based there. That is probably the most significant change we made from an organisational point of view in the Barkly post the incident in terms of the structure. There is also then how we worked in with locals which is now formally the leadership group, but I will ask Bridgette to pick up.

Ms BELLENGER: In addition to upgrading—the Chief stole my thunder there—the regional executive director Craig Kelly back to a senior level. We also have a new position in terms of a high-level support for him as well. We have seen the difference that has made in the Barkly region.

The co-ord committee—Jodie had mentioned earlier the regional co-ord committee and how that is working. We have invited both the land councils and the local government representatives to join that committee and to have a really whole-of-Barkly regional look. They have a list of priorities that they work through and the synergy across the three levels of government and the land councils have made a significant difference.

I have also been in Tennant Creek and have been out to every community in the Barkly in the last 6 months. I am in Tennant Creek fairly regularly. I can see the difference on the ground with agencies working together but also the connection of the community and all of the community consultation forums as well back into government providing advice.

An important note with the Barkly regional deal is where it started. There were about 100 projects listed across about 18 different consultation processes going out to many of the homelands and certainly all of the communities and different forums including public forums within the Tennant Creek region.

From that, the governance table, the group of people actually nominated by their associations and different sectors including representation from outside of Tennant Creek, then formed—with the sum of money known—the 28 priorities. So that has come using local decision-making principles from the community and given them confidence that government is backing what their priorities are on the ground.

We have an implementation board approach with the Commonwealth, the Barkly Regional Council and ourselves and then we have the leadership group. Both of those mechanisms play out to make sure the implementation is locally-involved and that everything is on track.

Some of the projects like workforce planning is really critical so we have to start that work now so that when some of the infrastructure comes into play, you have a workforce ready locally that can take advantage of that. A pipeline of work is really important as well so that people keep having jobs and employment through that process.

Mr HIGGINS: When we talk about the DCM staff member, co-ordinating or chairing this co-ord committee—one of the things that I have noticed over the years is that you get people from government agencies going out to communities to consult on different things. Are they coordinating some of that? If a team wants to go out with people in Yuendumu, are they made to actually go through that person at DCM before they actually front out there? That was something I suggested many years ago.

Mr GUNNER: We have a consultation guideline—a remote engagement strategy—which gives best practice about the fact that you should actually get together and work out who is going to a community when and minimise the impact on the community, rather than having a Toyota dreaming rocking up every day.

The ability to implement that has been improved by the common boundaries and the DCM chairing the regional coordination. I would not say it is perfect yet, but I think there has been significant improvement in a proper conversation about who is going to a community when to do what and managing that.

Underneath that, there has also been significant improvement in who will knock on a family's door. You often had too many agencies engaging with a family for no outcome. Now there has been far fewer engagements for a far great outcome as a result of that as well. This is all stuff that can be driven through having that common set of boundaries and structure.

Mr HIGGINS: I suppose that goes both ways. It was probably the way I asked the question, but I also implied that it is sometimes the community that says, 'No, we are going to be available on this day to have the meeting', rather than the department getting together and dictating a day. So I hope it happens the other way.

Mr GUNNER: Yes.

Mr HIGGINS: Knocking on doors—a big no in Wadeye. You do not go and knock on a door.

Mr GUNNER: I was speaking generally for the Territory as a phrase.

Mr HIGGINS: You park your car and you wait until you are invited. In Jabiru, there is \$2.5m to support that one. What is that actually for? That is in 2019–20.

Mr COWAN: Opposition Leader, it is for support for the operations of Jabiru Kabolkmakmen, the company, and also project implementation for DCM.

Mr HIGGINS: How many staff do we currently have because of that initiative, and are we going to plan on employing any more? I presume there are people out there to do it, or do we have none?

Mr COWAN: No, we have a couple of staff in the team. We have three positions, two are currently filled. Part of the reason of creating the company is to support that implementation and ensure that we had a presence on the ground out there. Through our regional network we have a senior person who looks after the Top End region and a coordinator that works across Jabiru, Gunbalanya and Maningrida, which supports elements of the service delivery and the improvements in that area. There are locally-based staff members. There is also a regional development officer who is sitting out there in Jabiru supporting that broader West Arnhem region.

So there are two elements. There is a specific team supporting the future of Jabiru, a very small team. There is then the company that I talked about and also some regional staff who are based in Jabiru supporting the West Arnhem region.

Mr HIGGINS: When we talk about staff that are based in Jabiru, are they local Jabiru staff? Have they been employed locally or have they been freighted in—there are no boats out there—driven in?

Mr COWAN: Both are based there and live in the community.

Mr HIGGINS: Were they recruited locally or coming out of Jabiru?

Mr COWAN: One of the people who has just moved on, he had been working in the region for a number of years in the Education department and then saw the opportunity in regard to the project in Jabiru and came back to work on this project and had fantastic relationships across the region.

We run a merit-based process to fill those positions as any other position. If there are local people who have the right skill set to lead the project, we definitely would be recruiting local people.

Mr HIGGINS: There is also \$4m being spent this financial year. What is that for?

Mr COWAN: The funding for this year, some of that is for staffing, as we have just talked about. There is a number of consultancies or engagements that we are undertaking to better understand the implementation risks and also the requirements moving forward. We are doing work at the moment looking at some of the homelands where we have been doing an assessment of some of the homelands close to Jabiru as part of some of our consultancy work.

We are doing further work from an implementation perspective around the number of projects that are going to be rolled out over the next few years. We have assessment work being done around some of the infrastructure. We have engaged a local company to undertake some further work preparing us to go to market around the new energy solution. We are doing a piece of work with the MOU partners around the economic, social and environmental value of Kakadu.

There are a number of those individual consultancies. As I mentioned before, we are also using some of that funding to set up the new company. Some of that funding will go into the operations of that new company. That gives you a broad overview, Opposition Leader.

Mr HIGGINS: I think we have an answer on the \$125m before we got that breakdown.

If I can go to treaty, there is a budget allocation of \$1.4m for the implementation of that. How is that planned on being spent? Is it staffing or operational? What are we planning on doing with that?

Mr GUNNER: Do you want a breakdown?

Mr HIGGINS: Yes, just roughly.

Mr GUNNER: I will see if we have a breakdown. If we have not I will take it on notice.

Ms RYAN: It is across a range of things. Some is staffing for the commissioner, the deputy commissioner that we are hoping to get and two or three staff members. Some of that is some travel because he will obviously need to get around the Territory. There is also an amount that will be for the Aboriginal Interpreter Service, so when he goes out he is going to have interpreters with him as well.

Mr HIGGINS: Has any of that been spent this year?

Mr GUNNER: As in 2018–19?

Mr HIGGINS: Yes.

Ms RYAN: To 31 March, it is \$259 000.

Mr HIGGINS: This will be for the Chief Minister, I think. What is the relationship between—I am just trying to get an understanding of this—the local decision-making agreements and the treaty negotiations. What are the links that we are trying to get there?

Mr GUNNER: The Treaty Commissioner is essentially doing a desktop study—for want of a better phrase—at the moment about how treaty works in other places and preparing something for consideration around the Territory context. I see local decision-making agreements having the potential of being the seed of treaty. That is not necessarily to say that they will be. They can exist in and of themselves. When you consider one of the elements of treaty is reparations, it might be that the LDM fits neatly in that spot, recognising that in the Territory we are essentially doing small T treaty as opposed to what is commonly discussed, which is capital T Treaty, which only the Australian Government can do.

Our form of treaty will be different in the NT and much more within our ambit. What is in our ambit is local decision-making so that is why I see it as being potentially that seed for treaty. We will see what work the Treaty Commissioner does and what advice he provides and how he goes about his own work. I see LDM potentially being a stepping stone—I do not like stepping stone, ‘seed’ is probably a better way of looking at it. It might be that there is a parallel process altogether.

That is work that is being progressed through now. Local decision-making is a very practical thing that impacts people’s lives and gives them control. I see that as a natural step towards treaty but other people might have a completely different view on that and we are allowing that to go through the treaty process.

Mr HIGGINS: Have we had much discussion—I presume you have with the federal opposition in the lead-up to this—with the federal government regarding treaty. I know they are looking at these sorts of things. Have you looked at how ours might tie in with that?

Mr GUNNER: You keep them in the loop. I have formally written post-election to the Opposition Leader and the Prime Minister, essentially introducing Mick. The treaty commissioner will do a larger extent of this work than I will. I have introduced Mick—everyone knows him already, but in his current title—to the Prime Minister and the federal Opposition Leader.

Mr HIGGINS: Will part of his role be ensuring we have that link, or that we do not get any conflict between ...

Mr GUNNER: I think that will naturally sort itself out. I do not see a barrier between the two, if that makes sense. As long as we keep each other informed, that will be all right. We are probably advancing at a quicker rate than the Australian Government, but it has also been easier for us to define what we intend to do and how we go about it. By doing LDM parallel to this it will put us in an advantageous position.

Mr WOOD: Are you still going on treaty?

Mr HIGGINS: Yes. What guarantee, if you were to lose government, do you have that the treaty will continue? It has no real constitutional thing as a treaty.

Mr GUNNER: We will be drafting legislation that establishes the office of the Treaty Commissioner. We have appointed him and he has his role. We want that in an act of parliament, which will help provide protection beyond this term and terms in the future. I believe the final form of treaty was negotiated, and based on the advice from Professor Mick Dodson about how this has gone in other places, it will probably be outside my term as Chief Minister. It takes a long time.

It should be done in a contractual form that is lasting. Hopefully at that point in time it is a bipartisan—or multi-partisan, to reflect the Independents—agreement in parliament. If you look at how it has happened in other places around the world, it is obviously far more effective if it is something that can be upheld in a court of law. That would only be the right way of doing it.

Mr HIGGINS: I do not think we have ever been asked if it would be bipartisan, but I was there for the signing of it.

Mr GUNNER: That is right. We are still short of where a bipartisan agreement would be necessary. That is the work of the treaty commissioner. It will build up to a point where the parliament would be unanimous in agreement in regard to what form treaty would take.

Mr WOOD: I feel like I am out of the loop when it comes to discussion on treaty. A treaty is between two people. At the moment it is between you, the government, and an Aboriginal group of people. If a treaty is to succeed you need to bring all sides along.

Mr GUNNER: That is in the terms of reference for the Treaty Commissioner.

Mr WOOD: My understanding is there is a capital T Treaty and a small T treaty. I had never heard that discussion before. Do you think there is a need for you, as you have been leading this, to bring forward a statement in parliament that can be discussed? I have very little knowledge of what the nuts and bolts of this treaty will be about. I will not support anything I am not sure about. I am not against people having agreements, but I am concerned that we have about 85 different groups of people in the Northern Territory varying from very traditional to not-so-traditional.

All those nuts and bolts about treaty—the philosophy of a ‘small T’ treaty—have not been widely debated or discussed in the community. Before we go down the path too far, is there a way the community can hear your policy on this, why you have that policy and what it will mean? Also, from the point of view of the Independents, you meant ...

Mr GUNNER: I think you are assuming it is at a certain stage that it is not. What we have said is that we welcome the idea of a treaty, and what you are talking about is here—we are still working up to that point for that kind of conversation. That is the work the treaty commissioner is doing right now which would then inform a paper that would go to what you are asking for. You have to do the work for that. Would that be fair?

Mr WOOD: Well you have to know the philosophy behind why you are having a treaty. I am not saying that some people might say it is easy but we are not talking Australia here, we are talking the Northern Territory. How does the philosophy behind a treaty fit in with in with our Northern Territory?

Mr GUNNER: Have you read the terms of reference? I think a lot of your questions would be answered by reading the terms of reference for the Treaty Commissioner. Do we have the terms of reference here?

Mr COWAN: No, but Member for Nelson we do have a document that is produced by the Treaty Commissioner’s office. There is a website that has a copy of the terms of reference. It steps out the process. As the Chief Minister has indicated, the commissioner is at the start of that process around high level consultation across the Territory.

I understand he was at Barunga on the weekend and this was to ascertain if it is something that Aboriginal Territorians want in the first instance. There will be a discussion paper coming to government early next year as part of the first stage of the process. In the second stage of the process there will be a final report that comes to government.

During that process, as the Chief Minister indicated, there is a desire to look at creating that as an independent office through legislation. At the moment we are right at the start of that process. That website has a lot of great details on there that may answer your questions.

Mr GUNNER: If I can give you some more detail here, Member for Nelson. No one is negotiating a treaty at the moment. Let us be really clear on that. Professor Mick Dodson, the Treaty Commissioner, is developing a framework for the potential negotiating of a treaty. Early in that process he is having conversations with a range of people including Aboriginal Territorians, face-to-face meetings, updates, online surveys and written submissions. He is open to that.

There is research nationally and internationally in this area as well as looking at international human rights standards. We are getting legal advice about what is or is not possible. Some of the stuff you are asking about, we need to know that before we go out.

At that point in time he will provide us an interim report, which is where we start a lot of what you are asking for, if you go right back to your original question. At the moment I could tell you what would be in or out of a potential treaty in the NT legally. Let us get that and then let us have that broader conversation that you were talking about. What we are saying at the moment is that we are very open to the idea of a treaty or treaties in the NT. Let us have a conversation about what that means.

Is that fair? A lot of what you are asking for—I get exactly what you are asking for but it is a bit too early for that.

Mr WOOD: Do not put me in this black or white category but what I am saying is that there is another group of people living in the Northern Territory who need—if you want a treaty—to make they sure they come along with you.

Mr GUNNER: And that is reflected in the terms of reference.

Mr WOOD: Otherwise you will have divisions.

Mr GUNNER: Which is not in here but is in the terms of reference.

Mr WOOD: That is what concerns me.

Mr GUNNER: I accept that point.

Mr WOOD: I have some more on that section but it is only...

Madam CHAIR: Still on Output 10.2?

Mr WOOD: Do you want me to finish that bit...

Mr GUNNER: I have been given the terms of reference and I can table it for you if you like, Member for Nelson. So that you can see that.

Madam CHAIR: If you could table that it would be great.

Mr GUNNER: One of the responsibilities of the treaty commissioner is ensuring the broader public, including non-Aboriginal Territorians, are engaged. That is one example. I will table that.

This goes a little bit to the Opposition Leader's question. When we signed the statement of commitment in Yirrkala the chairman of ALPA said at that time, that he considered it the first real concrete step he had ever seen towards a treaty in this country. That was his comment.

Everyone has a different view of what a treaty is or is not and what should be in it or not in it. In terms of whether a LDM is there or could be potentially be the seeds of it, there are genuinely some people who feel that LDM will give people direct control over what happens on their country, and can form a treaty.

The capital T Treaty is very important for some people. I am not trying to say it is not important but for a lot of people what directly impacts on their lives is stuff the NT Government does, not the Australian Government. That is where they see an importance in LDM and how it can be what they would want from a treaty.

Mr GUYULA: Chief Minister, I am aware that your local decision-making partnership and your treaty commission are about meeting with key Aboriginal organisations. This is a very Balanda approach to working with Aboriginal people as you are working through organisations that have a Balanda structure and are not always representative of Aboriginal clans.

Many Aboriginal nations in the NT have their own governance structures. Why are you not meeting directly with clan leaders and elders across the homeland towns and communities? This would be a diplomatic way to engage with Aboriginal nations so that we come to the table equally.

Before you answer my question, I would like to show you a diagram. It was constructed or made by a senior elder who lived on Ramingining, who has sadly passed away, and was part of a school council committee and a chairman in a local authority—with ALPA, BDM—and did a lot of work with community there.

This was his structure of understanding of where everything fits in to. These are the two governments here, the parliament, Canberra and Darwin, and this is where all the organisations fit. The organisations we are talking about, he understands, are in here somewhere. If I can, I acknowledge the late *dhuway* who sadly passed away just three weeks ago, Matthew Gaykamangu.

This was his understanding of the organisations and the departments, people working areas with their law, the shop, clinic, police, and school everywhere else in the circle. The people we are talking about—the leaders and the clans and community and homelands—are situated over here, and they are the ones that we are talking about. What I am trying to talk about is the government coming to the Yolngu organisations or these key Aboriginal organisations, coming together and sitting down with different elders and clans so that these people have a say. These people have a way of thinking rather than these people in here—key Aboriginal organisations making decisions on behalf of the people down here.

Mr GUNNER: If I can answer, Member for Nhulunbuy?

Mr GUYULA: Yes, please.

Mr GUNNER: It is important that I read from the agreement I have signed because it answers the Member for Nhulunbuy's question, but there is a bit to this. What I have signed to Chair is that we acknowledge that Yolngu people of East Arnhem Land for over 60 000 years have successfully maintained their language, custom and laws, land and sea ownership and custodianship, culture, songlines and societies and that these societies exist today.

The Yolngu leaders who have participated in the local decision-making workshops, which led to this signing ceremony, had a united view that over the last 10 to 15 years there has been significant changes and disempowerment of Yolngu clans, leaders and communities through a range of government policy changes.

Over these years a complex arrangement of governance groups and committees has been established with good intentions by all tiers of government and regional organisations, which are not owned by Yolngu leaders, and with agendas and priorities largely set by government agencies or the leading organisation.

That is very much an acceptance of your point, Member for Nhulunbuy. I have more that will help you.

By signing this, we think there is an opportunity to simplify and regional governance, and ensure that systems of decision-making are Yolngu-led and -owned and which enable Yolngu cultural leadership and people to be at the heart of decisions that benefit their people.

We will be establishing an agreed approach to better understand and acknowledge the traditional Yolngu decision-making structures and how this long-held system of governance can support simpler governance and strengthen governance and local decision-making at the regional, sub-regional and homeland level. We will explore existing Yolngu and Balanda governance and decision-making systems across the Yolngu Matha speaking region of East Arnhem and assess their strengths and weaknesses. We will collectively engage with Yolngu leaders across the region's communities and homelands about the effectiveness of current governance and decision-making agreements.

We will be gathering information to understand existing decision-making structures, their purpose and their community representation; by who and how representation is determined, including active Yolngu traditional decision-making systems. So there is obviously a lot more to the agreement than that, but what we have accepted is having not necessarily got it right and there have been lots of good intentions over the last 10 or 15 years that have disempowered people and got things wrong. How do we take what Balanda are doing in our existing decision-making systems and what the Yolngu are doing in their decision-making systems and get a better way that properly reflects Yolngu?

I thought you had a copy of that agreement, Member for Nhulunbuy, but I am happy to give you a copy of that because I think it accepts your point and provides a way through how do you actually manage this. I am happy to table that.

Mr GUYULA: You say that everything is in there to work along with this. But sometimes in practical terms it is not working that well. In my experience I have worked between these Aboriginal organisations here and

these people here. I have worked between these people and the government, and sometimes with those; but sometimes I come up with points and try to point them out to the organisations and the government. There are people in departments and in Yolngu organisations who disagreed with what I said and with the message I have tried to pass on from these people.

Somewhere along there, there needs to be a better understanding so that these people understand. The Yolngu organisations up there need to clearly understand those people and the government, as well as me. We are all in this together so that there is no misunderstanding between the people out there on the ground, the middle people here if you like, and the government.

Mr GUNNER: I think this might go to your point. You want everyone to buy in. You are talking about Laynhapuy, Miwatj, ARDS or AAPA, et cetera, we obviously want them to buy in as well as the NT Government. That is the point you are making. That is what this does. It has them signing up to the same design. The final point is though, no matter what changes I might make, I can never guarantee that everyone will agree.

Mr GUYULA: No, that is not what I am saying.

Mr GUNNER: Before you set me up to fail, Member for Nhulunbuy.

Mr GUYULA: People down centre or anywhere in Australia if you like, they will have their own. That is why if we listen to these people here and what voices they want to be heard in this area or with the government, that is what they want to see happen. Other places can happen in the other way. It is whatever people prefer.

Mr GUNNER: *Yow manymak.*

Mr GUYULA: *Yow manymak.*

Mr COWAN: Member for Nhulunbuy, just to add one thing to what the Chief Minister mentioned. That is an overarching framework—an agreement between those organisations. So conversations have already happened with specific communities. I love your map there. That is exactly what our staff are doing in the regions. They are sitting down with community and working through what are the community priorities. This provides an agreement at a high level and an acknowledgement that we need to do things differently.

I think you would agree the signing agreement which was done bilingually, in Yolngu Matha—that is a commitment from government to look at doing things differently to ensure that everyone is standing side by side and understanding the process moving forward.

Mr GUYULA: That is okay, but I would like to make it clear so we can see and understand that the message must come from the bottom, up to the top to the government, and back—working together. This is a thing we made up, this design in northeast Arnhem Land. It could be something different in town here or somewhere else, as long as it is working for people in the community.

Madam CHAIR: Thank you, Member for Nhulunbuy. Do you have any further questions?

Mr GUYULA: Yes. As part of treaty and local decision-making negotiations, Aboriginal clans and nations should have an independent advocate, like a *jungaya*—the advocate is a *jungaya*—of our choosing to represent and coordinate our needs. How will this fundamental need be met? It is the same thing. Rather than organisations here, there could be an independent person somewhere up here.

Mr GUNNER: That might be an outcome of the work we are doing. For me, that sounds like something that might come out of the conversations we have with Yolngu clan leaders. I would not want to jump to that.

Mr GUYULA: I can provide you with this drawing.

Mr GUNNER: Thank you.

Mr COWAN: Member for Nhulunbuy, just to go to that point, as part of this process, we have engaged ARDS to have those conversations with the different organisations so it is not all government-led. I take your point on about that advocate.

Mr WOOD: Chief Minister, what is the cost to the government of the Timber Creek Native Title compensation case in legal fees and the compensation payout. Can you explain in simple terms the reasons for this compensation claim in the first place and is the Territory likely to have any more of these claims?

Mr GUNNER: Ms Uibo is the Minister for Native Title and will be able to answer those questions.

Mr WOOD: I thought it might have been a whole-of-government.

Mr GUNNER: It sits with DCM and DCM will appear with Selena at that point.

Madam CHAIR: Does anybody have any further questions on Output 10.2? That concludes consideration of Output 10.2 and Output Group 10.0.

OUTPUT GROUP 11.0 – GOVERNMENT SUPPORT
Output 11.1 – Support to Ministers and Leader of the Opposition

Madam CHAIR: The committee will now consider Output Group 11.0, Government Support, Output 11.1, Support to Ministers and Leader of the Opposition. Are there any questions?

Mr HIGGINS: How many community liaison officers or engagement officers are working for the government and what is the budget for this year?

Mr GUNNER: I would have to take that on notice.

Question on Notice No 3.8

Madam CHAIR: Opposition Leader, can you please repeat the question for the record.

Mr HIGGINS: Please detail how many community liaison officers or engagement officers are working for the Labor government and what is the budget in financial year 2019–20 for these roles? What are the KPIs?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader of the Chief Minister has been allocated number 3.8.

Madam CHAIR: Are there any further questions on this output?

Mr HIGGINS: Why did we have to get a speechwriter from interstate, as was reported in the paper? That is a question; is it true?

Mr GUNNER: To clarify, my speechwriter got another job. I congratulate him. He has gone onto other things. In the interim, we engaged a former speechwriter to the last two Chief Ministers just to operate on a casual basis. It is simply an interim role while we procure a new speechwriter.

Mr HIGGINS: Are we in the process of getting a new one?

Mr GUNNER: I can get you advice on that if you like, but there is a process.

Mr HIGGINS: How long do you think this other arrangement will be in place?

Mr GUNNER: Not long. It would be a matter of months at the most.

Mr HIGGINS: How many interstate people do you or your ministers have on their staff? Are there any other arrangements similar to this?

Mr GUNNER: Zero.

Madam CHAIR: Are there any more questions on Output 11.1?

Mr WOOD: Chief Minister, in the budget, support for the ministry and Opposition Leader has increased from \$15.4m to \$17.3m, an increase of \$1.9m. Can you please explain how that increase can be justified in light of your freeze on wages and a budget repair program? Can you detail the number of staff employed for each minister and the Opposition Leader?

Mr GUNNER: This is where the budget versus the actuals gets confusing. What we have actually done is apply a 3% efficiency dividend to my office and the Opposition Leader's office. We have actually had a reduction in our budgets. I am reducing the number of FTEs from 92 to 85. I have not applied that to the Opposition Leader; he can make his own decision about his number of FTEs. We have both received the 3% efficiency dividend on our actuals.

The estimates have not been adjusted over the last five or six years in regard to actuals. We said to employ an efficiency dividend you have to point to the actuals, and we have done that.

Mr WOOD: Do the Independents have to do that?

Mr GUNNER: No, I gave the Independents a continuation at the existing level.

Mr WOOD: It would be very hard—five into two, then take off 3% ...

Mr GUNNER: I have applied neither a reduction in FTEs nor an efficiency dividend to the Independents.

Mr WOOD: Can you let us know the number of staff you will be employing for each minister and the Opposition Leader?

Mr GUNNER: I am not sure we can break that down. I will take that on notice. There will be 85 FTEs from 92.

Question on Notice No 3.9

Madam CHAIR: Member for Nelson, can you please restate your question for the record.

Mr WOOD: Can you provide details of the number of staff you will be employing for each minister and the Opposition Leader?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Member for Nelson is allocated the number 3.9.

Madam CHAIR: Are there any further questions on Output 11.1?

Mr MILLS: Yes. I am seeking some clarity regarding the roles held in your office by Lynne Walker, the former Member for Nhulunbuy.

Mr GUNNER: She stopped working for me a while ago.

Mr MILLS: My understanding is that Ms Walker was initially employed to head up the community engagement unit in your office and was later appointed to a role that has been variously described as your expert Indigenous adviser or your key adviser on Indigenous affairs, or similar. I understand Ms Walker is no longer working for you, but for the sake of the public record it would be useful to have some clarity around this role.

I also understand Ms Walker had a number of staff and that an office in Nhulunbuy was established under the banner of a regional office of the Chief Minister.

Please provide details of all the roles that were held within your office by Ms Walker; the level of pay of these roles; the number of staff who reported to Ms Walker, and their positions and levels of pay; all travel costs incurred; where that travel occurred; and all costs associated with the establishment and operation of the office in Nhulunbuy.

Mr GUNNER: I will take that on notice.

Question on Notice No 3.10

Madam CHAIR: Member for Blain, can you please restate your question for the record.

Mr MILLS: Ms Walker was initially employed to head up the community engagement unit in your office and was later appointed to a role that has been variously described as your expert Indigenous adviser or your key adviser on Indigenous affairs, or similar.

I also understand Ms Walker had a number of staff and that an office in Nhulunbuy was established under the banner of a regional office of the Chief Minister.

Please provide details of all the roles that were held within your office by Ms Walker; the level of pay of these roles; the number of staff who reported to Ms Walker, and their positions and levels of pay; all travel costs incurred; where that travel occurred; and all costs associated with the establishment and operation of the office in Nhulunbuy.

Madam CHAIR: Do you accept that question, Chief Minister?

Mr GUNNER: Yes.

Mr MILLS: One further question. Of course, we know that Ms Walker is no longer employed by your office, can you please provide details of the nature of the separation? Did her employment cease as a result of a resignation or was it a termination?

Mr GUNNER: She resigned.

Madam CHAIR: Are you happy with that response?

Mr MILLS: Resignation? Thank you.

What are the terms of the cessation of the employment?

Mr GUNNER: Just ended.

Mr MILLS: It just ended. Who replaced Ms Walker in this role?

Mr GUNNER: We have a number of FTE and it was done within that.

Mr MILLS: In Nhulunbuy?

Mr GUNNER: No. As I have previously answered this question, we employed—it does not matter. We have taken that question on notice and that will be included in the answer.

Madam CHAIR: The questions just posed and asked by the Member for Blain will be rolled into the answers for question 3.10.

Mr MILLS: I just want to make sure that last one is explicitly included: who replaced Ms Walker in this role and was the position advertised?

Madam CHAIR: Yes, I have added that. Thank you, Member for Blain.

Madam CHAIR: Are there any other questions under Output 11.1?

That concludes consideration of Output 11.1. Before we proceed to 11.2 I will call a quick break, thank you.

The committee suspended

Output 11.2 – Support to the Administrator

Madam CHAIR: The committee will now proceed to Output 11.2, Support to the Administrator. Are there any questions?

That concludes consideration of Output 11.2.

Output 11.3 – Government Services

Madam CHAIR: We will now move to Output 11.3, Government Services. Are there any questions?

Mr HIGGINS: The staffing implications were not included in the Cabinet submissions prior to John Langoulant's review. I was always under the impression that they were. I got the impression from the report that he actually was implying that staffing implications on Cabinet submissions were not on Cabinet submissions. I do not have any Cabinet submissions lately.

Mr GUNNER: Are you talking about the front cover note to a Cabinet paper?

Mr HIGGINS: Yes.

Ms RYAN: In that report, if I remember correctly, is he was saying the Commissioner for Public Employment should always provide a comment when there are any staffing implications. At the moment the staffing implications are in there.

Mr GUNNER: There are staffing implications in every Cabinet paper—it is about the Commissioner for Public Employment commenting on the staffing implications.

Mr HIGGINS: In the Cabinet submission itself there was still always the heading staffing. The report is a bit misleading.

Mr GUNNER: Rather than being optional for the OCPE to include a blue, they would be a blue.

Mr HIGGINS: They are now compulsorily doing a blue?

Mr GUNNER: Where there is a staffing implication.

Mr HIGGINS: Do we drop another department off—Treasury or someone?

Mr GUNNER: There are some departments that would like to drop Treasury's comments off.

Mr HIGGINS: I was speaking on their behalf.

Madam CHAIR: Are there any further questions on Output 11.3?

That concludes consideration of 11.3 and Output Group 11.0.

OUTPUT GROUP 12.0 – CORPORATE AND GOVERNANCE

Output 12.1 – Corporate and Governance

Madam CHAIR: The committee will now consider Output Group 12.0, Corporate and Governance and Output 12.1 Corporate and Governance. Are there any questions?

Mr HIGGINS: On the executive contracts—I want to get a handle on how we are going to get around this issue about a pay freeze on ECOs. The letter that the Chief Executive of Chief Minister's sent out said here is an attachment—we are going to alter the terms of that contract.

I was interviewed today and the media person said the Chief Minister said that if they do not sign them they will be sacked. I said—a bit of clarity on that—I do not think that was exactly what the Chief Minister said.

Mr GUNNER: No. I did not say that. I am very careful not to say that.

Formally for estimates it is handled by the Minister for Public Employment, Minister McCarthy. We have between now and August to renegotiate every contract. There is plenty of time for us to do this.

Mr HIGGINS: What do we mean by between now and August?

Mr GUNNER: That is when the next pay rise for public service happens. We have between now and then to vary every ECO contract.

Mr HIGGINS: What is the issue if someone does not do that? It is a legal contract that exists at the moment and this is why we are asking to vary it?

Mr GUNNER: We are renegotiating all of them.

Mr HIGGINS: My question was more—what plans do we have in place if someone says ‘no, I am not going to sign it?’

Mr GUNNER: They will occur individually with every renegotiation.

Mr HIGGINS: How many ECOs are in your department that would need to be renegotiating these?

Mr GUNNER: All of them. Every ECO will have to have their ...

Mr HIGGINS: How many numbers are there in your department?

Mr GUNNER: Thirty seven, Opposition Leader.

Mr HIGGINS: In the EO1 process for the selection of a Treaty Commissioner, can you confirm that \$352 000 was paid out to find that person or employ them, and what was that paid for?

Mr GUNNER: The head hunting? No, that is not correct.

Mr HIGGINS: What was the cost associated to actually getting the Treaty Commissioner?

Mr GUNNER: Where did you get the \$350 000 figure from?

Mr HIGGINS: It was \$354 200 that was paid.

Mr GUNNER: Take it on notice, how much did it cost?

Mr HIGGINS: These are in response to the global questions that came back.

Mr GUNNER: I think that might be his salary, not how much it cost to headhunt him

Mr HIGGINS: Right, okay. The answer is probably not ...

Madam CHAIR: Opposition Leader, did you want to find out the cost of recruitment, or are you satisfied that that figure has been clarified?

Mr HIGGINS: I am happy with that answer. I am not happy with the salary. I would not mind that salary.

Two consultancies were entered into with CDU to undertake population research. Is the cost of those two, the \$350 000 and a second one of \$79 000—were they the values of the contracts with CDU?

Mr GUNNER: Yes.

Mr HIGGINS: Why did we do two contracts?

Ms RYAN: Are they both with the Department of the Chief Minister or was one with the Treasury?

Mr HIGGINS: The Department of the Chief Minister I think.

Ms RYAN: It might be stage two of the research. The NT Government has a partnership agreement with CDU so we can directly work with them on particular consultancies. Those ones were around population research.

Mr HIGGINS: Why did the department then pay \$30 000 to a Sydney-based company to conduct market research to evaluate current understanding and attitudes of Territorians and preferred communication channels?

Mr GUNNER: That is the qualitative research we talked about earlier. The CDU research went to population. That was the 'what do our fellow Australians think of us' research that impacted on the masterbrand profile.

Ms RYAN: That had been used for the first piece of work for the masterbrand, so they are doing the second piece that we talked about.

Mr GUNNER: So that is making sure it is comparing apples to apples.

Mr HIGGINS: Can you tell us how many Freedom of Information requests were lodged in 2018–19?

Ms RYAN: I am going to pass to Robert Csar.

Mr HIGGINS: Can you then tell me how many of those were—I will give you all of these in one go. Can you tell me whether full documentation was provided; where it was partially provided, with a bit chopped out; and then how many were rejected? So how many did we get?

Mr CSAR: Opposition Leader, in the 2018–19 financial year so far, as at the end of March 2019, we received seven applications for FOIs, of which five were refused in total, three where the information was not found, one where the information did not exist, and one where it is under review and has been submitted to the commissioner for review.

Mr HIGGINS: So we have not provided partial or full for any?

Mr CSAR: One is redacted in the sense of part-information, where names were redacted from the information provided.

Mr HIGGINS: How much in fees were paid by applicants?

Mr CSAR: The standard application fee under the legislation is \$30.

Mr HIGGINS: So they were not charged additional over the \$30—just the \$30?

Mr CSAR: The submission or request fee is \$30 and then, as per the regulations, the processing part is about \$25 per hour. Essentially that is with research and retrieval, searching files, preparing schedules, examining relevant pages, et cetera.

Mr HIGGINS: Okay. On funding agreements, does the department have any funding agreements with external organisations, like ongoing, annual amounts? I think the Chief Minister mentioned something before. Where we give money out to organisations, we are looking at the Barkly deal and the NGOs. We give them money ...

Mr CSAR: They are all declared through the annual report.

Mr GUNNER: We will get a consolidated answer for you. Put that on notice and we will get back to you.

Question on Notice No 3.11

Madam CHAIR: Opposition Leader, can you please restate the question for the record.

Mr HIGGINS: How many funding agreements has your department entered into with what organisations, what annual amounts and how many years are these agreements for? Would you provide that list? The next part of that is what impact will the efficiency dividend have on these agreements?

Madam CHAIR: Chief Minister, do you accept that question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader of the Chief Minister has been allocated the number 3.11.

Madam CHAIR: Are there any further questions on Output 12.1?

Mr HIGGINS: Yes. Any of those organisations that have those agreements and are going to be impacted by the efficiency dividend, have they been advised of that?

Mr GUNNER: Yes.

Mr HIGGINS: I think these questions were asked yesterday and I think was referred to you. The question is why does the protocol unit purchase its own alcohol for government functions and not use in-house catering with Karen Sheldon Catering? Cost efficiency?

Mr GUNNER: Let us take it on notice.

Question on Notice No 3.12

Madam CHAIR: Opposition Leader, can you please restate the question for the record.

Mr HIGGINS: Why does the protocol unit purchase its own alcohol for government functions and not use the in house caterer, Karen Sheldon Catering?

Madam CHAIR: Chief Minister, do you accept that question?

Mr GUNNER: Yes.

Madam CHAIR: The question by the Opposition Leader to the Chief Minister has been allocated the number 3.12.

Madam CHAIR: Any further questions on Output 12.1?

Mr HIGGINS: Do you use any fly-in fly-out employees anywhere across the department? Other than ones that—so it is employees.

Ms RYAN: None are fly-in fly-out, but we have one employee who is based interstate and that is because he is a drafter and they are hard skills to get.

Mr GUNNER: Parliamentary Counsel

Ms RYAN: He is on transition to retirement and has agreed to keep working for us until we can find a permanent drafter.

Mr HIGGINS: How much was allocated for the ICT expenditure in 2018–19 and what has been the expenditure up to March 2019?

Ms RYAN: I will pass to Mr Csar again.

Mr CSAR: The expenditure for the 2018–19 budget?

Mr HIGGINS: Yes.

Mr CSAR: The budget for 2018–19 for total ICT is 2.5 of which at the end of March we spent 1.9.

Mr GUNNER: Are you after 2019–20 estimate as well?

Mr HIGGINS: No, just the 2018–19.

Madam CHAIR: Are there any additional questions? That concludes consideration of Output 12.1.

Output 12.2 – Shared Services Received

Madam CHAIR: I will now call for questions relating to Output 12.2, Shared Services Received. Are there any questions?

That concludes consideration of Output 12.2.

Output 12.3 – Shared Services Provided

Madam CHAIR: The committee will now consider Output 12.3, Shared Services Provided. Are there any questions?

That concludes consideration of Output 12.3 and Output Group 12.0.

Non-Output Specific Budget-Related Questions

Madam CHAIR: I will now note that whilst the Administrative Arrangements Order put in responsibility for the Department of Legislative Assembly with the Chief Minister, by convention. The Speaker administered. The department questions relating to Output Group 6.0 and Output Group 7.0 were answered by Madam Speaker yesterday. Are there any non-output specific budget-related questions?

Mr WOOD: The issue about the Parliamentary Counsel's move from one department to another.

Madam CHAIR: Just to be clear for the record, I am happy for you to ask a question here, Member for Nelson if the Chief Minister is happy to respond to that question. Please restate your question.

Mr WOOD: What are the reasons for the movement of the Parliamentary Counsel from the Attorney-General's department?

Ms RYAN: Member for Nelson, it has traditionally been in the Department of the Chief Minister. Under the previous government it moved to the Attorney-General's department. We then discussed 18 months ago that it actually fits better with the Department of the Chief Minister because there can be a conflict between advice given in the Department of the Attorney-General and Justice and the Parliamentary Counsel. It is best to have them in separate departments. It is a whole-of-government function and service. Not necessarily for one department.

Mr GUNNER: It works in better with the Cabinet office too, which potentially knows all (inaudible) to draft and (inaudible) to introduce. It is just neater and easier and makes more sense for it to sit with the Department of the Chief Minister administratively.

Madam CHAIR: Are there any non-output specific budget-related questions? There being none, this concludes consideration of all outputs relating to the Department of the Chief Minister. On behalf of the committee, I would like to thank departmental officers for attending today.

The committee will now move on to consider the Department of Trade, Business and Innovation.

Mr GUNNER: I would also like to thank Jodie, Maria, Robert, Andrew, Bridget and a whole lot of other staff who helped prepare for estimates. I recognise the significant amount of work they have also done around budget prep, the root-and-branch and Langoulant reviews. It was significant and I just want to say thank you.

Madam CHAIR: Thank you, Chief Minister.

DEPARTMENT OF TRADE, BUSINESS AND INNOVATION

Madam CHAIR: I welcome the Chief Minister, this time as Minister for Trade and Major Projects and Business and Innovation. I invite you to introduce the officers accompanying you today.

Mr GUNNER: To my left, I have Shaun Drabsch, the CEO of the Department of Trade, Business and Innovation for his first estimates with us. To his left, we have Anne Tan, General Manager, Strategic Infrastructure and Projects; and to her left is Lisa Strohfeldt our Chief Financial Officer. To my right we have Sibylle Brautigam, Deputy Chief Executive Officer for the Department of Trade, Business and Innovation; and to her right, Luke Bowen, General Manager of the North Australia Development and Trade.

Madam CHAIR: Thank you, Chief Minister. Do you wish to make an opening statement regarding the Department of Trade, Business and Innovation?

Mr GUNNER: I will make a brief statement.

Budget 2019 is a budget that puts jobs first, delivers a safe Territory and drives long-term social change. The challenge of a post-INPEX economy has been a priority of the government since we came to office. We have a strategy to grow jobs and leverage investment, to get the money flowing locally through stimulus and Buy Local, investing in our economic drivers traditional and new, and growing our population.

Budget 2019 commences the implementation of the budget repair plan outlined in the Langoulant and Root and Branch reviews. All agencies are contributing to the plan including the Department of Trade, Business and Innovation. Despite this, we will continue to invest in Territory jobs as part of Budget 2019.

We are facilitating \$55bn worth of major projects. We are creating significant project champions for projects less than \$100m. We are establishing the office of investment attraction—name pending—to coordinate, secure and deliver private sector investment to the Territory. We are establishing a local jobs fund to support local businesses to become investment ready and ready for growth. We accelerated the development of the gas industry so we become Australia's gas processing and manufacturing hub. We are strengthening our international education partnerships as well.

I thank all the staff involved in the preparation of the budget, the Root and Branch review and these estimates hearings.

Madam CHAIR: Are there any questions on the statement?

Mr HIGGINS: Thank you, Chief Minister, and thank you to all the staff for the amount of work that goes into preparing for these hearings. I want to ask a couple of general questions. I have been asking these of most of the departments.

What is the specific amount of the efficiency dividend for your agency in 2019–20?

Mr GUNNER: It is 3%. I will pass to the CEO to expand further.

Mr DRABSCH: The efficiency dividend of 3% has been applied across the agency and the grants provided to training providers and other such organisations.

Mr HIGGINS: Just the total amount—I know the 3%.

Mr DRABSCH: It is \$3.1m.

Mr HIGGINS: How do you plan on achieving that? What programs or services will we cease, if any? When might they cease? What is the plan? The previous chief executive said the choice is up to departments if they impose it all on operations or whether they spread it across staffing; it is up to the CEO to make that decision. How will we do it in this department?

Mr DRABSCH: There are a range of efficiencies being applied in particular grants programs. A substantial proportion of our funding is to things like CDU, Batchelor Institute and a number of other organisations in the workforce training and business support and growth programs.

Mr HIGGINS: Of that \$3.1m, how much will be attributed to those grants? If that is the major part of the savings, how much will go back to the department specifically being operational and for staffing?

Mr DRABSCH: In regard to grants, it is about \$2.7m. I can take on notice the precise breakdown of that.

Mr HIGGINS: There will be a cut of \$2.7m to the grants? Do I have that right?

Mr DRABSCH: Yes.

Mr HIGGINS: Then there will be \$0.4m across the rest of the department. Is that an even spread of that 3%? We applied that 3% to the grants and then to the others, so it is staying the way it is? The other \$0.4m, where do we plan on saving that?

Mr DRABSCH: There is some saving of about \$300 000 in the employee expenses area.

Mr HIGGINS: Is that in direct staffing employment or in the associated operational costs attached to it?

Mr DRABSCH: The ops is a separate saving of another \$150 000 or so. There are also savings in the total employment expenses.

Mr HIGGINS: So, we have about \$150 000 in salary savings. How many staff is that? Treasury look at about \$100 000 per staff member, so that is one-and-a-half—we cannot chop a person in half.

Mr DRABSCH: It is about management of our overall employment expense within the employment establishment, maintaining our capacity to deliver the services required of us.

Mr HIGGINS: You will not reduce your FTE?

Mr DRABSCH: We have an FTE cap which we have to work to.

Mr HIGGINS: The efficiency dividend has not reduced? You will not reduce the FTE cap?

Mr DRABSCH: The FTE cap is part of the savings process.

Mr HIGGINS: I am not too sure on that one. We are cutting salaries by \$150 000, so where will we get that \$150 000.

Mr GUNNER: For clarification, there is the cap of how many. There is also what you pay them, so you manage that through how you employ people across the financial year.

Mr HIGGINS: As you get natural attrition you delay recruiting the next person. That is a trick I have used in the past.

Mr GUNNER: It is delayed recruiting in a way. You could slightly restructure a department or something like that.

Mr HIGGINS: Okay. So there is no plan to chop any executive contracts out of your department at this point in time?

Mr DRABSCH: As part of the FTE cap we were given a target of 24 ECOs, which we are currently at. We have actually met our target.

Mr HIGGINS: Was that target 24 before the cap came out, or have you actually reduced?

Mr DRABSCH: The cap is 24 ECOs.

Mr HIGGINS: I am trying to find out whether there has been a savings there. Prior to the efficiency dividends, et cetera, being announced, what were the executive contract numbers in the department? The beginning of the year was at 24 ...

Mr DRABSCH: We were actually at 25 and we have come down to 24.

Mr HIGGINS: Originally we had 25, so we are cutting out ECOs by one. I have no further questions in that area.

Madam CHAIR: Does anybody have any other questions on the opening statement? No.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

Madam CHAIR: The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2019–20 as they relate to the Department of Trade, Business and Innovation. Are there any agency-related whole of government questions on budget and fiscal strategy?

Mr WOOD: Could I get clarification on something I asked before?

Mr GUNNER: On Defence?

Mr WOOD: I have looked in here and there is nothing in it. If it is, it is in small print.

Madam CHAIR: I just want to make the point that it will come under a particular output. Can we take that afterwards?

Mr GUNNER: The question might be for Sibylle and Shaun is that at what output do we take questions around Defence support and veterans affairs?

Ms BRAUTIGAM: That would be Output 15. I do not have the latest—the North Australian Development and Trade output.

Madam CHAIR: Okay, I will make sure we get to that one. As that is the only question, that concludes the consideration of agency-related, whole of government questions on budget and fiscal strategy.

OUTPUT GROUP 15.0 – BUSINESS AND INDUSTRY DEVELOPMENT AND SUPPORT Output 15.1 – Business and Innovation NT

Madam CHAIR: Thank you. The committee will now proceed to Output Group 15.0, Business and Industry Development and Support; Output 15.1 Business and Innovation. Are there any questions?

Mr HIGGINS: How many businesses in the Territory are deemed to be small business and how do we define them as small business? How many were there in 2016, 2017 and 2018?

Mr GUNNER: There is a formal definition. Do we have that definition with us?

Ms BRAUTIGAM: No, we will need to take it on notice.

Mr GUNNER: No, we will take that on notice.

Question on Notice No 3.13

Madam CHAIR: Opposition Leader, can you please repeat your question for the record.

Mr HIGGINS: How many small businesses in the Territory are there at the moment and how do we define them as a small business? How many were there in 2016, 2017 and 2018?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes, there is a formal definition. We can provide the formal definition and the number.

Madam CHAIR: The question asked by the Opposition Leader of the Chief Minister has been allocated the number 3.13.

Madam CHAIR: Are there any further questions on Output 15.1?

Mr HIGGINS: Yes. Is there a specific resource in Budget 2019–20 dedicated to supporting small business, or is it all bundled together? Do we actually allocate just how much ...

Mr GUNNER: We have support for small business, and I am happy to have Shaun Drabsch explain how we support small business.

Mr DRABSCH: We have a number of Small Business Champions established not only in Darwin, but also in Alice Springs, Tennant Creek, Katherine and Nhulunbuy, who provide direct advice to businesses and maintain contact with them. They undertake the Business Confidence Survey. They contact some 400 businesses a quarter, so there is quite a lot of interaction with businesses.

We also have our business growth programs and our Small Business Champions advise and inform small businesses about the opportunities from these programs and the access to resources to support their growth and development.

Mr HIGGINS: So how many of these champions do we have across the Northern Territory?

Mr DRABSCH: I will just check. I think it is about 20 or 18. It is 18.

Mr HIGGINS: They will have some administrative support. Is that the only additional cost that is allocated to these champions? If these are Small Business Champions, I am trying to get how much money is actually dedicated to small business. We have 18 champions, what is the cost of that? What are the other associated costs?

Mr GUNNER: It is the champions' operational budget but it is also the grants that are available to pick up. There is a lot more available to small business than just the champions. The champions are the advocates in a sense. There are other parts of the department that support small business as well. We will see if that is broken down neatly for you, Leader of the Opposition.

Mr DRABSCH: I have the detail for the previous budget year 2018–19 of \$1.8m under the Business Growth Program. There is also a variety of stimulus programs and alcohol secure and Biz Secure which have been available. Many of the businesses that have taken those up have been small businesses as well. I can provide further detail on that if you like.

Mr HIGGINS: How does that compare to the previous two years? You might want to take that on notice.

Mr DRABSCH: Yes, I will take that on notice.

Question on Notice No 3.14

Madam CHAIR: Opposition Leader, can you please repeat the question for the record.

Mr HIGGINS: How does the budget allocation for the support given to small business through the champions program in 2016–17 and 2017–18 compare with 2018–19?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader of the Chief Minister has been allocated the number 3.14.

Madam CHAIR: Are there further questions on Output 15.1?

Mr HIGGINS: Have you got a number through those champions or wherever on the number of small businesses that have been started in the last financial year and how many have actually closed in the last financial year?

Mr GUNNER: The number we probably have is not broken into small business. We will have to take that on notice.

Mr HIGGINS: Is that hard to collect? What figures do you have on businesses opening and closing?

Mr GUNNER: There will be a registration of businesses opening. That registration would not necessarily tell us if it was a small business or not. That is the complication. Someone will register a new business, they will not necessarily tick a box saying small, medium or large, just that they are a business. That could be complicated to get.

Madam CHAIR: And possibly not that they have closed either. Deregistration—who would know?

Mr HIGGINS: I know some of it would just come through the champions. If I clarify it, how many do they know have opened or closed? I will change the wording.

Mr GUNNER: No harm in taking it on notice.

Question on Notice No 3.15

Madam CHAIR: Opposition Leader, can you please repeat the question for the record.

Mr HIGGINS: Can you tell me how many businesses, that you are aware of, have started in the last financial year and how many have closed? How this might compare to the previous years of 2015–16 and 2017–18—whichever years are easily found.

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes. I do not think we can break it up into small, medium and large businesses but if that is available, we will do it.

Madam CHAIR: Noting that the question may not be able to be answered, the question asked by the Opposition Leader of the Chief Minister has been allocated the number 3.15.

Madam CHAIR: Are there any further questions on Output 15.1?

Mr HIGGINS: Of the 18 champions that we have, how many of those have actually run a small business firstly, or how many have worked for a small business?

Mr GUNNER: I know our small business champions have a large breadth of experience and some actually meet that mark but whether we have the answer on us about how many have operated a small business, I am not sure. There are also some that have been previously employed in financial institutions or a variety of different backgrounds and we often task them as needed to what the small business needs. We are happy to take that question on notice and get you a response.

Question on Notice No 3.16

Madam CHAIR: Opposition Leader, can you please repeat the question for the record.

Mr HIGGINS: How many staff that are currently employed as Small Business Champions have actually either firstly, run a small business, or secondly, worked in a small business? I know that we may not have all of that information. If we got an answer back that said of the 18, there are 8 that we do not know, that would be fine.

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader of the Chief Minister has been allocated the number 3.16.

Mr GUNNER: I just want to clarify that one of things that we can do in support of a business, whether it is small, medium or large, is through the business champion we can identify what support they might need. That could include mentoring. I know of a business in Nhulunbuy that received business mentoring as

identified by a Small Business Champion. The champion may not have worked in a small business, but they partnered that person up with someone who had been in business. The first thing they did when they looked in the books was say, 'You should expand'.

They were risk averse and the business mentor encouraged them to expand, and they did. They now have a fantastic allied health set-up in Nhulunbuy, which will be equal if not ahead of some of the services available in Darwin.

The experience a business person can provide, who has been in the role—sometimes it is about matchmaking.

Mr HIGGINS: How many businesses are the business champions working with? We have 18 champions and 18 000 small businesses. Are they interacting with all those small businesses?

Mr GUNNER: Their role is proactive and reactive, so there is a degree to which businesses come to us. I have said to the department that I want our business champions getting out and talking to people—knocking on the door. Sometimes people do not know what is available and they need that conversation. It is a mixture of both.

Mr HIGGINS: If they are only working with half it is not a criticism of them. How many businesses are we getting the interaction with?

Mr DRABSCH: As I mentioned before, the small business champions are talking with more than 400 small businesses each quarter to collect the data—I think there is more than 450—from the Business Confidence Survey. There have also been applications for grants programs such as the Business Growth Program, where 217 applications from 196 businesses were dealt with in the last financial year.

We have the Biz Secure program, where 753 applications were received. There is also alcohol secure. There is quite a level of interaction in not only engaging with them and having informal dialogue, but actually supporting them in developing their businesses and dealing with the issues they are confronting.

Mr GUNNER: In addition to the 18 small business champions, there are also grants officers, training officers and economic development officers who work across a variety of business, and that includes small business. I wanted to clarify that it is not 18 only who will be working in this space.

Mr HIGGINS: I am just trying to get a feel of how many for these businesses the department interacts with. It is not to say the department is not doing its job. The businesses may not want any interaction with them for whatever reason. I want to get a feel on how much interaction we are getting with business, and not in the sense of if they interact with you three times—that is not what I am after. That business interacts with you, so it should know of all those things.

Mr GUNNER: We try to make sure our officers in DTBI across the Territory attend things like a Chamber at Sunset business drinks if they are available, because you never know how someone might want to approach you, or they may not realise there is a person who does a certain thing. In a smaller place like Tennant Creek everyone knows everyone and it is a bit easier. It is more difficult in a larger place like Darwin for someone to be aware of what DTBI can do, and how you can make sure they know of your services.

That is when October Business Month can be helpful. It would see significant interaction with a large number of businesses and make them aware of what DTBI's suite of offerings is.

Mr DRABSCH: The Small Business Champions completed 1950 business snapshots in the last financial year, which also enabled Small Business Champions to collect further business intelligence and provide appropriate tailored support. In that reporting period they also connected 268 businesses to internal DTBI units for assistance and guidance on business matters identified through the business survey interactions. They connected 155 businesses to external, Northern Territory and Australian government agencies, NGOs and other service providers for advice and guidance on business matters.

They also facilitated 13 round tables hosted across the Territory, including in Darwin, Palmerston, Katherine, Alice Springs and Tennant Creek.

Mr HIGGINS: Do we have those figures for the previous year, and even two years prior to that to see if we have an up and down trend?

Mr DRABSCH: We might need to take that on notice.

Question on Notice No 3.17

Madam CHAIR: Opposition Leader, can you please restate your question for the record.

Mr WOOD: Can I get figures of interactions with small businesses by the department for the last two to three years?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Opposition Leader is allocated the number 3.17.

Mr BOWEN: In relation to your question, Opposition Leader, I just thought it was worth adding that part of what small business champions and other businesses of extension officers within the department do is also connect some of the major business growth areas, particularly in the defence area, the oil and gas space. Some of those sectors are growing quite rapidly and there is quite a bit of preparation that businesses are required to do.

Part of their job is also to interface with other parts of the department which are in that business growth area and also in our international space. It is quite a complex piece of work that they are expected to do, working within the department and then, of course, across other key departments that have responsibility in other areas of economic development.

It just adds to the need for our department to work very well across a range of different emerging sectors which probably will provide a lot of the economic base for the Territory going forward.

Mr HIGGINS: Yes, I do not disagree.

Mr GUNNER: It would be fair to say there would be a lot of business interactions from the Tourism department, the Department of Primary Industry and Resources, the department of Infrastructure et cetera.

Mr DRABSCH: There is also the Industry Capability Network which we provide funding support for, which has some 4000 businesses on its register and they make contact with them and promote their names in particular procurements, which government and other agent companies are involved in.

Mr HIGGINS: I was going to go in to the first home buyers, but do you have anything else on business in that area, Gerry?

Mr WOOD: The Aboriginal Business Development Program delivered over \$1.2m to 81 Aboriginal businesses, of which 57 were new businesses. Today, are those businesses still operating? Was the \$1.2m well spent? I am looking at outcomes.

Mr GUNNER: I believe so.

Ms BRAUTIGAM: The actual outcomes in that program are very good although we do not have that actually here today. We can take that on notice. It is right up to about 90% or something like that. It has a really high success rate, but we can get you the actual figure if we take that on notice.

Mr WOOD: Does that include where and what the business are?

Mr GUNNER: Yes, they can definitely include that.

Mr WOOD: It would be nice to know that.

Question on Notice No 3.18

Madam CHAIR: Member for Nelson, can you restate the question for the record please.

Mr WOOD: The Aboriginal Business Development Program delivered over \$1.2m to 81 Aboriginal businesses, of which 57 were new businesses. Today, are those businesses still operating? Was the \$1.2m well spent? Could you supply the names of the businesses and where they are located?

Madam CHAIR: Chief Minister, do you accept that question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Member for Nelson of the Chief Minister has been allocated the number 3.18.

Madam CHAIR: Do you have further questions on that output, Member for Nelson?

Mr WOOD: This is another outcomes question. Biz Secure was established to improve safety to commercial premises, \$1.5m was spent last year. How much was spent this year, and have these improvements shown to have stopped or reduced break-ins?

Mr GUNNER: There is a significant reduction in re-offending as a result of the investment. For the period 1 July 2018 to 31 March 2019 there were 260 applications received and 164 have so far been approved. There is funding approved of \$0.93m.

Apologies, Member for Nelson. I read out the wrong numbers, it was 73% of businesses which reported a decrease in the number of break-ins and break-in attempts after security improvement works were completed.

There were 753 applications received—I am not sure what ones I was reading before—and 498 were approved. Funding approved was \$2.6m and total cost of works to date is \$3.3m. The estimated economic impact is in the accepted industry multiplier of 1.87 is \$7.3m. In terms of participating local businesses, there were 171 service providers and 20 security auditors. I think that answers all the details.

Mr WOOD: I think I got most of it. That is okay.

Mr DRABSCH: And the earlier figures ...

Mr WOOD: The last bit seemed to be a bit ...

Mr GUNNER: Was that alcohol secure I was reading before?

Mr DRABSCH: No. It was Biz Secure. The earlier figures were for the financial year up until 31 March 2019.

Mr GUNNER: If that was confusing Member for Nelson, we can take it on notice and give you it.

Mr WOOD: No, that is fine. It was recorded, I will read it again. They are the only two questions I have on that.

Mr GUNNER: I think it is important to note that if a business upgrades their security, they have a safer business.

Mr WOOD: That is good, but they are the outcomes Mr Langoulant said we need to be asking about.

Mr GUNNER: I agree.

Madam CHAIR: Any further questions?

Mr WOOD: No, that is it.

Madam CHAIR: We are still on Output 15.1.

Mr HIGGINS: I have some more. If I go into the first home buyer—the home renovation scheme. How many people have elected to take up the \$2000 upfront payment for the purchase of white goods as part of that scheme?

Mr GUNNER: Just that element? There is a lot of detail in this bit of paper but I think you picked the one question that is—no, we will have to take that one on notice.

Mr HIGGINS: Sorry. It was too simple of a question.

Question on Notice No 3.19

Madam CHAIR: Opposition Leader, can you please restate the question for the record.

Mr HIGGINS: How many people have elected to take up the \$2000 upfront payment to purchase white goods as part of the home renovation scheme?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question by the Opposition Leader of the Chief Minister has been allocated the number 3.19.

Mr HIGGINS: The next question is, is there any plan to finish that scheme at this stage?

Mr GUNNER: We have rolled it over for two years.

Mr HIGGINS: So we have another—that will be 2019–20, 2020–21.

Mr GUNNER: It now expires November 2020.

Mr HIGGINS: November 2020. How are we measuring the success of that? I note before you stated the multiplier in the economy.

Mr GUNNER: I have some answers on that. We have had 1920 applications received. The funding approved to date is \$15.9m and the total cost of works is \$19.6m. The estimated economic impact is \$32.7m and the multiplier there is 1.67. There have been 723 participating local business and a share of first home buyers as an overall percentage has gone from 16% to 32%.

We have seen a significant increase in first home buyers coming into the market since we have made these changes. This is an important measure of the—it is the point of the program.

Mr HIGGINS: That is the overall program, not the \$2000 bit.

Mr GUNNER: Were you asking for the \$2000?

Mr HIGGINS: No.

Mr GUNNER: That is the overall program.

Mr HIGGINS: I understood what your answer was there. If I can just move onto the BuildBonus? Did you have any on that other one Member for Nelson?

Mr GUNNER: The build bonus is the Treasury. They pay out the BuildBonus.

Mr HIGGINS: This is a bit around the policy. How did we arrive at the BuildBonus figure of \$20 000?

Mr GUNNER: That was done through the Treasury. Obviously I sat in on conversations with the Master Builders Association around that but the bulk of that work was done through the department of Treasury around the BuildBonus and the payment of it.

We had long conversations with the Masters Builders Association around the number of houses being built. That is all on the record, you can physically see how many certificates are issued. It got to an alarmingly low amount. We all accepted that and then the Master Builders Association suggested what they saw as a way of turning that around. They put a case to us around what they thought was the point. We spoke with Master Builders, financial institutions and others. Treasury gave this a lot of attention, too.

We have seen a significant increase in the number of certificates issued since we made those changes. In March this year it was 24. In March last year it was 17. In April this year it was 50, and in May this year it was 48. We have seen a doubling of certificates issued since that decision came into effect. And a tripling if you look at it year on year. That figure came out of consultation with the Master Builders Association and financial institutions about what would lead to a change in buyer behaviour. I think we have seen that change in behaviour occur. I am happy to answer the question somewhere else.

Mr HIGGINS: That answered it. It was basically how do we get to the figure and what industry bodies were consulted about it. I presume from that—I have another question here which was whether submissions were sought. I presume from having discussions that we did not formally ask for submissions.

Mr GUNNER: In many ways it was industry led. I do like that as a process. I have been having conversations with the MBA already and we had a chat on this issue. They formally wrote to me and said, 'Can we formally engage now on this?' That essentially is how the process kicked off.

Mr HIGGINS: Nothing on bill bonus? I will go to the luxury hotel.

Mr WOOD: Not from me.

Madam CHAIR: The Member for Nelson does not have any further questions until Outputs 15.2 and 15.3. Just to clarify

Mr HIGGINS: Can I just ask a question on how many more—because I am looking at the time.

Madam CHAIR: We have an hour left.

Mr HIGGINS: I have a whole swag of them.

Mr GUNNER: We have to get the space.

Mr HIGGINS: I have a whole stack of questions on this. It was whether the Member had any ...

Mr WOOD: You have more staff than I do ...

Mr HIGGINS: Are there any you have urgently in later ones.

Mr WOOD: I am easy. I wanted to hopefully get to procurement, but ...

Mr GUNNER: Your questions are never easy, Gerry.

Madam CHAIR: How about we go back and forth a bit and then even it out a bit. If I let the Member for Nelson have a question now ...

Mr WOOD: Mine are pretty straight forward; they are not nasty.

Madam CHAIR: I am happy, as long as we put on the record what output we are talking about and which question.

Mr GUNNER: As a previous chair of the Estimates Committee and someone who has sat through 11 years of estimates, I am happy to have some latitude for the remaining hour, recognising the time, as long as we do not throw the department around too much with folders and where we are at.

Mr HIGGINS: If I just ask one more in this one and then if we have enough time, we could come back to this output?

Mr GUNNER: I am happy to do that.

Mr HIGGINS: My question is on the rural area seniors' village, which the Member for Nelson and I have an interest in. Have we got an update on where any of that is at?

Mr GUNNER: Yes, Opposition Leader. I should hand to Anne.

Mr WOOD: It is called the 'Darwin rural seniors lifestyle accommodation', Leader of the Opposition, which is much fancier than what you thought.

Mr HIGGINS: I am sorry.

Mr GUNNER: The Gerry Wood retirement village.

Mr WOOD: Swimming pools, squash court—you name it.

Mr GUNNER: As long as there is enough space for him to park a boat.

Mr WOOD: I do not have a boat. I am looking for a jetty.

Ms TAN: This is in relation to Darwin seniors' lifestyle accommodation. The government commenced part of a two-stage process last year, and the first stage has been completed. The second stage is currently under way and we are expected that shortlisted proponents will submit final proposals in July this year.

Mr WOOD: Could I ask how many people submitted proposals?

Ms TAN: As part of the initial expressions of interest phase, four proposals were received.

Mr WOOD: Were they all local companies?

Mr GUNNER: Can we comment to that at this stage, or is it probity?

Ms TAN: Yes, leave it.

Mr WOOD: I was just interested to see if they knew what rural people looked like.

Mr GUNNER: They look the same as everyone else, Gerry.

Mr WOOD: They are always happy.

Mr GUNNER: They have a larger smile.

Madam CHAIR: Opposition Leader, was that your last question in that area?

Mr GUNNER: We were answering to Gerry, but it was your question.

Madam CHAIR: No, the Member for Nelson did a supplementary on the same question.

Mr GUNNER: Are you happy with the answer, Opposition Leader?

Mr WOOD: We call ourselves team rural.

Mr HIGGINS: If I could just ask one on the Local Jobs Fund. In 2019–20 there is \$2.5m allocated to set that fund up. How is that being spent? How many staff, what level of staff?

Mr GUNNER: We have obviously taken great care there. This is a detailed process, it is not a simple grant process. We wanted to be very careful how we expended the taxpayer's money. I might get the CEO or Anne to talk further about how we set that up.

Ms TAN: The Local Jobs Fund has now been established. It was announced in May. The fund is now open. The fund is comprised of four programs. There are loans, loan guarantees, equity or grants. There are two types of grants. There is a priority sector collaborative grant which is really grants available, more so to peak bodies to apply for. The second category of grants are what we have called transformational economic growth

grants and these are grants where a proponent may come forward but the expectation is that it is one, transformational economic infrastructure, and two, it is common use infrastructure.

The plan for the last category I just discussed, is for that to be through an expressions of interest process. Rather than have it on a first-come, first-served basis, it is an expressions of interest process where there is an ability for proposals to be considered on an equal footing, so to speak.

Mr HIGGINS: How much money would be in each of those categories? When we say grants, how much is in each of those or has that not been decided yet?

Ms TAN: There are four categories at this stage are very loosely distributed between the four categories.

Mr GUNNER: There is room for movement. Rather than being too prescriptive and missing out on a good opportunity, we can move that a bit. That is within our control.

Mr HIGGINS: So we will not be fixing those. We will be able to move them. That is alright. What sort of investment criteria are we placing around some of that? I know you mentioned some of that and some of the expressions of interest so it is not a first-in, best-dressed type approach so what are some of the criteria that we are looking at? You said multi-use or shared-use; I picked up those words.

Ms TAN: From our perspective, the objective of the fund is to create new jobs. We are looking at growing local business capability and capacity. It is looking at making sure that there is a project that we take forward, and the taxpayer contributes to, so there is equal contribution from the private sector so it is a co-investment fund.

It is looking at whether it is increasing exports or looking at import displacement or replacing imports. It is very much targeted at industry and sector growth, jobs and potentially, growing the economic infrastructure within the Territory.

Mr HIGGINS: One of the categories you also mentioned was guarantees. How is that one going to be set up? If it is a government guarantee, why do we have to have the money sitting behind it or are we using some sort of bank guarantee? In other words, lodging the money with a bank, the bank then loans them the money and if they falter, we then make it up. How is that one going to work?

Ms TAN: So we are not looking at bank guarantees at this stage. The plan is for the government to provide a guarantee for finance that comes from an approved deposit-taking institution, so a bank. As you have identified, there is no cash on the table, there is no immediate cash outlay. We need to make sure that if the loan is ultimately bad, there is capacity for the government guarantee to be called. While there is no immediate cash outlay, the government needs to be risk averse in terms of potentially setting aside, maybe not 100% of the value of the guarantee but at least, a proportion of the guarantee on the basis of a risk assessment of the likelihood of default.

Mr HIGGINS: So that would mean, of the—I think the figure is \$97m in that fund.

Ms TAN: \$89.5m.

Mr HIGGINS: Let us say it is roughly \$90m. If we are using that form of guarantee and we are not putting aside 100% of the cash, what are we trying to—or have we not decided on how much additional investment we may be leveraging out of that? If we are putting \$10m into that, are we planning on hopefully getting \$20m?

Ms TAN: I think your question is why are we putting in \$10m?

Mr HIGGINS: No, I used that as an example. The issue was that we have four categories. One of them is the guarantee category. The answer you gave was that if government gives a guarantee to a business, if they default on their loan or whatever, you implied that we will not put 100% of that money aside. What percentage of that money would we be putting aside, and what figure are we aiming to get out of that?

In other words, if we say we will put 50% aside, will we vary that depending on what it is? If we put 50% aside, whatever allocation we have in that category, we will get double that amount of money through the jobs fund, so to speak.

Ms TAN: First question is, what amount of money will be put aside for the guarantee?

Mr HIGGINS: Yes.

Ms TAN: At this stage we have not determined that. It will depend on the particular project we are funding. That will be undertaken based on the amount of money put aside. It will be determined based on a risk assessment of the project itself and the business case.

In regard to how much government expects in return for the guarantee, the Local Jobs Fund is a co-contribution scheme. For any amount government provides a loan, grant or guarantee for, the expectation is that the private sector will contribute an equal amount. It is trying to use government money to leverage private investment.

Mr GUNNER: Sometimes the outcome we are seeking is a business getting off the ground. In terms of an outcome, it might be growth in business or a business commencing.

Mr HIGGINS: I can see the logic behind it. The answer was originally that roughly a quarter of each of the total amount goes to each one. I understand we have to move them back around. In doing that bank guarantee that is not backed with some of the jobs fund cash, is government setting its limit on how much we would allow to go out as these government guarantees that do not have the cash behind them?

Mr GUNNER: That would be assessed on the project. It might be better to give an example of the things we are considering. It is recognising that in the north there are complexities that a bank might not take into normal consideration for lending money. It is not that the person or company is a bad risk—I could give two examples. It might be a land tenure issue. The cash flow is fine, it is just that the banks had to form a loan around land tenure.

It might be with mineral assets. The bank is good at loaning where there is a known value. Gold has a known value, but some of the rare earth minerals do not have a specific spot price, which creates complexity in lending. That could be a situation where—it is essentially adapting to circumstances that might not fit with a normal bank, and having government come along as a guarantee helps get it over the line. We know from the way we have done our assessment that it is not a risk, but the bank is not necessarily set up to handle that.

I have had conversations with banks and they recognise that they have a very conventional form of lending, particularly with minerals and spot price. They are used to lending—gold has a specific price so it is easy for them to do the maths, and they feel comfortable doing that. Rare earth is often based on offtake and who is picking it up. There is no spot price to rely on. Is that a reasonable example? That might help you.

Mr HIGGINS: I understand why we take that. The issue I have, and what I am getting a feel for, is that we do not have open slather in that area. That is the concern I have, and it is not something I support. I am trying to get a feel of how much that guarantee that is unfunded we will allow to be attached to this job fund.

Mr GUNNER: This is what I am trying to build up to. For me, it is almost an individual assessment about what comes forward and therefore what risk on advice we are prepared to take. You obviously deserve an open book and that makes sense. I cannot quantify that answer in some ways because it depends on the individual assessment. It does not mean that we have an open book, it means we are prepared to take it case by case. Is that a fair way of answering it?

Mr DRABSCH: Yes. We are receiving advice from an advisory committee made up of financial services, banking experts and people with experience in that sector.

Mr HIGGINS: We have had experience in that with the industry development fund.

Mr DRABSCH: Yes, but this will be an advisory committee and ultimately the decision will sit with the minister.

Mr HIGGINS: I am still not happy that we have a limit on it. Even if you put 100% of your money into the guarantees, you limit your guaranteed cash amount to 50% and are still saying we are going to have \$100m in government guarantees issued out. To me that is technically a commitment that government could be making that they do not have the money for at that point in time.

Ms TAN: Can I just answer the question this way? The objective of the fund was to try and be as flexible as is possible in terms of the types of assistance the government would provide to industry. We looked at the

potential of not having guarantees, obviously. Guarantees become a contingent liability for the Territory government and we recognise that.

That contingent liability has to be able to be backed. The options for us were not to have a guarantee but in not having a guarantee, the alternative would be to either have a greater level of grant funding or debt funding made available. Our view was that if a private proponent is able to borrow the money from a bank, why would government necessarily need to fund that?

Mr HIGGINS: I agree and I agree with giving the guarantee, but that contingent liability, to me, should not be unlimited.

Ms TAN: Absolutely.

Mr HIGGINS: The question is, how are we going to limit that?

Mr DRABSCH: It will be limited by the available resources in the fund because, as Ms Tan explained earlier, there would be a reserve set aside which reflected our assessment of the risk of providing that guarantee.

Mr GUNNER: And it will be a case-by-case assessment.

Mr HIGGINS: If I can just clarify that one? The case-by-case will determine how much of the fund is kept in cash—am I interpreting that right—on a case-by-case basis? So for someone you might say it is possibly a high risk—that is probably not the way to refer to it—but you are going to keep 80%? Someone else is a really solid business, or so we think, and you only keep 20%? Is that correct?

Ms TAN: Potentially that is correct.

Mr GUNNER: Potentially. I think we can all agree that them borrowing the money a financial institution and us not having to cough up a cent...

Mr HIGGINS: Yes that is a lot better. Using other people's money it a lot better.

Mr GUNNER: In providing a guarantee we might get extra cash flowing in the NT versus us providing the cash. That is one of the big issues at the moment—the amount of projects in the Northern Territory that are requiring government dollars to occur, as opposed to through a bank.

Mr HIGGINS: If we want to finish that output group—if we have time we can come back to it?

Madam CHAIR: Sure. That concludes consideration of Output 15.1.

Output 15.2 – Strategic Infrastructure and Projects

Madam CHAIR: The committee will now proceed to Output 15.2, Strategic Infrastructure and Projects. Are there any questions?

Mr WOOD: I have a couple of questions quickly. What has happened to the early stage planning for the Mount Isa–Tennant Creek railway and the Darwin water park?

Mr GUNNER: A business case was done around that railway line and that is being released for people to consider—that is Queensland, the Territory and the Australian Government.

With the Darwin water park, we ended the current process that we had. We have made the business case to be made available upon request. We are still getting some requests. At the final stages of that process there were people interested in the water park but not in a way that was acceptable to us as a government.

They wanted us to pay for all the costs. They would run the park but government would stump up. The business case showed that it is possible to operate a commercial water park in Darwin if someone wants to. Unfortunately, the people putting forward the ideas for the water park were saying, 'Yes, we want to run one. It is very exciting. Thank you government for putting forward some land, but can you cover all of our costs?' We said, 'No, we are not going to do that'.

Mr WOOD: I thought Litchfield might have a second chance, then. I have another question. Are the two phosphate projects near Tennant Creek far from development?

Ms TAN: There are two phosphate projects. The first is Verdant, which was the subject of—not a takeover, but a private equity proposal recently approved by its shareholders and also by the Federal Court. Our expectation is that their funding will flow.

Mr GUNNER: Positive decision.

Ms TAN: Very positive. Verdant is looking at FID by the end of this calendar year and subsequent to that, development will proceed.

The second is the Wonarah phosphate deposit. Unfortunately there has not been a lot of activity on that project for a while. The company has been testing technology that it needs to use to process the commodity. That testing is still under way.

Under the major projects status policy framework there is a review provision. Under that review provision, from a government perspective, every three years, or as often as is necessary, we expect it to consider whether major project status should continue for a particular project. Given the lack of activity on the Wonarah Phosphate project, that process is under way.

Mr WOOD: Taking about major project status, Quintis sandalwood company held major project status and since then the status has been revoked. Will that have any effect on the company's business and can you give us a reason why it was revoked?

Ms TAN: Major project status was revoked again because there was no move towards meeting the commitments made by the company under the project development agreement. Our understanding is that at the time the status was revoked, the company's view was that it was unlikely to be able to meet those commitments. If they cannot meet the commitments, then the PDA falls away.

There is nothing to stop Quintis, at some point in the future, if they believe that have a solid case, to come forward to reapply for major project status.

Mr WOOD: What involvement do you have in the redevelopment of the Mount Todd mine? It has been going on for a long time.

Ms TAN: Vista has major projects status. It is being—the lead for the major projects status resides with the Department of Primary Industry and Resources. Our understanding is that the environmental assessment process has been completed. It is progressing final feasibility and (inaudible).

Mr PAECH: What about the salt mine, Tellus Holdings?

Ms TAN: Environmental assessments are complete. Consideration is being given in terms of the waste disposal processes and the necessary regulatory approvals associated with that.

Mr PAECH: That is looking at the project in two parts: the salt and the facility?

Ms TAN: Yes.

Madam CHAIR: I am going to allow a bit of latitude for the Member for Nhulunbuy. His question is under Output 15.1.

Mr GUYULA: I think it might be 15.2.

Madam CHAIR: Ask away.

Mr GUYULA: Chief Minister, how is the government determining which Aboriginal and regional enterprises it will foster? How are homelands and communities consulted on the enterprise they would like to develop?

Mr GUNNER: Often it is self-identification—a fair way—who chooses to come to us to apply as a recipient of a grant. Is there more I should say there? It is self-identification through DCM.

Mr GUYULA: In Galiwinku land owners wanted to build offices for commercial rent. The NLC failed to support the land owners on this enterprise. They would not even assist with helping to develop a business proposal. This project had the potential to provide ongoing economic independence. How will the government assist

land owners who find themselves in conflict with land councils so they too can still be part of growing the Territory economy?

Mr GUNNER: That is a difficult one for us because the land council is a Commonwealth statutory authority. It has powers vested in it by the Australian Government. We are happy to provide advocacy or even help people prepare their business cases. There are different grants so we can help. If someone has an idea we can help shape it up. At the end of the day, we cannot change, alter, interfere with or amend the land council process and the authority they have been given through the Australian Government.

We can help to a certain point, but there comes a point when we cannot—where we are stymied ourselves. We have a similar frustration with our barge landings that we are trying to get approved. We are waiting on land council approval for those. We had that chat the other day about the one that is seven or eight years outstanding at Gapuwiyak. TOs on site have said yes, but we still do not have approval from the land council.

Mr GUYULA: Since 2016 how much government money has been invested in DEAL, ELA and Gumatj Corporation for this project and what is the projected government investment in the project?

Mr GUNNER: That is for the space base? Equatorial Launch Australia?

Mr GUYULA: Yes.

Mr GUNNER: From memory, we have spent \$250 000 with DEAL. Do you want to break it down, Luke?

Mr BOWEN: Effectively, DEAL was provided with \$250 000 to help facilitate the development of the ELA proposal in Nhulunbuy. Subsequently there has been another \$40 000 contributed to an initiative to launch the space industry through an agreement with a rocket launch in Queensland, which was done last year. It tested some of the technology and provided some visibility of the opportunities through the space sector, with a view to—by 2020, the first launches by NASA from Nhulunbuy.

Mr GUYULA: I support business enterprises that use the traditional decision-making processes where all plans are included. My job as a Yolngu leader and Member of Parliament is to advocate for the people who have voiced concern and mediate between clans.

I have heard you on radio telling people that the space port in Arnhem Land is driven by the TOs and that everyone in Arnhem Land is excited about the rocket launch. I have told you on several occasions that people are worried and concerned, and that a true decision-making process has not been followed, and there has been poor consultation.

I have also told you that there are TOs who have not been consulted. These are not just my thoughts; this comes from the people of my electorate. Why are you choosing to ignore these comments and promote a process that is leaving out local leaders and elders, and undermining our law?

Mr GUNNER: It is important to note that the Northern Land Council, which has a statutory responsibility for the consultation, has done that through the identified Traditional Owners and the Gumatj organisation, which is a Yolngu-owned enterprise. I understand that you have a difference of opinion with who the Northern Land Council has identified. There is a separate process for that. In terms of myself formally as Chief Minister, the Northern Land Council has done that work and it would be improper of me to dispute the land council's consultation work, who they have identified and what they have done under Australian law.

Mr GUYULA: Can you provide a breakdown of total government expenditure since 2016 on the promotion and facilitation of a fracking industry in the NT? What is the projected expenditure for the promotion facilitation of this industry?

Mr GUNNER: If I could just talk that out, Member for Nhulunbuy, there is not really an answer for that within DTBI. We do not really promote fracking. I am not saying DPIR does that either, really. We have a gas taskforce that is chaired out of our area, which would include offshore as well as onshore ...

Mr DRABSCH: And also costs related to the Pepper inquiry and the implementation of those recommendations.

Mr GUNNER: We can take it on notice to try to answer it the best we can. It would not be straight to your question, because we do not really have promotional activities.

Madam CHAIR: Would you like to put that question on notice?

Mr GUNNER: We will try to answer to the spirit of it.

Question on Notice No 3.20

Madam CHAIR: Member for Nhulunbuy, can you please restate your question for the record.

Mr Nhulunbuy: Can you provide a breakdown of total government expenditure since 2016 on the promotion and facilitation of a fracking industry in the NT? What is the projected expenditure for the promotion and facilitation of this industry?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: Yes.

Madam CHAIR: The question asked by the Member for Nhulunbuy of the Chief Minister has been allocated the number 3.20.

Madam CHAIR: Are there any further questions on Output 15.2? That concludes the consideration of Output of 15.2.

Output 15.3 – Northern Australian Development and Trade

Madam CHAIR: The committee will now consider Output 15.3, Northern Australian Development and Trade. Member for Nelson, I know you have a question here. How many might you have?

Mr WOOD: One.

Madam CHAIR: I might go to you first.

Mr HIGGINS: That is fine, I do not have any.

Madam CHAIR: Member for Nelson, if you would like to ask your question.

Mr WOOD: Chief Minister, Team NT was set up by the government. What are the costs so far? Its priority areas were using existing gas reserves to attract manufacturing in Darwin, improving airline connectivity and sea links with Asia and the Darwin region including Indonesia and Timor Leste, and attracting more corporate offices to Darwin. Chief Minister, has any of that commenced yet, and if so can you give me any examples?

Mr GUNNER: I will pass to the CEO in a second. TeamNT has just got back from a roadshow on the east coast talking Territory with corporates. It has also recently had significant conversations with the airport, port and others about our logistics and their air and sea connectivity.

In terms of recent examples. Paul Tyrrell, who is on TeamNT, is the Chair of gas taskforce. He is pulling all that together around our gas plan to get full return for our resources if they are developed. I am not going to presume approvals through the environmental production processes, but we also want to be prepared for what would happen through that.

The CEO has some notes on recent activity and we can give you an update if you like. I also am conscious of time and, if you want, we can simply provide you a briefing too.

Mr WOOD: I would be happy with the briefing, unless the other members want to hear the answers to that.

Mr MILLS: As long as you share the answer with us.

Mr WOOD: At the normal price for sharing briefings. They can come along too, I presume?

Mr GUNNER: Of course they can attend.

Madam CHAIR: Was that your only question on Output 15.3?

Mr WOOD: Yes.

Madam CHAIR: Does anyone else have questions on 15.3?

Mr HIGGINS: No.

Madam CHAIR: That concludes consideration of Output 15.3.

Output 15.4 – Procurement NT

Madam CHAIR: The committee will now consider Output 15.4, Procurement NT. Are there any questions?

Mr HIGGINS: In the Buy Local Industry Advocate area—how often has the Chief Minister met with that advocate in the last financial year?

Mr GUNNER: I met with him two weeks ago. I have met with him regularly in terms with issues he has happening in his patch.

Mr HIGGINS: Would you meet with him monthly, six-weekly?

Mr GUNNER: It would be in some respects, on request, and if it has been a little while, we just catch up to make sure we stay in touch.

Mr HIGGINS: So there is no plan for regular meetings or whatever, it is just as required.

Mr GUNNER: Probably on a more important note, he catches up with all departments regularly. I meet with him too. He has had no complaints about access as far as I am aware.

I thank Denys for his work. I think he has done a good job.

Mr WOOD: I want to ask about this issue of whether when interstate or local companies win a contract, they required to buy local. I am referring to the recent issue about the fisheries contract—or the department of Primary Industry—for traps.

Mr GUNNER: There was significant misinformation about that tender.

Mr WOOD: You might be able to straighten it out. They said that the steel was bought from China.

Mr GUNNER: DPIR will be able to answer that in more detail.

Mr WOOD: In general then, I am asking—does Buy Local go to the extent that if someone wins the contract...

Mr GUNNER: Yes, is the short answer. It goes through the tender. Part of that was to do with steel.

Mr DRABSCH: In any procurement process that we undertake, there are local content criteria. If we are awarding a contract to an external company outside of the Territory, we would also seek to get some assurances from them about the extent to which they will use local sub-contractors, for example. That is something we will monitor in the implementation of any contract.

Mr GUNNER: Often it is outlined in the original tender. It is more about making people hold to what they say they will do in the execution of the tender. We have had accusations—and this is something I have asked Denys to keep an eye on—someone wins a tender, says they are going to use a local fridgey and that is in the tender.

Mr WOOD: That is exactly what I have heard.

Mr GUNNER: We make sure that if you said you were going to use that person, you will use that person. That is how you won the tender.

Mr WOOD: I think the issue is that they get another tenderer who buys their product from somewhere else. There is a lack of control down the line.

Mr GUNNER: We have specifically asked for that to be watched.

Mr DRABSCH: We monitor that on an ongoing basis and any subsequent tenders that they might participate in. Their track record in that regard will be noted.

Mr HIGGINS: Moving onto the Aboriginal Contracting Framework. Can we get a bit of an update on where that is at? It was supposed to replace the Indigenous employment provisional sum and I think it was originally planned to be up and running in January 2018.

Mr GUNNER: It never had a January 2018 commencement date. We have taken a deliberately different approach to the formation of this policy as opposed to the Indigenous provisional sum which is now seeing significant court work. I am happy to have Sibylle, who has been doing the briefing sessions, advise you about where we are at on the Aboriginal Contracting Framework, but January 2018 was definitely not a commencement date.

Ms BRAUTIGAM: Opposition Leader, we have gone through quite a rigorous process of consultation through three stages so far. It was a very open process to really draw on what people knew worked on the ground; that is what we were getting. Rather than saying 'this is what we think', we said 'what actually works?' and 'what do you find actually works on the ground?' and 'how has that been operating' and drawing on people's experience in that?'

We then got a group of 46 NT Government procurement people, external people, and industry and business people come in and sort through the information that was gathered from those groups and pulled that together into a draft framework. It was not quite at the framework stage but it was pretty much this is what we think are the most important elements of it.

We then went out and tested those elements out with quite a wide range of workshops across the Territory. We are at the process at the moment where one of the things that we also wanted to do—particularly in response to the Auditor-General and her observations around the Indigenous provisional sum about really needing to do that evaluation and economic impact assessment and things like that.

We have been undertaking the economic impact assessment on the elements of a framework what works and what could go in to it and that has taken a bit longer than we had hoped because we wanted some deeper analysis done and we did not want to put it out until we had that done. We have just received that in the last week. We are just finalising up the documents at the moment and they will be going out for public consultation as a draft framework well and truly before the end of June.

Mr HIGGINS: That has taken 18 months for us all to do. Do you think that is really acceptable? I am not professing that you rush things but this is a key thing and it has taken us 18 months. We do not know an end date for that.

Mr GUNNER: It is best I take that. There are people in court right now over the Indigenous provisional sum and we wanted to make sure this was a process that worked and that was responsible with tax payers' money and did not lead to a situation where people were in court.

It has been a deliberate process and it has been iterative and there has been several ins and outs to it to make sure we land on something that will genuinely work and will not lead to what was a significant paper work issue for government to process—all those wage sheets as well as the court situation.

You will probably get to this in planning but we are still having to pay people to process the paper work from Indigenous provisional sum and the wage sheets that came in. It was a significant workload that was placed on to government. It was a badly thought out policy that has led to—I will not presume the court results—but has led to significant concerns.

Ms BRAUTIGAM: The other thing, Opposition Leader, is that whereas the provisional sum was one policy element in one agency, what we are actually talking about here will apply to whole-of-government. Eventually it will include the grants area, not just the tender area. It is also quite systemic. It really looks at not only things like the provisional sum that drove demand for Aboriginal workforce and labour, but also looking at the supply side—making sure people had the skills and linking that up. It is quite a system and quite ranging policy framework. It is not a simple one-page policy statement. It is quite complicated in itself and quite sophisticated in that regard.

Mr HIGGINS: Not just replacing one.

Mr GUNNER: Do you want a briefing on it?

Mr HIGGINS: I would not mind.

Mr WOOD: Can I be involved in that too, because I get quite a few contractors who are concerned about the way it works on the ground?

Mr GUNNER: Will work, because it is not actually in place yet.

Mr WOOD: They employ Aboriginal people. They are required to put so many people on the job and there are cultural issues; there are issues with people not turning up for work. Sometimes there is lack of skill and education, which is an important part of this. I am talking about the practical application of this, and in relation to the cost of the tender.

Mr GUNNER: We will organise a briefing session.

Mr WOOD: Recently, Chief Minister, there were two construction contracts given out to the one company. One was for the Berrimah Farm and one was for TIO. That is, I presume, Marrara.

The concern that I have and that has been given to me is that if you look at the procurement rules, we are looking at, for instance, getting the best value for the Territory. That is one of the issues.

Those two contracts went to one company. We are not knocking the company. I will not name companies but this is an issue that has been around a while. Sometimes the government does it the right way. Gunn Point Road—classic. Three companies got Gunn Point Road—three lots of people employed.

Is two good contracts given to one company—other companies missed out, so the value for the Territory is much more limited. Does the government have a policy when it is doing some of these contracts to say ‘this company has got a job—good. Here is another company we think we can give that contract that company’, which would mean more people are employed.

Mr GUNNER: I do not think we can have a deliberate policy of sharing it around, because that would—I will have to talk about this a bit further, but what we have in our procurement policy is that under the assessment of capability and capacity, it is not just about whether you have the skills to do the job; it is about how many jobs you have. As in, are you stretched as a company?

Mr WOOD: This is a long-time Darwin company.

Mr GUNNER: This goes to your question. We all have tender stories, so I will de-identify it. There was a project that government awarded. The person who won it had done fewer of these projects than the company that did not win it. The company that did not win it had four jobs on the go. That was part of the assessment process—do you have the capability and capacity to do the job?

The company that did not win it complained and said, ‘We have built these things many times, so how come we did not get the job?’ It goes to your point. As part of the policy assessment you include how many jobs you have on the go, so therefore are you stretched or not stretched. That is my laymen’s explanation of it.

Mr WOOD: This is not company against company. These companies are not fighting one another. The issue is that in tight economic times if we shared some of the workload that means more people are employed and more families have food on their plates.

Mr GUNNER: I understand the point you are making. This is a legal way of answering it.

Mr WOOD: I am using the procurement rules to help me, by the way.

Ms JENKINS: My name is Julie Jenkins. I am the Executive Director of Procurement NT in the department. You are right, Gerry. From time to time there have been decisions made at the onset of a period when they could look at the policy in regard to making an early decision and making sure there is awareness in industry that there could be a share of the work in procurements undertaken. That has been done with some other stimulus programs, such as the BER that occurred.

The general framework requires that each tender is considered on its own individual merits, as was mentioned by the Chief Minister in that you can only consider that tender on its own merit, and the value of the outcome for the Territory is considered in that individual tender rather than the program of works as a whole.

Mr WOOD: I understand that. I gather the announcement came out within two days of both tenders. They were very close together.

Mr GUNNER: Building the Education Revolution was an entire program, so you design the program specifically. The public housing stimulus is a similar example. You design a program specifically.

Your two examples—TIO works and Berrimah Farm were one-off, so they come under the broad procurement rules.

Ms JENKINS: As mentioned, all aspects have been non-priced criteria that impact on the timeliness of each offer, their capability, capacity, past performance—all those elements will result in the outcome. If there were concerns about the number of tenders a contractor had at the time of putting in their offer, it would impact on their evaluation of their capacity, which could result in them not having the best value for Territory offer.

Mr WOOD: I fully understand what you are saying, but we are going through times when businesses are closing. Maybe governments need to be a bit flexible. I would say they have that all the time but there is some account to say if this is a better advantage for the Territory because this company will employ more people and those people will stay in the Territory. That is where I see a problem at the moment.

Mr GUNNER: I accept your point, but I am not getting complaints of people having too much work on either.

Mr WOOD: I said I would raise the issue—this is a good company that only takes on relatively small jobs, but it keeps them going. They did not get it. I do not know what the price difference was.

Mr GUNNER: I have had similar things raised with me, and I think we all get—procurement is one of the most common things raised with me. There is one winner and many losers in every tender. Some of it is around that price point. They are looking for an amount of works around the \$1m or \$2m mark. That is what was raised with me. We take the point, Member for Nelson.

Mr WOOD: Could I ask, with the defence jobs and veteran affairs—I think it is in this section—I do not have too many questions because I could not find it. I know it is in here now when you point it to me but if I had to go through the contents of this document, why have we not given it—I used to feel it had a little bit higher priority. Years ago we got the defence industrial site out on Thorngate Road. I thought we had more emphasis. It disappears in here, it is only a few lines.

Mr GUNNER: I am surprised you say that, Member for Nelson. We can work on the annual report but we have actually doubled the size of the team during this term of government and have appointed a first defence advocate. We have done a significant amount of work in the defence space.

Mr WOOD: I could not even find it on the website. I typed in ...

Mr GUNNER: I accept your point about the annual report but I want to let you know, Member for Nelson, it is not reflective of the amount of work that has been done this term on the issue. We have doubled the size of the team and Margaret Staib is our very first defence advocate. She is doing a superb job in my opinion.

Mr WOOD: If you are looking for a statement in parliament, perhaps you could give us one on this area.

Mr GUNNER: Alright.

Mr WOOD: It is important, but it is hard to find if I am looking for it.

Madam CHAIR: Any further questions on Output 15.4, Procurement NT? That concludes consideration of that output.

Output 15.5 – Strategic Policy

Madam CHAIR: We will now proceed to Output 15.5, Strategic Policy. Are there any questions?

That concludes consideration of Output 15.5 and Output Group 15.0.

OUTPUT GROUP 16.0 – EMPLOYMENT AND SKILLING
Output 16.1 – Workforce NT

Madam CHAIR: I note that questions regarding Output Group 16.0, Employment and Skilling and Output 16.1, Workforce NT, will be answered by the Minister for Workforce Training on Monday 17 June.

OUTPUT GROUP 17.0 – CORPORATE AND GOVERNANCE
Output 17.1 – Corporate and Governance

Madam CHAIR: The committee will now consider Output Group 17.0, Corporate Governance, Output 17.1, Corporate and Governance. Are there any questions?

Mr HIGGINS: Yes. I thank the Chief Minister for giving us the reply to some of the questions yesterday. We have been through those. These are in regard to those responses that have been received back.

My first question is, why has the department paid out over a quarter of a million dollars to a registered South Australian company, Red Appointments, to process stimulus grant applications?

Mr GUNNER: Which written question number was that?

Mr HIGGINS: I am not too sure, but it was an answer that we were given back.

Mr GUNNER: I just thought because it was an answer in response to a written question, you might have the number.

Mr HIGGINS: It is here but I would have to try and find it.

Mr DRABSCH: I am not sure which particular grant we are talking about.

Mr HIGGINS: It was your answer back to us and we paid out a quarter of a million dollars to a registered South Australian company called Red Appointments. The explanation for that was to process stimulus grant applications.

Mr GUNNER: We are flicking through the written questions. We can take it on notice. If your office is listening they might be able to flick down the written question.

Mr DRABSCH: In terms of the processing of the stimulus grants, there were external contractors brought on to support the workflow in the management of those particular things which were arranged in a short period of time. As it was a stimulus activity, and it had to be done quickly.

Mr HIGGINS: The question then is why did we pay it to a South Australian company called Red Appointments?

Mr GUNNER: I just want to clarify that it is. That is not in the answer. The advice that I am getting is that we did not give money to SA. There are local people in the NT that got that money.

Mr HIGGINS: It is a registered South Australian company called Red Appointments. It was paid to Red Appointments.

Mr GUNNER: There is a physical office and physical business here in the Territory that received the money.

Mr HIGGINS: So even though they are a registered South Australian company, they are not a registered Northern Territory company.

Mr GUNNER: They are local Territorians who did the work.

Mr HIGGINS: But they are not a registered company here.

Mr GUNNER: I cannot answer the registration question, but they are physically here.

Mr HIGGINS: Righto. So we paid in excess of \$100 000 for advertising, and the advertising we are paying for is what the government is doing to support a strong and vibrant economy. That was paid to the *NT News*, *Darwin Life* magazine and *Territory Q*. Do we think that expenditure at the moment, under the current financial position, is good?

Mr DRABSCH: We use a number of mechanisms and mediums to get information out to the business community about the things that are happening in the Territory, and also the programs that are available, and success stories of people who have taken up the programs and of our businesses. They have been able to generate more positive outcomes as a way of educating the business community about the future opportunities and potential in the Territory.

Mr HIGGINS: My question was, is that an appropriate use of \$100 000 for self-promotion at this point in time?

Mr GUNNER: If you read it, it is not self-promotion. It is informative of what is actually happening in the Territory.

Mr HIGGINS: ‘What is the government doing to support a strong and vibrant economy’—it seems a loose use of words.

Mr GUNNER: That is just a descriptor, but we can get you some examples of it. I think you are misunderstanding.

Mr PAECH: Read the article.

Mr HIGGINS: Could you provide a copy of the report ‘increasing and broadening gas commercialisation benefits for the Territory’ that was compiled by the New South Wales Company, Port Jackson Partners?

Mr BOWEN: Opposition Leader, the report you are referring to was to bring up to currency the work that Port Jackson had previously done. This is based on the fact that the Beetaloo Basin is coming on stream. They had previously done some work; this is really a matter of bringing it up to date.

Mr HIGGINS: My question was, can get a copy of that report?

Mr BOWEN: I am not sure. I will have to take that on notice. I am not sure what the status of that report is.

Mr GUNNER: We will take it on notice.

Question on Notice No 3.21

Madam CHAIR: Opposition Leader, can you please repeat your question for the record.

Mr HIGGINS: Could you provide a copy of the report ‘increasing and broadening gas commercialisation benefits for the Territory’ that was compiled by the New South Wales Company, Port Jackson Partners?

Madam CHAIR: Chief Minister, do you accept the question?

Mr GUNNER: We are happy to accept that question and we are also happy to offer you a briefing on it, if you want, Opposition Leader.

Madam CHAIR: The question by the Opposition Leader of the Chief Minister has been allocated the number 3.21.

Madam CHAIR: Are there any further questions on Output 17.1, Corporate and Governance, noting we have about two minutes left?

That concludes consideration of Output 17.1.

Output 17.2 – Shared Services Received

Madam CHAIR: The committee will now consider Output 17.2, Shared Services Received. Are there any questions?

That concludes consideration of Output 17.2 and Output Group 17.0.

Non-Output Specific Budget-Related Questions

Madam CHAIR: Are there any non-output specific budget-related questions?

That concludes consideration of output groups relating to the Department of Trade, Business and Innovation.

On behalf of the committee, I would like to thank the Chief Minister for his attendance today. I would also like to thank the officers who provided assistance to the Chief Minister throughout these hearings.

That brings the estimates hearings for today to a close. Hearings will recommence tomorrow at 8 am with questions for the Attorney-General and Minister for Justice.

Mr GUNNER: I would like to thank the Department of Trade, Business and Innovation for all the work they have done to prepare for estimates. I believe this is the longest session the Department of Trade, Business and Innovation have had during this term of government, so I thank the members of the committee for having them on and asking them a series of questions.

The committee also acknowledges and thanks the Department of Trade, Business and Innovation staff for their preparation in the estimates process and apologise that due to time restrictions that the Department of Business, Trade and Innovation will not be able to appear today.

Mr GUNNER: The department has also done a significant amount of work to prepare for today, and I think the committee will regret not having had Michael Tennant appear.

Mrs FINOCCHIARO: I would also like to thank police—thank you for your hard work. This has been a very beneficial process, as estimates always is. I would also like to thank DTBI staff because I know they have poured a lot of energy in to and have probably sitting waiting anxiously to appear today, but I can assure you we will be providing written questions. It is disappointing we could not get to it, but time is very tight. Thank you.

Madam CHAIR: That brings the estimates hearings for today to a close. Hearings will recommence tomorrow morning at 8 am with questions of the Attorney-General and Minister for Justice.

Madam CHAIR: Thank you, everyone.

The committee suspended.
