

COUNCIL OF TERRITORY COOPERATION

TENNANT CREEK

Thursday 19 November 2009

The committee convened at 10.45 am.

Mr CHAIRMAN: Welcome everyone. I will read the formalities. This hearing is open to the public and is being recorded. A transcript will be produced and will be available to the public. In certain circumstances the committee may decide evidence, or part thereof, can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*. I remind you, this is at the discretion of the committee. You are reminded evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask you state your full name and the capacity in which you appear today. I also ask you state your name each time you speak.

NEW FUTURE ALLIANCE

Mr Brian Hughey

Mr Robert Ryan, the Acting Executive Director of SIHIP

Mr CHAIRMAN: Our first item on the agenda is Mr Brian Hughey, the New Future Alliance partner. Welcome, Brian. Could you give your name please and the capacity in which you speak.

Mr HUGHEY: Brian Hughey. I am the project director for New Future Alliance.

Mr CHAIRMAN: I make an apology for Marion Scrymgour, member for Arafura, and Willem Westra van Holthe, member for Katherine. Both are unable to attend. This committee is a six person committee, and can operate with three members. As you know, parliamentarians have other work as well, so they try to balance all things. We consider this a very important event, and those two members not present today have important issues to attend to.

Brian, I know we have met you in Darwin, however, could you give us a overview of what you are doing? Can I ask you what the New Future Alliance is?

Mr HUGHEY: The New Future Alliance is made up of a number of contractors, as well as the Northern Territory and Australian governments.

Mr CHAIRMAN: Can you say who those contractors are?

Mr HUGHEY: The contractors are Leighton Contractors, Broad Construction Services, Ngarda Civil and Mining, and Opus Quantec McWilliam now known as Opus Pty Ltd, the design engineers.

Mr CHAIRMAN: Would you be able to say what role each company plays in your alliance?

Mr HUGHEY: Leighton Contractors and Broad Construction have experience in major building programs around Australia. Ngarda Civil and Mining, in particular, their experience is working with and employing Aboriginal people and groups. Opus is the design engineers for what we are contracted to do.

Mr CHAIRMAN: There are four partners?

Mr HUGHEY: Correct.

Mr CHAIRMAN: What was Broad Construction?

Mr HUGHEY: Broad Construction is a building company. It is owned by Leighton Contractors but operates under a different name.

Mr CHAIRMAN: Where would the head office for each company be?

Mr HUGHEY: Leighton Contractors' head office is in Sydney; Broad Construction head office is in Perth; Ngarda Civil and Mining head office is in Perth; and Opus' head office is in Sydney.

Mr CHAIRMAN: When did your role officially start as an alliance partner?

Mr HUGHEY: The role officially started on 8 October 2008. The first few months prior to Christmas 2008 was taken up with mobilisation, hiring managers and engineers and estimators, getting them to Darwin, getting established in Darwin. Early this year saw the commencement of scoping of works. For example, the first scoping works we looked at was for Package 2, which was Tennant Creek.

Mr CHAIRMAN: You have an office in Darwin and Tennant Creek?

Mr HUGHEY: No. We have a site office in Tennant Creek; we have a main office in Darwin.

Mr CHAIRMAN: Could you tell us if any of the partners have much experience in building in remote communities, especially Indigenous communities?

Mr HUGHEY: Broad Construction has had experience in building in remote communities, particularly Aboriginal communities.

Mr CHAIRMAN: In which state?

Mr HUGHEY: In Western Australia., in the Pilbara and the Kimberley.

Mr CHAIRMAN: When you commenced, what were you expecting to build? I gather the plans have changed a bit. What were you originally intending to do?

Mr HUGHEY: Tennant Creek was the first package we were given to look at. The original scope was to rebuild all the houses in the community living areas, a total of 78 houses; provide a new subdivision and civil infrastructure works to those community living areas, which is new power, water, sewer and roads. Any money left in the budget after the work had been delivered was to be put to new housing.

Mr CHAIRMAN: Has that original agreement changed?

Mr HUGHEY: Not at all, not at all. Whatever we scoped initially, prior to the inquiry, has not changed at all.

Mr ELFERINK: Does that mean you are still replacing roads, power, and water infrastructure?

Mr HUGHEY: That is correct.

Mr ELFERINK: It is still part of the contract?

Mr HUGHEY: Still part of the contract, yes.

Mr GUNNER: The single men's quarters, you are doing the civil works for that?

Mr HUGHEY: Correct.

Mr ELFERINK: This is all part of Stage 1 of the SIHIP roll-out.

Mr HUGHEY: This is Tennant Creek SIHIP roll-out. This is the full scope for the initial \$35m.

Mr CHAIRMAN: We have no microphones, however you are most welcome. This is a friendly council. If you cannot hear you are most welcome to come this way. It is a large building and it will be difficult for Brian to be heard. Please move your chairs closer if you want to hear.

Mr ELFERINK: The review which was done recently regarding SIHIP did not affect the work your alliance had been contracted to do?

Mr HUGHEY: In Tennant Creek, that is correct.

Mr ELFERINK: Has it affected areas outside Tennant Creek, or is that part of a future works program for you?

Mr HUGHEY: Yes, it has. That would be in the southern shires package we call 3A, which is 28 communities across the Barkly and Central Desert shires. The scope of work regarding the refurbishment of houses has changed following the review.

Mr ELFERINK: I want to discuss Tennant Creek. In the bus you and I had a conversation regarding the work being done. The labour, which is the non-professional component, is being sourced exclusively locally, is that correct?

Mr HUGHEY: No, that is not quite correct. There is a mix of New Future Alliance tradesmen and local tradesmen. Trades assistants are sourced exclusively from local people.

Mr ELFERINK: You have a mix of local and imported tradesmen. Are there any tradespeople you are importing that could be sourced locally, if the budget was available?

Mr HUGHEY: I am sure there are more trades we could have sourced locally. Recently we brought in some experienced supervisor tradespeople from the contractors involved in the alliance. That was to ensure the standard of work required was being delivered, and get that on track.

Further discussions with Julalikari would be around if they could source tradespeople to deliver that type of work. We would be more than happy to allow our tradespeople to bring in local people.

Mr ELFERINK: Is it economics which drives this or is it organisational?

Mr HUGHEY: No, it was more around getting supervisory tradespeople on board for the alliance who had worked for the contractors before, knew the safety and management systems we operate within, and get that absorbed into the project.

Mr ELFERINK: It would be correct to say it is organisational; it is convenient to have people who know your systems, you parachute them in and then source local tradies.

Regarding what you roll-out into the future, how will you be increasing your level of sourcing now you have local tradies who are familiar with your system? Will you be increasing your focus on them, because you have more people in that ...

Mr HUGHEY: We want to utilise the local tradespeople more and more. It is a gradual process. We will get our management systems in place, get a number of local tradesmen who are used to working with us and increase that as the project goes on.

Mr ELFERINK: It would be fair to say you have certain economic realities? Your alliance is still a business and has to operate along business lines, is that correct?

Mr HUGHEY: Absolutely correct. There is a budget we operate to and that is foremost in our minds.

Mr CHAIRMAN: Could I interrupt and welcome Alison Anderson, member for Macdonnell; Michael Gunner, member for Fannie Bay, John Elferink, member for Port Darwin; and myself as member for Nelson.

Mr ELFERINK: I am trying to establish how much money finds its way into the local economy. What is the average cost for the rebuild inside Tennant Creek as part of your work here?

Mr HUGHEY: The average cost of the rebuild is around \$200 000.

Mr ELFERINK: That is the \$200 000 threshold which has been set by the process.

Mr HUGHEY: Some are a bit more, some a bit less. The average is \$200 000.

Mr ELFERINK: You are building two more houses?

Mr HUGHEY: Correct.

Mr ELFERINK: What are they worth?

Mr HUGHEY: \$450 000 each. I might add that question was asked in Darwin, and I did reiterate that was priced prior to the review. There has been no change.

Mr ELFERINK: I accept that. It is for the audience I ask that question, and to give my next questions some basis to work off. The refurbishment for 78 houses is \$15.6m?

Mr HUGHEY: I do not have that in front of me. If you talk about it as the number, yes.

Mr ELFERINK: Plus \$900 000, so it is about \$16.5m for house construction and reconstruction with no refurb.

Mr HUGHEY: There are no refurb at all; everything is rebuilt.

Mr ELFERINK: It is a \$30m project of which \$16.5m is going into construction and reconstruction. How much will be going into the other infrastructure, roads, power and water?

Mr HUGHEY: The remainder of that \$30m would be going into civil infrastructure.

Mr ELFERINK: All of it?

Mr HUGHEY: Correct, roads, power, water, sewer.

Mr ELFERINK: How much of that will be spent in local shops, providers and through local tradesmen? Can you work out a percentage?

Mr HUGHEY: No, I could not. We have a contractor to perform the civil work. There will be some minor subcontractor works underneath the main scope, which would be electrical and laying pipes. All the major sewer and water pipes will need to be sourced outside Tennant Creek. That is a general thing we are trying to do across the program; bulk buy across the alliances to get some cost savings.

Mr ELFERINK: It is a commercial decision you take, and if it was to become policy to ask you to source more material locally, it would need to be a matter of policy from the people who have signed contracts with you, the federal and Territory government, is that correct?

Mr HUGHEY: If there was a cost imposition to it, yes.

Mr ELFERINK: It is a commercial decision which has you sourcing these materials outside Tennant Creek?

Mr HUGHEY: Correct.

Mr CHAIRMAN: Is it Territory sourced?

Mr HUGHEY: Our priorities are local, Territory, then outside the Territory, which is standard across the industry.

Mr CHAIRMAN: Is the contractor for infrastructure a local or Territory contractor?

Mr HUGHEY: If he is not a local contractor he is a Territory contractor.

Mr CHAIRMAN: Do you have his name?

Mr HUGHEY: Is it Sid Ruska.

Mr CHAIRMAN: Based where?

Mr HUGHEY: Based in Darwin. An Aboriginal contractor.

Mr CHAIRMAN: We know Sid.

Ms ANDERSON: Brian, what is the price tag, per house, on repairs and maintenance or rebuilds on those houses at Ntaria, Ali Curung, communities which came in after the review?

Mr HUGHEY: The Australian government could answer questions around policy on ...

Mr CHAIRMAN: Are members happy if we ask Mr Robert Ryan, the Acting Executive Director of SIHIP, if Brian does not mind.

Mr RYAN: The cost we have set for refurbishment work is \$75 000 per house, on average. There will be refurbishment work which is less, and there will be refurbishment work which will be more than that. It may well be, in some communities, it averages less because of the actual condition of the houses. They might struggle to bring it in under that, but that is the budget we have set for them to work to, to make sure we get the types of outcomes we need in these communities, so ...

Ms ANDERSON: So it is \$75 000 per house?

Mr RYAN: Per house.

Mr CHAIRMAN: I might just ask everyone if they can, to speak a bit louder, because ...

Ms ANDERSON: You might have to just come around here because this is actually a committee and we have to be questioning people. We are not responsible for your hearing, so you will need to make yourselves available where you can hear.

Mr CHAIRMAN: You are most welcome to bring your chairs a bit closer anyway, and around the edge. It is a hard building to hear in because of the height, but you are most welcome to come up closer. I do not think Robert will mind someone listening intently.

Mr RYAN: I will set up here, if you like.

Ms ANDERSON: The second question, Gerry. Is there a consultant who comes into these remote Aboriginal communities through your alliance partner, and where does that person come from?

Mr HUGHEY: What sort of consultant are you referring to, Alison?

Ms ANDERSON: Engagement, Indigenous Engagement officer or ...

Mr HUGHEY: Oh, okay, that is part of the alliance role. There are Community Engagement Officers to actually go to the community prior to the works commencing, along with Territory Housing and the local shires, and engage with the community and explain to the community what is actually going to be happening on that community and with their houses.

Ms ANDERSON: So do you have a person you employ?

Mr HUGHEY: That is correct.

Ms ANDERSON: Where does that person come from?

Mr HUGHEY: We have a small team of community engagement people on board New Future Alliance. One of them is from Alice Springs, two from Darwin, and one from Brisbane, Alison.

Mr RYAN: We also have community engagement in government. One of the changes under the review was we recognise the government needed to play a stronger role in community engagement, so there is a small team based in Darwin but we are trying to use as much as possible the existing networks out there already – both government business managers and the regional staff for Housing and Local Government ...

Mr GUNNER: So, from the Territory government perspective, that might be the Territory Housing people ...

Mr RYAN: That is correct, yes.

Mr GUNNER: People on the ground would be going out; not necessarily the team in Darwin, there would be someone local.

Mr RYAN: No, they are not additional staff; they are existing staff we are trying to utilise to deliver the program more effectively.

Ms ANDERSON: But, under the alliance, you have ...

Mr CHAIRMAN: Just one second, Alison. Just to help Hansard - I slipped up in the last meet - we will try to give our names when we talk, because it is difficult for Hansard to pick up different voices sometimes. If you just give your names each time we speak. Alison.

Ms ANDERSON: Getting back to that same question, even though you have Territory Housing workers on the ground in these communities and Indigenous engagement officers through the Commonwealth, the alliances still have people you brought in, as you said, from Alice Springs, Brisbane, Darwin. To do what?

Mr HUGHEY: To work as part of that community engagement team with government in liaising with the communities - the GBNs on the community, etcetera – and work through the process of the scope of the work and how it is going to affect the community.

Ms ANDERSON: How many people would you have in your little alliance that you have brought in from Brisbane, Alice Springs, Darwin? How many people?

Mr HUGHEY: We have four people in our community engagement team, and that is to work across the three packages we currently have within SIHIP, which is Tennant Creek, 3A, the southern shires, and package 6, which Wadeye, Peppimenarti, Nganmariyanga, and Daly River.

Mr GUNNER: I just want to talk about the nature of the rebuild you have going on in Tennant Creek. We did a tour this morning and we saw properties at various stages - had not been touched yet, work had just started on them, and a finished property. The houses themselves, by and large, seem pretty solid; the walls were standing. The majority of the work seems to be getting in, fixing up the kitchens, the ceilings, and the bathrooms. Would that be the majority of the work?

Mr HUGHEY: Basically, the scope of the work has been to get in there, strip the houses out, totally apart from the walls, and start again.

Mr GUNNER: In some houses we saw, they were cleaning out the louvers, and had taken the louvers out, some metal, some glass, but in some other properties we saw the windows had not been touched. Is there a reason why there is a difference between some properties and others?

Mr HUGHEY: If it was not originally scoped, it was not done. The question was asked, when we walked around: 'why was it not done?' The answer is it possibly was not in the scope, although there is a defects list on the houses that we did see, that is yet to be done and ...

Mr GUNNER: There is a chance it will happen on the way back through?

Mr HUGHEY: The window that we looked at would have been polycarbonate, there is no glass being put into these houses, it is all polycarbonate windows and that would be replaced.

Mr GUNNER: We saw a couple of obvious things as we went through, like you pointed out that the fuse box had not been painted yet. With the kitchens we saw in the first house that had not been touched yet, the kitchen was largely damaged from wear and use of the kitchen top as a chopping board and that. We saw in the new kitchens that you have gone for stainless steel kitchens. Talk us through some of the things you have done to the old kitchens to the new kitchens to make them better?

Mr HUGHEY: On the design of the materials for the new kitchens, it has been decided to go totally with stainless steel, obviously for its ability to last much longer than the old kitchens, where as soon as you get a bit of water in them they start swelling and falling apart. Stainless steel is an accepted best practice for use in kitchens and we are trying to use materials which will last 20 or 30 years and give a good service to the household.

Mr GUNNER: We saw in the house that you had finished you have done fibro-cement skirting boards, and you actually had some holes in the bedrooms, so you could actually hose out the house if you wanted to clean it and it was not going to damage anything in the house.

Mr HUGHEY: If there is water spilt on the floor or whatever it is not going to damage the skirting boards or create swelling, etcetera.

Mr GUNNER: This all goes to, I guess, some of the scope of the work, that said to make sure that it lasted and it was robust, and I wanted to talk about some of those things that are happening. Is there anything else, that maybe we did not notice, which has happened in the rebuilds that is going to contribute to the property lasting about 30 to 40 years?

Mr HUGHEY: I guess it is more about two things. Functionality of the house, the long-lasting functionality of the house, so the R & M money which is allocated for public housing can be spent on necessary things rather than fixing things up, whether it was through bad materials or whatever, but that has been the main focus.

Mr RYAN: If I could add, generally, all SIHIP work has to comply with the *National Indigenous Housing Guide*, and the guide is based on what we have learned over the last 20 years about the reasons certain things fail in Indigenous housing and why houses stop functioning. Even if the walls stay up, the houses stop functioning because kitchens or toilets fail. There is a body of knowledge in the *National Indigenous Housing Guide* which gives advice about the type of things you have to do to make houses work in remote Indigenous communities. All SIHIP work has to comply with that guide. When they are scoping out the rebuild work, they will look at what the *National Indigenous Housing Guide* says about the sort of things you need in kitchens, toilets, bedrooms, and incorporate that into the scope of works.

Mr GUNNER: And we saw one ...

Ms ANDERSON: We still have not learned enough, because there are no curtain hooks, as I showed you in the finished house. This means that the tenant will go in there and put a blanket over for privacy, put a nail in and crack the wall. In both the bedrooms you still have the old Perspex windows, they have not been replaced, and there is no security in one of the windows. I go back to Paul Pholeros and Healthabitat, and put on the record, Mr Chair, if you do not attend to those issues now, you will go back and replace something that is worth \$1000 with something that will cost you over \$20 000. It is a waste of material and Aboriginal people get blamed for wrecking the house, when it is actually the poor material and tradesmen that are building these houses. We saw it in the finished product today and, Brian, you were alarmed, as you said.

One of the things that I also noticed, which I did not bring up with you, is the two verandahs on both sides, made of concrete, which have not even been painted. The member for Fannie Bay was saying you have escape holes in the bedrooms, so things do not get damaged if there is water, well, you have tiles inside those bedrooms so as soon as water gets on the tiles they will lift. That may be something you did not take into consideration even though you have gone through the process of trying to understand Indigenous living and Indigenous housing.

Mr GUNNER: Could you explain the quality assurance program?

Mr CHAIRMAN: Could I give Brian a chance to comment?

Mr HUGHEY: As we have discussed walking around, Alison, I admit I was surprised that that window had not been changed. On talking to the supervisor I was informed a defects list had been compiled during the joint inspection of the house, and that window was on the defects list, and is to be fixed prior to final handover to Territory housing.

Mr CHAIRMAN: Do you have an independent quality control person who assesses the work done on the house before it is handed over?

Mr HUGHEY: Not a quality control system. As alliances, we have our own quality control systems in place. The scope of work is initially determined and then performed. As part of the review process, we have been through a way of determining what we done on houses. This includes rebuilds and refurbishments, utilising the Territory housing system by looking at how the house functions and the standard of the house at the time. Prior to an alliance commencing on a house, the house is scoped for functionality, which is a Territory Housing four page document you work through; all that is listed on the document. The work is then performed. After the work has been performed, you go back to Territory Housing, go through the functionality assessment of the house again, and identify the scope of work carried out as per contract.

Mr CHAIRMAN: Who did the original scoping? The member for Macdonnell said no curtain hooks. What about clothes hooks in the shower room or something you can hang your towel on so not everything sits on the floor? Were there people who said: 'these houses will include some of these basic things, or...'

Mr HUGHEY: No, when we did the initial scoping our engineers went through and scoped the work.

Mr GUNNER: Mr Ryan, is there a quality assurance process when the keys are handed over? Is it something Territory Housing does? There will be some things the alliance does within their scope, and some things Territory housing does.

Mr RYAN: When the work is finished, under the scope of works Territory Housing assess the house in relation to their standards to ensure it is compliant. That is where we have the defects liability period. Any issues are worked out between the alliance partner and the department of Local Government and Housing to rectify those problems to bring it up to standard.

Mr CHAIRMAN: If it has not been included in the scoping that there are no curtain hooks, and there are no hooks for towels and clothes in the laundry or bathroom, does that mean that it simply will not happen?

Mr RYAN: No, it certainly does not. It may mean it does not happen through the alliance, or it could happen through the alliance. Part of the advantage of an alliance is you do have flexibility to go back; you are not locked into a fixed-price contract. We can negotiate with them to do things which were not part of the original scope, where it is sensible to do so, or housing could actually make the decision this is something they could easily do themselves or through Julalikari.

Mr CHAIRMAN: If Julalikari or this council felt there was a lack of basic infrastructure in those houses, how would we effect change? If Alison says people are going to nail things to the wall, and I say they are going to drop all their clothes on the floor, how would you go from here to there?

Mr RYAN: There are standards within Local Government and Housing for public housing, these houses must comply with those standards. I am not an expert on the detail of those standards, but I would hope these things would generally be picked up. It is also advice from Julalikari, which will be managing these houses, as to the sorts of things that need to happen. Ms Anderson, I expect those sorts of things would get picked up and addressed prior to tenants moving in ...

Mr GUNNER: And the keys being handed over.

Mr RYAN: Yes, when the keys are handed over. It is not clear yet whether that happens during the alliance or whether there are other sensible ways to do that. But, it will be part of the handover process; part of Local Government and Housing determining these houses are now up to the standard for public housing we have decided are the standards these houses are going to reach in Tennant Creek.

Mr GUNNER: One of those things that was covered, in what a Territory Housing house gets - and I know Ms Anderson raised this when we were out on tour - is the landscaping package. A new house gets a \$500 landscape package and a rebuild gets \$300, I think, from memory. That is going to be made centrally though the Julalikari nursery, from memory. That is the sort of thing which would happen to these properties post the alliance stage, but pre the tenancy stage. There are a number of things Territory Housing might pick up.

Mr RYAN: Yes, that is correct, or it maybe done while the tenant is in there if it is external to the house.

Mr ELFERINK: Just on this handover process. Is there actually an official process? If I purchase a house, you can follow the title change process. There is actually almost a ceremony - for a lack of better words - when cheques are handed over in the normal process of purchasing a house. When I asked, whilst we were out in our inspection, as to who was actually still in possession of house 2 at Wuppa camp, for argument's sake, I was still not left entirely sure who had it. Is there currently a process where there is a clear transfer of responsibility from the alliance back to Julalikari? Can you describe it?

Mr HUGHEY: Yes, there is a clear process in place for the handover. New Future Alliance is still in possession of the keys of the house until the defects picked up last week are actually rectified. Once we believe we have fixed those defects, we will then bring Territory Housing and Julalikari back to inspect the house; go through that checklist of functionality assessment of the house. When all those items are ticked off, the keys then get handed over to Territory Housing and Julalikari.

Mr ELFERINK: It is the actually the handing over of the keys which is the transfer, essentially, of title, for a lack of better expression.

Mr RYAN: Correct.

Mr ELFERINK: In that instance, how long has house 2 and house 22 at Wuppa camp been complete?

Mr HUGHEY: I believe the time frame is three weeks since major work was completed.

Mr ELFERINK: When was the final inspection done after three weeks ago and the work was finished? When was the final inspection done?

Mr HUGHEY: The final inspection was done last week.

Mr ELFERINK: Okay, so there is a two-week lag between completion and – why two weeks?

Mr HUGHEY: Good question. I do not have that information with me at the moment. I could actually ask the supervisor whilst we were walking around. He said it was a process that takes place between Territory Housing, the Department of Local Government and Julalikari, getting the teams together and organised to actually inspect the house.

Mr ELFERINK: Okay. I am concerned because there is actually an element of urgency in this process. A three-week lag time between completion and we still do not have the final bugs of the original houses sorted out. It is more by way of observation that I have a concern takes a bit too long. But, there you go; that is my observation.

Mr CHAIRMAN: Could I just follow that question? Are those people on the ground living in Tennant Creek - that is, a Northern Territory Housing person and a Department of Local Government person - who would be part of a team which looked at the house before it was handed over? If there was a two-week delay, does that mean people are coming from elsewhere, not Tennant Creek?

Mr HUGHEY: The people involved in the handing over of the house are local people. It is more actually a management issue of getting the teams together quicker, and getting a more slick, more efficient process put in place.

Mr CHAIRMAN: I want to get it clear in my head now. All these houses, all, these refurbishments, will belong to Northern Territory Housing on a lease, and they will have to manage those houses?

Mr RYAN: Yes, the lease is to the Department of Local Government and Housing, which will be responsible for the houses but may choose, in fact, will choose, initially, to have those houses managed on its behalf by Julalikari.

Mr CHAIRMAN: That is how Julalikari fits into the equation. If that is the case, does Julalikari - and we will ask them questions later - have a say, therefore, in the quality of the house, because NT Housing is not going to be looking at the housing, it will sub-contract it to Julalikari. Julalikari want to make sure it does not have a house which is going to cause it more maintenance than it expected, so is it involved in this process, to make sure that the house is up to standard?

Mr HUGHEY: Yes, Julalikari is involved in the handover of the house and ensuring that the house is to a standard that it would accept.

Mr CHAIRMAN: If it said, it had seen today that there are no rod holders for curtains, could it say it is not taking it over until that is fixed?

Mr HUGHEY: As identified, it was not in the initial scope for the alliance to do. If it wishes the alliance to do that work, the alliance would go and do that for them.

Mr GUNNER: Or it could be picked up by Territory Housing.

Mr CHAIRMAN: One of the things that was said about trying to make sure that these houses do not wear out for a long time – and I used to work at Mitre 10, so I know the quality of fittings is sometimes like Mitre 10, they come straight out of China, but there are good quality fittings. Will the fittings, like the door handles and the taps – I did notice in one place in the showers and the bathroom the base of the taps looked like the original taps. They did not look like they had been replaced at all. Is there a policy that all the fittings in these houses will be replaced with high quality long-lasting fittings, or is it a matter of judgement to see what is there at the present time and replace it if needed?

Mr HUGHEY: In the initial scoping and functionality assessment of the house, if the taps were working fine, if the plumbing systems were all working fine and there was no need to replace those, they would not be replaced.

Mr CHAIRMAN: In relation to the fittings you used for the doors, were they of a certain standard and is there a way of measuring that standard? Did you buy a good quality door handle which will be operated umpteen times a day and not wear out?

Mr HUGHEY: There is a standard being applied to materials being utilised in rebuilds and refurbishments. The alliances have taken advice from Paul Pholeros in regards to the type of materials and fittings which could be utilised in housing that have proven to last longer than something you would buy from Woolworths or K-Mart, or something like that.

Mr ELFERINK: Thank you for that in relation to the handovers. Just a couple of issues, one, in relation to money being spent locally: is it possible to at least provide a guesstimate, I understand the complexities of these things, of how much of that \$30m will find its way into the local economy?

Mr HUGHEY: At recent SALT meetings - if I could explain SALT. SALT is a team made up the three alliances, a representative from each of the three alliances, representatives from the Australian and Northern Territory governments. The aim of the SALT is to find commonality across many areas in the program and between the alliances. We work together as a team to try to solve these issues. One of the things is identifying what local sub-contractors are being utilised in what areas, and it has been agreed that the alliances will actually start reporting the use of local contractors and an estimate of the expenditure.

Mr ELFERINK: Okay, so when will that be available?

Mr HUGHEY: I believe that the report format is being presented to us sometime in the next four weeks, and what the required level of reporting is in regards to that.

Mr ELFERINK: Because when I was in a shed at Julalikari, I noted all the stoves were earmarked as having been provided by Harvey Norman in Darwin. Is there a local whitegoods distributor in Tennant Creek?

Ms ANDERSON: Yes.

Mr HUGHEY: The question has been answered for me. We are attempting to, across the three alliances, come up with bulk purchasing to save money. If the three alliances can bulk purchase a number of items with their buying power it is another area of commerciality we need to comply with and ensure we are doing the best we can.

Mr ELFERINK: I understand the commercial reality ...

Ms ANDERSON: If I could just follow up from there, Brian...

Mr CHAIRMAN: Could we let John finish, and then I will go to you.

Mr ELFERINK: I understand the commercial reality of the alliances; this not a criticism of the alliances. I now move to the SIHIP program itself. Can SIHIP, or the federal government representative, Mr Robert Ryan advise - I believe there are two whitegoods providers in Tennant Creek. Has either of those businesses been approached in any way in relation to the provision of whitegoods?

Mr RYAN: That is something you would have to put to the alliance partners. Government does not get involved in those things. We provide ...

Mr ELFERINK: Local expenditure would be a policy, would it not?

Mr RYAN: Absolutely. We provide the policy the alliances perform to, which is to provide the best commercial opportunities for local businesses, where that is commercially possible; not to do that at the expense of the benefits the program is trying to deliver ...

Mr ELFERINK: Back to the alliance partners, was either of the two whitegoods suppliers in Tennant Creek approached for the delivery of whitegoods?

Mr HUGHEY: If I could take that question on notice, I will get back to you. I could not answer off the top of my head.

Mr CHAIRMAN: Could you repeat that question please, John?

Mr ELFERINK: Were either of the two whitegoods suppliers operating in Tennant Creek approached to provide whitegoods to the project being rolled out in Tennant Creek?

Ms ANDERSON: I will follow on and say it is okay for the alliance partners to get the commercial benefit by buying in bulk; however the whole idea of the system was to benefit the communities. There are training packages to benefit the community, and you should be supporting the businesses which already exist in Tennant Creek. If the two whitegoods stores were not approached how do you know they could not have done a deal with someone in Darwin?

Mr CHAIRMAN: That is the question John is asking. Until we know the answer I think it is unfair to put that back to him.

Ms ANDERSON: No, he is talking about the commercial viability of the program. Commercial viability is one part of this program. There is a social and economic part of this package as well, with an economic benefit to everyone in Tennant Creek. When you walk out of this program in two years time these people will still be here, and they need to benefit from this program. It is a package set around supporting the whole community, whether it is whitegoods businesses, training programs, information programs, it is all for the benefit of the people who live and work here. That was just a follow up to identify the areas John was talking about.

Mr RYAN: There is nothing preventing local businesses being utilised. It has to be done in a way which is not detrimental to the program.

Mr ELFERINK: That is the thrust of my question: have they been given an opportunity to do so? That is the part which concerns me. It does not only apply to whitegoods; I have chosen whitegoods because it is convenient. Provision of doors, paint, all those other things fall equally within that area of concern.

Another issue I am concerned about is the issue of vandalism. In the evidence I heard in Darwin, I was told in damaged Aboriginal housing, only 15% could be attributed to vandalism. Since then I have asked builders, as well as representatives of Aboriginal organisations. I have heard a varying range of vandalism and damage to houses, substantially more than 15%; not least of which, I heard the figures this morning of as much as 40%. These houses are expected to continue to operate for the next 40 years. If the expectation is they will only be subject to 15% vandalism - and that figure is incorrect - would you agree that would limit the life of these buildings?

Mr RYAN: In relation to the amount of vandalism, it is a very difficult question to answer. Most responses ...

Mr ELFERINK: We have a very accurate figure of 15%.

Mr RYAN: Fifteen percent was given by a Northern Territory government representative. I would have to check that out. It is similar to what I understand is the data we get from fixing houses for better health, so it is quite a large data exercise based on a number of assessments of houses. I think about ...

Mr ELFERINK: Including urban, those sorts of things?

Mr RYAN: There is a lot of evidence based behind that figure.

Mr ELFERINK: Mm.

Mr RYAN: We talked to other builders, and we will get other figures which are anecdotal in nature based on their experience. So, between the two, it is hard to make that assessment, but what we can say is one is purely based on a large amount of evidence, and the others are probably opinion based.

Mr ELFERINK: See, this is my point. The evidence base you are referring to takes in urban dwellings as well, not just exclusively remote dwellings, as I understand it. That is correct, isn't it?

Mr RYAN: I believe that is true. I do not know what the split-up or whether the number increases for remote dwellings, or whether that trend is fairly accurately across both. We would have to look into that.

Mr ELFERINK: Well, anecdotally, I am getting much higher numbers, which then comes to the issue of the survivability of these buildings. If the number of 15% is too low - and I suspect that it is - then it would have a detrimental effect on your projections for the survivability of these buildings? Would that be correct?

Mr RYAN: Any amount of vandalism or damage is something we do not want to see. We are building the houses to be durable and long-lasting, including the components to be the best components we know work in remote communities. We are looking at programs around tenancy support programs which will help people learn how to live in these houses more effectively. So, we are doing all of those things. We are going into what the causes of vandalism are, and that is a fairly complex question.

Mr GUNNER: The houses are being built to last 30 to 40 years, and the things you have done to them are based on our experience of the damage which has been caused. The damage has been - what? - partly based on that. The damage which has been caused, whether by vandalism or something else, goes to the intent. However, we are basing our experience on what damage has been caused. Whether someone has deliberately or accidentally damaged that kitchen bench, we know the kitchen bench was damaged, and we replaced it with a stainless steel bench top. I guess the member for Port Darwin's question is going to intent, but the work we have done within these properties, the alliance is doing is based on the actual outcome of the damage. We know what damage has happened, and we have taken steps to change that. I understand where you are going, John, but I am not sure whether the intent of damage will contribute more or less to further damage.

Mr ELFERINK: Well, the fact is we are projecting. We are being told that these houses will last for 30 to 40 years with normal maintenance and upkeep. I have some reservations about those projections based on my

own experience working for decades in and around the bush in the Northern Territory. The reason I am going consistently back to this issue is I actually think what SIHIP is trying to achieve with the structures being put in place - the leasing, the renting - all that sort of thing is important. I actually support what is trying to be done here; it is not just 'Here is your house, go and live in it', there is more to it. I am quite happy the alliances have been created; I believe they are a useful structure. Please do not think my question is cynicism; it is attempting to be critical thinking.

It is just that I take very little comfort when I walk out of the house, look across the road and see a building which has nothing to do with SIHIP, where walls are missing because it has been badly vandalised, and tin roofs have been peeled off because they are that badly vandalised. You can literally see through great big holes in these walls. If the government believes, or expects, that it is going to get 30 or 40 years out of these houses, and then I see vandalism like that, I have an issue with those projections. That all goes to future funding in these areas and how these houses are ultimately managed and controlled. What is being done at the moment, I believe, is substantially better than what has done in the past, but I am still concerned we are being excessively ambitious about the lifespan of these houses.

Mr RYAN: The best answer to your question is how we manage these houses, and how that is different from the way these houses have been managed in the past. If damage is done to houses by tenants, tenants will be expected to pay. These will be managed under a public housing framework and tenants will be exposed to the same obligations and requirements as other public housing tenants. These have been managed under different independent organisations in the past, so I am not sure to what degree that has occurred, I suspect it is fairly low, where people would be required to pay for damage done to houses. But it is part of the public housing framework that is going to be introduced under the leasing and SIHIP arrangements we are putting in place. It is a very different approach that we are looking at, and we know that it is difficult, we know that this is quite a challenging task, but that is the intent of what we are doing.

Mr ELFERINK: It will be interesting to see; it will be a brave government that throws Aboriginal people out of their homes.

Mr RYAN: We are talking about paying for the damage, rather than throwing them out of their homes.

Mr ELFERINK: I get it, but if you join the dots to the end result: 'No, I am not going to pay for the damage'; 'Oh, yes, you will. Sorry, you are going to get evicted, because that is what the policy says'. Join the dots to that end, that is ultimately how this stuff is managed. There has to be the threat of eviction, otherwise the answer is: 'Get stuffed, rude letter following', from the tenant.

Mr RYAN: Yes, I can see that point. It is probably worth talking to Julalikari which will be the managers of the houses. We do have housing reference groups and we are working with communities. We expect that where people are not looking after houses there will be certain actions which have to follow. We will be doing that with housing reference groups to get community support for that, so it is not something that is happening in isolation with the community, but it is a community expectation linked to government expectations.

Mr CHAIRMAN: I know we are well over. Can I ask a bundle of questions, which are probably not overly related? One, is the safety issue. Because this is a Commonwealth project, the safety requirements come under the Commonwealth OH&S requirements. With the intervention, which was a Commonwealth project, the government decided to waive the Commonwealth OH&S. Bearing in mind, we are dealing with single-level dwellings, has the requirement to have Commonwealth OH&S, which is not normally required on housing in the Northern Territory, can any of you people say how much has that added to the cost of constructing these houses?

Mr RYAN: I will answer initially, and then Brian might want to add something. I am not aware of what the cost impact of that would be, but I imagine that there are some costs around safety, I am sure there are. The Federal Safety Commission requirements are that when a certain level of funding in a contract is involved this is required. But having said that, the size and scale of the work we are looking at would probably need to involve companies of such a size that they are already compliant with the Federal Safety Commission. If we used a company like Sitzler, for instance, to do this work, with no requirement from the government to comply with Federal Safety Commission, Sitzler is already compliant and, therefore, are bound to follow those requirements whether we require it.

Mr CHAIRMAN: I am saying – that is true, but there are many companies in the Territory that, for instance, in relation to the intervention, thought the intervention would be up to the Commonwealth OH&S and, yet, those structures were far bigger than one single house. You are talking about a combined project, which might be in the millions but you are only building a house, you are not building a school. You have a higher safety standard required, and I want to know if that has added a cost to the houses you are building.

Mr RYAN: Yes, it would have added some cost, without knowing exactly what that is if we had not applied safety standards, but the companies we are using would comply with the appropriate safety standards which are required under the Federal Safety Commission. If we had not done all of those, then that would have reduced costs because there would be things we are not paying for. We are also doing large civil works in these communities involving heavy equipment; it is not just houses. In our major works communities we will be building houses and new subdivisions, and potentially the alliances may do head works also. There will be other work other than housing done as a result of the work under SIHIP.

Mr CHAIRMAN: The issue of consultancies has been around quite a while. Brian, do you still have consultants working for you, and if so, what do they do?

Mr HUGHEY: No we do not have consultants working for New Future Alliance; we have employees who work for New Future Alliance. They all come from contractor participants of the alliance. No, we do not have consultants.

Mr CHAIRMAN: Robert, do you have consultants working for you, and if so, for what reason?

Mr RYAN: There are consultants employed not by the Australian government, but by the Northern Territory government under contract. I think we gave the figure of 10 several weeks ago. That would not have substantially changed. The reason those people would be there is they would have certain technical skills we can purchase from the private sector which the program needs. Some of those we can replace with employees, but there are times when we are looking for civil engineers with particular experience, buying them in for a period of time is an effective way to ...

Mr GUNNER: Were not some of those 10 part of the auditing team? Were they accountants?

Mr RYAN: Yes, some of them are accountants who do cost audits; civil engineers. There are two architects who look at the design of houses. They are very specific skills. Government could chose to employ people to do that, but it is generally more effective, in some cases, to bring people in on contract to use them for a period of time; to be able to get people who have the required skills, and for them to be only utilised for the period of the contract.

Mr CHAIRMAN: Were there consultants, architects and engineers brought to Tennant Creek to look at house design, or because it was a refurb, it was not required?

Mr HUGHEY: The only architects and engineers who came down were from New Future Alliance. They were the scoping teams who initially came to scope the houses and the civil works to be completed.

Mr CHAIRMAN: The number of employees you have working for you in Tennant Creek, and how many of those are local Indigenous, and how many are indigenous from outside the area? Is that possible?

Mr HUGHEY: I will take that on notice and get back to you. I believe we have about 14 to 17 local Aboriginal people working for us. The number of tradesmen at the moment, I could not tell you off the top of my head.

Mr CHAIRMAN: The question is to Brian, from the New Alliance, could you tell us how many people the alliance employs, how many of those people are local Aboriginal, and how many are Aboriginal from outside the local area? This is probably a leading question, we have been going for 12 months with the alliance system, I do not want you to lose any future jobs but do you think this system of building houses through an alliance model is a good system, or do you think now we have gone through the pain we could build houses quicker and cheaper through this model, or another model?

Mr HUGHEY: I fully support the Alliance model utilised in SIHIP. I have previous experience with the old ARS programs around in the ASTIC days, and they clearly did not work for anyone – the contractors or the local Aboriginal communities. I firmly believe the alliance model is the way to go with Aboriginal housing in remote communities.

Mr CHAIRMAN: Do you think you will have a review and see if there could be improvements to the system, to reduce costs for instance, but still come up with the same outcomes?

Mr RYAN: We are constantly reviewing costs with the alliances as we go. That is, again, one of the strengths of the alliance model, we are not locked into fixed price. We are working constantly to look at how we can reduce costs. After a project has started construction, we are still doing that constantly. Government will review SIHIP and look at how effective it has been in making the choice as to whether or not that arrangement should continue beyond the current targets.

Mr CHAIRMAN: Will that be an open review? Will people have input into that review?

Mr RYAN: Yes, we certainly expect people to have input to it. Whether it is an open review; I do not know if that has been decided yet.

Mr CHAIRMAN: Make it open.

Ms ANDERSON: I asked you a question earlier about the Indigenous engagement officers you brought here from Brisbane, Darwin, and Alice Springs. Are these people fly-in and fly-out people? Say, for example, the ones from Brisbane; do they come for two weeks on and two weeks off, or ...

Mr HUGHEY: There is one community engagement person in the New Future Alliance who does do fly-in/fly-out from Brisbane. That person is currently working in the Package 6 area which is Wadeye, Peppimenarti, Nganmariyanga and Daly River.

Mr CHAIRMAN: On your other package, Brian - this is the southern package – has work started at Ali Curung? On our list, it shows Ali Curung. You must be close to doing some refurbishments. Is that correct?

Mr HUGHEY: Yes, Ali Curung was started last week. The first two houses which we started will be completed tomorrow. So, the handover of the work is under way.

Mr CHAIRMAN: All the other communities - which I think is about 25 - there is a lot of 'to be announced' target projects. When will we find out the details of the number of refurbishments or the number of new houses?

Mr HUGHEY: There are 29 communities in total, 28 of which are currently under review for refurbishments. The 29th, which is Finke, still has not been brought back into the program yet. The PDR process will be completed by the end of this month, and signed off by the alliance leadership team. It would then be presented to the executive directors of SIHIP for approval to go ahead with the full scope of ...

Mr CHAIRMAN: And all the leasing arrangements have been finalised?

Mr HUGHEY: I will hand that to the government representative.

Mr RYAN: Yes, we have leases in place for all of those 28 communities. The only one outstanding is Finke, where we are still negotiating.

Mr CHAIRMAN: Okay. As usual, we have gone over time, but we needed to ask as many questions while we had the opportunity. Thank you very much, Robert and Brian, for coming. We might just have five minutes to stand up and walk around and we will welcome Julalikari Council in five minutes.

The committee suspended.

JULALIKARI COUNCIL ABORIGINAL CORPORATION

Ms Gina Smith, President
Ms Pat Brahim, General Manager
Mr Joe Carter, Workshop Manager

The committee resumed.

Mr CHAIRMAN: Julalikari Council Aboriginal Corporation: I welcome Ms Gina Smith, President; Ms Pat Brahim, General Manager, and also Mr Joe Carter, Workshop Manager. Welcome. I have to read this for you.

This hearing is open to the public and is being recorded; a transcript will be produced and will be available to the public. In certain circumstances, the committee may decide evidence, or part thereof, may be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, however, I remind you this is at the discretion of the committee. You are reminded evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask you state your full name and the capacity you are appearing today. I also ask you state your name each time you speak. Welcome, and if you could each give your name and position for the sake of *Hansard*.

Ms SMITH: Gina Smith, President of the Julalikari Aboriginal Corporation.

Ms BRAHIM: Pat Brahim, the General Manager of the Julalikari Council.

Mr CARTER: Joe Carter, Workshop Manager for the Julalikari Council.

Mr CHAIRMAN: Welcome everyone. Thank you for coming. I might start off with a general question and you may have to decide which one answers the question. I am happy for anyone to answer it. If you could just give us a little of a history into how your council has been involved from the beginning in SIHIP.

Ms BRAHIM: Prior to the intervention, Julalikari Council had met and got in touch with FaHCSIA because of the decisions that were going on in Alice Springs around the leasing of the property. So, Julalikari Council met and got in touch with FaHCSIA staff from the national office. They approached us early June. We gave an in-principle agreement we would be interested in signing lease agreement, and then look at ways on how we move forward, and use whatever it is that was going on as a vehicle to assist the community around Tennant Creek. But the whole bulk of it was around employment and training for our local Indigenous people. We did an in-principle agreement back in June or early July 2007, and a MOU was actually signed August 2007. The principal signers on that was Chief Minister at the time, Clare Martin, Mal Brough as the minister from the Commonwealth government, Gina as the Chairperson, and personnel of Julalikari Council.

The MOU which was set in place, the principles that we set in place, was the houses that were – the initial thing was that we wanted the community living areas to be upgraded to the same standard or better than the town area of Tennant Creek. That was civil construction. We knew that there were housing dollars going to be made available later on. The focus was to bring the community living areas up to the same standards as Tennant Creek. If there was money left over, then we would look at ways on how we do the refurbishments or upgrades of the houses.

The discussions were never around – we had a vision of having money to build new houses, but when the money that came to the table was \$30m, we made the decision of actually going into the lines of the civil construction, custom refurbishment of the houses that were in the community living areas.

When minister Macklin came back in November of last year, she gave an extra \$6.5m, and that was if we could actually build new houses with that. So, right through the process Julalikari has always been in the mindset of civil construction as the priority: the upgrades and/or the rebuilds of the houses that are there now and, then, if there was money left over, to build new houses. We knew we had overcrowded conditions, but that is not the responsibility of Julalikari Council, and it was not about us giving up the leases of the land so we could actually build new houses. That is a government responsibility. We need to make that clear.

We knew there would not be any other monies around for the civil construction, and that was the way we did it. So, through the negotiations and what is going on, it has always been about civil and around the refurbishment or the rebuilds of the houses.

The other part of it is we tried to work with the businesses in town; that is, the trades as well as you talked about the whitegoods. We talked to the businesses in town to see whether they would be part of the process, because we were looking at ways of trying to keep as much money of the \$30m in town to build Tennant Creek. Out of that, we did not really have a say on how things were going because of the way the SIHIP process was. The alliance was selected and we were brought in as an extra to that. Through the process with New Futures Alliance, they came to working with us as a partner.

We set out what we wanted, which was the employment and training. We looked at local contractors. The local contractors and the quotes they were putting was not up to – this is the comments we were given - it was way above what was actually allowed for in the package. That was detrimental to us in the hope of employment, so we have been looking at the trades. The businesses in town, when you talked about the whitegoods stuff, Mr Elferink, was way above what was - when you start at looking at bulk buying. We tried to - and this is where the New Futures Site Manager tried to negotiate to bring the amount down so they could actually look at ways of quoting and doing the work in Tennant Creek, but it was way above what was (inaudible).

In the sense of wanting to build Tennant Creek, and the priority for us is about building the capacity of our Aboriginal people. We recognise that our population base is going to grow over the next five to 10 years, and to be able to build that, we see SIHIP, and stuff like that, as a vehicle to help us as Aboriginal people.

Ms SMITH: Yes, why we put our hand up to attract the dollar for Indigenous people. Our cause was always around building the capacity, as Pat mentioned, and (inaudible) lease agreements.

The skills that the local Aboriginal people to have was looking outside of the box as well, because we have mining companies that are around and of course we need people to be skilled in those areas, so that beyond SIHIP, we have given people a skill in being employed to be on a proper wage.

Ms BRAHIM: Probably if we could go back, the idea of bringing in some of the trades and businesses in town, if you stop and look around not one of them, or not very many of them, employ Aboriginal people. From an organisational point of view, if you go back and look at our records and what we have paid out for electricians, plumbing, and carpentry work is very high. We have made, and the organisation has made, many of the businesses in town millionaires. But the reciprocal approach has never been there. We saw SIHIP as helping us try to breakdown many of the barriers. Tennant Creek has always had two cultures living in this place and from where the organisation sat and looked at it, it was a one-way street. We were always giving out money, but there was never anything in return.

We tried to go down that line, to breakdown many of the barriers, as a one-way street, but because of the economics and everything else that is around, this is SIHIP money, this is government money, we will put up our prices here. In the mean time, you are looking at, how do we as an Aboriginal organisation continue what we said we were going to do, when we have signed the MOU, which was around building the capacity of the local Aboriginal community and, on top of that, building Tennant Creek.

This is our country, this is where we come from, and it is about what we can put back into it and that was our whole approach in that.

Mr CHAIRMAN: Are you saying that you think when businesses see a project like this, which is funded by the Commonwealth, they see a pot of gold?

Ms BRAHIM: I can say that with some conviction, and that is from my history. I have worked in the Aboriginal arena for the last 30-odd years. We were involved with an ASK project, going back to 2002-03, with the same principles around doing employment and training, we will get work and all those sorts of things. The contractors came into town, they did the work, and they choofed off. We did not get any trainees out of that, even though we tried to push it. We were not in a position of power, because it was always outside contractors who were coming in. Because the MOU was signed between both governments and Julalikari, not the town of Tennant Creek, that gave us leverage in negotiating around that. It is something that many businesses do not

recognise, because it is a pot of gold, and then we want to get our hands on it: 'bugger the black fellas', is what comes through to me and that is my personal view at this stage.

Mr ELFERINK: How much higher were - were both of the whitegoods suppliers in this town asked for quotes - how much higher were they?

Mr CARTER: The quotes? Probably 150%.

Mr ELFERINK: About 150% on what the alliance can do it for.

Mr CARTER: On what the alliance could do, the rates that were on the scope of works.

Mr ELFERINK: Do you have a paper trail for that?

Mr CARTER: I do not have it on me, no, but I can get hold of it.

Mr ELFERINK: Did that also occur in other areas like provisions of doors, paint, and all that sort of thing?

Mr CARTER: The whole shebang, yes.

Mr CHAIRMAN: We are talking in general about the benefits of the SIHIP program for Aboriginal people, especially employment, compared to other projects which have gone before. Do you think the way the government has set out is beneficial? Not only from the point of view of upgrading houses, but for Aboriginal people to get employment and carry that employment to other areas later in Tennant Creek.

Ms BRAHIM: As an organisation, when you are looking at the key results areas out of SIHIP, it was not only the way it was structured, it was around training and employment, it was around legacy, it was around social outcomes, it was around timing, cost, and building houses. When you are looking at it from that sense, it was a way of getting employment and training for local people. We negotiated the legacy as well. New Futures was around upgrading some of the buildings and working with us to develop the capacity within the organisation with OH&S and HR skills, project management. All those things are something you pay big dollars for consultancies to come in. If you are looking at a local level, how do we build the capacity, locally, so we are not dependent on outsiders to come in? That is part of the arrangement with NFA, to be able to be able to do that for us.

The employment side of that is (inaudible). You saw the trainees this morning, but we have also worked with our land management and the nursery, and we have six trainees who work in that area and have gone through and got their Certificate II in Land Management. Out of that is around the landscaping within the community living areas. Once all the work is done, there is extra employment in that area.

Right through this is we will have employment. At the moment we have 12 people working on housing and the construction; we have 14 people doing training in civil construction; we had six people in the land management unit. The whole focus of New Futures is they have to get the targets for this, and Tennant Creek was the highest when the government set the standards; we are 30% in employment and training as a SIHIP package. Everywhere else is 20%. That was because we knew, and we wanted, as much of the employment as possible. That puts pressure on NFA to help us get to that target.

Mr CHAIRMAN: If the skills of local people are down and you are trying to improve them, has it added a cost to the building, because people who do not have skills require training from outside?

Ms BRAHIM: None of that money comes from the SIHIP package. We have capped in with the jobs services area, we have an agreement with Group Training NT through the STEP project. The extra money which has come through the CDEP training area - because they are CDEP participants they are developing. We have not touched any money within the SIHIP package.

Mr ELFERINK: This MOU, it has been my understanding up until now Territory Housing takes over control of housing. Did I hear correctly before that Julalikari will take over housing as a result of the money expended through SIHIP?

Ms BRAHIM: Prior to signing the MOU we received a letter of intent from the NT government and Territory Housing that we will become agents of Territory Housing

Mr ELFERINK: An agency, property managers essentially.

Ms BRAHIM: Yes.

Mr ELFERINK: You are then bound to Territory Housing protocols and expectations for quality of maintenance, those sorts of things?

Ms BRAHIM: I probably need to make it a bit clearer; Julalikari has always had a policy and procedure in place which is not much different than Territory Housing. All we will be doing to that is adding our Indigenous input so we do not lose our culture. When you start to look at it, already 70% of tenants who live in Territory Housing are Indigenous, so there is no one way of doing it. We have brought in our own policies and procedures around the cultural context. It is not an issue for us.

Mr ELFERINK: Okay. The reason I am concerned is, how long has that benchmark been applied up until now, then? When did you start using that standard?

Ms BRAHIM: Just looking back at Julalikari's history, the standards have always been there. When you went around this morning you would have seen the damage to the houses have been around the kitchens and the toilets. Looking at overcrowding, they are the things that will actually be worked on. You asked the question this morning around vandalism. The vandalism is around the doorknobs, the ceilings, all those things that can be fixed. You also asked the question this morning about who pays for it. We have a user-pay policy: you break it, you pay for it. That has been our basis as far back as I can recall with Julalikari.

Mr ELFERINK: So how does that go? You do regular inspections, I take it?

Ms BRAHIM: That is only natural.

Mr ELFERINK: Okay, that is fine. You find something vandalised, you look up and find out whose name is on the lease, and then you say: 'Please pay for the damage to the house'. Is that how it goes?

Ms BRAHIM: You have probably simplified it in a sense, but, yes.

Mr ELFERINK: Essentially, that is how it goes. How does that then follow through? How do you enforce a person, or make sure they pay, for the damage done to the house?

Ms BRAHIM: What is the intent of your question?

Mr ELFERINK: The intent is to find out how you actually make these people who damage the property, pay for the damage they do?

Ms BRAHIM: It is either through Centrepay or through deductions out of their wages.

Mr ELFERINK: But they have to volunteer that. You cannot garnishee it, can you?

Ms BRAHIM: Depending on how bad the damages are and how much it costs, then we have put in garnishees. We have also put in place where each of the – so you deal with the major tenant and, if the tenant is not going to responsibility for it, then they need to make the family members who are staying there responsible for it to make payment, otherwise all the family members that are there will contribute to it.

Mr ELFERINK: So, beyond maintenance and damage, is there a requirement for the upkeep and standard of the yard?

Ms BRAHIM: One of the ways we have had a CDEP program put in place, is that there are families that are on CDEP that look after the upkeep of the yard. We have a crew that comes and picks up the rubbish outside of that. We do not get shire support from that area.

Mr ELFERINK: All right, so it is through your own funding sources. So let us say there is a tenant - and I am sure it would have occurred in the past – who simply refused to pay. What happens next? You go through a process. Do you actually apply for a court order to garnishee that income? Is that how it works?

Ms BRAHIM: We have had one case where we have gone through that process. The other one is they have to pay. We have gone through a process of evicting people. The process of evicting is it has to go to council or the board. The board makes the decision on whether it is the right reasons to do it, so we do not do it outside. This is why the policies and procedures are really important because it is about the cultural responsibilities. If the tenant is not meeting the needs and not dealing with their families, then the process of eviction - but the court orders are around making sure those payments are made because of the damage.

Mr ELFERINK: How many people in the last 24 months, let us say, have actually been subject to eviction notices?

Ms BRAHIM: I have to take that on notice.

Mr CHAIRMAN: Ask that question on notice.

Mr ELFERINK: I am just curious to hear how many people have been evicted from houses under the control of the Julalikari Council in the last 24 months.

Mr CHAIRMAN: We can take that on notice, Pat.

Ms BRAHIM: Yes, we will take it on notice but, also, you need to be mindful the negotiations around the upgrades to the houses started over 24 months ago. So, you are asking for something that went through a process. You do not go evicting people in that, so the question is probably wrong to even ask and to even go back and look for it, because I am not. I will not go there.

Mr ELFERINK: I am more interested in once the houses are handed back. Whilst this (inaudible) SIHIP, I confess that my interest is in the quality of the maintenance and care of the houses, once they have been handed back to Julalikari. So far, I am quite impressed with your answers. I believe they are the right ones, in terms of management.

I am concerned, however, when I see some buildings in the town camps which have been damaged. I cannot ask you on a case by case basis about which house has been damaged and those sorts of things. I am more trying to test the quality of your policies, than what happened to that house or another house.

I look forward to the day, where the quality of all Aboriginal houses are the same standard that you would expect to find in any urban community, even in the town camps. In fact, I look forward to the day that there is no such thing as a town camp. I also look forward to the day when Aboriginal people are coming home from work, parking the car in the driveway, walking across the lawn, and walking into their own home which they have bought. But for that to occur in the future, certain standards have to be applied now. I am glad you are applying them.

Ms BRAHIM: I know it was not a question, but Julalikari has had a Life Skills program in place and, what we found, prior to signing the MOU, is that it was really a lost cause, because we were trying to skill people up, living in houses where your kitchens, bathrooms, and all those sorts of things were not up to standards. So you were trying to teach people to look after their house but their kitchen – you saw what it was like, with the wood work and all that sort of stuff. How can you build people's capacity to look after something, when they are living in something like that?

With moving forward, once we move into the houses, then the Life Skills program is to assist in that process. Where we see it, is that we are changing an environment and, therefore, somewhere along the line, behaviour has to change too.

Mr CHAIRMAN: Could I ask some questions, please? That is all right. That is not having a go at you either, by the way; I said that the wrong way. How many houses does Julalikari own and will they all come under this SIHIP/NT Housing agreement?

Ms BRAHIM: We will manage the houses in the community living areas, which is 84. We also manage 32 in the whole town. They are not coming under the SIHIP project. They will be measured the same as the houses that we manage in the homelands. We manage about 220 in the homelands as well and then 32 in town.

Mr CHAIRMAN: When I drove around yesterday, I noticed there are some Julalikari houses because they have the 'no alcohol' sign. There are also, I believe, some NT Housing houses. Will you be looking after those, as part of this agreement to maintain the houses under the SIHIP?

Ms BRAHIM: That is all part of the negotiations that are going on with Territory Housing at the moment, and I would expect so, yes.

Mr CHAIRMAN: The other thing, the reason the federal and NT government brought this policy together was to try to reduce overcrowding, but you are only getting two more houses. If I heard today that there were 30 people in a house, that is one house, and the government is only building two more new houses, do you still have an overcrowding problem, after you have refurbished these 78 houses?

Ms BRAHIM: Yes, we do, and building houses is not Julalikari's responsibility.

Mr CHAIRMAN: Could you give us an indication of how many houses you would expect, just to catch up, to reduce overcrowding in Tennant Creek?

Ms BRAHIM: From the community living areas, we would expect close to 280-odd houses to deal with the overcrowding we have now.

Mr CHAIRMAN: You need 280 houses - are all these people from the Tennant Creek region, the traditional owner area, or are they people coming in, attracted by, you might say, the bright lights of Tennant Creek?

Ms BRAHIM: I need to take that on notice. There are some from the homelands who have moved in, but most people who live there are family members. Usually you have grandmothers, the kids and their kids. There are probably three or four families living in the one house because there is not any other accommodation available.

Mr CHAIRMAN: They are generally local people? You mentioned before a Borroloola family had come in and gone out; that is not really local is it?

Ms BRAHIM: When you are talking about the Borroloola people, they have been in Tennant Creek since 1968. When people were pushed off the pastoral area and the Warumungu people allowed Wuppa, for the north Barkly people to live, many people are getting old, and so they have given them accommodation. That decision was made by previous councils.

Mr CHAIRMAN: That is a historical fact; people from other places have come to live here. Although it is not their traditional home, to some extent they regard it as their home town.

Ms BRAHIM: Yes.

Mr CHAIRMAN: So we need 280 more houses? Is there land available to build 280 houses if someone came up with the money?

Ms BRAHIM: Yes.

Mr CHAIRMAN: Does Tennant Creek have a GBM, a general business manager?

Ms BRAHIM: Yes, we have a gingerbread man.

Mr CHAIRMAN: The Knuckeyes Lagoon people called it that.

Mr ELFERINK: A bit broader than Knuckeyes Lagoon, I would say.

Mr CHAIRMAN: How does that person's role fit here? I will be asking local government because I see a whole range of issues I need to grasp. You are putting infrastructure in such as roads, you are building within the Barkly Shire, you have a general business manager, and how will this fit together without having a bureaucratic nightmare? Who will look after the roads you upgrade? Will that be a shire job, or will it be a Julalikari Council job?

Ms BRAHIM: The agreement which is part of the lease says once the civil construction has been brought up to a standard the shire will take over responsibility. We have processes in place to say there will be protocols for access to community living areas. The town council has only collected rubbish in the town camps for the last five years, Julalikari has been paying rates on those lands since 1989, and that was around the MOU. When we look at where this goes the shire will be responsible, and so they should because Territory Housing or the Northern Territory government would be paying rates on those community living areas going into the future. Once the houses are finished and the civil works upgraded, Territory Housing will be responsible for the houses, and the shire will be responsible for the roads.

Mr CHAIRMAN: Will those roads be public roads if the council is looking after them?

Ms BRAHIM: We have asked for protocols to be in place. When cultural business is occurring, we need to ensure that is not lost in all the upgrades happening.

Mr CHAIRMAN: If someone wanted to come out and say hello, they could do so. Where does the government business manager fit into this? Does he have a say in the SIHIP program and its operations?

Ms BRAHIM: The government business manager participates. We have an advisory group which meets every six weeks. We have two committees going, one is around Territory Housing, ensuring policies and procedures are put in place, and we deal with staff from Local Government and Housing. Then we have an advisory committee which is actually about managing the SIHIP process in Tennant Creek. This is [inaudible] because we do not always have the FaHCSIA group to come down. They participate at the meetings and also make sure they are getting feedback from the community, so that is part of the intervention. It goes back into the FaHCSIA package.

Mr CHAIRMAN: I need to get back to the 280 houses. That worries me; that is a lot of houses. I heard when I was at Wadeye a couple of years ago they needed 95 houses to just reach equilibrium. You are saying 280 houses. What opportunities are there for an Aboriginal family to build their own house, perhaps even to use some of the skilled people you have coming over the SIHIP program to be part of a company that actually built and sold houses to people. To be honest with you, I do not see the government having the money to provide public housing right across the Territory for every Aboriginal that needs it, because it is not done in the rest of Australia, simply because of the massive cost that is required. So, are there opportunities for Aboriginal families to put some money into their own house in Tennant Creek?

Ms BRAHIM: The opportunities are there. It is just the capacity of individuals to start to look at ways of how they can do that. That is probably broader, but is only how I can answer it. But, the opportunities are there.

Mr ELFERINK: Nothing stops an Aboriginal person buying any old house they like, I would assume.

Mr CHAIRMAN: But I would have thought, maybe because part of the cost on freehold land is the cost of the land. If the cost of the land was taken out of the equation – and I will give you an example. In America, they have what they call community land trusts. All you do is pay a rent for the land, say, from Julalikari, and it is not a very big rent you pay for the house. That is all. When you sell it, you sell the house and the people who own the land still get paid their rent.

There is a possibility your Aboriginal community can open up opportunities for people who wanted to build a modest house – not a Darwin waterfront house, but a modest house. Do those opportunities exist?

Ms BRAHIM: I hope there would be. I cannot answer that.

Mr ELFERINK: Could I ask a few very quick questions on this? How much do you charge in rent for a three-bedroom house?

Ms BRAHIM: At the moment, we charge \$110 for a three-bedroom house ...

Mr ELFERINK: Per week?

Ms BRAHIM: Per week. Taking that into consideration, there are no air-conditioners, there never were any fans, so you are looking at the standards compared to Territory Housing standards. So, you charge where people live. So, you go for a three-bedroom, four-bedroom, five-bedroom, two-bedroom, and one-bedroom, so there are different rents.

Mr ELFERINK: Thank you for that. So, it is \$110 a week, so \$440 a month. I am flying a little blind here, but would you happen to know off the top of your head what the average price of buying a house freehold in one of the streets here of Tennant Creek is? Just a little three-bedroom equivalent.

Ms BRAHIM: Just from the ads in the paper?

Mr ELFERINK: Yes.

Ms BRAHIM: You have some that are around \$240 000, they go down to \$170 000. You are starting to look at that.

Mr ELFERINK: Yes, so it is somewhere in that – pretty much what I expected. The reason I ask is because - I do not have a calculator here – at \$110 a week, you would almost be in the realm of taking out a bank loan in that environment. Is there ever a program run by Julalikari – without being able to crunch the numbers off the top of my head – where they encourage people to purchase their own homes and use what they would have paid in rent to cover their own loans? I know the deposits and all those other things are issues, but I am anxious to see in the Territory a normalisation of the economy, where everybody is a participant. That is one way I can see it happening. Has Julalikari ever looked at this?

Ms BRAHIM: I just think your question is probably too far into the future. It is wishful thinking that this is where it can go. But right now, we are talking about building capacity, which is around the employment and training. It is around people getting paid real money.

Mr ELFERINK: That is right.

Ms BRAHIM: So, cannot answer it now, and I do not think Julalikari has not in the past. But, right now, it is not about that; it is around building capacity of our mob so they do have that opportunity in the future.

Mr CHAIRMAN: The capacity I am talking about, is that you get those skills up, so that if someone wants a small house, you might be able to use those skills for the right house – if you stop building – if the refurbishments finish by next year, and the mining does not start up, they have very little chance of getting a job, but if there are opportunities which can be developed in the town, from within, I believe that is what I am worried about. I see by next year, if we come back in December, and I ask you how many houses you need now and you say 340, we would not have done anything. We might have made the present houses nice, but we still have not overcome what is really the main reason that SIHIP exists: to overcome overcrowding. The ideas we are throwing around are part of the package, to put it that way.

Mr ELFERINK: One quick question. If it costs \$450 000 to build a house in Tennant Creek, why are we not just buying local houses at \$200 000 or \$250 000 each and using those?

Ms BRAHIM: If you looked at the market, you would see there are not that many around. There are many houses which are leased by locals, but there are not really that many around for our mob to purchase.

Mr ELFERINK: I find that surprising.

Mr CHAIRMAN: I know we talked about the plant nursery, and I know that you have some people employed in landscaping some of these new houses. I am interested because I worked in local government on Bathurst Island and Daly River. Do you have anything like a competition? I know you talk about encouraging people to look after their house, but if you had at Julalikari, perhaps, some annual competitions for the best

house inside, outside, landscaping, those things that are really good to encourage people. You give a best prize of a wheelbarrow and a bunch of trees. Do you have that sort of thing?

Ms SMITH: Yes, we have had Christmas time competitions, encouraging with the lights, making sure that all community living areas had a group of people that we had a competition. They were great prizes which were donated through local businesses. We approach them and to sell it said: 'We spend so much money with you, how can you support?', and the support from the business was A grade. So yes, we do have competitions. They get, for example, the winner last year, which was a house at Wuppa camp, and it is one that has many trees, the person who was in there actually put them in a few years ago.

Mr CHAIRMAN: Do you get that peer group-type pressure, then, if one person has a nice house, so, the next person tries to do the same?

Ms SMITH: Yes, our people try to do things every way, every possible way, when they are given choices, and they take them on, and it is proven well. This year, last year was hard as hell, I am looking forward to this year, for the competition to select the house. We had a local businessman, Neville, who participated in being the judge, so he drove around very hard.

Mr CHAIRMAN: Does anyone have any other questions? I am sure we will think of something after we have left, but thank you very much for coming. Sorry, Gina?

Ms SMITH: Can I just add, for Aboriginals purchasing a home, every Aboriginal person would love to own a home, and we do look at issues around not having proper skills and a good income, and it is hard for people to save up dollars and then there are challenges in getting a bank loan, which is another big step, so, I just wanted to clarify that.

Mr ELFERINK: I have listened very carefully to what Pat has had to say about management of houses. People who are subject to that management regime are used to making regular payments and looking after their own property. Without exploring the idea any further, than sitting here and flying by wire, you are all - and without having done the sums, I would have to go onto the internet and grab an interest rate calculator - someone paying \$110 per week probably would not have to extend themselves too much more, to cover a bank loan on an asset that might be worth a hell of a lot more as time passes.

I am hopeful, whilst Pat said this is something in the future, it should not be. It should be something we are looking at now. There is no reason an Aboriginal person cannot have a home loan if they are already meeting a payment regime of that nature, and are looking after their own homes. Whilst I appreciate there is a housing shortage, at \$450 000 a house - when you can buy a standard three bedroom home in town for \$200 000-\$250 000 - \$450 000 becomes seed money for house deposits which would support home loans, which would get people used to making regular repayments for houses. It just strikes me as something as one of the options you can explore.

Ms BRAHIM: I will come back to that. More work needs to be done in the town around acceptance of us as equals. What you are talking about is something we are still dealing with. We are a town which has two cultures, and acceptance of who we are is not there yet. This town is not ready for what you are saying.

Mr ELFERINK: Really.

Ms BRAHIM: Really. The comments you made earlier around local businesses, and why there were no local contractors, we offered them to be part of it. They chose not to. They chose not to take on trainees. We paid much money to these businesses to make them millionaires in some cases, so taking is always there. The acceptance of us as equal is not there yet.

What you are saying is something that we cannot work on right now. There is much around capacity and our mob feeling comfortable; they can deal with two worlds. You are talking from where your paradigm is; we are dealing with the aboriginal community when equity is not there yet. We have to build that so our people can feel comfortable living in the two worlds. There are some that could do that, we all own our houses. That is about education; it is about where we have been. There are many people who live in this town who have never felt they are equal. That is what we have got to overcome.

Mr CHAIRMAN: Thank you, Pat, I and appreciate your comments. My paradigm is probably the north of Australia, which is where my wife comes from. I believe part of our role in this council is if we can change things for the better - we may change a small piece. It was very interesting hearing your comments.

I would never want to see a town which has a divide. I think the aim should be, if it has a divide, to change that. If that can be through showing Aboriginal people can build houses, can be skilled, can take hold of their future, especially through housing and employment, that is a terrific thing to happen.

I very much appreciate your comments. We will be back. I regard this council as having an ongoing role. One is to establish if the time frames put forward are achieved; houses are being built to the quality you would expect; the maintenance is kept up to standard. I must admit hearing there needs to be 280 houses, we need to report back on that and how we can achieve changes. We need to come back with positive things for the government to look at. We need to look at the banking system to help what you are doing. There has to be some way around this because it is not going to get better unless we start to put our hands to the wheel.

Thank you very much for your comments today. Thank you very much for the tour, and we will see you again sometime.

We will have a five minute break and then go to the shire council.

The committee suspended.

BARKLY SHIRE COUNCIL
Mr Phil West, Director of Works and Services
Mr Gary Cleary, Director of Corporate and Community Services

The committee resumed.

Mr CHAIRMAN: I welcome Mr Phil West, Director of Works and Services in the Barkly Shire Council, with Mr Gary Cleary.

This hearing is open to the public and is being recorded. A transcript will be produced and made available to the public. In certain circumstances, the committee may decide evidence, or part thereof, can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you this is at the discretion of the committee. I remind you evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask you state your full name and the capacity in which you are appearing today. I also ask you state your name each time you speak.

Mr WEST: I am Phil West, Director of Works and Services, Barkly Shire.

Mr CLEARY: Gary Cleary, Director of Corporate and Community Services, Barkly Shire.

Mr CHAIRMAN: Phil, I was wondering if you could give an overview of the Barkly Shire, area population, that sort of thing.

Mr WEST: Barkly Shire is roughly 1.42 times the size of Victoria. It has a population of 7500 people, and has eight major communities apart from Tennant Creek, and a series of smaller communities.

Mr CHAIRMAN: Do you service outstations, and how many outstations do you have within your portfolio?

Mr WEST: We do have outstations. The major outstations we work with are Utopia and Elliott, but there are smaller ones such as Munkarta, Tara, and Epenarra.

Mr CHAIRMAN: What community would be the furthest from Tennant Creek for you to maintain?

Mr WEST: Alpururulam is about 5½ hours in good conditions and, if it has been raining, forget about going out there without an aircraft.

Mr CHAIRMAN: I have been there. It is black soil plain all the way.

In relation to your core functions, what core functions do you look after now, and what core functions are you still required to take over?

Mr WEST: In my directorate, core functions are housing, CDEP, asset management and vehicles.

Mr CHAIRMAN: As you know - you might not be the right person to say this to - in the Barkly Shire plan, of course, there is a very large range of core functions. There are also commercial services and agencies services. There are some agency services they can take on. Would I be able to go through some of them, and you could tell us which ones the council has to look after? For instance, in the agency services, do you look after the airstrips?

Mr WEST: Yes, we do.

Mr CHAIRMAN: All airstrips within the shire; that is, ones on communities?

Mr WEST: On the larger communities, yes, we do.

Mr CHAIRMAN: So how many airstrips would you have to maintain?

Mr WEST: There is Elliott, Alpururulam, Ampilatwatja, Utopia, Ali Curung.

Mr CHAIRMAN: About six.

Mr WEST: Yes.

Mr CHAIRMAN: Do you look after Night Patrol?

Mr WEST: Night Patrol is one of the organisations we do.

Mr CHAIRMAN: How many Night Patrols?

Mr WEST: We have Night Patrols in all our communities. Some are working more effectively than others.

Mr CHAIRMAN: How many would that be altogether, roughly?

Mr WEST: Again Elliott, Alpururulam, Ampilatwatja, Utopia, Epenarra, Ali Curung, Tara – that is it.

Mr CHAIRMAN: That is about eight, if my counting is right. I should go back and ask who pays you to maintain the airstrips?

Mr WEST: DPI – Department of Planning and Infrastructure.

Mr CHAIRMAN: I might just go through these and then we will – who pays for the Night Patrol?

Mr WEST: It is Commonwealth Attorney-General's Department.

Mr CHAIRMAN: It talks about economic development support. Do you know what that is, or is that something you actually look after? It is one of the agency services here.

Mr WEST: No, Mr Chairman, that is certainly not my area.

Mr CHAIRMAN: Employment and training?

Mr WEST: Employment and training goes across a whole range of issues, and we generally do it through DET.

Mr CHAIRMAN: They fund it?

Mr WEST: Mainly.

Mr CHAIRMAN: When you say mainly, is the rest yours?

Mr WEST: We can get funding from other sources from time to time.

Mr CHAIRMAN: Family including childcare?

Mr WEST: I am not sure which agency does that, Mr Chairman.

Mr CHAIRMAN: Do you have any childcare facilities the council maintains?

Mr WEST: Yes, we do. We have it at Elliott - where else, Gary?

Mr CLEARY: I think the other one is at Alpururulam. I have only been here nine days so ...

Mr CHAIRMAN: About two, you think.

Mr WEST: I think there are more than that, but I am not absolutely certain because that is out of my area of responsibility.

Mr CHAIRMAN: It has here Outstation Municipal. I do not know what that means. Does that mean the provision of municipal services to outstations and, if so, is that an agency's responsibility?

Mr WEST: That is a combination of core function and an agency function.

Mr CHAIRMAN: and which agency would fund that?

Mr WEST: Normally, FaHCSIA pays part of it and we have some money from other agencies.

Mr CHAIRMAN: Sport and recreation? Is that all yours, or were you funded by an agency?

Mr WEST: We are funded by an agency for people. Unfortunately, there is no vehicle to go with that so, it is a bit of a problem.

Mr CHAIRMAN: When you say no vehicle, does that mean you only have one person for the whole of the shire to have sport and recreation facilities?

Mr WEST: We have one major person for doing that, and they are responsible for maintaining that particular function over all communities. However, we do have people on the ground in each of these communities who actually do some work on that.

Mr CHAIRMAN: Do they come under you?

Mr WEST: No, they come under Gary's portfolio, but, unfortunately, he has not had much experience on this yet.

Mr CHAIRMAN: I might come back to that area.

Mr WEST: Yes.

Mr CHAIRMAN: It just says 'youth'. Do you have any youth services per se?

Mr WEST: Again, this comes under Gary's portfolio.

Mr CHAIRMAN: Right.

Mr CLEARY: I can give a broad answer to that. Yes, we have responsibilities for those areas, such as sport and recreation and youth activities but, the bottom line is, each community where we have that

responsibility, it is to varying levels what support is provided in those communities. It is funded entirely externally and the amount of funding is largely inadequate to enable us to have any positive ongoing effect on youth and the sport and recreation activities. Phil mentioned earlier that the sport and recreation program does not have a single vehicle at its disposal.

Mr CHAIRMAN: Aged and disabled care?

Mr CLEARY: Again my area. Yes, we have functioning programs under that. It is all agency funded. Again, bare-bones stuff. The sport and recreation, youth activities, and aged care are, and continue to be, subsidised by the shire, because without the shire subsidising it, the programs would stop and our concern is the people on the ground. They are the ones that need to be fed, looked after, and given some level of activity, so council or shire funding is subsidising external agencies.

Mr CHAIRMAN: Do you have aged care facilities that you look after under the council's banner?

Mr CLEARY: Too early for me to know that one.

Mr WEST: Yes, we do, but I cannot remember the exact thing. I think we have them at Alpururulam, Elliott, Ali Curung and one other community. I am not sure exactly.

Mr CHAIRMAN: This one over the road is yours or – there is an aged care facility across the road?

Mr WEST: I am not certain on that one.

Mr CHAIRMAN: But you do have facilities throughout the shire?

Mr WEST: Yes.

Mr CHAIRMAN: Centrelink.

Mr WEST: Centrelink comes under the Commonwealth government. We provide facilities for them to use on most communities, but they are governed by themselves.

Mr CHAIRMAN: In June 2009, these were subject to ongoing negotiations, these agencies – safe houses.

Mr WEST: Mr Chairman, we have safe houses in Elliott, I believe there is one in Alpururulam, I am not certain. No others that I am aware of in the community.

Mr CHAIRMAN: Do you have any agency functions in regard to arts and culture?

Mr WEST: We do. Again, at Elliott and Ali Curung, we definitely have. We have something in Ampilatwatja and Epenarra.

Mr CHAIRMAN: What form is that, is it a room or is it a – do you do training or do you provide the ability for people to be involved in arts and culture, what is the council's role?

Mr WEST: We supply rooms and so forth, and people to work with the community on these. Again, it is out of my portfolio, so I do not know any more on that.

Mr CLEARY: I can answer part of that. My community services manager works closely with the art outlets, and manages their programs from an administrative point of view. Largely their funding is external or self-generated, but we provide administrative support and oversight.

Mr CHAIRMAN: Community media, do you run any radio stations or print newsletters?

Mr WEST: We have newsletters which we have on our Website. We have some access to radio, but the quality of this varies tremendously over the Barkly community. In some cases they are not working, in some cases we are getting them working, and in one case we have them working.

Mr CHAIRMAN: Family finance skills?

Mr WEST: I think they are run by JSA, the employment people.

Mr CHAIRMAN: Through you.

Mr WEST: We provide facilities to do this.

Mr CHAIRMAN: Natural and cultural resource management?

Mr WEST: There is nothing going on which I am aware of at the moment. That is an area which has to be addressed.

Mr CHAIRMAN: Environmental health?

Mr CLEARY: We have one environmental health technician in the shire. I am not sure which community it is based on, one of the larger ones.

Mr CHAIRMAN: What is his job? Is it for his community, or the whole shire?

Mr WEST: In theory he is on call for the whole shire, but where he was established prior to shire amalgamation ...

Mr CHAIRMAN: Who pays him?

Mr WEST: The shire.

Mr CHAIRMAN: I am interested in the roles you have since the reform. Regarding commercial services, this states: commercial services are services the shire is undertaking on a full commercial basis with the intention of using profits from commercial activities to improve services to the community. The following commercial services will be undertaken by the Barkly Shire, housing management. What does that mean?

Mr WEST: We have a contract with Territory Housing to work on outstations, and on remote communities; the NTER.

Mr CHAIRMAN: Housing and infrastructure maintenance? I presume this relates to plumbing and electricity.

Mr WEST: That is an extension of the previous program.

Mr CHAIRMAN: Non- council roads. Can you provide us with clarification of what that means?

Mr WEST: At the moment that is being done by LGANT. I understand the shire is due to take on roads in five to 10 years time, if our vehicles last that long.

Mr CHAIRMAN: The post office agency?

Mr WEST: I do not believe we do any of that.

Mr CHAIRMAN: Admittedly the shire plan is a draft for consultation, and this is the only one we have from the system at the moment; however it said it will be undertaken. Is it a requirement the Barkly Shire will have to take over the post office agency?

Mr WEST: I will have to take that on notice.

Mr CHAIRMAN: Could we find out whether it is a requirement of the Barkly Shire Council to take over post office agencies, and if so, which ones? They might not be expected to take over the one in Tennant Creek. Power, water and sewerage?

Mr WEST: We supply ESO's, essential service officers, on all our communities. They work, on contract, for PowerWater.

Mr CHAIRMAN: Do you have to pay from shire funds for those people?

Mr WEST: They are employed by the shire and we recover the costs from PowerWater.

Mr CHAIRMAN: The whole cost?

Mr WEST: I believe we recover almost all costs. On some communities we would make a little more, but on most communities we recover almost all of the costs.

Mr CHAIRMAN: Visitor accommodation and tourist information?

Mr WEST: Nothing at the moment.

Mr CHAIRMAN: The only other council service is swimming pools. I presume you look after the local swimming pool.

Mr WEST: We have one pool in the whole shire. It was built by Peko as a community effort over 40 years ago. The plumbing and infrastructure at the pool are almost completely ruined. We have an estimate that it has a life span of maybe two years at the absolute outside.

Mr CHAIRMAN: Would you be able to give us a rough idea of what an annual maintenance cost on that pool is?

Mr WEST: I cannot do that at the moment, but I can certainly get that information for you. It is becoming more and more expensive every year. We are in the process, at the moment, of finding out how much it is going to cost to replace it, and the initial estimates are somewhere around \$6m. That is for one 50 m pool, 16.8 m wide, which is eight lanes, with a small wading pool for kids, sun shade, new toilets and a change room, a storage room, and a first aid room.

Mr CLEARY: I can take that a bit further. I was visually yesterday formulating a bid of \$280 000 under the SPG grant system, to fund the feasibility study to scope and design the repair and replacement of the pool itself. So, subject to that funding, we will know exactly where we stand.

Mr CHAIRMAN: This is a fairly broad question but, when the reform came in, the theory was people would not lose their jobs. If I took out all these extra things councils do not normally look after, but just look to the basic core functions the council had before, which were looking after the roads, picking up the rubbish, that sort of - and I do not know how many local governments you would have had within the area you cover now, because they were all closed down - has there been a lot of employment from a local government perspective since the changes, or has there been an increase? When I say an increase, I do not want to talk about agencies or other things that have really been put on top of the council, but just from a basic council function point of view.

Mr WEST: I think you will find there will probably be a status quo without the extra work we have from other agencies. We have about 180 people working for the shire over this area, and I suppose a third of those would be employed on extra agency issues.

Mr CHAIRMAN: All right. So, all the people who were working at Alpururulam Community Government Council pre the Barkly Shire Council should have – unless they, for their own reasons, left – still had a job with the council?

Mr WEST: Yes, they do.

Mr ELFERINK: Housing management - you are, essentially, the agent for Territory Housing?

Mr WEST: Yes, that is right.

Mr ELFERINK: My understanding is that Territory Housing, of course, has now assumed, essentially, ownership - for lack of a better term - all housing in remote communities including the outstations?

Mr WEST: Would you mind repeating the question?

Mr ELFERINK: It is my understanding that the houses in these remote communities now come under the banner of Territory Housing. They have all been absorbed into the Territory Housing umbrella. Is that correct?

Mr WEST: Those that are not outstations, yes.

Mr ELFERINK: Yes. So, outstations exempted but remote communities are all ...

Mr WEST: Remote communities.

Mr ELFERINK: Are you charging rents, and those sorts of things, on behalf of Territory Housing?

Mr WEST: Yes, we are.

Mr ELFERINK: What are you charging; the standard rates that Territory Housing require?

Mr WEST: Yes, that is right.

Mr ELFERINK: So, it is \$110 for a three-bedroom house, per week, or thereabouts?

Mr WEST: No, we are charging \$50 per house.

Mr ELFERINK: \$50 per house? Okay. How you are collecting those rents?

Mr WEST: Through Centrelink.

Mr ELFERINK: Oh, so there are simply ...

Mr WEST: A transfer of ...

Mr ELFERINK: A transfer of funds. So, before the funds reach the - okay. Have you done an audit of the housing stock?

Mr WEST: We are working steadily through that at the moment. We have an audit on some of the communities – a full audit. Other ones we are working through at the moment. You must realise some of these communities are 30 years old, some of them are 40 years old plus, and the range of standard of housing is quite high. The general standard of housing in the community - you have two types of housing; the tin sheds which are in appalling condition, and you have the block housing and so forth, which vary from reasonable through to not so good. The main problem with the housing is the drainage system, and we are working through Ampilatwatja and Utopia at the moment, as fast as we can to fix up plumbing.

One of the major issues there is the fact that the black water and grey water systems are still going through the same system into a 3000 litre tank and dispersed from there. A 3000 litre tank is designed for a house of four to five people and we frequently have 10 to 15 people living in anyone of these places. What has been happening in the past, is the fact that we have been concentrating on fixing up leach out drains and septic tanks, but not working out that when you turn something on at the tap what happens on the way through. With the aid of the local manager of remote housing, we have started going back to the basics of: does the system work? Not just does the leach out drainage work or does the septic tank work, but does the whole system work, and it is going to take a long time to get this fixed.

Mr ELFERINK: Yes, that leads me to the next question. \$50 a week, I presume that is going into your coffers, as the shire?

Mr WEST: No, that is not correct. On NTER houses, the rent goes to Territory Housing. It is only on outstations that the shire gets the rent. On Utopia, before the shire took over and before the system was put in

place, we were getting an amount which was approximately three times the amount we are getting at the moment from rent. We cannot get any firm figures from Centrelink, as to who is paying and who is not.

Mr ELFERINK: Right. Just help me with this. In terms of the housing, Territory Housing stock that you have under your control, I am talking about the communities now, without going to the outstations, the rent that is paid and taken from people's income then goes to Territory Housing. How do you, as housing managers, deal with the costs of managing those houses, if you essentially do not draw an income against them? Do you charge it to Territory Housing?

Mr WEST: We get \$7800; it was \$7200, it is now \$7800 per house per annum.

Mr ELFERINK: \$7800, is that sufficient for your purposes or will the stock decline under that sort of income?

Mr WEST: For a house in good condition it would be fantastic. For a house that has not been maintained correctly for 30 to 40 years, no, it is not enough.

Mr ELFERINK: Overall, are you losing or making money?

Mr WEST: Last year, I believe we lost about \$5000 to \$10 000.

Mr ELFERINK: Overall.

Mr WEST: Overall, over the shire.

Mr ELFERINK: You are just below break-even on the deal?

Mr WEST: That is right.

Mr CHAIRMAN: You are maintaining houses on behalf of NT Housing, how much of your IT infrastructure is used to do that? Are you funded for that component of your IT work in administration work?

Mr WEST: May I read out the section on that, because that is germane to this issue. On the IT, the Department of Information, Communications and Technology, along with the Department of Local Government were responsible for the implementation of the new business systems once we started, that is for the whole eight shires.

The successful company approved for financial systems was TechOne, and three associations were set up to manage the hardware, implement, and support the software, the ShireBiz, ShireNet and CouncilBiz. After struggling for over a year to try to establish fundamental accounting and financial systems, this council made the decision to abandon TechOne Financial System and entered into a contract with Civica for the supply and installation of a new financial system, one that meets our business needs. Civica's authority software is operational and the staff have managed to achieve more in four months, with this particular one, than it did for 17 months with previous systems. Moreover, the overall cost of the new software, the hardware, the training and support that the council is using is substantially less than the council's ongoing obligations to TechOne and the infrastructure and support services created by the department which the council is not using.

The NT government imposed business system, TechOne CouncilBiz help desk, have been and still are, we consider a white elephant that has taken its toll and inflicted considerable damage on the council's operation, staffing and the public image. Rather than accept that there was a mistake and fund the shires to develop their own particular solutions, the NT government decided to invest more money to prop up the contractors and departmental structures that created the problem in the first place. Council understands that the software of supplier involved will be paid to fix the problems that were created through a failure to deliver a system that was unusable. The Barkly Shire is not part of that remediation project, which we understand is costing several million dollars.

The CEO and staff, with support from council members, decided that rather than spend money and effort in installing and configuring a complex and unworkable system, we would seek an alternative solution. We have a direct relationship with our supplier and the system supplied by Civica is working far better than expected.

However, the shire is being penalised for this decision, through contracts and arrangements that were set in concrete two years ago.

To put it in to perspective, the Barkly Shire is committed to almost \$700 000 in residual costs for software, hardware and support we cannot and do not use. That is the residual cost to the shire from the contracts for TechOne, ShireBiz and CouncilBiz. This is almost twice as much as what we are paying Civica. It is a ludicrous situation and the council has asked the minister to be allowed to resign from CouncilBiz without financial penalty and your support would be greatly accepted in this.

Mr ELFERINK: Mr West, could you table that document for our reference? Thank you.

Mr CLEARY: The question you have been getting at, part of it is whether the agencies that we are providing support to or performing functions for, are we meeting the full costs to cover it. I was the last CEO of Ngukurr, prior to the amalgamation and, in the seven months I was there, I carried out intensive cost analysis on agencies. For example, I found that with Power and Water that we were 40% under-providing. It cost me, as CEO of that council, 40% of the ESO budget, in the year I was there, in subsidising Power and Water activities.

Every budget that I looked at, at Ngukurr, and I will be doing the same here, as I am here longer than nine days, I believe it will firmly show that most agencies are being subsidised by the shire in some way, shape or form. It is a disastrous situation. The smart thing would be for the shire to say no, we are no longer going to provide those services, but particularly with aged care, sport and rec - the human services, they are the areas, that as a shire and as a human element, we cannot afford to turn our back on.

We have a choice right now, and I only have scant details, of closing at least one of our child care centres, because there is simply not enough funding provided by the agency to justify us performing the service. But we cannot do that. We cannot simply close a childcare centre, which has just opened up, on financial grounds. Again, the constituents in the major communities, through their rates, through what discretionary funding we have left, we are supporting agency activities. Until this situation is remedied, across the Territory, and this is my third community, and I had exactly the same experiences in the Tiwis, as manager of corporate services in 2006, shires will continue to subsidise essential services to people in the communities.

Mr CHAIRMAN: Which childcare centre is that?

Mr CLEARY: Sorry, I said I had scant details. I have yet to learn names of the eight communities that I am looking after.

Mr ELFERINK: Could you provide that at a later time, by way of letter to the Chairman of the Committee please?

Mr CLEARY: Yes.

Mr ELFERINK: Thank you. When you use the word 'disastrous' I presume you are not using that word lightly; you are describing an impending calamity - for lack of a better word. You are going to come to a point then, on your description, where you just do not have the cash and services will simply stop. How far is that date away?

Mr CLEARY: At the moment, it will not happen in this financial year. Why? Because shires still have a level of surplus funding that came across from the previous councils. In my ballpark estimation, probably 18 months to three years from now, any existing surpluses, any doubtful grants we may get in the meantime, will be chewed up. I would say three years from now there will be critical funding crisis.

Mr ELFERINK: Clearly, you have raised this with government? What is the response from the agency in the government been?

Mr CLEARY: I do not believe that this shire has, as yet - and I am speaking off the cuff - conducted full cost analysis across all of its programs to see what it actually costs us to run. I know I did that at Ngukurr and that was revolutionary thinking. I had Power and Water chief executives choking when I demanded a 40% increase in funding across the board, otherwise I shut down Power and Water services to what they funded me at. So, I

am extrapolating my experiences in Tiwi and Ngukurr to here. I fully intend, in the next three months, to cross-analyse all of my programs.

Mr ELFERINK: Ultimately, these then become questions for council rather than the executive. While you people are the people who enforce those decisions, council will have to make these decisions. Sooner or later, you are going to go to council and say: 'We do not have the cash; you guys are going to have to make some tough decisions, whether to turn off that power station or shut down that childcare centre'. For that, you expect 18 months to three years before that happens?

Mr CLEARY: That is my best guess.

Mr ELFERINK: All right.

Mr WEST: I would be inclined to think it is probably closer to the 18 months rather than the three years. I will give you several reasons. When we took over the shire in July 2008, we were told we had assets from the previous communities of vehicles, plant, and various things like that. Of the 100 or so four-wheel-drive vehicles we have, fewer than half are working at the moment. We are down to about 45 that are in operational order. Some of these have up to 200 000 km on the clock.

In the way of heavy plant, I have one front-end loader in good nick, I have two in need of maintenance on a regular basis. In graders, I have one grader that dates back to 1975, that is just absolutely useless. I have two other graders, one of which is worth fixing, and one is marginal.

Backhoes: I have five for the communities, and three of them are working at the moment. If you try digging a grave in 40 C-plus heat, it is just not going to work. As Gary said, we have a brief window of opportunity to get some new equipment, but this is only going to last for a very short time. None of the grants we have available - apart from special purposes grants - are capable of supplying anything that moves.

We can get infrastructure grants. For instance, I can fix up this building we are in today ...

Mr ELFERINK: You just cannot drive a truck through it.

Mr WEST: ... but I cannot get any of the groups anything like trucks and so forth.

Mr ELFERINK: Is this something that you have experienced? Clearly, you guys do not live in a vacuum; you will have spoken to other councils about this issue. Is this being reflected by your conversations with other councils?

Mr WEST: Yes, it is. Some councils actually have money from gingerbread men last year, when there was money available through FaHCSIA. My colleagues up in East Arnhem and in Roper Gulf got quite a bit there, and I believe Tiwi got some.

Mr CLEARY: Tiwi did very well, as they always do. My biggest concern from a human element, on this poor equipment state is that we have to, if a community member dies in one community, walk a backhoe 350 km round trip to dig a grave for that person. That is unacceptable. I sound highly emotive, because I am concerned with the human side of the business; he has the technical side. But when we have a situation where people cannot be buried in accordance with cultural timeframes because we have to walk a backhoe, because we have no prime mover or trailer, to me that is appalling, to me that qualifies as a disastrous situation.

Mr CHAIRMAN: Do you have a problem with the size of the shire? In my opinion, the shires are far too big to be community based and all that. But if you are now one and a half times bigger than Victoria and you are required to take a backhoe on a truck from here to Alpururulam, which you cannot do in the Wet Season anyway, are there some issues in relation to the way the whole division of the land for local government, does it have some negative outcomes which were not perceived when they drew these boundaries up?

Mr CLEARY: Looking at the map and having been involved in the amalgamation from a CEO's perspective, I did not see there was any other way government could have done it. It is a vast land and a sparse population. They did a pretty good job of trying to link together population centres. The overall plan, I do not see any other way around it. But what I do see, even on the Tiwis, in 2006, and they are the poster boys for the federal

government, it was operating a \$22m budget with no strings attached, but it did not have a functioning backhoe, so when we wanted to bury a community member on Nguuu, Bathurst Island, we had to get 10 blokes and lift a trench digger onto the back of a Toyota 4WD, take it down to the cemetery, manhandle it off the 4WD, and dig the grave. Then, if someone died on Melville Island, we had to put it on the barge and take it over to Melville Island.

Mr CHAIRMAN: Can I just quickly say, for Bathurst Island, for all you might have said, under a federal system grants is losing half of the systems grants over the next four years. The money you are talking about has come from other agencies, because it is going from \$1.6m to \$800 000 in the next four years. From a purely local government funding perspective, it is not on the good end of these changes.

Mr ELFERINK: What is your budget for the whole council?

Mr CLEARY: We are operating on a budget of \$27m a year. The numbers quoted to me, about 80% of that budget is external agency funding.

Mr ELFERINK: Right. So your discretionary funding is bugged all?

Mr CLEARY: Exactly.

Mr ELFERINK: All right.

Mr WEST: We have a rate base at the moment of just under \$3m, so it is almost 90%.

Mr ELFERINK: How much more do you need to avoid your disaster?

Mr WEST: We are always going to be cap in hand to the government. A shire this size, with the rate base we have, we are always going to be cap in hand, but there must be some flexibility on being able to get critical pieces of equipment like plant and machinery ...

Mr ELFERINK: Yes.

Mr WEST: If a person in the Commonwealth or Territory government is operating a vehicle, when it gets to 60 000 or 90 000 km on the clock, it is automatically traded in and they get a new vehicle, and it is the same thing with their plant. That type of thing has to flow through too. It is not local government, it is regional government, and if we do not, as Gary pointed out a short time ago, the shire will inevitably go broke.

Mr ELFERINK: Okay, bringing me back to my question, how much more to avoid going broke?

Mr CLEARY: You must first answer the strategic question. Do we want to provide services to the level that would be expected in a mainstream town or city? If your answer is yes, then double your agency funding right now, and probably three times the discretionary funding for local government to provide core services. We are going to have a community, and we were discussing this with our local council members this morning, where to provide normal garbage services, at traditional rating services, it will cost \$3000 per house to provide that garbage service, if we were to rate the people at cost price. There is no way the people in that community will be able to afford \$3000 a year to receive a normal government service. That whole community will be a constant drag on discretionary funding in the shire, simply because an Indigenous person living in a house like that cannot afford a \$5 per week contribution towards rates, let alone \$3000 a year. That is an indicator as far as I am concerned.

Mr CHAIRMAN: Is that not some of the unrealistic approaches that were given about local government? I come from Litchfield Shire, with a population of around 18 000-20 000; 64% of its income is from rates - it has 700 km of road to maintain, it has seven parks which have to be maintained, and it has three landfill sites or transfer stations - that is because people in the area have a reasonably high income. It is kept very simple. When I was reading out to you all those other functions you have, none of those are provided by Litchfield Shire. In fact, that is why so many people drove around Parliament House many times: they told the government they can stick it, basically. Yet, you have had to take on all of this and you only have two graders or three graders?

Mr CLEARY: We have three functioning backhoes out of seven.

Mr CHAIRMAN: What is your number of graders?

Mr CLEARY: We need a grader and a functioning backhoe in every community.

Mr CHAIRMAN: Yes, but how many graders do you have now?

Mr WEST: We have three.

Mr CHAIRMAN: And what is the total road length which you have to maintain with those graders?

Mr WEST: That is a challenging question. There are so many back roads into – a conservative guess is 3000 km.

Mr CLEARY: Let me come back to rating again. I have been through a very interesting exercise at my CEO's request. Mining leases and tenements – should they be rated? Are they able to be rated legally? If so, at what amount? If you have a company like Emerson Resources, which has 584 mining leases, back to back, adjacent to each other ...

Mr CHAIRMAN: That is the word – good.

Mr CLEARY: ... how should they be rated? Advice from the department as of yesterday, is to rate all of them, at the rate of \$700-odd dollars. Why is this so? I think it is a great idea, because that would produce \$380 000-odd into discretionary funding that goes back into the community, which may help to pay for the community that costs \$3000 per house to service.

We have to win that argument. We have to decide whether we could even win it to begin with. My thinking is, and this is a personal thing, we rate them anyway, and let them squeal and take us to court and let us see what the department is going to do in the way of supporting us. But these resources companies sit on these leases, and no one else can go and do anything there. They do not have to pay anything for them, in the way of rates, so therefore they have locked up the land. Make them pay rates, they will let go of the leases, which will allow opportunity for other entrepreneurs to come into the district and, ideally, improve economic activity.

Mr ELFERINK: It is my understanding that the mining leases now come with an expiry date attached to them anyhow. There is a requirement they do something with them or they lose them.

Mr CLEARY: I have not been that far down the track.

Mr WEST: I am an ex-geologist and I believe that is the truth.

Mr ELFERINK: There is the capacity eventually to force them out. But it does not help your position in the shorter-term.

Mr CLEARY: We have about \$2.3m this year in rate notices; that is the bulk of our discretionary funding. Anything else would be eating into capital reserves. Any expenditure will eat into those reserves and every agency that we subsidise eats into that and eventually in theory ...

Mr ELFERINK: What stops you throwing it back to the agency and say, 'do it yourself?'

Mr WEST: We have over 30 waste facilities throughout the shire and we are getting hammered by the department of Health at the moment that we have to bring these up to Australian standards.

Mr ELFERINK: Good luck with that.

Mr CHAIRMAN: Is this why your estimates from last year are that waste will be \$168 638, to next year \$1.396m?

Mr WEST: That is not taking that into consideration ...

Mr ELFERINK: Ah, on top of.

Mr WEST: This business has only just come up in the last couple of months. The department of Health is saying, through their environmental health regulations, we have to do this, we have to do that, and have to do something else. They are saying if we do not do it, and we cannot afford to, they are going to bring in contractors and charge us.

Mr ELFERINK: You are kidding! I am sorry, run that by me again.

Mr WEST: If we do not do the work they suggest has to be done under their regulations, they will bring in contractors and we will have to pay for the work to be done.

Mr ELFERINK: So, this is an agency requirement?

Mr WEST: Yes.

Mr ELFERINK: So, the government department says you have to do X, Y and Z ...

Mr WEST: That is right.

Mr ELFERINK: They then sheet it home to you in this plan - and that is all it is, a plan, so it has no legal standing, as I understand it. They then say: 'If you do not do our job for us, we will bring in contractors and we will charge you'?

Mr CHAIRMAN: That would not be quite right, would it?

Mr ELFERINK: I just want to make sure I understand.

Mr CHAIRMAN: But the council has to do waste management. That is its core function.

Mr WEST: That is right.

Mr ELFERINK: Yes, but I am talking about those agencies which are not your core functions ...

Mr CHAIRMAN: No, it is the department of Environmental Health telling the council, that to do its waste management, it must do it according to its new guidelines, by the sound of it.

Mr WEST: Territory Health's new standards ...

Mr CHAIRMAN: Yes.

Mr ELFERINK: We are having two slightly different conversations, then.

Mr WEST: ... and if we do not do that, Territory Health's environment and health section will bring in contractors and charge us - charge the shire - for the work done.

Mr ELFERINK: Right. What about the other agencies for whom you do work for, which is not, essentially, a council function? Power and Water. Why do you not say to Power and Water: 'Do it yourself'?

Mr WEST: After listening to Gary's comments on how much he analysed the costs to be, I think we might be renegotiating that situation shortly.

Mr ELFERINK: From what I can see, without knowing the regulations verbatim, this plan is not a statutory instrument, which means you are not bound to it; it is just the way it was designed and given to you because that is what local governments have always done in these remote communities. With the ESO, they have looked after the local genset and the sewage ponds. You have pretty good grounds by the sounds of it.

Mr CHAIRMAN: This is 'will' and this is under the act. This says that you 'will' undertake power, water and sewerage.

Mr ELFERINK: Well, in that case, you are looking border line of an acquisition of property rights, which they would have to compensate you for at law. Has this argument been had with the – well, let us take Power and Water. Have you had this argument with Power and Water yet?

Mr WEST: No, we have not. As a matter of fact, I had a meeting with them only last week. The way they explained it to me, we were actually getting a good deal out of it. Now that I have listened to Gary, in fact, what he had done - I am not involved in the finance analysis of this - we certainly have to look at this again.

Mr ELFERINK: Absolutely. Realistically speaking, there are other functions from other agencies which are similar, that you would be looking at dropping. If you are not even hitting break even, then you guys should be a registered charity.

Mr CLEARY: It is my intention, as director, to initiate cost analysis into all of my functions. At that time, I will be making recommendation to council as to what can be continued to be provided. I hope to achieve that, certainly by the end of February, early March next year. Then, that will raise its political head. When I did that at Ngukurr, I got the attention of a lot of people. I know minister Knight was not particularly happy with that.

Mr ELFERINK: Minister Knight's happiness is not particularly a matter of concern to me.

Mr CLEARY: Good.

Mr CHAIRMAN: Can I just ask a couple of other questions in relation to this? One is animal welfare, which had gone from \$60 000 for animal welfare control estimated for 2008-09 to \$0.5m this year and onwards. Why was the big jump?

Mr WEST: We have done some initial calculations on this. For a vet to visit these communities on a twice-a-year basis, it is going to cost us about \$80 000 per year, per community. That is a minimum cost to do de-sexing and so forth. But the problem is, to do this on a community, you must build up trust with the community, because you cannot just walk in and say we are going to de-sex and/or destroy your dogs. That is silly. We have to work with the community to build this up.

This is going to take much more than \$80 000 per year. It means sitting down in the dust and having a discussion with people over an extended period of time. Where my colleagues, in other communities and other shires, have done a de-sexing program, someone has come back into the community, within a very short time, with three or four litters of pups and, within a very short time, you have the same problem recurring. Dogs are a major issue. One of the issues we have here, is the fact on several of the communities, we have dog dreaming, so this is going to complicate matters, by the fact that we must negotiate with the communities much more and in much greater detail on these communities before we start.

Mr CLEARY: That is just Phil's budget, what is hidden in that cost is the fact that the council currently employs a senior Indigenous woman as cultural adviser and coordinator, and that is being funded out of discretionary funding and her salary package about - I have not looked at the pay slip yet - but probably \$80k with on costs. Whilst the vet is there and that is a part of his budget, part of my budget is the cost of employing this cultural mentor, which is extremely worthwhile. She interacts with the local people to smooth the way for these things. So our budgets intertwine and the true cost is not what you have there; you have my costs on top of it.

Mr WEST: And on top this we still have to put a person on every community, with a primary function of animal control. I still have three people based in Tennant Creek who swing around the communities. There are vehicles, there are people, and oncosts. I would say that figure was before we got the figures on how much the vet was going to cost.

Mr CHAIRMAN: That is why Litchfield does not have dog control just yet. There are two other items which are worth mentioning, one is ...

The member for Port Darwin has to leave at this stage.

Mr ELFERINK: My apologies to Mr Diflo and the other person who was going to make a submission, unfortunately I need to be on my way now, there is still a quorum here for committee. I would like to hear what

you have to say and I will promise you I will read the *Hansard* and make myself aware of your issues. But I apologise, I am committed otherwise. Thank you, very much.

Mr CHAIRMAN: On the financial management, IT and communications. Financial management was \$254 260 for last year, goes to \$1.3m for the next three years, and also IT and communications, \$29 000 for last year and goes up to \$1.18m. That is up to about two thirds of your discretionary budget, just in IT and financial management.

Mr CLEARY: This all links back to the CouncilBiz obligations. They notified us of a bill of \$720 000 for the next financial year, for membership of CouncilBiz, for a system we are no longer using. We are locked into that for another three and a half years and, without the minister's approval to withdraw, that will continue. It is quite believable that the costs will go up even further. I have real concerns on whether – yes, we will be able to pay it, but it is just going to eat capital reserves.

Mr CHAIRMAN: Just quickly, we are over time. You mentioned before about roads, that it has not been identified as to which ones belong to council and it will not be for some years. Where are we up to with which roads belong to the Barkly Council and which roads belong to the government?

Mr WEST: Peter McLinden, the manager at LGANT, is doing that research for us at the moment. I figure we would probably have the answer in three or four months.

Mr CHAIRMAN: Do you find it strange that they have developed a new council, which already has difficulty financing its existing work, without starting off the council knowing what roads it will be required to maintain?

Mr WEST: That is correct. If we do get the roads allocated to us, one, we will not have the equipment to handle it; two, we will not have the trained people to operate the non-existent plant; and, three, we would have to go to working with using contractors which is going to cost much more. On top of that, it will not give us a chance, as Pat said earlier, to raise the standard of people in the community. Which is far more important.

Mr CHAIRMAN: The last one is airstrips. I have heard that at the local government meeting in Alice Springs, the airstrip issue is going to be raised. Do you have any information that we could discuss, about the maintenance of airstrips?

Mr WEST: We applied, with DPI, on a 50-50 basis with the Commonwealth, to get funding to resurface Alpara, which has a population of 1300, and Ali Curung, and we were told that the application for funding was particularly well put together, however, we did not get it, and for DPI to put in for this themselves next year. All you do is chase your tail every time.

Mr CHAIRMAN: Any idea what it costs you to maintain the airstrips you have? I do not know whether I have a figure; I have a \$60 000 figure, with nothing in the future, on the fax page.

Mr WEST: The cost per community would be in excess of \$60 000.

Mr CLEARY: I am harking back to Ngukurr, when I did the cost analysis on airports, limited ESO work and Centrelink, and found the actual cost of it, and stuck it to them, particularly the airports, my cash flow increased by \$28 000 a month. I would suggest that our airport costs definitely need to be analysed – landing fees and maintenance fees, across the board, need to be analysed and put in a profit making situation, or at least a situation which covers our full costs, plus administration fees.

Mr CHAIRMAN: Will landing fees penalise people who live in the Barkly Shire?

Mr CLEARY: No, because most of the landing fees would be incurred by either commercial operators or government departments, such as Health, and they have to pay.

Mr CHAIRMAN: But if I am a commercial operator, carrying Barkly Shire residents, am I not going to have to pay for that landing fee in my fare?

Mr CLEARY: Yes, you will. You will find, as I do, that most bush pilots do not fly on flight plans and, as such, if your electronic radar, which captures the plane as a picture or script and then takes off, is not

functioning correctly, they are not collecting landing fees to start with. Which is exactly what I found at Ngukurr, where I had two strips ...

Mr CHAIRMAN: Are we able to get that document?

Mr WEST: Yes, you can. Could I send it to you electronically?

Mr CHAIRMAN: Yes, talk to Michelle and she will get the address for you. Do you have any other issues you would like to raise?

Mr WEST: I would like to bring up comments on SIHIP, if I may. Council does not have the level of confidence in SIHIP on remote communities, which were expressed by some of the previous speakers. When SIHIP was first announced, council was disappointed, that communities, such as Utopia, were left off the list; it does not get new housing or renovated housing because it is outstations. As time passed, and the regular inspections by hoards of building specialists, architects and consultants came round there is a lot of looking going on and not much work.

The program at Ali Curung has been put back several times. We feel there are many people running around in flash cars, but there is not a hell of a lot of work going on. We would like to look at the outcomes for the communities, not the process of doing things. The promise of the delivery of new houses to Barkly Shire, which was in the original thing, is not going to happen. As I might have said to you earlier, Barkly remote communities have a high proportion of tin sheds that, in actual fact, are horrendous. If you had to sit in one of these in 46 C heat, it is unconscionable we should even think about that. People in communities have a simple philosophy: what you promise, you deliver. We try to deliver, but we do not always do that. However, we are wondering how council can support the Northern Territory and Commonwealth governments when things were promised were not delivered on.

What happened to new houses? Would they, if they were built, be appropriate to such a climate as we live in? In most of the cases, that is not the case. Council asks what program will address the issues of overcrowding in community houses. This has been brought up on several occasions. Where will people in the new growth towns of Elliott and Ali Curung live when growth occurs? What are the standards of these proposed renovations? Are they to Australian standards? Can people expect a fresh new look and feel about the houses that are being renovated?

As an example, at a recent meeting early last week, we were talking about Ali Curung. They have \$3.8m put aside for this community, and they are going to do between 26 and 40 houses. If they do 40 houses, that is roughly \$90 000 per house. At the initial stage of this meeting, SIHIP was not even prepared to do the painting of the inside of the house; they were going to put an undercoat on it.

When the GBM actually said to them: 'If you do not get up to the standard that has been actually done by Barkly Shire up to date, where we have actually painted the inside of the house as well as renovated it on \$7200 per year, you can forget about going into any of the houses, because the communities will not tolerate it'. So, they agreed to paint the place, but their priorities are health and safety, functionality, which means putting in or repairing a kitchen, and the wet areas - the laundry, the shower and the toilet. For \$90 000?

I spoke to the manager and I was told: 'Yes, we have oncosts and we have admin'. The shire has also got oncosts and admin, and a damn sight more to cover than what New Futures Alliance has. On top of that, we have staff living on these communities, and we are the ones they come to when things go wrong.

Training: for the short time on the communities and so forth - and they are only going to be on Ali Curung for less than three months - what training are we going to get for people? What standard can we get them up to? We are going to get them through part of the construction course, either at Level 2 or Level 3.

There was a comment here. The first two houses that are thought to be finished - we were under the impression, we were told - there were going to be four done at a time. We will not worry about that too much. However, one week was the entire time anybody was spending on a house - and that is for \$90 000. We feel, if the money had been allocated to the shires, you would probably have a lot more bang for your bucks, and we could have been in a situation where Aboriginal people may have been able to start purchasing the houses.

In New South Wales, when New South Wales Housing offered to allow people to buy back the houses they were allotted, this was taken up. We have to start doing something like that.

There are quite a fair few other issues that we would like to bring up. The *A Working Future* document that has been put forward ...

Ms ANDERSON: Can I just ask a question before you go on to *A Working Future*? It is about Ali Curung and what the line says. Do they charge consultancy fees for those houses as well at their level? You were just saying they charge on costs and consultancy.

Mr WEST: I am not sure how SIHIP do their costings but, with \$90 000, they have had scoping, re-scoping, and have had engineers wandering around. I have no idea what it is but there have been a lot of people moving backwards and forwards from point A to point B.

Mr CHAIRMAN: I am not arguing that your case is not correct, but would you include, say, refurbishment of the septic system, as we saw today, where they are going to have to connect it into the main sewerage system in Tennant Creek ...

Ms ANDERSON: That is separate funding.

Mr CHAIRMAN: It was in the boundaries of the block. I think it belongs to SIHIP.

Ms ANDERSON: No, no. He quite clearly said today, when we spoke about the septic, that will come out of a different budget for the septic and roads. We can go back and have a look at *Hansard*.

Mr CHAIRMAN: Would you need to do that? Would your funding for \$7000 ..

Mr GUNNER: That is the division of Power and Water.

Mr WEST: \$7200 last year, \$7800 this year.

Mr CHAIRMAN: What would that \$7800 give you if you went in to a house as we have seen close by here?

Mr WEST: I was not on the trip. To go out to a remote community where you have a septic and a leach-out drain, with \$7200 we would be able to do work on the house and, then, we would have to go back to Territory Housing and acquire some extra funding for four extra sewerage places. We are doing that at the moment, and Territory Housing has come to the party on Ampilatwatja, where we have replaced the leach-outs and/or, in some cases the septic, on 20 houses.

Mr CHAIRMAN: If you are replacing the kitchen, as we have seen there, with stainless steel sinks and cupboards, that would be pretty expensive I would imagine, just stainless steel?

Mr WEST: Certainly. In many cases, that would be the case. In many cases, we can repair, as is SIHIP in some cases, simply repairing what is in there. As SIHIP mentioned in the first place, some of the kitchens are prepared with particle board which is, over a long period of time, just disintegrating. With \$7200, we have done a pretty damn good job in refurbishing some of the more modern houses.

Mr CHAIRMAN: Where would we see one of your refurbishments, if we wanted to see one?

Mr WEST: If you want to go to Ali Curung, no trouble. I can organise for the shire service manager to take you around and show you some of these. It is an hour-and-a-half to ...

Mr CHAIRMAN: Well, I am driving back. I might give you a ring. I am going out to look at the Barkly Highway as well. Maybe when I am leaving Alice, I could give you a buzz and see where I am on the road. I would be happy to have a look at one of those.

Mr WEST: I would be prepared to meet you there and show you.

Mr CHAIRMAN: Okay. I would just like to say Alison Anderson has had to leave, so thanks, Alison. There was one last question. Just to save time, could we just table that document?

Mr WEST: I was just going to say, Mr Chairman, would you mind if I tabled the document. I will send it to you electronically, and it will have the other issues mentioned in there.

Mr CHAIRMAN: All right. Thank you very much for coming. Sorry you had to wait so long, but there has been so much; there are a lot of issues. We do not say we are going to solve them all, but it has certainly put it out there for debate about which way we are going in relation to some of these issues. We are sure to be back.

Mr WEST: If I could just mention the fact that these remote communities are all perched on an underground aquifer. We are very concerned about things like rubbish tips, septic tanks and so forth, because if we do not do it correctly, it is going to contaminate the underground aquifer and these places are going to be untenable. As I have said, we have staff living there on a permanent basis, and we are going out there on a regular basis. We want to help these people. We want some damn good outcomes, and we want to minimise the process the government is getting involved in.

Mr CHAIRMAN: Thank you very much. I do not know whether the ...

Ms NUSKE: Gerry, could you break for five minutes?

Mr CHAIRMAN: Yes, I will. We are having a break for five minutes here.

The committee suspended.

OPEN FORUM
Ms Brigid Walsh

The committee resumed.

Mr CHAIRMAN: I just need to read this to you. This hearing is open to the public and being recorded. A transcript will be produced and will be available to the public. In certain circumstances, the committee will decide evidence or part thereof can be taken *in camera* and remain confidential. Please advise me if you wish any part of your evidence to be *in camera*, but I remind you this is at the discretion of the committee. You are reminded evidence given to the committee is protected by parliamentary privilege.

For the purposes of the *Hansard* record, I ask you state your full names and capacity in which you are appearing today. I also ask you to state your name each time you speak. Would you like to give your name and capacity?

Ms WALSH: My name is Brigid Walsh. I am a former resident of the Northern Territory, now living in Melbourne, and I come back to Tennant Creek regularly. I have academic qualifications in public administration and sociology. I have a history of public administration experience in the Victorian and Northern Territory governments, as well as local governments in Queensland, New South Wales and Victoria.

I mentioned those qualifications because that is really what I am talking about today. We have heard the actual issues. I want to get a bit of attention for what I see as a possible remedy, because I believe so many of these issues just go to poor governance and public administration. I am not the only one who thinks so. I do not know whether any members of the council have come across this. This is probably the best thing I have ever read on what is happening in remote Australia. It is a speech which was given by Lieutenant General John Sanderson AC to the Order of Australia Association as part of their annual oration on the Queen's Birthday weekend of 2007. It is titled *Federal Renewal in Unity in Reconciliation – A Return to Government by the People*. It is available on the Internet; you can search for this on the Internet. It is full of quotable quotes which I do not want to bore anyone with. He points out the parlous state, part of it due to the centralisation; the complete neglect of remote Australia and its communities; and actually, towards the end of the paper, he says:

What I have been describing to you is an emptying out of Australia. The creation of a true terra nullius, an uninhabited place where anyone has a right to make their way. We should not need any lesson on

the implications of this, having once used terra nullius as the imperative to deprive the Aboriginal people of the land they had occupied for thousands of years.

Those of us who have lived a long time in remote Australia know the implications of that - the implications of security, but we also know the neglect. We have heard that from Julalikari and from the Barkly Shire. That is only on the Barkly; it is replicated across Australia. The Northern Territory has opportunities before it to do something very different which would show leadership in remote Australia. I am proposing three things to address the Northern Territorians a better form of governance, better input and better ability to hold governments and public administration accountable to them.

People in remote Australia find it very difficult to hold any form of government - any form of public administrator - accountable because they lack numbers - they lack numbers. Power comes in various ways. It comes by the numbers, it comes by status or money or, as Chairman Mao said, out of the barrel of a gun. All or most of those do not apply in remote Australia, except to very rare individuals. Most people are, for all intents and purposes, disenfranchised. I am suggesting how this can be remedied.

The first way I am suggesting is a Charter of Human Rights and Responsibilities. I am not wishing to talk in depth on human rights today. I understand there is another committee in the Northern Territory looking at that. However, I cannot talk about what I want to next and omit that. Victoria is one of two jurisdictions which has the human rights legislative instrument. The Australian Capital Territory has the *Human Rights Act*, and Victoria has a Charter of Rights and Responsibilities. What happens in the Victorian model but does not happen in the ACT one, is legislation has to get ticked off as being compatible with the charter. That is the bit I want to emphasise in regard to that and move on to my next proposal.

My next proposal is that there be a summit held in the Territory of people from remote and very remote communities, to discuss the formation of a compact between the Northern Territory government, local governments in the Northern Territory, and the people who live in remote and very remote communities. The compact would cover virtually everything the Northern Territory government covers. We would be looking at tourism, health, education and roads - all the things that have been discussed here today as well. We would be giving the legal right to people to hold governments accountable; that whatever was in this compact would be subject to scrutiny.

As I understand it, there is a body - Terry Hanley is the director of it - which scrutinises legislation in the Northern Territory. I would see this compact would require any legislation, any regulation, any public administration action or decision, would have to be ticked off as being compatible with the compact. If it were not compatible with the compact, then people would have the right of appeal to have things withdrawn, redrafted, or redressed. If the government refused to do this, then there would be an avenue of judicial redress in the courts. I believe this is the only way governments are going to be held accountable. If they are publicly seen to be ticking off, and if they are failing the constituents, have some form of redress which is not, at this point in time, available to them.

I am suggesting this summit only be held with those who live in remote and very remote communities. I am not sure whether the committee is familiar with the classification of isolation and remoteness. There is a measurement called ARIA, which is the Accessibility and Remoteness Index of Australia. It has five categories which are given numerical scores. Tennant Creek has a 12, which is the top score. Darwin has three, so you can see there is quite a leeway. Almost every community - not quite, but almost every community - within the Barkly shire has a score of 12. There is nothing below the high 10s. When you go into the Barkly electorate, which includes other places not in the Barkly shire, you have things like the high nines. We are talking about two classifications: under ARIA, remote and very remote.

I am suggesting the Northern Territory government sponsors a summit or convention of people, local governments from these communities, and themselves. The politicians of the Northern Territory could score brownie points for themselves in doing this, because it would show they were trying. If you could do this with some success, I would see it as showing leadership to others, particularly Queensland, New South Wales, South Australia and Western Australia. It could show a new respect for remote Australia across the continent, with leadership by the Northern Territory. I believe now is the time to do it. Now is the time to do it, but you would also have to look at the charter of rights and responsibilities to give individual human rights, as well as community.

That is what I am proposing – the first two - and then I go onto the third. I am proposing the Northern Territory institutes an anti-corruption commissioner of some form. Not every jurisdiction in this country has an anti-corruption commissioner. Queensland has the Crime and Misconduct Commission, New South Wales has the Commission Against Corruption, Victoria has nothing, and the only other state is Western Australia, which has an Crime and Corruption Commission. This means there has to be transparency in governance - transparency.

Tennant Creek has its own little case, which means a bit of a light shining on it. That is the case of Juno where, under the Tennant Creek Town Council, almost \$0.5m was siphoned off, in quite a cute way into privately set up companies, with the collaboration of public officials, council officials, and elected people. I say siphoned off; the Tennant Creek council called it 'a donation'. However, it was a very smelly thing and talked about in the communities. It needs a special inquiry, and I would like to put on the record today there needs to be an independent inquiry by the Northern Territory government into the Juno case in Tennant Creek. We have heard from the Barkly Shire about its parlous financial circumstances, so I am sure if they got that nearly \$0.5m, they would much appreciate it. I am here to ask you to see they get it back.

However, this is not the only community which has had funny goings on at local government level, or at any other level. There has been quite a history, as we all know, of all that in the Territory. It has to stop because people do not benefit from this. The individuals may, the communities do not - and certainly remote communities do not. We need to be able to know we are able to get some judicial redress; that we are able to get matters referred to a body which has responsibility for integrity in governance and public administration. I am proposing three things which I believe would empower individuals in the Northern Territory but, particularly empower individuals in remote and very remote communities.

Mr CHAIRMAN: Thank you very much for that, Brigid. I have a couple of questions. One is, you spoke about a better form of governance, but then you said you were, basically, going to get the Northern Territory government, the local government, and remote communities to form a compact, but the form of governance is still there.

Ms WALSH: Yes, I am not suggesting statehood. I am not suggesting anything dramatic. The three things I have suggested require only one thing; that is, political will of the elected officials.

Mr CHAIRMAN: Thank you for that, Brigid.

Ms WALSH: Right? So, I am not asking for constitutional conventions, I am not asking for huge additional costs, or for anything that could not be passed through parliament tomorrow should the legislators of the Northern Territory so wish.

Mr CHAIRMAN: That sounds good but, of course, a charter of rights would not pass through government overnight; it has to ...

Ms WALSH: No, not overnight.

Mr CHAIRMAN: ... and there are a number of people who may have issues in regard to a charter of rights, and have issues in relation to the judiciary overriding ...

Ms WALSH: I know all those; that is why I am not entering into that.

Mr CHAIRMAN: No, that is all right. However, from a political point of view, that is one of the philosophical issues in relation to who is responsible for decision-making because, in the end, I suppose - I sometimes say to people I just talk local government because that is where I came from. They might say 'Sack the council' or something. I say, 'Well, no, put your hand up and stand, or vote them out, because the democratic process does allow it'. There is no judiciary required unless the local government was doing something that was breaking the law.

The other one I was interested in is the Juno issue. I only, basically, know what I read in the papers at that time, but I know that – and you may know - the government is looking at putting a work camp for prisoners in the Barkly area. One of the sites they felt would have been the best site was the Juno site. Unfortunately, it is not on the horizon because of the cost of either purchasing it, or it is just simply not available for use ...

Ms WALSH: Well, I was told it was not – informally, around town - in view because it is all just smell and the Northern Territory government did not go anywhere near it.

Mr CHAIRMAN: Well, I am only going on my discussions with the minister because he, of course, is trying to find a suitable place for the work camp. There is no doubt we have huge problems. Sometimes, we see the problems as the only thing that exists out there. I came from Daly River, you would probably get ARIA to give about maybe an eight or nine for Nauiyu ...

Ms WALSH: Well, I can tell you precisely, if you like. I can tell you precisely because ARIA puts out, state-by-state basis; so here it is. Do you remember the postcode?

Mr CHAIRMAN: Postcode, it will be 08 ...

Ms WALSH: Where are we looking? We are looking at Daly?

Mr CHAIRMAN: Nauiyu.

Ms WALSH: I will be able to tell exactly what it is because this – Nauiyu is only classified as remote, it going above 7.89, so it would not make a convention such as I am suggesting.

Mr CHAIRMAN: Do you know why it is only 7.8?

Ms WALSH: Because they are probably only a couple of hours drive to a bigger centre.

Mr CHAIRMAN: They have, but only in the last say five years because, up to then, it would take you three hours at least, because it was a road that was gravel. So, remoteness can also very much depend on the service provided to that community.

Ms WALSH: Well, it is like anything. There is always going to be something that just falls short of the score.

Mr CHAIRMAN: Yes, but what I am saying is there are some communities which are, from a service provision – and I have visited a number of them which I know will be well out, like Bulla and Amanbidji. Both have very good housing, very good facilities - school, health clinic - and both are actually very nice looking communities. However, their biggest problem is not the facilities, it is employment. They have no work.

Ms WALSH: No economy. Do they have a bitumen road?

Mr CHAIRMAN: No, but it is a very - well, that does not really matter. It depends on the state of the dirt road. I drive a fair bit out in the bush, and a good gravel road in good nick is sometimes far more comfortable than a bitumen road. What I am saying is, sometimes, we give an impression all remote Aboriginal communities are in bad shape. I have no doubt, listening to the Barkly Shire people today say there is certainly a good number that are. However, sometimes, we unbalance it - and I use Nguiu as an example. It has a very fine batch of houses - always has. I was married there, the house that I lived in was a brick house, is still existing. That is - let me see when I was married. I was there is 1970; it is still there and is still in good nick. There are communities out there which are doing it ...

Ms WALSH: But I am talking about the whole ...

Mr CHAIRMAN: That is right, but ...

Ms WALSH: ... around Australia ...

Mr CHAIRMAN: ... sometimes we can ...

Ms WALSH: I am sorry, but the Barkly Shire does not compare with Darwin and its environs ...

Mr CHAIRMAN: I did not talk about Darwin.

Ms WALSH: No, I know you did not.

Mr CHAIRMAN: I talked about Amanbidji, which is just north of the Barkly ...

Ms WALSH: No, I know you did not. The point is, who drives government in the Northern Territory? It certainly is not the people in the Barkly. As I said in the abstract that I forwarded, the conventional wisdom has been that elections are won and lost in the Territory in the northern suburbs of Darwin. The northern suburbs of Darwin have pretty spoilt, accordingly, over the years by both parties. But where does that leave a place like Tennant Creek? Well, we might get the little work camp. We might get that. If we do get that, how long before we get anything else?

No body has proposed to give us a new swimming pool. I just wonder what might have happened if we had been in the northern suburbs of Darwin; somebody might have found a swimming pool for Tennant Creek.

Mr CHAIRMAN: The concept you have is, for instance, no different than the entire Australian population when it comes to Commonwealth funding. The issue you have is the distribution of funds that is set up by the Commonwealth is skewed, especially when it comes to local government. Local government is not part of the horizontal equalisation scheme that all other funding in the Northern Territory comes from.

You, therefore, get a very small amount of local government funding. From that it is distributed - I will talk about a member of a shire, the Litchfield shire. Their funding is smaller per head of population than the amount of money paid to members who live in the Barkly, because horizontal equalisation is the formula used to distribute money to people in the Barkly. Their money, per head of population, will be far higher than it will be in Litchfield.

If I am a Litchfield resident, I am being greedy; I will say that is unfair because I raise, for my council, 64% of the funding of my council by my rates, which is now \$800 per block. We lose money, simply because of horizontal equalisation. I see a council that produces less than 10% from its rates, receive more money per head. For me to go to the people who live in my area and say: 'Barkly people get three times as much per capita', I can argue the case and I understand the case. However, the problem is the systems are bigger than places the Northern Territory have power over, because your big states like New South Wales and Victoria, will not allow that system to change, unfortunately.

Ms WALSH: And, then, New South Wales and Victoria complain Queensland did better under the Grants Commission ...

Mr CHAIRMAN: That is exactly right.

Ms WALSH: ... then they all start rolling in money that has come in from the GST. So, yes, there is always someone who complains about per capita ...

Mr CHAIRMAN: But the GST does not fund local government.

Ms WALSH: ... and per this and per that. However, the point is, in the bush services are in decline. Tennant Creek no longer has a daily air service, where once it did. It had an air service from Darwin and up from here. That is one service we do not have. It has periodic crisis when the medical practitioner decides to go somewhere else. When I was here - was it last year or the year before; it might have been the year before - the town was very much in a very grumpy mood. You could just feel it, it was so grumpy. Why was it grumpy? Because of the doctor. They have been without a doctor before, and we all got up in arms about that. It probably would be solved because they get so crotchety, that somebody is not satisfied. That is what happened the time before. The Northern Territory government finished up sorting something out and, eventually in that time, we had a doctor. This is the whole thing; this is what goes on. It is not just so easy. That was pointed out today. Julalikari pointed it out to this other member of the council over here, because he was seeing things in his perspective, but not the perspective of people living in the small remote area, in a town that is mainstream, where most of the population is Aboriginal. That is a completely different lifestyle from what some people live ...

Mr CHAIRMAN: Yes, but you can either create an artificial town based on welfare - which is what you would say is this place received more money - or you develop a town based on an economy that is not artificial.

The problem you have in the many of our remote communities - forget this place as a particular example - there is simply not an economy that can retain people in that community unless they are funded by welfare, or unless the Commonwealth puts money there. I am not saying whether that is a good or bad thing, but Tennant Creek is a classic example of a place that is dependent on mining, very little tourism- some tourism. If you ask me after that what it does here; it is a welfare town.

Ms WALSH: Why would that be? One of the reasons for that is there is no fairness, no equity, no accessibility, and you do not get much of a say. It is as simple as that. Start giving people a say, start living up to the title of cooperation, start living up to participatory democracy. When governments and bureaucracies start to consult effectively - not regarding consultations coming to town and telling you what they are they are going to do, but ...

Mr CHAIRMAN: Well, I hope we have not done that today.

Ms WALSH: No, you have not done that. You have not done that, but why do you think there is such controversy about the intervention? Why do you think there is such controversy about SIHIP? Because part and parcel of that has been a lack of community-wide consultation – it has been a complete lack. It has been imposed. The intervention - the Northern Territory Emergency Response - was imposed from on high - imposed from on high. It was not done on a consultative basis. It has been poor public policy from the start and it continues to have difficulties because of all this. No-one is given a say. That is when people complain about the racist card and about SIHIP, and the various aspects, the complaints sooner or later comes back to 'No-one asked us, no-one tells us. We have been told this and this and we are roped in'.

The people from Murray Downs on the Barkly complained to the Tier 3 consultation conducted by FaHCSIA that they were being roped in - the men were being roped in - and they were getting all this stuff imposed on them, and there had never been a case of child sex abuse in their community. They feel as if they have the raw end of the stick and they tell FaHCSIA so ...

Mr CHAIRMAN: Well, this council is not set up to take on some of those issues. We could be here for a very long time discussing the intervention ...

Ms WALSH: No, what I am saying is if you did something like I suggest– if the Northern Territory government were to do something like I am suggesting - and give the people in remote and very remote areas - and we know who they are, this tells us who they are. Right? We are not talking about ones with better access or ones with more modern moderately accessible; we are talking about remote and very remote by a nationally used accreditation scheme. The ABS uses this, Medicare uses this, the Australian Institute of Health and Welfare uses this, the researchers in Darwin in Health use this. So, we have classification system; we know who we can talk to you.

What I am saying is give them a bit of respect. Have this committee go to the Territory government - I would like the Barkly Shire to do the same - and say: 'Please, we want a convention. We want us all to sit down and talk - Northern Territory government, local governments, remote and very remote communities - and we want to put our stuff on the board, and negotiate a compact with you which is legally signed by all of us, which contains some redress when you pass legislation which does not allow us fairness, or accessibility, or equity. That is what we are talking about.

Mr CHAIRMAN: All right, well thank you for that. That will be something we can give to the Chief Minister because it is recorded in *Hansard*. So, thank you very much for coming today.

Ms WALSH: Thank you for your time.

Mr CHAIRMAN: I am sorry we are short on a few members. You can partly blame me - too much accountability and too much transparency; it went too long. I would rather go too long and at least give people a fair chance.

Ms WALSH: Talking to people and allowing them to have their say can be a ..

Mr CHAIRMAN: Thank you everyone for coming. Thank you to Michelle.

Mr GUNNER: Thank you to Hansard.

The committee concluded.
