

The Estimates Committee convened at 8.30 am.

MINISTER CHANDLER'S PORTFOLIOS

DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES

Madam CHAIR: Good morning, everyone. We are a couple of minutes early but, seeing we are all here we may as well get under way. If anyone needs *Hansard* transcripts, particularly if they are urgent, could you please contact Russell Keith or Julie Knight in the Level 3 committee office rather than contacting Hansard directly. That would be much appreciated.

For the benefit of Hansard, we have Gerry McCarthy, member for Barkly; Michael Gunner, member for Fannie Bay; me, Lia Finocchiaro, member for Drysdale; Larisa Lee, member for Arnhem; and Bess Price, member for Stuart. I invite you, minister, to introduce the officials accompanying you this morning.

Mr CHANDLER: Madam Chair, to my left is Ken Davies, Chief Executive with the Department of Education and Children's Services. To Ken's left is Catherine Weber, Deputy Chief Executive Organisational Services with the Department of Education and Children's Services. To my right is David Ryan, Chief Financial Officer, Department of Education and Children's Services. I have other staff in the room we will refer to from time to time.

Madam CHAIR: Thank you, minister. I will invite you to make an opening statement of no more than five minutes and then call for questions relating to the statement. The committee will then consider any whole-of-government budget and fiscal strategy-related questions before moving on to output specific questions and, finally, non-output specific budget-related questions.

I will invite the shadow minister to ask their questions first, followed by the Independent member and then other committee members. Finally, other participating members may address electorate issues. The committee has agreed that other members may join in on the line of questioning pursued by the shadow minister rather than waiting for the end of the shadow's question on the output.

Minister, do you wish to make an opening statement regarding the Department of Education and Children's Services?

Mr CHANDLER: Yes, thank you, Madam Chair. I will make some introductory remarks about the Education and Children's Services portfolio and the 2013-14 budget. The budget for the department in 2013-14 is \$846m. That is a 19% share of the Territory government's recurrent expenditure next year.

The budget will fund the operations of 154 government schools and support 38 non-government schools across the Territory in urban, regional and remote areas. While the focus on education and schools is important, I also place importance on the Children's Services end of the portfolio. In this area, the budget provides for education and care services for children before they reach preschool age.

The education system employs 2843 teaching staff, whose prime role is to teach 33 643 children enrolled in our government schools, 15 148, or 45%, of whom are Indigenous. The budget supports 11 142 student enrolled in non-government schools.

The budget provides a similar level of resourcing as the former Labor government education budget in 2012-13. This level has been maintained despite a significant drop in Commonwealth funding for a series of programs, large and small.

Speaking about the Commonwealth, I will talk about Gonski. No one will deny the five reformed directions outlined by the Gonski report are well intentioned, and I fully support them. They are:

- (a) quality teaching
- (b) quality learning
- (c) empowered school leadership
- (d) meeting student needs
- (e) transparency and accountability.

For each reform direction a number of new signature reforms need to be implemented over a six-year period from 2014 to 2019. These reforms build on the substantial work on school reform undertaken collaboratively by Education ministers and first ministers over a number of years through national frameworks, national agreements, and national partnerships.

Let me turn to Gonski and the national education reform agreement. The Commonwealth's modelling does not recognise that the Territory spends \$15 649 per student, compared to the national average per student of \$9466. It would produce perverse funding outcomes for our urban and remote schools if we were to slavishly implement the distribution model the Commonwealth wants to impose upon us.

Its modelling assumes the Territory education's base budget is much higher than it really is, despite the fiscal position the new government faced in August and the necessary fiscal strategy that has been implemented.

To accept the Commonwealth's current offer on the table of \$200m over six years, the Territory would need to allocate \$628m in new money over that same period. By anyone's standards, that is not a good deal. In typical Commonwealth style, the proposed approach is also overly prescriptive as it endeavours to control and direct the Territory in how we should deliver our services. We are the experts here, not the Commonwealth, and we are working closely with them to find an outcome that is in the best interests of the Northern Territory.

I have continuing concerns about enrolment and attendance rates among our Indigenous children across the Territory, which has profound lifelong effects on those children. A major review of Indigenous education is warranted and extremely timely. The last independent review of Indigenous education was some 14 years ago, and there has been a great deal of hard work and investment applied since then.

However, it is time to take stock and address and assess what works and what does not work so we can best direct our resources going forward if we are to make significant gains in the education outcomes of our Indigenous children. It is time to take stock, look at what government is doing, and provide new direction to the department about what to focus on in what works. Supporting community, buy-in, and direction about what is important for them in school provision remains the absolute key.

We need to be clear on our direction and the next steps to position the Territory for future focus discussions with the Australian government. We need to know where to best target the efforts to improve Indigenous student learning and, of course, job opportunities.

Although the department is contributing to the Territory government's fiscal strategy to bring spending to acceptable and sustainable levels over the next few years, there are priorities we need to focus on. One of these focal points will be behaviour management and addressing violence in schools. Teachers and students have a right to feel safe in their places of work and study, and we need to be doing whatever we can to ensure we can provide this. In response to this we have established the behaviour management task force and revised the Safe Schools Northern Territory framework. We will continue to work to improve behaviour management in our schools.

We are providing greater investment in early years schooling, proven to be critically important to a child's development to make sure they reach their full potential.

The new teaching/staffing allocation models will provide certainty in staffing in levels for schools for the duration of the school year and will provide greater transparency and resource allocation.

While there is no shying away from the need to be fiscally responsible through strategic savings measures going forward, we also need to be ready to respond to change. I recognise that greater Darwin is a fast-growing city, with population growth spurred by economic expansion from new oil and gas projects, mining exports, airport and rail upgrades, changes to the deployment of Defence personnel, and port development.

We need to be ready for the impact of the growth on school enrolments across the greater Darwin area, including the Litchfield and rural areas. Government has subsequently asked that a plan be developed to address the school infrastructure requirements in the greater Darwin region. We need to maximise the use of existing schools and have realistic and clear time lines for additional infrastructure and new schools to support all ages and stages of schooling into the future. Strategic infrastructure planning is under way to determine education service provision requirements over the next several years.

In addition to driving a strategic infrastructure plan, this budget also includes provision for master planning for school sites in the growth areas. It also provides for new classrooms where they are needed to cater for demand in existing schools and, importantly, provides for a record repairs and maintenance budget of \$43.3m. While we need a plan going forward for growth, it is time we started investing in the great schools we already have.

Unless, Madam Chair, we are prepared to change and challenge convention, we will not see great change or improvements, and we will fail to capitalise on the opportunities that a focused and energised education system can deliver.

Are there any questions on the opening statement?

Mr GUNNER: Minister, you mentioned Gonski in your opening statement. Gonski comes with a series of loadings, one of which is the location loading which will be \$921m to Territory schools over six years. As a location loading, how would that \$921m be distributed?

Mr CHANDLER: In negotiations at the moment in regard to Gonski, it is the Chief Minister who is negotiating those particular details. My concern has always been, basically, that the equations which have been put forward to us in the Northern Territory just do not add up. They do not take into consideration many factors in the Northern Territory.

On one hand, you are talking about the perception that the federal government is going to give an extra \$300m. I am constantly asked why we are not signing up to a deal that is going to see \$300m come into the Northern Territory education budget over the next six years. I have to remind people that it is not \$300m extra. In fact, there was a release just recently by the member for Lingiari talking about over \$1bn worth of additional funding into the Northern Territory. It gives you the impression that the feds are about to give us \$1bn in education funding. Anyone around us here would be the first to sign up if, in fact, there was \$1bn on the table of additional money from the federal government. That is just not the case.

Mr GUNNER: We must have some understanding of how the \$921m for the location loading is being distributed. In discussing Gonski, whether you like it or not, you must have some understanding of the Commonwealth deal. It is, obviously, to education; the Education department has the expertise in this area. The money would be coming into NT schools. As part of the \$921m location loading, how would that be distributed to Territory schools?

Mr CHANDLER: Member for Fannie Bay, with all due respect, the negotiations of money in regard to this perceived money that you are talking about – because nothing is concrete – is, in fact, between the Chief Minister and the Prime Minister of this country. Whether you like it or not, that is who is negotiating this deal at the moment. We, as the department, will be left to work out how any model or, in fact, any agreement they may come to, will have to be distributed.

Again, there are some major concerns within the Gonski model. I do not know if you are aware that they want to spend \$100m to set up a new bureaucracy. How does that benefit classrooms? That is where \$100m should be focused - on our classrooms.

There are a number of concerns with Gonski, no more important than the fact that for the Northern Territory, our budget and fiscal position, unfortunately, is not in a position where we are anywhere close to signing up to Gonski. The reason being? We cannot even agree on a starting point between the federal government and, of course, the Northern Territory government.

Between you and me, I would trust the figures from the people to my right and my left before I trust the department of Education figures they are dishing out in Canberra.

Mr GUNNER: That is the information we would like. It makes no sense, or it would be extremely concerning, if the Education department was not part of the Gonski conversation the Chief Minister is having. It would be extremely concerning if you were being excluded from those conversations.

There is \$921m on the table. That has been formally advised through the Commonwealth, as part of the location loading. Surely, there must be some involvement or advice from the Education department, or some understanding of some figures that you just referred to? There must be something happening within the Education department that would provide advice around that \$921m?

It does not make sense that the Chief Minister could be in conversations with the Prime Minister about Gonski without talking to the Education department, or understanding how that \$921m works. I cannot see how you can say yes or no to a deal, or say it is a good or a bad deal, if you do not understand how the \$921m in the location loading works. That is just one of the loadings; we have other loadings as well. We are trying to get some advice from the Education department, we assume would be the expert in Territory schools and would understand the Gonski deal, regarding how the deal will work.

Mr CHANDLER: Member for Fannie Bay, with all due respect, there are negotiations going on behind the scenes. That is what we are doing day in and day out. It is too cute by half for the federal government to say we are not negotiating. In fact, last week it was the Territory government making the calls to the federal government, not the other way around. We were trying to talk about how this deal is going to be factored in for the Northern Territory. We are in the process of negotiating as we speak.

The reality is, those negotiations are at the first minister level. Of course there are negotiations going on behind the scenes. This is where it gets back to the fact that what they are putting forward is not an honest assessment of our fiscal position where we are already funding education in the Northern Territory. As I said in the opening statement, we are, per student, funding well in excess of every other jurisdiction in the country. We are punching above our weight. The previous Labor government you were part of was punching above its weight when it came to the amount of funding for education.

Unless we can find and agree on a decent starting figure for what we are funding, how can we talk about this \$921m? Where is this money coming from? You are putting to me it is federal money coming to us. No, it is not, because they are coming up with a figure but no one, at this stage, can agree who is paying for this additional money. At the moment, the fiscal position of the Northern Territory the former Labor government left us in does not enable us to find much money when it comes to education. The federal government, at the moment, is not putting its hand out saying it has additional money for the Northern Territory. Where is this miracle \$921m you are talking about coming from, member for Fannie Bay?

Mr GUNNER: It is in the Prime Minister's media release and Prime Minister's correspondence. It is ...

Mr CHANDLER: You cannot cash a media release.

Mr GUNNER: The federal government is also offering \$160m over six years as a size loading to benefit our smaller schools. Are you saying the NT government does not understand or know where that \$160m for small schools is going? I do not understand how you can be at a negotiating table - the federal government is putting out public figures so is on the public record what they are negotiating with the Territory government - and say you have no idea of where that money is going and how it will benefit Territory government schools.

Mr CHANDLER: That is not what we are saying at all. What we have said ...

Mr GUNNER: Where is it going?

Mr CHANDLER: What we are saying is we cannot agree to the funding model at the moment. It is not about the figures you are talking about. It is not about how we might load up education. I and this government have already said we agree to the principles behind Gonski, but they are not coming up with where these funds are coming from. You seem to think you just write cheques, put more things on the credit card. There is nothing particularly wrong with the principles behind Gonski, and we are fully supportive. However, you are talking about these numbers as if they actually exist. How can they exist when we cannot come to an agreement about how much we fund education in the Northern Territory?

The reality is it is not about the model itself; it is about the funds and where they will come from. Are we going to put on the credit card this \$921m you are talking about for loadings? I do not understand, at this time, what this has to do with this year's budget, given this is what we are here to talk about.

Gonski is important to education and I understand the principles behind it; however, you are talking about these marvellous dollars that, quite frankly, do not exist at the moment because no one has come to any agreement on it.

Mr GUNNER: The New South Wales government believes this money is real; they have signed up to the deal. In addition to the location and size loadings, there is also a loading of \$1bn over six years, which you mentioned earlier, minister, for Indigenous students. Surely, being at the negotiating table and being able to say yes or no or good or bad deal - at the moment your government is saying it is a bad deal. Surely, in

saying this is a bad deal, you must have some understanding of the \$921m, the \$160m, the \$1bn for location, size and Indigenous students, on top of the \$200m they are offering as part of the base Gonski deal. You must have some understanding of where that money is going and how it is being spent to be able to say it is a good or a bad deal.

Mr CHANDLER: Member for Fannie Bay, I can go on the figures I have in front of me; not these figure you are talking about. These are figures that come out of the Northern Territory department of Education and what the federal government is negotiating at the moment. I can tell you over the next six years, they are saying we have to put in \$109m and the federal government will put in \$199m.

The reality is it is so much more. It is going to require the Northern Territory government to put in an additional \$628m to get the Commonwealth to contribute \$199m. You are talking about billions of dollars in loading. You are talking about all these loading factors, but the facts are completely different to you talking about billions of dollars. The figures we are negotiating at the moment do not talk about \$1bn, they talk about the Northern Territory government finding \$628m over the next six years for the Commonwealth to put in \$199m.

If you add \$628m from the Northern Territory government and \$199m from the Commonwealth, how do you come up with these multibillion dollar figures? Are they just Gillard promises, or are they cheques you can show me where the money is coming from?

Mr GUNNER: If I had a cheque for \$1bn, I would not be here today. These are the public figures that have come from the Prime Minister's office. They are available for all to see. These are the figures they have put on the table: \$921m in location loading, \$160m in size loading, \$1bn in Indigenous loading and, as you have advised, \$199m as the base funding for Gonski. That is what is on the table. Surely, minister, while you are saying that money is not real, the New South Wales government believes it is real. Surely, you would at least go to the Commonwealth and say, 'Show us this \$921m', because if that money is there as they say, it is good news for Territory schools and Territory students.

Madam CHAIR: Member for Fannie Bay, your questioning is becoming very repetitive and the minister appears to have canvassed the question. Minister, do you have anything further to add on this line of questioning?

Mr CHANDLER: Madam Chair, to be fair, Gonski is a very important aspect of the future of Education in the Northern Territory. However, at the end of the day, it is sometimes not about the money but how wise you are in how you spend that money and deliver. This is why, in many areas - in particular in Indigenous education where I mentioned the last review was 14 years ago - we need to know the best way to spend that money if we are going to change.

Gonski and the figures that are put forward talk about \$199m of extra money from the Commonwealth. It does not talk billions, member for Fannie Bay, it talks about \$199m from the Commonwealth. However, to meet the principles of the model they have provided for Gonski, the Territory government would have to find \$628m. That would be additional to what we are already spending in Education. The Territory government already spends well in excess of any other jurisdiction in Australia on education, as your government did.

We spend close to \$16 000 per child; other jurisdictions about \$9700. We are already punching above our weight and we have been asked to come up with \$628m extra. That is well beyond the fiscal position the former Labor government left us in.

Mr GUNNER: I have other questions to the opening statement.

Mr WOOD: I have one question on Gonski. Minister, I raised this with the Chief Minister. I do not doubt what you have said, as I do not know; and there are many people out there who also do not know. Therefore, would you object to the government writing to the Auditor-General for an independent assessment of what you and your government have said? The Chief Minister said we would lose money for many of our schools. The federal government claimed this would be great for our schools. Would you object to the Auditor-General analysing the facts to uncover the truth?

Mr CHANDLER: I will take that up with the Chief Minister. I, personally, would not have an objection to that because there is a great deal of information being peddled at the moment, especially as we get close to a federal election. We understand political parties will use whatever leverage they possibly can in the community to make a point. At the moment, sadly, Gonski and education for Territory children is being

used as a political football. It is wrong, but it is the fact. The sad thing in all this is the information being peddled in the wider community does not add up to what is going on behind the scenes when you have departments – Treasury, Chief Minister's Departments and the Prime Minister's office – not making sense, because they do not add up. What is in the wider community is different to what is going on behind the scenes.

You have heard today the member for Fannie Bay detailing some of the modelling of Gonski and the principles behind it, which I support. However, where will the money come from? It is certainly not coming from the federal government because it has not indicated it is willing to increase its share of funding into delivering the model in the Northern Territory.

I, personally, do not have an issue with what you are asking, but I will raise it with the Chief Minister.

Mr WOOD: Thank you, minister. That would be good, because the other day the Chief Minister did not accept that premise. I have written to the Auditor-General, as a member of parliament, asking for that to be done.

I agree the problem we have is we are near a federal election, and many things are said around federal elections that may not necessarily be accurate. I thank you if you can convince the government to do that.

Mr GUNNER: Minister, you mentioned in your opening statement the changes to the teacher/student ratios. You have been made responsible for the biggest savings measure in the budget. Education in all year is important, but there is a reasonable argument made that Year 12 is the crunch year and the biggest impact of the teacher/student ratios will be on the senior and middle school years. The cold comfort, in many ways, is only a maximum of five teachers will go in one year from a school, until they get to the change.

The most common question I get from parents, teachers and students, minister, is - I cannot answer it; I am hoping you can - why are you cutting teachers in those senior and middle school years?

Mr CHANDLER: I suppose we are going to have a long day because every time you raise savings measures I will have to refer to the fiscal position and the budget of the Northern Territory and why we are dealing with things the way we are.

The reality is there were savings measures across Education. The Cabinet discussions in all these decisions are robust, as I am sure they would have been under a Labor government. In some cases, there were tears in the room when we learnt of the position that unless we reined in spending across departments, not just Education, we were heading for a miserable debt situation.

Member for Fannie Bay, I have a vision for Education, but we simply need to understand that previous policies have got us to where we are today. There is no doubt a great deal of money has been spent in Education over the years, but that money has delivered the results we have today. Unless we are prepared to challenge convention and do things differently, we are not going to see any major changes, even though we are going, and are prepared, to throw a great deal of money at it.

When it comes to the teacher/student ratios, everything I have read and every person I have spoken to says that when it comes to providing a solid education for children there needs to be a focus on those earlier years. If you do not focus on those early years, you are left to deal with many problems in the middle and senior years. If you can provide a solid foundation for a child, you alleviate some of those issues further down the track. Whilst there may be an impact on the senior and middle years, we are shifting the focus to the early years. As I said, every expert I talked to speaks about focusing on those areas to build a solid foundation.

I also put it to you that every school has the opportunity, if they believe that a particular role in a school is so important, to keep that role. It will be up to them. Schools are provided budgets; like any of us, they need to be able to provide the service from within that budget. There will be some fighting, just as there is in a Cabinet room; this is going to miss out, that gets some extra money, and this over here is something in addition to what we want. The same thing will happen at a school level; principals will be sitting down with school councils and deciding what is best for their schools.

Mr GUNNER: Obviously, you had a range of decisions to make across government in making savings. We will be examining that across other minister's portfolios. However, within Education, you still did not quite answer the question. Why are you cutting senior teachers? You talked about other things, but why

are you cutting senior teachers? What was it that you said, or the department said to you, that we can cut senior teacher?

Mr CHANDLER: Simply again, it comes back to the budget position, and that we could not continue to go into further debt, given the fiscal position we are currently in. However, I particularly wanted to focus on early years, so we had to fit - there was decisions made. In all this is there was something I was very interested in; that is, the agreement the unions had made. Do you have that agreement here, Ken?

The agreement the unions made with Education, with the former government in particular, is called Teacher Responsibilities. There is nothing whatsoever within that document that is being breached. It was very critical to ensure any changes we were going to make within Education did not breach this agreement whatsoever.

Yes, there is a shift in the teacher ratios, but it is not going to mean we have more than 27 students in a classroom. We know that is part of an EBA negotiation and is not going to change. However, there has, obviously, been a focus for many years on the senior years. The teacher ratios were very generous, pretty much compared to most other jurisdictions in the country - very generous.

I had to make a decision. I have an issue which is vitally important, just as important as senior years; that is, the early years of education. Listening to the experts, they told me that is where we have to focus on building a solid foundation. If we get it right here, the flow-on effect, of course, will be better prepared students in our middle year's curriculum and into our high school years. There is a bit of a give and take in all of this. This document has not been breached, and I personally have a focus where we have to be providing that solid foundation.

Mr GUNNER: One reason why that document has not been breached is that document applies to a teacher who has a job. Obviously, if you do not have a job, you do not have a job. There are many teachers, obviously, worried about their job security going into next year.

On a point you mentioned, minister, about ratios in the Territory, as you acknowledged in your election policy documents, we have significant need in the Territory. We do not have great education results for a variety of reasons. That is one reason why we have to have a greater investment in education than other states and Territories. We have the need to make a difference. As you said in your own election policy documents, we do not necessarily get great results in the Territory for a variety of reasons - no reflection on our teaching staff. That is one reason why we need good teachers and many of them.

You mentioned a while ago now that you thought senior teachers had too much down time. Is that one reason why you looked at senior teachers as where you can make cuts?

Mr CHANDLER: No. I will answer the last part of the question first. That is wrong. You have taken a statement out of context ...

Mr GUNNER: It would be good for you to clarify it today, minister.

Mr CHANDLER: The reality is after years and years of being a chairperson of a primary school council, I know what teachers do out of what you might call working hours. You might even call it down time. There is little down time for teachers, if you want to refer to it in that manner. I know what teachers do in that time. In my reference to down time, there was no reflection on what teachers do out of normal school hours. Heck, many of my great friends are teachers! I do not know what they do on the weekends, whether it is preparing for their classroom work for the following week or even the following month, or marking school work.

It was a line taken out of context. Of course, since then, there have been many people, teachers included, really angry about that statement. The thing is if I was to read that newspaper and I was a teacher, I would be angry - I would be damn angry. But the teachers I have had the chance to speak to, to explain the context in which I was referring, quite understood. The fact is newspapers, the media, will take grabs, as you know, and use them to fit into places. The reality is I, more than anyone, appreciate what teachers do - not just within hours, out of hours.

The earlier part to that question was did I decide to move the focus or change the ratios in senior years to the earlier years? No, it was not in reference to that statement. It comes down to the fiscal position we are in.

Member for Fannie Bay, I have a vision; I would love to see a new Henbury School and a brand new special education unit at Palmerston. However, I acknowledge the fiscal position we are in puts it outside the scope at the moment. If we were not in this fiscal position - you are always talking about the debt as if, if we stop talking about it, it will go away. It is not going to go away; we have to deal with it. If we did not have to pay the interest we do every single day, I could have a brand new Henbury School delivered in Casuarina and paid for in 15 to 20 days - cash. In another 15 to 20 days we could have enough money to pay for a brand new school in Palmerston. However, we do not have it because we are paying interest on a debt left to us to deal with. Every time we talk about savings measures today, I will refer to the debt because that is where we are.

Mr GUNNER: The debt you refer to was discussed last Estimates Committee. We sat here a year ago and discussed the debt. After the Estimates Committee, your government made an election promise that jobs of frontline workers, in particular, would be safe. That promise was made after the debt was known. Teachers are saying, 'How come I have lost my job? How come my position has been cut? How come that election promise about protecting frontline workers was broken?' How is a teacher not a frontline worker? Can you understand, minister, why teachers are upset that promise was broken?

Mr CHANDLER: I beg to disagree, member for Fannie Bay; nobody will be losing jobs. More so than the previous Labor government, we have provided full-time positions for people above what the previous government left us. There were many contract positions that we have now turned into full-time positions.

In regard to staffing changes, we have a higher turnover of teachers in the Northern Territory than we are ever going to lose under these proposed changes. At the end of the day, nobody will lose a job.

Mr GUNNER: Under the ratio changes there will be more students per teacher. Because we have also had this debate in parliament but not at estimates, can you place on the record the ratio changes? What have gone from and to?

Mr CHANDLER: I can read them out: preschool, the current ratio is 40:1, the proposed ratio is 40:1 - no change. In the early years, Transition to Year 2, the current ratio is 22:1 and it will go to 20:1. There will be an increase of two teachers for every 20 children. Primary years, 22:1 is the current ratio and the proposed change is 22:1 - no change in the primary years. It should be noted two-thirds of our students in the Territory are in the primary years of teaching, so we are strengthening the area where we have the majority of students - Transition through the primary years.

In Years 7 to 9, the current ratio is 17:1 and it will go to 20:1 - a change of three. In the senior years, Years 10 to 12, the current ratio is 14:1 and the new ratio is 18:1.

At the moment, that is an overall reduction of 126. However, an additional 60 teachers will go into the primary years. Overall, there will be a reduction of around 66 teachers. As you mentioned before, no school can lose more than five teachers in one year, that is true. We had to do that to be fair. It will be introduced over a few years and a few schools will lose more than that. The ones that do - it will be up to individual schools - if they want to prioritise certain areas, it is up to them to decide what they are going to keep and what they are going to let go.

Mr GUNNER: On that point, in losing the 126 ...

Mr CHANDLER: No, 66.

Mr GUNNER: Okay. When you made the decision to cut 126 teachers from senior and middle schools, surely, you would have sought advice on the impact that was going to have on subject choices? I know you said that is a decision for the school but, surely, in making the decision to remove that number of teachers, you would have sought advice on the impacts, because you would not want to make the decision without knowing the impacts? You must have received advice about what impact that it is going to have on subject choice, particularly in Year 12.

Mr CHANDLER: I can only speak now for a former minister, because I was not the Minister for Education when many of these negotiations were going on. However, I can tell you that, yes, if I was the minister at the time I would have been negotiating with the unions, the Education department and, of course, teachers. I speak to teachers all the time about the impacts. I have to go back to the reality and the base check line; that is, that the student/teacher ratios in the Northern Territory are very generous compared to other jurisdictions, and we will still have one of the best ratios in the country.

I take your point that we have some unique circumstances and challenges in the Northern Territory. That brings me back to future negotiations with the federal government. One of the reasons I have asked for an Indigenous education review is a review has not been undertaken in 14 years. It was during the Gonski negotiations and after speaking to Ken and others in the office that I asked for the review because if we were to come up with a wish list for the Commonwealth to sign up to Gonski, we had to consider what we needed, what we should ask for, and how we would use the money.

That was when I asked about Indigenous education. You mentioned we have some unique challenges in the Northern Territory, but what do we really need that is going to make a difference. To find out there had not been a review since 1999 blew me away. That is the real reason I want a review now, because I want to be able to go to Canberra not just having my hand out saying we need money for education, but knowing what we want the money for and how we intend to use it. That is important. If we do not know what we need to use the money for and how we are going to make those changes, what is the point in putting our hand out in the first place? We need to know, the Education department needs to know.

Mr WOOD: Before you go too far down that path, you were talking about employment, the number of teachers lost ...

Mr GUNNER: My questions are still going to that area. I am happy for you to jump in now, member for Nelson, but my questions are still to that area.

Mr WOOD: I have pages. Minister, I want to go back to the point the member for Fannie Bay was talking about, the number of teachers lost. You said there will be 126 positions cut, 60 will be for early years education, so we will, theoretically, lose 66 teachers. Are you saying that the teacher/librarian at Taminmin College or the Year 12 teacher doing Legal Studies at Taminmin, who will lose their jobs at that school, will teach early years? That is what the proposition appears to be: you will move 60 teachers from secondary schools to teaching early years. If that is not the case, there are 126 teachers who will lose their jobs.

Mr CHANDLER: Member for Nelson, that is not correct. It will still be up to individual principals to determine the matrix of their teaching staff will be, in agreement with the school councils. No, it does not mean a librarian or a particular teacher is going to be lost. There will be no transition – unless a teacher decides they want to retrain to become an early years teacher; that is a different equation. However, with the turnover we have in the Northern Territory, combined with the fact that we will not allow any school to lose more than five teachers in a given year, provides certainty for the schools for a number of years. If we see an improvement in student numbers across the Northern Territory, in particular in the greater Darwin area, we are going to see an increase in teachers numbers, not a reduction.

Mr WOOD: On the surface it looks like there will be 126 teachers who will lose their jobs. That is what you have said. Taminmin is going to lose five positions and we know how teacher positions can be used for other jobs within a school. The reality is five people will lose their jobs, and they will not become early years teachers unless they are retrained. By that time, someone will have taken their job. The reality will be that 126 teachers will lose their jobs.

Mr CHANDLER: Member for Nelson, I understand what you are saying, but the reality with the turnover we have in the Northern Territory is there will not be a person who loses a job in this equation.

Mr WOOD: They cannot be replaced, so it is the same thing.

Mr CHANDLER: Because you are using hypotheticals here, I have to do the same. If two or three teachers from Taminmin or Darwin High decide they are going to take teaching jobs in Melbourne and those positions are not replaced, those people have not lost their jobs. It will be up to individual schools to decide whether that position and, more importantly, the role of that position is replaced or not. That will be a decision for the school councils and the principals.

Mr WOOD: I am not getting that feedback from the school, but I will give you back to the member for Fannie Bay.

Mr GUNNER: The advice I got from the union, member for Nelson, is that a senior school teacher who puts their chalk down at the end of Term 4 this year and wants to continue to be a senior school teacher, will not suddenly become a primary school teacher because all their training and work choices have been towards being a senior school teacher.

Mr CHANDLER: Sorry, member for Fannie Bay, I missed the last part of the question. Oh, you are talking to the member for Nelson.

Mr GUNNER: A side-bar conversation. Every senior and middle school is losing teachers. We can have an argument about whether teachers are losing their jobs or the position has just gone but, at the end of the day, there will be fewer teachers at schools. If every senior and middle school is losing positions, what happens to young CDU graduates, or young Territorians who have gone to learn teaching in a different state, who are looking to come back? If 126 senior positions are gone, what spaces and vacancies will we have for those new young teachers coming in?

Mr CHANDLER: Member for Fannie Bay, the turnover rate in the Northern Territory is of the magnitude that will cater for that scenario. While we are talking about scenarios, the scenario we put forward to you, as a Country Liberals government, is we are building a very strong base across the Territory.

We will be attracting thousands of workers and families into the Northern Territory. If I can wear my Housing or Lands and Planning hat for a second, knowing what is on the horizon, particularly for the greater Darwin area, will create challenges that, I put it you, will not see a reduction in teacher numbers; it will see an increase in teacher numbers, because we will be opening new schools. We will need additional teachers for the growth of the Northern Territory.

These figures are about this year's budget and, if we can talk about this year's budget, the most any school will lose as of January next year will be five teachers. If things go to plan - and we are hoping they do - and the Territory continues to grow, we will, perhaps, be in a position where we are in need of more teachers.

We have a more generous student/teacher ratio compared to other jurisdictions around the country. We are also putting in more money per student than any other jurisdiction in the country. We are punching above our weight. Whilst there have been some savings measures made this year, that is simply because of the fiscal position we inherited.

We do not have people sitting in rooms saying, 'Who are we going to hurt tomorrow? Who can we attack tomorrow?' It does not happen. As I said, we had Cabinet meetings where people were in tears thinking, 'How in the world will we manage the position we are in at the moment?' It is not about trying to see who we can crucify or attack next. That is not the way it works.

Mr GUNNER: There will be fewer teachers per student based on those ratios. You are saying there will be more teachers even if the student body grows but, even then, there will still be fewer teachers per student under the ratio changes.

Mr CHANDLER: There will be more teachers ...

Mr GUNNER: Per student; that is the whole point of the ratio change. There will be fewer teachers per student, which is what impacts on subject choice. For example, as it has been explained to me by teachers, there are certain classes that have a limit on how many students can be in them: whether it is home economics, science or specialist maths. That may be a practical thing because of the number of stoves, computers, or lab spots in the room, or work health conditions because you are working in dangerous conditions or, in specialist maths because of the small number of students who might be putting their hand up for it. There are some classes that, by their very nature, have to be small.

You mentioned the maximum class size of 27, but not all classes can be at the maximum class size. There is going to be an impact on subject choices by having fewer teachers per student. That is a reality. You said the previous minister did not ask for the advice around the impact ...

Mr CHANDLER: No, no, I am assuming.

Mr GUNNER: Okay. Have you asked them for the advice around the impacts this is going to make on subject choices?

Mr CHANDLER: Absolutely! I talk to Ken and the Education department on a nearly daily basis about what some of the impacts are going to be, how we can mitigate some of the them, and what are some of the choices schools are going to be left with. Again, it will come down to school councils and the principals to decide what particular subjects are going to be taught in those schools.

There are schools out there that, quite frankly, do not provide subject matters today simply because they do not have the resources to do it. You are saying there might some schools whose capacity will be limited by that resource reduction. If they choose to change, keep, or introduce new classes, that will be up to them.

I understand what you are saying, but not every school has the same capacity to deliver the number of subjects as every other schools. This is where, in the future, open education can do so much more in that space. The Territory government cannot afford to put the very best science teacher in every classroom, but we perhaps could afford to be beaming out the very best science teacher into every school.

Mr GUNNER: A school's capacity to deliver subjects in Year 12 is going to be reduced if they have fewer teachers ...

Madam CHAIR: Member for Fannie Bay, this is a repetitive line of questioning on this exact same topic which is eliciting the exact same responses from the minister. Unless you have something further on that line of questioning, I ask that you move on to the next question.

Mr GUNNER: You said 126 teachers are gone this budget, so that is ...

Mr CHANDLER: No, no, limited to five.

Mr GUNNER: No, that is forecast. Oh, in that case, can you provide what would be the impact then over the next four years? Because it is the maximum of five in one year, can you advise how those teacher losses, based on the current attendance numbers, are going to roll out over 2014, 2015, 2016 and 2017 - Term 1, Year 1, in each of those years? Can you provide the advice then on how those teacher losses will be rolling out based on current attendance numbers?

Mr CHANDLER: No, I cannot, because there are a number of assumptions in there. It will be dependent on student numbers in the Northern Territory.

Mr GUNNER: Well, it got to 126, so I guess I am asking for the math behind the 126.

Mr CHANDLER: I do not understand the context of your question.

Mr GUNNER: You have advised 126 teachers will be losing their job. There must be some maths ...

Mr CHANDLER: That is based on current enrolments. If enrolments change over the next few years, either upward or downward, there will be a change. I am betting there would be an upward trend and, therefore, there will be more teachers required rather than fewer teachers required. It would be wrong for me to make assumptions because it could either go north or south.

Mr GUNNER: You have said the method in which the teachers would be losing their positions is attrition. If that is the case - and I realise this is a hypothetical but your department must have put some thought to it because it is a possible situation. If all the specialist teachers at one school decide to leave through attrition - whether it is maths or something else - do you have some thought about how you ensure there are teachers in that school capable of delivering that subject. If you do it through attrition and not by working out specifically which roles you want to lose, you must have some thought about how you would cover that loss. If five positions go, and they happen to be in a specialist subject ...

Mr Chandler: Maths.

Mr GUNNER: Well, something. ... you then need to bring a teacher in to take that role and someone else might have to go.

Mr CHANDLER: You are talking about something that would be a commonsense approach because, of course, they have to replace maths teachers. If you have a school that has two maths teachers and two maths teachers decide to leave, of course, you are going to have to replace those two maths teachers.

It would come down to a principal or a school council determining what their requirements were for their school. Simply put, they will have to work within the budgets and the student staffing numbers that have been allocated and make some decisions on what they want to keep and what they are willing give up. Many schools today do not deliver anywhere near the subjects other schools do.

Again, if we were in a fiscal position to increase or decrease the student ratio number we would, but we do not have the money at the moment.

Madam CHAIR: I remind members of Standing Order 112: questions should not contain hypothetical matters. That is directed at the members for Nelson and Fannie Bay.

Mr GUNNER: What will the impact of the ratio changes be on special needs students?

Mr CHANDLER: At this stage I have a focus on special needs and the answer is none whatsoever. If we were not paying a huge interest bill we would be paying cash for schools today. Whilst that may sound like an easy, throwaway line, it is the truth. We are paying interest every single day on a debt legacy.

I would like to believe that in the next few years, rather than throw additional money into schools like Henbury, we can replace Henbury and build a new special needs unit in Palmerston and focus on that area. Whilst the previous government did some work in that area, one of the positive legacies Chris Burns left this House was having Namarluk School constructed, which is a great resource, fabulous for the students and teachers, which provides a road map for the future. It is an area I would really like to focus on over the next few years.

Mr GUNNER: You said this is a savings measure. How much money will you be saving?

Mr CHANDLER: Around \$6.6m.

Mr GUNNER: That is this year? Have you budgeted out what it might be in future years?

Mr CHANDLER: I do not have those figures in front of me, but it will all come down to student numbers.

Mr GUNNER: The nett effect of losing senior and middle school teachers will be a saving of \$6m a year to the budget?

Mr CHANDLER: About \$6.6m.

Mr GUNNER: That is a big impact on teachers, students and parents for a saving of \$6m.

Mr CHANDLER: Every single thing this government has had to do to pare back some of the debt hurts people in different ways. I revert back to the original question on the money the Northern Territory spends on education. It is, in many cases, more than a third more than any other jurisdiction across the country - just under \$16 000 per student compared to around \$9700 across the country. We are already punching above our weight.

Mr GUNNER: You can appreciate what I am saying. The scale of the impact of teacher losses for a saving of \$6m seems to be ...

Madam CHAIR: Member for Fannie Bay, the minister has answered this question. He cannot be asked matters of opinion.

Mr CHANDLER: If you have a cheque for \$6.6m I would be happy to ...

Mr GUNNER: I would refer to my previous answer if I had a cheque for \$6.6m.

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

Mr WOOD: This is one of the most important issues facing schools at the present time. I can only speak from the point of view of the school I know best, Taminmin College. What concerns me in this case – I need to make a statement before I ask questions.

The history of Taminmin College is it was called Taminmin High School and is a school which has been through many phases. There have been times when sniffer dogs have turned up at the school to check the lockers out, and there have been various good principals over the years who have worked extremely hard to get it to where it is today. No, it is not up there in the sense of turning up at the annual awards where you have Casuarina Senior College and Darwin High School getting great reports. It is a hard-working school with a huge mixture of students of all talents and abilities, and it covers a huge range of subjects. It has reached that point because it was trying, in the rural area, to develop a centre of excellence and

improve the education possibilities for children in the rural area which they would not get unless they travelled.

What is happening with the change is that is now going to cease; in fact, it will go backwards to some extent.

Who worked out this formula, where does it come from? I cannot find it on the website. I have looked everywhere to find this policy and why it is being applied as if all schools are the same. I know you said it will be up to the schools to decide how to use it, but have you, as the minister, gone to these schools and sat down and heard what the impact will be? Each school is different; Taminmin is not the same as Rosebery.

By the way, Rosebery would not have been built if we had waited for cash, because the government had surplus for eight years and, for two years, it went into debt. Part of that debt was for the building of Rosebery. If we had waited for cash for Rosebery, you would have a Palmerston High School bursting. Sometimes, governments make tough decisions.

Will you go out and talk to the Taminmin school council and teachers about what impact this will have on that school?

Mr CHANDLER: Thank you, member for Nelson. I do speak to schools, I am on a number of school councils. There would not be a day when I have not run into a teacher, a principal, or a parent and discussed the issues. From the outside some of these decisions might look quite heartless, but they are not; they are about focusing on the best way to spend money on education in the Northern Territory. As I mentioned with the Indigenous education review, we need to know the best way to expend the taxpayers' money to deliver education services.

At the moment, Taminmin high school has about 19.5 staff above allocation for a number of reasons; and probably a number of right reasons. If we were to strip every school back down to what they should be allocated, you would have more than 19 positions or teachers taken out of Taminmin. That would not be right or just.

In regard to Taminmin and the rural area, there will come a time in the near future where the population growth of that area will demand that government provides a new high school ...

Mr WOOD: You mentioned that last budget.

Mr CHANDLER: More educational facilities will be required across the Territory. Whenever there is growth there is an amount of infrastructure required. You mentioned Rosebery; the Rosebery primary and middle schools are examples of great infrastructure. Can we do more with the curriculum? Can we do more in the areas of behaviour and management? Yes, we can.

Our line in opposition was that the Labor government's response to any problem was just throw more money at it. We are a little wiser. It is not only about the money, it is about how it is spent and reprioritising what we want to deliver in our schools. Whilst it may appear, from some people's point of view, that some of these cuts – I have heard some on the radio, and even read Chris Keogh's article in today's *NT News* about 5 am that the sky is going to fall; education is going to go back to the 1980s. From what I understand, education was not too bad in the 1980s. With all the money that has been spent over the years, has the level of our education improved?

Mr WOOD: Are you asking me the question?

Mr CHANDLER: I am just pointing it out.

Mr WOOD: I will give you an answer.

Mr CHANDLER: I could argue there are children sitting in small schools in Indonesia reading off log tables that are getting as good, if not better, education without a SMART board, an iPhone, tablets and all the modern communication we have today. It is about how we deliver education in the Northern Territory.

Mr WOOD: Minister, there was a person who went to school in a one-teacher town in Canada who became a top scientist and was part of the team that put a man on the moon. He did not use a whiteboard either.

I will put some questions that have been put to me at school council meetings. I have been told that government does not take into account the fact that teachers are not just teachers; they do excursions, a lot of behaviour management work with students who are upsetting classes, plan the right curriculum documents - you know the Australian curriculum is taking up a lot of time with teachers at present – and sporting activities. They also fill in, especially at Taminmin, where they cannot get relief teachers.

When people say, 'Oh, they are not filling their 80%', you try getting a relief teacher to go to Taminmin. It is very hard because, 'Oh, I have to travel way out in the bush.' You have applied a formula that is just a formula. It has not been tested to see what effect it will have in reality.

You are talking about sending teachers to early years. That is fine; I am about early intervention as well. If you start removing teachers involved in some of the behavioural management work; they have difficulties. They will tell you that having a class that is being upset by an unruly student and having to manage that child to try to get improvements is not easy. Teachers lose time. My issue is that \$6.6m. I agree; I know we are in debt. You say \$6.6m will be saved. However, I see \$120 000 being spent on WiFi and the government hospitality tent at the V8, and I start to wonder where the government's priorities are.

In the scheme of things, \$6.6m is not huge, but the effect it will have on this school will be huge. The danger I see is for those kids who need behavioural management, this is their last chance. If they are not looked after at this stage, they will end up in prison and it will cost the government more money to look after them.

Madam CHAIR: Member for Nelson, is there a question coming?

Mr WOOD: There is, but it is important enough to make a statement. Would you go to Taminmin College, sit down with the school council, and go through the issues that really concern them about the effect this has on the ground; not in the books or in theory, but practically?

Mr CHANDLER: I would be happy to.

Mr WOOD: That might save a lot of my questions because they can put them to you directly. You get the gist of what I am saying: this is a backwards step, especially for Taminmin College.

Mr CHANDLER: I have spent two days with the chair of two school councils over the weekend. I can assure you we went through many of the questions they had. I am happy to sit down with any school council, from time to time as my diary permits. I attend school councils ...

Mr WOOD: Do you know how many high schools we have in the Territory? What is the total number of high schools?

Mr CHANDLER: Was the question how many students in high schools?

Mr WOOD: No, how many high schools are there? There are only 13 high schools, not 130. It would be good for you to take this around. Nhulunbuy is a classic example where this will hurt; it is an isolated school.

Mr CHANDLER: I will get that answer for you shortly. Again, member for Nelson, I would be happy to speak to the schools. Much of this will come down to competing priorities, as the former government would appreciate. We have a former minister sitting in the room. I am sure, from time to time, Gerry McCarthy fought hard for his passions. Education is a passion of mine and I will continue to work extremely hard in fighting with Cabinet colleagues for our fair share of the pie.

I agree with you; there are times when you will see a savings measure in one area and, then, all of a sudden government is announcing something in another area. It grates from time to time, from a personal perspective. However, at the end of the day, government has a job to do and it delivers the very best services it can within its fiscal ability.

We are not a government that wants to continually take the Territory into debt because we understand the threat that puts on the future for the Northern Territory. We are hoping the strategies we put in place as a government strengthen our economy to the point that we grow the economy. That will mean more schools and more resources.

We have great support, if there is a change of federal government in September this year, in Tony Abbott's focus on the future. Do you know what? As the Territory government, sitting in this position right now, if we have a change of federal government and the new Coalition government is honest and really wants to work in this space across Northern Territory, it is going to take resources because of the lack of infrastructure, including schools, roads, and bridges. We will have to go to Canberra and say, 'If you are serious you need to start showing some support.'

Mr WOOD: Minister, what are the three pillars that your government talks about?

Mr CHANDLER: The pillars are spread across – and one of them is international education.

Mr WOOD: Yes, but what are the three pillars you are relying on – the three prongs to the economy?

Mr CHANDLER: We are looking at mines and energy, tourism, education, and strengthening ...

Mr WOOD: You missed one.

Mr CHANDLER: ... strengthening the Territory.

Mr WOOD: Agriculture.

Mr CHANDLER: Yes, agriculture is one of them. You only have to look at the possibilities in the Ord River system. Is that going to need a new town to be developed on the Territory side? Will that need new schools?

Mr WOOD: Minister, you need people to fill those positions ...

Mr CHANDLER: Absolutely.

Mr WOOD: ... Taminmin VET courses for manufacturing, Taminmin agriculture for the agricultural industry, and the general school for all those other parts of the economy you want. Are we not cutting off our nose to spite our face if we lose some of these subjects?

Madam CHAIR: Member for Nelson, the minister has said that as student numbers rise, obviously, teacher numbers rise. Taminmin is not the only school in the Northern Territory. Are there any other questions on the statement?

Mr CHANDLER: Madam Chair, as I said before ...

Mr WOOD: If we send you an invite, will you come?

Mr CHANDLER: ... Taminmin is already 19.5 above entitlement. Those people are directly responsible for supporting the very things you are just talking about: agricultural programs, counsellors, career advisors. It is a centre for excellence. Those are what those positions are used for. Taminmin high is catered for in that regard. The most Taminmin high would lose next year, as of 2014, will be five positions. It will be up to the school to decide how they are going to implement that change and what services they are going to provide.

I can tell you from a growing economy, I have a focus on education. I will do my utmost to take these battles back into Cabinet. If it got to the point where we have such a problem that Cabinet needs to make a decision on, that is my job: to listen to you, the member for Fannie Bay, the community, our school community included. If we get to where we have a problem of a size that we need to deal with, and it is going to take dollars to do that, my job is to go back into Cabinet and fight the fight. I give you that commitment; that will never change.

Mr WOOD: Okay, and I think our school council chair is probably already writing the invitation, minister.

Mr CHANDLER: Did you want ...

Madam CHAIR: Are there any other questions?

Mr CHANDLER: Sorry, that question on the number of secondary schools. There are three area schools, Transition to Year 12, four comprehensive high schools, six middle schools, four senior secondary schools, one NTOEC which is Open Education, and 19 community schools delivering secondary education.

Mr WOOD: Okay.

Mr GUNNER: Minister, for the record, a bit like we did for the ratios, can you confirm how you are measuring attendance? I believe it is the two highest non-consecutive weeks. For the record, how are you measuring attendance and can you explain how it was done previously?

Mr CHANDLER: Sure. Previously, it was done in one day, Term 3. I think it was some time in August. Basically, schools were funded on an allocation decided on that day. I was always extremely concerned about that matrix, whereas the matrix we are putting forward now where a measurement is taken in every single term, will be a fairer process than what was in place before.

I have had people put forward that on any given day there could be a number of students away because of the flu or something like that, and that impacts. Averaging it out, taking two weeks in every term across the year, is going to give a far better reality check to where a school is travelling.

Mr GUNNER: To confirm, the two highest non-consecutive weeks in Term 1, Term 2, Term 3, Term 4, and the average of that, then decides the funding or staffing allocation etcetera ...

Mr CHANDLER: For the next year.

Mr GUNNER: ... for the next year.

Mr CHANDLER: And it is provided for the entire year.

Mr GUNNER: It is not term by term?

Mr CHANDLER: No.

Mr GUNNER: It is the combination of the year averaged out then informs the next year; so the two highest non-consecutive weeks of attendance. Previously, it was just a random day in Term 3? You just said there would be one day in Term 3.

Mr CHANDLER: August I believe it was.

Mr GUNNER: The attendance for August or a day in August.

Mr CHANDLER: In August 2012-13 notional staff allocations were derived using average daily student enrolment and attendance data, excluding passive students from Term 1 and Term 2 2012 averaged.

In October 2012, principals were given the opportunity for a final review of their entitlement prior to the end of year. In an effort to ensure the schools were appropriately staffed for enrolments at the beginning of the new school year, a check of actual enrolments against anticipated enrolments was undertaken on 8 February 2013, known as collection zero. Due to seasonal events in some regions, Collection 1 was used to verify enrolments.

By going to a new model, again, we have spread out providing a real picture with what is happening in the school. I have had people put to me this is different. It is similar to how counts are done in other jurisdictions. However, because we are giving an allocation based on averages over a year for the entire next year, it is fairer. The schools know how many teachers they will have.

Mr GUNNER: For clarity, what you said then was not one day in Term 3. It was an average of Term 1 and Term 2 which was checked in October, and there was then a measuring against another day just to double check. It all sounds slightly different to one day in Term 3.

Mr CHANDLER: It sounds more complicated to me.

Mr GUNNER: Yes, sounds more complicated, but one day in Term 3 did not sound right. There was a formula in place that has now been moved to the two non-consecutive weeks?

Mr CHANDLER: Yes.

Mr GUNNER: A very dry question to end on. You had a policy around community-driven schools. Where do I ask those questions?

Mr CHANDLER: Do you want to ask that question now before you move on to question 1.

Mr GUNNER: I have a list of questions I can ask now. I was not sure where they fell in the budget and how much it is tied into your Indigenous review you mentioned in your statement. I am seeking clarification but am happy to ask them now.

Mr CHANDLER: Why not go through the written questions? I will answer the written questions and table the answers. When the area of Country Liberal Party commitments comes up, if you want to throw them in there I am happy to answer them.

Madam CHAIR: Do you want the minister to read the questions and answers?

Mr GUNNER: I thought the minister was tabling them and then we can ask questions to them.

Madam CHAIR: Yes, I am just asking.

Mr CHANDLER: Is that right, member for Nelson?

Mr WOOD: I do not agree with that, but I know I will not to win the vote on it. We have to change the system.

Madam CHAIR: Minister, are you happy to table the answers?

Mr CHANDLER: I listened to the member for Nelson on the first day of estimates and believe he is right. Much time has gone into preparing these questions and for *Hansard* and for people to listen. There are people, as the member for Nelson said, who are listening to the broadcast. The questions should be read out and the answers should be read out. We can table each questions. If you want to ask more questions on individual questions, that would provide great guidance for the rest of the day.

Mr GUNNER: I though the committee voted recently that all written questions were going to be answered.

Madam CHAIR: We did in that instance. It was permanent.

Mr CHANDLER: I am happy to table it.

Mr GUNNER: I appreciate what you are saying, minister. I believe, for a public committee, questions should be asked and answered. This is not the normal situation, but we have reached this point.

Mr CHANDLER: If you want me to table each of the questions and then read them out, I am happy to do that so you can be reading through them, if you want to ask more questions in that regard. We have quite a few questions to go through.

Madam CHAIR: Minister, do you prefer to read them out?

Mr CHANDLER: I would prefer to read them out.

Madam CHAIR: All right.

Mr CHANDLER: The first question - I must give an explanation up-front - is rather detailed. It is a wide question. It will take a bit to get through. I can guarantee the rest of the answers are not as long-winded as the first one.

Mr WOOD: The system needs reviewing and you highlighted the reason for that. Some questions are so broad they are not specific enough for what we are dealing with today. If a question is that broad, it may be worth tabling. If it is a fairly succinct answer we can deal with - if you are going to table the last five years of every report that ever existed in the Education department, that is not the type of thing we want.

Mr CHANDLER: I do not plan to read out every line from that report.

Mr WOOD: That is the problem with this part of the process.

Mr CHANDLER: The answer to question 1 is long; the rest are not anywhere near as long. Bear in mind there will be a fair bit of reading in the first question.

Mr WOOD: If you could table that document, then members could ask questions they believe should be heard in public.

Mr GUNNER: So, while you are reading, I can be ...

Ms LEE: Can I say something, minister. We also agreed at the PAC meeting we had last week you need to put a strategy in place with your questions so they are not as time-consuming. If you want to get down to business, then have your strategy in place instead of throwing grubby remarks around.

Mr GUNNER: We agreed that written answers would be tabled, not read.

Madam CHAIR: That was on a minister-by-minister basis.

Mr CHANDLER: I have watched the way estimates have unfolded and I believe this would provide a very good guideline. These questions, which were put forward by the opposition, gave us a general idea of the direction you wanted to go. Every time we come to a question I can table the answer and you can read that while I read out the answer. Then, if you want to elaborate or want me to answer more questions in regard to that, I am happy to do that.

Mr GUNNER: Let us do it. We are wasting time talking about it.

Mr CHANDLER: Can we table that first question?

Mr WOOD: You can table the whole lot and then we can ...

Mr CHANDLER: Table the whole lot; that is fine. The first question, and it is rather wide:

Details of progress on all CLP election commitments, including all commitments and policy announcements made to Territorians in CLP election policy documents, summary snapshots, media releases and announcements, 100-day Plan, costings and savings documents, media advertising, and other printed material.

Budgets are only provided for items that have an explicit budget allocation; the other items are delivered with resources and funds allocated to existing programs, which is in the tabled documents.

In regard to secure employment, in 2013 permanency was offered to teachers filling substantive positions and vacancies of more than six months where the position was not time limited. An example of that is Australian government-funded positions. Up-front permanency was also offered to all vacancies in remote schools and middle and senior secondary schools in urban areas.

A number of contracted positions needed to be maintained to cover temporary vacancies resulting from leave and changes in staffing requirements.

A commitment was given to the AEU that the department would always aim to have approximately 100 more permanent teachers than substantive jobs available. Today, there are 298 teachers who have been made permanent.

While the agency's permanent workforce profile varies from one pay period to the next ...

Mr WOOD: Minister, you said you might just summarise that first question. I see it goes for five or six pages.

Mr CHANDLER: I was very clear, member for Nelson, that the first question was a rather wide one and the answer is long; the rest of the questions do not have such long answers.

Mr GUNNER: It is half a ream of paper.

Mr CHANDLER: It is, yes.

Mr WOOD: I do not know whether that is one of the problems we have with written questions, but I would be happy for that section to be tabled. There is no way we can comprehend all that in the time given. That first answer is huge.

Mr CHANDLER: Do you want it read, or not?

Mr WOOD: Please table the answer to the first question.

Madam CHAIR: They are all tabled.

Mr CHANDLER: We have tabled.

Mr WOOD: If someone wants to come back to it at the end of the question, they can. That is a long answer to one question.

Mr GUNNER: It is nine pages, member for Nelson.

Mr WOOD: Sorry, I was cost cutting.

Ms LEE: Can we just get on with it?

Mr CHANDLER: All right. In regard to that first one, there are a number of pages, but it is a wide question. Are there specifics in regard to that question that you want to ask further questions on?

Mr GUNNER: Minister, would you be taking questions ...

Mr CHANDLER: Sorry, member for Fannie Bay, there was a question you raised in regard to independent Indigenous schools?

Mr GUNNER: Yes.

Mr CHANDLER: A community-driven school support unit has been established and has developed a responsibility framework that describes its work with community members, schools, and school councils. The responsibility framework clarifies the roles and responsibilities in relation to the existing community partnerships initiatives, including Strong Start, Bright Futures colleges, school community partnership agreements, community-driven schools, and models of cultural competence and local orientation programs.

Options for independent school models have been developed and fact sheets explaining the rights and responsibilities of school councils and their requirements to register a non-government school have been completed.

Mr GUNNER: Thanks, minister. The unit has been established and your policy document describes it as a third education sector. Can you explain the difference between this sector, the government sector, and the existing non-government sector? I could not get that from your policy document.

Mr CHANDLER: It would still be the non-government sector, member for Fannie Bay. It would be slightly different if it does not involve a religious aspect. Discussions I have had with a number of elders from different communities across the Territory have enlightened me to the fact that not one model is going to work across the Territory. There are some communities that have in their mind what they want to achieve. Other communities are quite happy or, in some cases, might want to work with Catholic Education or with another religion. Some want to be completely independent. Communities may not have the same wants.

If we are going to improve education, particularly in the bush, we have to engage our communities. Instead of a government providing a service and telling communities what they are getting, what they need, and how we are going to deliver, we have to work with communities to ensure they own the model and will then, because they own the model, engage with the schools and encourage their children to attend.

I have been to a number of remote schools and have said to a number of elders – I was at Angurugu the other week speaking with the council. I said, 'Can you explain to me, as the Minister for Education, why we have 29% attendance rates at Angurugu yet, at Bickerton Island, we have 79% attendance rates? Your children are being provided three meals a day at Angurugu, there are resources, there are good teachers, and average through to very good facilities at the school. However, we need more than 29% of your

children going to school.' This is not just Education's responsibility; the community has to have buy-in to this.

Going back to the question about how we are going to make this program work, I recall sitting in the then Oppositions Leaders, Terry Mills', office a couple of years ago. I said, 'How is it that the government provides good schools, damn good teachers and all the resources - we are effectively building the bridge for Indigenous people so how do we get them to walk over it?' He said, 'They have to own the bridge.' Our way of working with Indigenous communities will be different wherever we go because a different model will be required here than what is required over there.

If they want to take on that challenge of delivering education for their communities, they take on a huge responsibility, and there will be expectations that we see improvements. Like any private school model, there are regulations they will have to work within before they are even funded. If we do not see improvements, then that privilege will be taken from them. There will have to be very close relationships built with each of these communities that choose to go down the line of a community-driven school.

Not all communities want it. There are number of communities that are quite happy to work with the department of Education and continue to provide good sound education opportunities in the communities. But for those communities that apply to government for a community-driven school model, we will give them the support to do just that.

Mr GUNNER: Your policy talks about the conversion of department schools or Homeland Learning Centres to community-managed remote Indigenous schools - the conversion of those government assets. Do you have a timetable or a list of communities that want to go through that conversion? Where are you at in converting government schools to community-driven schools?

Mr CHANDLER: To be honest, if we were to have a timetable, that would fall back into that program governments around the country have had before, where we are demanding that if they want to do this, this is how they do it. This will be driven by them. If a community chooses to, at whatever time in the future - in fact, I have had discussions recently with one community that wants to transition from a government school to a community-driven school, but not yet, because they realise and have acknowledged there are some real challenges they face at the moment that they have to get through, until they are prepared to go down the route.

If you are asking me when did the transition start, I would say at that meeting. At that meeting is where they described to me their desire to change to a community-driven school. At what date that occurs will be up to them. But, we will facilitate them to achieve what they want to do.

Mr GUNNER: I am assuming you would not hand over a school or convert a school in the middle of Term 1, so I imagine you would have some sensible timings when schools would convert. You have communities which are interested, and you would say to that community there are certain points in time where this school can be converted.

Mr CHANDLER: Absolutely.

Mr GUNNER: I understand what you are saying about the timetable; you are doing it based on community interest. However, you must have some sensible sense of timing in when those schools might be converted that you are working towards. You must have a list of communities that are interested to date, and when those timings might happen. I am assuming it is going to be happening in the next financial year, so you must have some budgeting around what and when it might happen.

Mr CHANDLER: Again, the timing factor will be here. When we engage with a particular school and they have shown an interest, there will be a process we need to go through. Of course, that process will be a timetable to transition from a government school to a community-driven school.

Of course, there are practicalities involved. There are terms, years, and teachers to be thought of. There are so many aspects we need to go through. However, it is the willingness of this new government to engage with communities in the first place which is different to the previous government, and wanting and acknowledging communities need to have buy-in to education if we are going to see any improvements and what our expectations and improvements will be.

The timetables, though, will be around individual schools, once they have applied to the Northern Territory government to transition from a government school to a community-driven school. It will firstly depend on

that application and, of course, then there will be a process involved. It will take into account all of those factors.

The registration process is another issue. You have to use the old term 'line up the ducks'. You just cannot say, 'Well tomorrow, next Monday, we are a community-driven school.' It does not happen that easily; there is much work that goes in prior to that occurring.

Mr GUNNER: I appreciate that work has to be done, but I am assuming by bringing this model forward you believe you are capable of doing that work. Are there any government schools that you think might be converted by say, Term 1 2014? I assume as part of your budgeting, you have some thoughts around this.

All I know so far is those three paragraphs you told me you had as a policy. I am trying to work out how, where, and when this might happen as part of this budget.

Mr CHANDLER: The question is a bit like 'how long is a piece of string?' The fact is we have a policy we are willing to engage with communities on and facilitate their transition. I say that over the next 12 to 18 months, you will see some schools working down that pathway. At the moment, we have taken a view that is different to the previous government. This government wants this to occur if the communities want this to occur. First of all, we have opened the door. If a community decides to walk through the door we will then map out the process of turning what is today a government school to a community-driven school.

We may get two or three years down the track and we have had no approaches by communities. I do not think that will occur because we have already had some discussions. The reality is it has to be driven by the communities, not by me or the department. We have opened the door; who chooses to walk through that door will be up to them.

Mr GUNNER: The timing of when a government asset is transferred is in our hands. I see what you are saying about communities expressing interest, but there has to be a degree of control on timing from your side because it is a government asset.

I assume you are going down this path already and have some thoughts around how that asset would transfer, what safety measure would be in place in case that does not work, how it could transfer back, and what the lease arrangement might be. I assume you have some policy framework around how you are going to deal with the gifting of a government asset - a school, a very expensive government asset - in a community.

Mr CHANDLER: It has happened with Gawa. I can recall many years ago when Berrimah Primary School was handed over to Catholic Education. It is not as though this model is new to the Northern Territory, it has occurred before. I would rely on guidance from an education system, and a damn good department, providing the framework we would require to transit from one model to another model.

You are right, these are taxpayer resources we are looking at transferring to a community-driven model. At the end of the day, an asset is an asset and is still providing a service to educate children. We hope, by engaging with communities, we will see an improvement in the standard of education for Indigenous children. That is the sole reason we have opened the door in the first place.

I have said in previous answers we acknowledge every policy and every dollar spent on education over the past decades in the Northern Territory has taken us to where we are and the levels we are achieving. We have some of the best teachers and the best students in the Northern Territory, and some students who really deserve our support. The 29% of kids turning up to Angurugu every day are getting a good education.

The way we get the ones who are not turning up to turn up is to engage with the communities. Community-driven schools is one model I am hopeful will include engagement to the level where a community empowers its children to attend school in the first place because, while they are in the school, they will receive an education.

Mr GUNNER: Minister, the government has built the school which is the big one-off expense. There are recurrent expenses involved around running and maintaining that school. When it is transferred to a community-driven school, the government recurrent money is not needed to be spent and it is run by the community organisation, the NGO, the independent school, or whoever runs it. That is a saving, is it not, because how much it costs government to run a school and what comes out of the government budget,

compared to what the community sector does - whether it is the Catholics or the independents - is less to the government. It will cost government less for a community-driven school to be run?

Mr CHANDLER: Potentially, but you are trying to frame the question as you think our whole approach is to save money. Member for Fannie Bay, that is not the reason behind this. Good try! I have said, time and time again, when you have the attendance rates we have in the Northern Territory from the very worst to the very best, we have to do so much more with those areas of the very worst. Through engaging with the communities, getting the communities on board to value education is the only way we are going to get children to school.

The 29% of children attending Angurugu will be getting a good education. The only way we can get those children not attending to attend is to engage with the community. If the council of the Angurugu School decides it wants to be a community-driven school we will do all we can to facilitate them to achieve their goal.

Mr GUNNER: It will cost less so it will be a savings measure. You might not be doing it on the basis of a savings measure, but it will be a savings measure.

Mr CHANDLER: Potentially, there could be because much private school funding comes through the federal government.

Mr GUNNER: Have you factored that savings measure into your budget?

Mr CHANDLER: I do not believe so because, at this stage, we do not know at what time we are going to be in a position to be handing over any schools; whether it is the next 12 to 18 months, or three or four years.

Mr GUNNER: Minister, can you understand why there might be some confusion and concern about how a community, where the majority of children are not attending schools and the parents are not getting their kids to school, would then be able to successfully take over the running of the school?

Mr CHANDLER: There are very strict regulations in place for a school to be registered, and the Northern Territory government and the department of Education monitors those regulations. The guidelines are put in place and it is up to a community board or council to demonstrate that they can work within those guidelines. A school can also be deregistered just as easily as it is registered if they are not meeting the terms of the regulations.

I am certain it is the approach of government to facilitate the process of registration. I also believe it provides a clear understanding for the community about what is required to run a school, and it also provides a clear picture to the department of Education about whether that community will reach those standards.

There may be cases where they are not going to reach the standard required to operate a school. Can we help; can we facilitate; can we provide the level of support required? Yes, there is a solution for every problem.

Mr GUNNER: How many people are in the community-driven school support unit, at what level, and how much is a unit costing?

Mr CHANDLER: How many in a unit. Ken, you answer.

Mr DAVIES: Ken Davies, Chief Executive, Department of Education and Children's Services. There are four staff in the unit at the moment. Member for Fannie Bay, keep in mind that the community-driven schools initiative is also dealing with existing partnership arrangements we have. Therefore, they are not totally focused on driving the conversion of government schools into non-government schools; they are involved in other partnership processes we have in train.

Mr GUNNER: So, they have taken over the non-government liaison role. They talk to St John's and Kormilda or ...

Mr DAVIES: The non-government schools liaison role is to a corporate responsibility. This community-driven school support unit is a unit that has been established specifically to deal with community and

community partnerships and relationships. Part of its role is facilitating requests involving engagement with communities about the community-driven schools initiative.

Mr GUNNER: So which partnerships are they already managing?

Mr DAVIES: We have partnership agreements in place with school communities. We have one at Yirrkala. The system has committed to do certain things with school communities. Across the Territory, there are 59 schools where school community partnership agreements have been collaboratively developed, completed, and signed. Part of their role is keeping an eye on what is going on in that space and making sure the commitments the system has made to each of those communities are being met.

Mr GUNNER: Are those 59 school plans about improving attendance, proving them wrong and improving results?

Mr DAVIES: Absolutely.

Mr GUNNER: In some respects, we want that aspect of the system to work. Obviously, you want kids going to school now. They are also responsible for the transition if those plans do not work?

Mr DAVIES: If there is a request, as the minister said, from a community that wants to look at a community-driven schools model, which would involve moving it to a non-government sector arrangement, then their role will be to help facilitate that and to ensure the right community consultation goes on.

Mr GUNNER: I am assuming that request will come if there are poor attendance results, or poor results. If a school is achieving great attendance and great results we would not look at transferring it?

Mr CHANDLER: Not always, no. It is up to the communities to decide how they want education delivered into their community. You would probably question whether or not there would be an application from a school or a community that is doing really well. I mention Bickerton Island where there is a 79% attendance rate. Would we get a request from them? I do not know, but you cannot shut the door on a school that is doing well versus a school that is not.

Mr GUNNER: I assume if you are getting really good results and attendance, I am not sure – I am trying to understand your logic. Why, if you are getting really good attendance and results which, unfortunately, is not common in remote and regional areas, would you make the decision to transfer that government school or government teacher - the people who are doing a good job - to another school? I understand the sentiment you are expressing, but I do not understand why, if you are getting really good results and attendance in a remote community, which unfortunately is rare, you would then hand that school over.

Mr CHANDLER: I would prefer to take what they are doing at Bickerton Island and duplicate it everywhere.

Mr GUNNER: It seems out of kilter that the unit responsible for working with the community to get really good attendance and results through those school plans is also the unit that, when they do not deliver, is negotiating with the community about the community taking the school over.

Mr CHANDLER: Member for Fannie Bay, there are also the linkages and relationships they already have, which are the key to any discussion. Whether or not it is about moving to a model of schooling that differs to government schooling or remaining the same and strengthening the areas where their results are particularly low, the key is that relationship. It is important to have that group undertake both of those roles.

Madam CHAIR: Member for Fannie Bay, you are asking the minister to comment on hypotheticals. Could you please move to the next question?

Mr GUNNER: I do not think it was hypothetical.

Madam CHAIR: It was hypothetical, member for Fannie Bay. Do you have an issue with my ruling?

Mr WOOD: No, he does not.

Madam CHAIR: Member for Nelson.

Mr GUNNER: That was not a ruling.

Madam CHAIR: Member for Fannie Bay!

Mr WOOD: The first page of your answers talks about secure employment for teachers. That was a pre-election promise of the CLP. Would you say that promise has been broken if 126 teachers will now lose their jobs? In other words, they were secure when you made the statement, but they are not secure at the end of this year.

Mr CHANDLER: Member for Nelson, there are 298 additional teachers in the Territory who have permanency, compared to where we left off with the last government. That is 298 people who can get a loan for a house, a car loan, or take on some other responsibility to make the Territory a long-term future for them. Many of the teachers I spoke to before could not put down roots in the Territory as they could not get a home loan because they were not permanent employees. That is 298 additional people with permanency.

I will continue that focus into the future of moving as many people as possible, and as is fiscally responsible, from contracted positions to permanent positions. I want to see more people bed down their roots here. The question you put forward is in the frame that we will have 126 fewer teachers. Overall, we will not; we will have 66 fewer teachers. However, through natural attrition and the normal losses we have every year across the Territory - how many thousands of teachers do we have? - there is a very small percentage we lose every year. No one will lose their job with this model.

Mr WOOD: But it is normal, minister, for a secure teacher to occasionally resign or retire.

Mr CHANDLER: Absolutely.

Mr WOOD: That is right. But the position is secure. In this case, there will be a number of positions that will not be secure because of the changes to the ratios.

Mr CHANDLER: But you are talking people versus positions, and in some regard there is a difference. If it is a school that will lose five teachers, whether the position is kept will be up to the school. If it is a position that the school chooses to keep, they will fill that position with another teacher. You are not talking people; that is, the Minister for Education walking up to a teacher and saying, 'You are fired.' That is not going to happen. No one will lose their job.

Mr WOOD: The school will do it for you.

Mr CHANDLER: Not necessarily. It will be up to the school to decide whether or not they are going to keep that particular position, but it will not be a case of people being fired. The natural attrition here in the Northern Territory more than covers the losses to total teachers.

Mr WOOD: But it not just losing a teacher, it is losing the ability for that school to teach a particular subject. With all due respect to the Chair, I will talk about Taminmin - legal studies; geography, my favourite subject; I cannot believe it is going to be scrapped.

Mr CHANDLER: Is it going to be scrapped?

Mr WOOD: Yes, it is.

Mr CHANDLER: Well, that is up to the school to decide.

Mr WOOD: I know, but it was a subject for a school that is isolated, in a sense, from the rest of the Darwin high schools. So, children in the rural area will have less opportunity, and that is my concern.

Mr CHANDLER: Member for Nelson, it comes back to a school having the ability to decide what they want to deliver within their own school. What is delivered at Palmerston Secondary College may be different to Taminmin, and so forth ...

Mr Wood: I understand that.

Mr CHANDLER: They will choose what their community, basically, asks of them to deliver.

Mr WOOD: But they do it within the policy which you have now produced, which has changed the teacher/student ratio.

On a slightly different subject, I was contacted by - and you will probably know it because it was on the ABC – administrative people in a particular school who were not only on short-term contracts of six weeks, but were actually working without pay. Is this the normal process for administrative staff? I gather that person, the day after I made this statement, got a full-time job. Are administrative staff at schools only on temporary contract? Is that common?

Mr CHANDLER: In that particular case you are referring to, there was an administration mistake admitted to. That was fixed the moment it was raised. In regard to admin assistants and other staff who are employed by schools, it depends on whether they are employees of DET or are employees of a school council. I am not sure; school councils usually employ somebody on a contracted basis, where DET staff could be either contract or permanent.

Mr WOOD: The understanding I got was it was DET staff. There were two things I was told: the government has not worked out its policy on these particular positions, and there are not enough people in the department to work on these particular contracts. I do not know whether there was a shortage of staff within the department who can deal with all of these particular issues, because this was in the midst all of the changes that were occurring. Perhaps you can enlighten me on what the story is, and whether there be any improvements to what was happening before.

Mr CHANDLER: In that case, you are right; we could have done better. There are 411 school-based administrative and other support staff on fixed-term contracts; that is, 35.9% of school-based, non-teaching employees.

Many of our employees are contracted on short-term contracts due to the funding arrangements for that particular school. If they are employed, for instance, on a short-term contract because of some funding stream from the federal government that is drying up at the end of the year - and we know this year our budget would be in excess of \$24m above what it is today had the partnerships with the federal government continued in those particular programs - there will be staff who are affected by that because the funding stream has stopped from the federal government. Therefore, as the nature of contracts, people who sign contracts realise it is for a contracted term; the sad reality is there is no guarantee of further employment after a contract.

If, through negotiations, money is forthcoming and programs continue, of course, there will be a requirement for staff and contracts to be renewed. However, when funding streams dry up, unfortunately, so do the contracts.

Mr WOOD: My understanding is that was not the case I referred to.

Mr CHANDLER: No. As I said, there has been an admission there, and it has been fixed.

Mr WOOD: Okay. Thank you, Madam Chair.

Madam CHAIR: Any other questions on the first written answer?

Mr GUNNER: Thanks. You had an election promise for a \$5000 bonus on completion of the first four years teaching remote, and a subsequent bonus for \$5000 on the second year teaching remote - \$10 000 over two years. Is that being scrapped, or has that promise gone from a promise to saying the union has to negotiate for in the EBA?

Mr CHANDLER: Member for Fannie Bay, that is a good question because it was one of the original commitments made by the Country Liberals. From all the visits I have undertaken so far in remote locations the strange reality is salary has never been brought up as one of the issues confronting people in remote locations. The staff at that community did not raise salary as an issue when it comes to what attracts them to remote locations, or better, what keeps them in a remote location.

What they spoke about was teacher housing. We have some good teacher housing and some damn atrocious teacher housing; something we will have to do more about in the future. I have visited a community where they had four single teachers in one dorm. Is that good enough, particularly if you want people to stay long term? No, it is not. It goes through to where we have houses that are pretty damn good. We will have to work more in that area.

Preparation for teachers going to remote locations is another area. In opposition, I raised a number of times where I have seen companies employ nurses in remote areas where the nurses undergo a solid training course for a month before they go to a remote location.

I refer back to my days in both the Army Reserve and the permanent Air Force where, for the first few months, you went through a very intense training scheme. The attrition rate was quite high in those first few months. No disrespect to the people who dropped out. It was not a reflection on them as people; they were not suited to a military lifestyle. The ones who passed through that course were more likely to hang around the Defence Force for many years. I believe we, as a government, need to prepare teachers for what they are going to encounter in remote locations.

These are the areas raised when speaking to teachers in remote locations - the salary side of it rarely comes up. When I report to my Cabinet colleagues, perhaps this is something that should be part of the EBA negotiations. If it is brought up in the EBA negotiations, it should be something we listen to. However, the feedback I am getting is quite different.

Touching on that preparation for remote locations again, we could have a warts-and-all course on what it is like in remote locations, the condition of people, what they have live with day in, day out, and how they will have to form strong links with the community. If all those things are introduced into a course we may have a high attrition rate, but it is better for them to fall out during that course than when they are in a remote location.

I have heard stories about people who have hopped off a plane, gone to a community, seen the school, seen their accommodation, and wanted to hop back on the plane and leave. It is rare, but it has happened. If you can better prepare people for remote locations they are more likely to hang around.

At Lajamanu and Kalkarindji with Bess Price a few weeks ago, I was blown away by a few of the teachers, particularly the ones from Deacon University. These guys had paid their own way. I found it fascinating. They paid \$2000 towards coming to the Northern Territory to experience working in a remote location. One young lady from Melbourne was one of the Tony Bartuccio dancers. A professional dancer decided to be a teacher at Lajamanu, loves it, and wants to complete her teaching study and come back to the Northern Territory to teach in remote locations. That is a sign they are putting in some preparation before they come to remote locations. Government has a real responsibility to help prepare people.

To finalise, the salary side of it has not been brought up to me. The other conditions of service are more important.

Mr GUNNER: Your election promise is quite specific around a \$10 000 retention bonus for teachers in remote areas. You are saying teachers in remote areas do not want that \$10 000 retention bonus?

Mr CHANDLER: What I am saying is they have not raised it with me.

Mr GUNNER: Because they did not raise with you your election promise, they do not get the \$10 000?

Mr CHANDLER: It is important to note that a government should listen, but if it is not seen as an important enough issue there is not much which can be done. If it was once or twice it had been raised, but this is every time I have had the opportunity to speak with teachers from remote locations. The issues raised have come from the Office of Commissioner for Public Employment's upcoming EBA in regard to remote and regional initiatives. This is what is on the EBA record:

To assist in the recruitment and retention of employees in remote and regional areas it is proposed to continue the following initiatives:

Rental subsidies for remote employees. The current Category 3 100% rental concession will continue for all eligible employees living and working in defined remote localities; for example, Category 1, 2 and 3, who are provided with employer supplied housing.

Satellite, Internet and/or television subsidy for remote employees. The provision allowing employees in a remote location to receive a reimbursement of up to \$500 for the installation and initial subscription for a satellite, Internet and/or television service will continue.

Relocation allowance. The provision enabling Chief Executive Officers to grant a relocation allowance for up to a maximum of 10 fortnights for employees transferring to, or new employees recruited to, Alice Springs will continue.

Remote incentive allowance. The remote incentive allowance for employees stationed in remote localities will continue and will be adjusted in line with the salary increases in the agreement.

Remote retention payment. The remote retention payment made to employees residing and providing services in remote localities will continue.

That is what is on the table at the moment and has been put forward to the unions and to the teachers. If there is anything else that comes up within those negotiations it will become part of negotiations.

Mr GUNNER: The election promise for the \$10 000 has been scrapped because teachers did not raise it with you when you went to remote areas?

Mr CHANDLER: It is not included in this budget. If it becomes part of the EBA negotiations, as far as Cabinet is concerned, we will have to look at how those negotiations end up.

Mr GUNNER: Can you understand why remote teachers and unions have raised it with me and our bush members? I know they have raised it with the union. Can you understand why people might be perplexed because an election commitment has gone from a promise to a requirement for the union to negotiate as part of an EBA?

Mr CHANDLER: I can understand that, member for Fannie Bay. However, the \$800.5m that is in the Education budget this year is designed to do the very best it possibly can in the Northern Territory. In coming to government, there were measures which had to be taken to find savings because we inherited a huge debt.

If I had come back from remote locations and every single teacher I had spoken had raised salaries as an issue I would have reported that to Cabinet, but that has not been the case. If it is raised in the EBA negotiations, that will be something that will be part of negotiations. It is not in the log of claims.

Mr GUNNER: They might not have realised they had to do that because it was an election promise. They might not have realised they had to put your election promise in the log of claims. Is this now the grounds on which election promises are either kept or not? Government needs to be reminded of its promises ...

Madam CHAIR: Member for Fannie Bay, sorry, I am about to call a break, so if you could hold your question over until after the break. We will adjourn for 15 minutes, so we can come back at 10.45 am.

The committee suspended.

Madam CHAIR: Okay, everyone is back so we might start a little early. We were questioning the minister on his written answer to Question 1 of the written questions.

Mr GUNNER: Minister, you are trialling an expanded School of the Air teaching model in 10 outstation schools which Katherine School of the Air is going to run. What are the 10 outstation schools you are trialling it in?

Mr CHANDLER: Yes, in 2014 that is due to commence. I want to talk about not only School of the Air, but Open Education. It is really important. Earlier, I touched on government not being able to afford to get the best science teacher in every school, but we could beam it out. I have a real vision, and it is important to describe my personal focus, as well as the government's focus on education, and how we can deliver some of those services across the Northern Territory. The School of the Air and Open Education can be powerful tools in that area.

I recently discussed my ideas with a federal Senator whose eyes opened because they understood this not only had potential for the Northern Territory, but across Australia. In that regard, I would be looking for federal funding to help drive something like this. I can see the day where we have, essentially, a TV program of what education programs are on each week that can be delivered across the Northern Territory. I do not see them as a replacement, but a support mechanism for schools.

Many of the remote locations I have visited told me they often have the situation where a language teacher does not turn up or their language teacher has only been at school three days that week. What if we could have lessons beamed in from a central location - whether it is an English, science or a geography lesson, member for Nelson - to any school in the Northern Territory? I really believe there are some opportunities where we can use technology to get the very best education beamed into many of our remote locations. I would really like to see a continued focus on that into the future.

Mr GUNNER: Do you have plans then, within this budget, for the Open Education Centre?

Mr CHANDLER: Not for that particular program; that is my idea which I am talking to the department about. I have used it as an example to put into context a focus were I believe we can actually use a tool to deliver education into some of the tougher regions. You cannot put the very best science teacher in every school - you just cannot afford to. However, we could have the very best science teacher beamed out to every school across the Territory.

Mr GUNNER: So, there are no plans at the moment for the Open Education Centre? It is just business as usual there?

Mr CHANDLER: There are some plans. I would like to see Open Education moved into a new space, but a new facility is a bit down the track but is something I would like to transition to. I will not say it is in an odd location, because we can put Open Education anywhere; it could be housed out of this building. It is something I want to focus on. It will also need a space if I want to deliver my vision for expanding Open Education. It is really going to require state-of-the-art facilities at a location yet to be decided.

Mr GUNNER: Are there any plans in this budget, then, for a scoping study about where that might happen, and when?

Mr CHANDLER: Would you answer that, Ken?

Mr DAVIES: Member for Fannie Bay, as the minister said, he has a vision for where we need to go. We are, as part of the infrastructure planning work we are doing now across greater Darwin, looking at the NT Open Education Centre and exploring some options around the location for a new facility. The current facility the NTOEC occupies, in fact, was an old office building at Chrisp Street and is still really an office building; it was never a purpose-built contemporary distance learning facility.

We are looking at a new arrangement going forward but we have to ensure it is properly funded. We will be doing some planning with the NTOEC School Council about some transition arrangements to a new model, going forward.

Mr GUNNER: I am not sure where you are at, but is it too early for that consultation to have started? Where are you at in the process of that move?

Mr CHANDLER: Because that is what I want to do, I will be ensuring we negotiate correctly. I believe the first thing to do - and it is a little premature to announce it in estimates - is start to consult with the Open Education School Council in order to demonstrate we have a vision for open education in the NT. I would like to believe that whatever happens to that facility in the future - whether it becomes part of a school or we build a new facility on Education land at another school - that will have an impact on that school and we will have to negotiate with the school and follow a good process that achieves the best outcome for all.

Even with the local member, whether they are a Country Liberal local member or not, if it was going to be in Fannie Bay, that negotiation should be with the member for Fannie Bay. I have already said this ...

Mr GUNNER: I am happy to have the conversation. All schools are welcome investment if it is done right.

Mr CHANDLER: I have already spoken to Ken about ensuring that it does not really matter. Whatever we are going to be doing in the school spaces, if there is be negotiation with the school council, in particular, whoever the local member is - whether or not it is Gerry McCarthy from Tennant Creek, if you are doing something there it is important to ensure that Gerry is full bottle on what we are doing. I always found that when you bring people along on the journey it is a better place to be.

Mr GUNNER: I spent some time at school at Tennant Creek and I can vouch for the teachers in Tennant Creek. It is a very good place.

You may not have thought this far ahead, but OEC would transition from its existing premise to the brand new premise? You would not be looking at transitioning them through an alternate space in between? You are in no rush; it will be a slow, slow, fast model. NTOEC will have just one move.

Mr CHANDLER: I cannot guarantee that will not be the case. There may be a transition model required; it depends on how quickly we can bed down the funding for a new centre. It depends on how those negotiations go. Ideally, it would be good to go from its existing premises into a brand new facility, but if, because of circumstances and negotiations, there needs to be a transition model then that is what might occur. I would not like to see that but it may happen. I do not know.

Mr GUNNER: We have had this conversation before, minister, about the first priority for capital works in your area being the new Henbury School. The Open Education Centre would fall down the line past that. In some respects, while we are talking about this now and consultation might be starting soon, this is a project for down the track?

Mr CHANDLER: It depends on a number of factors and scenarios. The elephant in the room here is Essington School. Essington School is growing. We have obligations, as government, to not only look after government schools but also to support the private sector. We know that Essington has growing concerns. It has indicated to government that there will be a growing need for its services in the next few years, particularly with companies like INPEX coming to town. It will be looking at spaces, whether they are on their existing school spot or another school spot.

Putting my Lands and Planning hat on for a second, we have even been working with developers to see whether or not a new facility could be constructed for Essington somewhere else. That is something for Essington to decide. There are negotiations behind the scenes with developers, the private sector, and public education about how it all fits into the matrix of a growing city.

Of course, we will have some pressures put on us with a lot of the executives in town for companies like INPEX and JKC. With their families coming to town for the next few years, there will be additional pressures placed on our education system, which will include private education as well as public. There could be some negotiations in that space as well.

Mr GUNNER: There are a few different balls in the air, minister.

Mr CHANDLER: There are a few balls in the air, absolutely.

Mr GUNNER: Obviously, there are constraints at Essington. There is a wait list at Essington and the demand is growing. The timetable we are operating in, in some respects, is based on the pressure around Essington's capacity to take students ...

Mr CHANDLER: Yes.

Mr GUNNER: ... rather than an Open Education Centre timetable around when and how that might happen? The pressure on government at the moment is from the capacity constraints at Essington, so the decision about what and when things happen at Open Education Centre will probably be based around the capacity to meet the student numbers and demand at Essington?

Mr CHANDLER: You are right in saying there are a few balls in the air at the moment. The CE might have a different view, but he is probably thinking I am pulling him towards the Open Education Centre. Then, you have the Essington issue as well.

I have a vision I want to achieve; it just happens to be that it will involve a new, first-rate and quality facility for Open Education in the Northern Territory. Weigh that up against the fact that, yes, we have a growing Essington School and some additional demands on the private sector. How can we best, as a government, facilitate both? There is a way forward but, as you rightly said, there are a few balls in the air at the moment.

Mr WOOD: Can I just ask a question on that, please? Did the government make any promises to Essington School before it came into government? Last year or the year before, I had a number of complaints from parents about the future of the Open Education unit. They believed the government had made some promises that, if they were elected, that school would be part of Essington.

Mr CHANDLER: Member for Nelson, I am not aware of any promises or negotiations that occurred with Essington School prior to taking government. I had met Mr Cannon on a number of occasions at the school. I have since met him again in government. In fact, I visited the school twice in one week a few weeks ago. Mr Cannon described what his and his community's needs are - and has done, prior to us coming to government. I do not think the needs have changed that much. In those discussions I had with him prior to coming to government there were no commitments or negotiations. He was just putting on the table what some of his needs were.

Mr WOOD: Is the idea of moving the Open Education school because they wish to expand and, if that is the case, what will be the arrangements for that particular building? Will it be gifted, will they have to pay something for it? You are going to have to build a new place for Open Education, and you would lose in both directions; (1) you would be giving a building away and (2) you will have to build a new facility.

Mr CHANDLER: Again, there are many balls in the air at the moment and a lot of negotiation going on. As I said before, we have even been negotiating - not negotiating, but facilitating negotiations - between Essington and private developers. It may be that a private developer can build the necessary facilities they need.

It may be a case where government is asked to look at government space and what government is leasing at the moment. Is there any space that is freely available for use by Essington? The reality is, with what their needs are, they have a pretty strict timetable to address them. A good government is one that can work with the sector and ensure we can help in any way we possibly can.

This is not about putting out somebody for someone else's needs. Essington is now using parts of the Open Education Centre. That has occurred.

Mr WOOD: That is where the original questions came from.

Mr CHANDLER: Yes. If, indeed, Open Education is moved into a new facility at a later date, and Essington then is provided that space under negotiations with government, they will be on commercial terms. That would be, at this stage, not something for estimates to be discussing; that will be all for a later date. The reality, at the moment, is you have Essington which has needs. We are a government that is trying to facilitate the business sector of town, as well as education, and trying to find the best fit at the moment.

As Michael Gunner, the member for Fannie Bay, said earlier, there are many balls in the air at the moment. It is probably the best way to describe that particular negotiation.

Mr GUNNER: Getting back to the original question, what are the 10 outstations that are going to be using the trial from 2014?

Mr CHANDLER: Okay. Katherine School of the Air will be the education provider for the first 10 outstation schools. Schools wishing to participate in trials will be invited to nominate, in consultation with their school community, during Semester 2 2013. In the next semester in the next part of the year, we expect we will have outstations come forward that want to be included in the trial.

Madam CHAIR: Are there any further questions on the minister's response to the first written question?

Mr GUNNER: No, I think we have covered it all now.

Madam CHAIR: They can probably be picked up in any event. Minister, would you like to go through the second question?

Mr CHANDLER: Question 2 has been pretty much answered in Question 1. Unless there are any other questions, but we have just about exhausted that area.

Question 3:

Progress on all commitments and policy announcements made within government press releases and media statements since 26 August 2012.

There have been no additional commitments and policy announcements funded in the Department of Education and Children's Services budget other than in the mini-budget and the 2013-14 budget for Back to School payments, childcare, toy and equipment grants, and utilities grants for schools.

Madam CHAIR: Minister, you can keep going.

Mr CHANDLER: That was quicker than the first one. Any other questions?

Mr WOOD: Only 35 to go.

Madam CHAIR: I am sure members will interrupt when they have a question, minister. You can keep going.

Mr CHANDLER: Question 4:

Explanations on all variations and discrepancies between commitment and policy announcements made within government press releases and the actual implementation of government policy and funding decisions.

I refer to Question 3 because it is the same answer.

Question 5 refers to responses in Questions 1 and 3.

Moving onto Question 6:

Explanations on all variations and discrepancies between details, data, and policy contained within the December 2012 mini-budget and May 2013 budget.

Explanation for variations of government education performance outputs are contained in the following attachments, which you will have: Attachment A, early years; B, preschool education; C, primary education; D, middle years education; E, senior years education; F, international education; and G, tertiary education. Explanations for variations of non-government education performance outputs are contained in Attachment H ...

Mr WOOD: Minister, that is five questions; is that all of the questions in one hit?

Mr CHANDLER: No, that is Question 6 we are on.

Mr WOOD: You then go to an explanation of each section, is that right?

Mr CHANDLER: You will have the attachments if you want them, but I am not going to read out each of the attachments.

Mr WOOD: No, I was going to ask you about that.

Mr CHANDLER: I will finish answering what I have here. I have some general comments, Every Child, Every Day and the SEAM target student attendance in all stages of schooling. Officers have re-engaged 805 students from 1 July 2012 to 7 June 2013.

NAPLAN results - that is, students achieving the national minimum standards - are reported from internal DECS data sources and do not match those reported in national reporting, which uses different aggregation methods and includes both government and non-government schools.

NT 2012 NAPLAN performance in comparison to previous years shows volatility in results. There are a few year-on-year consistent trends across test domain, year level, or measure. This is due, in part, to the NT small and diverse population. NT 2012 performance for both Indigenous and non-Indigenous students is lower than for Australia in every test domain every year. This is consistent with previous years, and is a result of the student population in the NT.

Indigenous students' results since 2008 are improving at a faster rate than non-Indigenous student results; the NT is closing the gap. This is the case across all students as measured by mean scale score, and those at the lower end of the achievement scale.

The literacy and numeracy panel was established to oversee renewed focus on core competencies of reading, writing and mathematics; a commitment of the first 100 days of government. The English and Additional Languages (EAL) Unit provides support for the implementation of programs in order to improve language learning and curriculum outcomes for students who have a home language other than English; a commitment, again, of the first 100 days of government.

NAPLAN testing for 2013 has just concluded. Testing was conducted across the NT from 14 to 17 May 2013.

Mr WOOD: Minister, Question 6 says:

Explanations on all variations and discrepancies between ... the 2012 mini-budget and the 2013 budget.

In the 2013-14 budget highlights, there is \$6.2m additional funding to offset the rise in government and non-government school utilities costs. Is that a discrepancy between the 2012 mini-budget?

Mr CHANDLER: There will be a discrepancy because there was more put into the budget after the mini-budget had been announced.

Mr WOOD: I did not see it here. Will the \$6.2m also include offsetting the utility cost at Taminmin College?

Mr CHANDLER: Yes.

Mr WOOD: And will they not lose money from another area of their income?

Mr CHANDLER: No, that money was in addition. I went back to Cabinet and sought additional money to cover all schools. With all that was written about the utility increases across the Northern Territory, let us be pragmatic; there was never ever going to be a case where this government allowed the lights to be turned off in any school. However, to ensure that did not occur I had to go back into Cabinet to secure a further \$6.4m.

Chairs of school councils I spoke to asked whether they would turn the light off in schools. I gave them an absolute commitment that the lights would not be turned off. I do not think the government would ever have allowed that to occur, but I needed to get extra funding from Cabinet to put into the department of Education's budget to ensure that did not occur.

There are some cases where some schools have gone to extreme levels to reduce their energy needs and they should be commended for that. There are also some schools that could do better - we have talked about this out of session - and there are schools that are restricted through their equipment levels. They are older schools but do not have the ability to change the temperature in the air conditioning or turn it off in sections of the school during certain hours. In a perfect world all schools would have modern equipment but that is not possible.

By securing the extra funds we did not want to send a message to schools that it was okay to use as much power as you like; it is still incumbent on a school to do what it can to reduce its energy needs.

The second point is, as a government we were not going to allow the lights to be turned off. It was unfortunate that, I think it was, Taminmin and Bees Creek ...

Mr WOOD: They were on notice.

Mr CHANDLER: What was it? Not threatening letters? What were they?

Mr GUNNER: Notice to disconnect.

Mr CHANDLER: Notice to disconnect from Power and Water. In a perfect world, it never would have happened because, as Taminmin paid their bill they could have applied to the department of Education to get the rest reimbursed. That is the process we set up.

However, I understand there is a bit of history with Taminmin dating back to the former government where the school had put in requests and were still waiting for money for previous years. I can understand their

reluctance to pay the bill and then hope they will get the money back in the short term, given they already had outstanding claims. I understand that.

However, in regard to the power, this was additional money that was given to the department of Education to ensure that schools were not going to have the lights turned out.

Mr GUNNER: Your nett 15% of the costs of the power and water increase to schools, then, on top of that 15% you put in to meet the increase, you received extra money to reimburse schools that were struggling even after the 15%? Is that right?

Mr CHANDLER: That is correct. At that time the government decided to only put half the original 30% tariff increase through to schools. With the reduction, instead of it being to 15% it would be 10%. However, that 10% was still above the means for many schools. As I said to my Cabinet colleagues the department and others, I will be damned if I expect parents of students attending our schools to go and cook one additional damn sausage to pay for utility bills within the schools. That would be wrong and should not occur, and it formed part of my discussions with Cabinet to get the additional money to ensure that no school would have the lights turned out.

Adjustments for the full impact of the tariff increase have been made to most government schools, approximately 120, with the remainder to be completed by the 30 June 2013. Adjustments are based on the actual utility cost incurred by the school in 2012, and relevant increases in tariffs. Support has also been provided to non-government schools. Payments have been made initially on a per capita basis, as agreed with the non-government school sector, with ongoing funding support to be distributed via the non-government school per capita funding model from 2013-14. The support for both government and non-government is ongoing in that area.

Mr GUNNER: So the 10% has flowed. Can you advise which schools have needed the extra assistance and how much?

Mr CHANDLER: We have to take that on notice, member for Fannie Bay.

Madam CHAIR: Member for Fannie Bay, could you please restate the question for the record?

Mr GUNNER: Can the minister advise which schools have needed extra funding to cover the power and water bills, and how much?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do not think that is the question. It is asking which schools have gone over.

Mr GUNNER: Every school has received 10% additional to the utility costs?

Mr CHANDLER: No, in their budgets last year they would have had an allocation for utilities. Now there has been an increase in utility costs - and correct me if I am wrong - which will be in excess of what they were allocated, that addition will be paid back to the schools. It has been topped up. The allocation was X ...

Mr GUNNER: Are you covering the full 20% increase?

Mr CHANDLER: It is 20% across the board.

Mr GUNNER: To clarify, power and water bills to schools have gone up by ...

Mr CHANDLER: Remember that if we are talking about a 20% increase, originally the government decided only to put in half the tariff for the schools; they were already subsidising that first half. Now we are subsidising the whole lot so, in effect, we are subsidising the whole 20%.

Mr GUNNER: Initially, power and water prices went up by 30% ...

Mr CHANDLER: That is right

Mr GUNNER: ...and government offered a 15% subsidy?

Mr CHANDLER: That is correct.

Mr GUNNER: Now it is going up to 20%, instead of the 30% and you have put in 20%?

Mr CHANDLER: Yes, to cover ...

Mr GUNNER: What about future years when it goes up by 5% and 5%?

Mr CHANDLER: We have built increased utility costs into the budget.

Mr GUNNER: So, the full 30% will be covered by the department?

Mr CHANDLER: My understanding is that there is a change to the carbon tax as of 1 July. If there is a change of government later this year and the old carbon tax is removed, that should also see a reduction in utility costs in the Territory.

Mr GUNNER: And those savings will flow to schools?

Mr CHANDLER: Yes.

Mr GUNNER: Some schools were still struggling after the 20% reimbursement. Where those schools are still struggling after the 20%, you have extra funds for meeting those costs?

Mr CHANDLER: The \$4.6m was to cover the additional cost to schools. I will use simple sums because I am simple. Hansard, do no repeat that.

If the allocation is \$100 000, for instance, but the bill is \$110 000 they would be paid the \$110 000. If, all of a sudden, we have a school with a bill of \$160 000 or \$170 000, which is way above their allocation, they would then have to explain in writing back to the department of Education what was going on and why the difference.

Madam CHAIR: Member for Fannie Bay, in terms of your question on notice.

Mr GUNNER: That is fine because that is about schools over and above the 20%.

Mr CHANDLER: So you want to know which schools have been ...

Mr GUNNER: I am just clarifying ...

Mr CHANDLER: There is a little here about the way forward. A review of government school grant models is under way, which will include analysis of utility funding and usage and will incorporate benchmarking of efficient power and water consumption. Schools are encouraged to adopt efficiency measures to reduce consumption and the cost of the utilities. A range of programs has been accessed to assist schools improve energy efficiency and reduce water use, including the National Solar Schools Program, which provided \$3.6m of Commonwealth government funding for the installation of roof top solar photovoltaic systems across 77 government schools to reduce fossil fuel energy use; also providing schools with an education tool that will promote sustainable practices.

Power and Water Corporation is working with some schools to undertake water audits and provide recommendations to reduce usage and save on water bills. Power and Water Corporation is also undertaking energy audits in six trial sites in remote locations, with the schools included in the scope. The advice and strategies resulting from these audits to reduce fossil fuel energy consumption and conserve water will be used as templates for other communities. It is expected that sustainable practices would also be promoted to staff provided with government employee housing.

It goes on if you want me to continue ...

Mr WOOD: Can I ask a question on ...

Question on Notice No 7.1

Madam CHAIR: Sorry, can I just clarify the question on notice for the benefit of Hansard, member for Fannie Bay.

Mr GUNNER: Where schools have needed funding from government for their power and water costs over and above what was allocated, how much is that, and by school?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: Yes.

Madam CHAIR: The question asked by the member for Fannie Bay to the Minister for Education will question No 7.1.

Mr WOOD: I have two questions here. Of one, I am a bit cynical - I am allowed to be in this job. Teacher student ratio meant you saved \$6.6m; increase in costs of electricity cost you \$6.2m. Which one came first in the decision-making process?

Mr CHANDLER: Interesting. I would have to think about that; I am not sure. I would have to think of the time lines involved here.

Again, we get back to a number of questions today around the budget. Of course, I have to continually refer to the fact that the fiscal position provides us with a position where, like all departments, we have to do what we can to find savings within that budget. I go back to the point that it is \$840m-plus, which is a big commitment from the Northern Territory government, given the size of the total budget in the Northern Territory, compared to other jurisdictions. It is a larger commitment than every other jurisdiction.

I go back to the point, we are already punching above our weight. Whilst we could always sit down and negotiate priorities - or what you think is a priority, what I think is a priority - I go back to the Country Liberals inheriting the debt left to us by the previous government; it does not go away, it has to be dealt with.

We have to decide how we are going to share up those funds across the entire budget. There is always a call - you are always calling - for bridges and more roads funding. You could argue let us put all the money into roads ...

Mr WOOD: They took my funding away, Peter - sorry, minister.

Mr CHANDLER: They took your funding away. We could sit here all day talking about ideologies and why some people have lost and some people have won - there are winners and losers in life.

I have a focus on education and will do my best to persuade my Cabinet to ensure that education into the future is provided with the adequate resources to do the job. Again, I stress it does not always come down to the number - and that is the number in total - it is how you spend that money.

Mr WOOD: All right, I understand. Minister, I will ask a more specific question about attendance, because that is what has come up in relation to the student ratios. When I look through the next few pages we have which deal with primary school, middle school, senior school, I am wondering how much consideration is given to the figures which relate to the number of students who attend school for more than over 80% of time? You can have a school that has 90% attendance, but if the number of children attending that school 80% of the time is quite low, you have a problem because some kids are going to school one day, they are not going to school the next day.

When I look at the figures, it is probably better to go back further. Your figures do not go back to 2011-12. The figures I have for that year from your last year's annual report, in regard to Indigenous children at primary school, only 38% attended more than 80% of the time, 25% in middle years, and only 22% in senior years. You are estimating that figure for primary school will go from 38% to 44%, in middle schools it will go from 25% to 33%, and from senior schools it will go from 22% to 27%. What assumptions have you made that the number of children attending school more than 80% of the time will rise? Is that a fairer

indication of the number of children who attend school rather than a figure that says X number of people attended a school?

I will give you an example, and Mr Davies will remember the employment figures for SIHIP. We had 1000 Indigenous people with jobs but, in some cases, only about 11% worked for more than six months. The real figure was 11%. The real figure we need to be attentive to is the number of children who attend more than 80% of the time, not the total. This is alarming because you are not going to get an education if you are not at school more than 80% of the time.

Mr CHANDLER: The figures presented are calendar year figures. I understand the premise of your question because I have the same questions when I speak to Ken and other people within the department. I know, from my visit a few years ago to Shepherdson College, they were getting attendance rates of around 300 people a day. Were they the same students? No, they were different students. That school - correct me if I am wrong - had enrolments of around 600 and around 300 were turning up every day.

Enrolments and attendance are used to provide resourcing of a particular school. However, if 600 turned up on the day and they were resourced for 300, you have a real issue. You have to provide adequate resourcing for what is occurring, not what could occur. What could occur would be fantastic, because I would really love if, all of a sudden, at that college we had 600 kids turn up. I would have to go to Cabinet saying we need additional funds for that college because we have turned an attendance rate from 50% to 100%. That would be fantastic and, if it could occur across the board, even better.

My concern also was you may have a student who turns up on Monday who may not turn up again until Thursday. That class may have 16 or 17 on Monday, and 16 or 17 on Tuesday, and again the next day and the next day, but that child has been replaced by another child who may not be there the day after. I know it is complicated, but that is where I have some real concerns because if you have a curriculum worked out on being taught lesson A, B, C, D and E through the week, and a child who has lesson A, has missed out on B and C, and then picked up on D, they may not understand D because they have missed the other two. That is what I am working on at the moment trying to understand what we can do differently.

I will go back to why I believe it is so important to have a review of Indigenous education in the Northern Territory. I need to understand what it is going to take to get those children to turn up Monday, Tuesday, Wednesday, Thursday and Friday, and lift our attendance rates from very low numbers in some communities to higher numbers. We have to do so much better.

Mr WOOD: You can do many things with statistics. If I look at senior schools, non-Indigenous students attending over 80% of the time is only 71%. Taminmin last year was 84.4% attendance, and of those 71% attended all the time. If I was to look at it slightly more broadly, you could take an attendance figure based on sometimes there might be 90% of kids at school, there might be attendance of 95%, other times it might well be lower. You are talking on averages. I believe teachers are hoping there would be more give and take on those attendance figures of plus and minus 10% so we had some room to move. There is volatility. We have kids in our area - I am not knocking other areas - they are rural kids, something might happen and they may not be able to get to school because the bus is bogged or some other reason.

That is what concerns people. We can roll out the statistics, but there needs to be some flexibility before we make the hard decision to lose teachers.

Mr CHANDLER: I argue the point that this will be a fairer system because it is taking the highest average attendance, so you are not left with one-off occurrences as you may have if there is a flu that goes through a school and there are a few kids away for a couple of weeks; that has a huge impact for a very short period of time. That scenario will be identified under this system of taking the higher end of the averages across the year and each term.

The government can then provide certainty that schools are going to be funded based on average attendances for the next 12 months, not just one term in the next 12 months. That provides certainty for the school to work within fairer and certain parameters for both teachers and school. We can argue this, but I still believe we can provide a fairer system than we had. Can we do more in regard to attendance? Yes, however, this is not solely an Education issue around attendance. Parents and or carers have a responsibility to get their kids to school. If they do not value education there is bugger all a department of Education can do. I have visited some communities where they provide three meals a day for children and, yet, they still have low attendance rates. Communities have to value education. When they value education they will be encouraged and they will encourage their children to go to school.

Mr WOOD: Minister, on the radio there was a report about the Commonwealth program to hold back Centrelink payments which they have not done since it was introduced. I am not sure if that is correct. Are you involved with the federal government on those decisions to help increase the attendance at schools?

Mr CHANDLER: We are in partnership with the federal government in relation to this. I hate to think you always have to use the whip, where carrots are often a better approach. If you get to the end of the bucket and the carrots have run out, what do you do? Sometimes you have to draw a line in the sand. Communities have to meet government and the department of Education halfway.

When I have heard of teacher's out driving buses around picking up students in communities, through to meals being provided in our schools as ways of encouraging children to school, there is part of me that thinks why in the world is education responsible for providing food in schools for students? Why in the world is it education's responsibility? If a parent is either too lazy or does not want to engage in their students wellbeing, to get their children to school, why is it always the department of Education that seems to end up with the brief?

However, I fully understand why you are providing meals to students if it is a mechanism that gets kids to school it should be supported. If it provides a student with food in their tummy to enable them to learn better for the day then we should be supporting it.

Whilst there are often boltholes to our education processes like food in schools, getting buses around communities to pick kids up, and banging on doors and getting kids out of bed, if it assists in getting these kids to schools we should be supporting it. However, is all the responsibility of the Education department? No. This is where communities have to be much more involved in the process of providing the very best for their children. They are not my children, they are not Ken's children, they are not any else's children, they are their own children to whom they have to provide support to help them get a better education.

Mr WOOD: Minister, I agree with everything that you said, but we are about budgets and outcomes. Does the Northern Territory government provide money for things like the bus that goes around and picks up every kid in the town, the breakfast programs, and other programs? What cost is there to the department for these kind of programs? I accept we are helping the child not to be hungry and that is a pretty good reason to feed the child. However, if the idea is to encourage children to come to school, then I see figures that are so low - 27%. I just take primary school, 44% of children attend over 80% of the time; that is a low figure.

Is there room to review the effectiveness of these programs to see if they have achieved what you are trying to do? Otherwise I would probably agree with you, mostly, that we are mollycoddling people and taking the responsibility away. People will get so used to the system that it will be there forever and a day, when the responsibility should be put on parents.

Mr CHANDLER: Member for Nelson. I am so glad you have put that on the record because I wholeheartedly agree. It is like the welfare mentality. If you are not hungry you are not chasing a feed. Welfare reform is also required in this country to ensure we give people the right incentives to want an education in the first place, because an education provides so much opportunity.

It is so important to review Indigenous education and I am calling for that review to answer some of those questions. They will be in the terms of reference. What are the programs in existence? When did they start? What has been the effectiveness of those programs? If it is deemed that some of these programs are past their use-by date, let us refocus that money into something that could work.

I wholeheartedly agree with you that we have to refocus on the way we deliver education in the Northern Territory. Many lessons have been learnt over the last 14 years since the last review was done. There were many good initiatives in that report, and I do not think some of them have ever been trialed. There might even be room to take initiatives that were put forward in 2009. There might be room to initiate some of the programs that were never given the time of day then, but might be very useful today. It is timely.

I said to the member for Fannie Bay earlier when we were talking about negotiations and what it would take for the Northern Territory to sign up to Gonski, what we would need as far as resources and what we are going to do with it. How do you put your hand out to the federal government unless you know what you want to do with the money? If we continue to spend it on initiatives that are already in existence and are delivering the results we are getting today, it will still cost us the same amount of money to get the same results.

What do we have to do differently to improve the results we are getting? It is timely that we review all of those programs to ensure we are getting best value for the taxpayer dollar and our students are given the very best opportunity. If there is a better one out there, we need to find it.

Madam CHAIR: Are there any further questions?

Mr GUNNER: I have a data question about enrolment and attendance, minister.

For each primary school in the Northern Territory, middle school, or school which includes middle school students, and senior school, or school which includes senior school students, could you provide a weekly attendance expressed as a total number of students and a total percentage against enrolment for Term 1 and Term 2 of 2013. I appreciate that might be hard to visualise so I took the liberty of drafting a table so you could get an idea of what I am asking. I am happy to table that for you, minister. I do not think you will have that information on you.

Mr CHANDLER: You would be surprised, member for Fannie Bay.

Mr WOOD: Madam Chair, the minister had an answer for my other question.

Mr CHANDLER: I did, and I am happy to take that question on notice.

Mr GUNNER: One second, Gerry.

Mr WOOD: Make sure it does not get dropped or disappear.

Question on Notice No 7.2

Madam CHAIR: Member for Fannie Bay, for the purposes of Hansard, will you please restate your question?

Mr GUNNER: For each primary school in the Northern Territory, middle school or school which includes middle school students, and senior school or school which includes senior school students, please provide a weekly attendance expressed as a total number of students and a total percentage against enrolment for Term 1 and Term 2 of 2013?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do.

Madam CHAIR: The question asked by the member for Fannie Bay to the Minister for Education is question No 7.2.

Mr GUNNER: This is a similar one, minister. I go back to you in a second, Gerry. For each primary school, middle school or school which includes middle school students, senior school or school which includes senior school students in the NT, provide the number of students achieving attendance based on 10% blocks for Term 1 and Term 2 2013. Again, I am happy for you to table that because I can appreciate it is hard to visualise when you read it out like that.

Question on Notice No 7.3

Madam CHAIR: Is that another question? Do you want to restate the question for the record?

Mr GUNNER: For each primary school, middle school or school which includes middle school students, senior school or school which includes senior school students in the NT, provide the number of students achieving attendance based on 10% blocks for Term 1 and Term 2 2013.

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I accept the question, I am just not sure of your reference to 10% blocks?

Mr GUNNER: It might be easier when you see them.

Madam CHAIR: The question asked by the member for Fannie Bay to the minister for education is No 7.3.

Mr GUNNER: Does that make sense, Mr Davies?

Mr CHANDLER: Yes, that is fine, thank you.

Mr GUNNER: That is mine.

Madam CHAIR: That is the end of questions on that?

Mr GUNNER: Sorry, Gerry had a question.

Mr WOOD: The minister had an answer.

Madam CHAIR: Minister, was it a question on notice?

Mr WOOD: No, it was ...

Mr CHANDLER: No, just some speaking points on the SEAM trials which the member for Nelson asked about. The NT's contribution - and I will start with the Commonwealth. The issue is improving school enrolment and attendance through welfare reform measures, the SEAM trial.

SEAM commenced in Phase 1 communities in the week commencing 18 March 2013: Katherine and Katherine town camps, Groote Eylandt, Numbulwar, Milyakburra, Ntaria, Wallace Rockhole, and Wadeye.

SEAM will commence in Phase 2 communities from the 22 July 2013: Alice Springs, Alice Springs town camps, Yuendumu, Lajamanu, Ngukurr, and Tennant Creek. SEAM processes have been developed to align with and complement Every Child, Every Day.

As far as the Northern Territory goes, there are 25 Northern Territory government-funded Attendance and Truancy Officer positions located across the Territory. All positions have been regionalised, and are now based and managed through regional offices in Darwin, Alice Springs, Palmerston, Nhulunbuy, Katherine, and Tennant Creek. Officers conduct compulsory conferences, help develop individual attendance plans, monitor compliance with plans, and issue infringement notices for non-compliance. Officers also conduct foot patrols on a regular basis.

There are a couple of figures here, if you are interested: compulsory attendance is conducted - and this is activity data 2013 - in Term 1, 250; Term 2, which will be Weeks 1 to 9, 309; compliance notices issued in Term 1 48, in Term 2, Weeks 1 to 9, 128; and infringement notices issued 19 in Term 1, and 52 in Term 2, Weeks 1 to 9. Further information: of the 19 infringement notices issued which were a \$300 fine, 14 have been paid so far.

Mr WOOD: Just explain what the Commonwealth's role is. Are they withholding payments to parents who do not send their children to school? Is that correct?

Mr CHANDLER: They have compulsory conference notices. There have been four issued in Term 1, 59 in Term 2, again Weeks 1 to 9. Compliance notices issued: zero in Term 1, and 32 in Term 2. Recommendations for suspension: zero in Term 1, 19 in Term 2.

Mr WOOD: Do the two governments work side by side? You do not have your inspectors going over here while the Commonwealth is going over there? Do they have a coordinated approach?

Mr CHANDLER: No, it is a joint approach.

Mr WOOD: That is all right. Thank you.

Madam CHAIR: If there are no further questions of the minister on that written response, minister, would you like to continue?

Mr CHANDLER: Question 7:

Progress on implementation of all signed, written contracts with Territory communities.

That is a question that should be referred to the Minister for Local Government.

Question 8:

Details on staff movements and all costs resulting from all administrative arrangement changes since 26 August 2012.

No costs were incurred by the department.

Question 9:

Details on staff movements and payouts of all costs, including ministerial office relocation costs resulting from portfolio reshuffle since 26 August 2012.

Refer to previous response. There have been no additional costs.

Question 10:

Details on costs on all government advertising and communications since 26 August 2012.

I can go through these. Advertising has been \$137 246; magazines and journals \$3670; newspapers \$85 257 worth of *NT News*; online zero; outdoor banners \$840; radio \$31 403; and television \$16 076.

The expenditure on newspapers, radio and television advertising was mainly due to the final cost for the 2012 SchoolMatters contract. This was the *Northern Territory News* partnered fortnightly publication and includes distribution costs across the Northern Territory, and the Back to School and the Every Child, Every Day campaigns. Magazines and journals advertising was part of the Every Child, Every Day campaign.

In marketing \$209 261 was spent: brand development zero; displays \$33 817; events and exhibitions \$11 301; newsletters \$6934; consultation and planning \$28 033; and editorials zero ...

Mr WOOD: Minister, we get the hint when you give the totals because I know what you are going to do. You will turn over the page and compare it with next year. I doubt we need to go item by item. The totals will give us ...

Mr CHANDLER: Open and accountable government, member for Nelson.

Mr WOOD: I love it.

Madam CHAIR: Please continue, minister.

Mr CHANDLER: Photography \$8154; brochures and leaflets \$67 724; multimedia, CDs and DVDs \$44 662; promotional merchandise \$840; and media monitoring \$7796.

Displays, events, and exhibition costs were mainly due to the show circuit display and the marketing elements of the Smart School Awards. Brochure and leaflet expenditure included several learning resources for early childhood, the Early Childhood Plan, presentation folders, certificates, school calendars and some show circuit brochures. Multimedia costs were mainly due to support and production of a music video for students in NARIS schools.

The previous year's expenditure is below and, as the member for Nelson has pointed out, shows some differences. I am quite happy to expand, if necessary, and if you are happy to accept that.

Mr WOOD: Give the totals is what I am saying. It is a fair point. I am not against you being open and transparent, but a summary would be quite sufficient. There is much more than previous years, which is fair enough.

Mr CHANDLER: Any other questions on that? Moving to question 11:

Full details on government advertising in breach of the Public Information Act, as identified by the Auditor-General, since 26 August 2012.

That question should be referred to the Chief Minister.

Question 12:

Full breakdown of all ministerial office expenditure since 26 August 2012.

Again, refer to the Chief Minister.

Question 13:

A full list of all forced redundancies across all agencies, including an explanation for each redundancy on why it was necessary to breach the CLP's election commitment that no public servant would be sacked.

The Minister for Public Employment has responded to this question. There have been no forced redundancies.

Mr GUNNER: At that point, minister, could I ask a follow-up question? Could you provide an answer or table showing the number of positions lost, the position description, and the public service level as a result of the public service staff freeze for your department?

Mr CHANDLER: The first part of the question again?

Mr GUNNER: You froze the public service when you came into government. As a result, there were positions lost and not filled during the freeze. Can you advise what positions they were, their description, and the public service level?

Mr CHANDLER: That would be difficult to quantify.

Mr GUNNER: The point, as I understood it, of the freeze was a blunt method of reducing the number of staff. If, after the freeze was lifted, those positions were then refilled which would have made the freeze pointless.

Mr DAVIES: Through you, minister. Member for Fannie Bay, I can have a go at it. It is important to emphasise that post the freeze, the structural arrangements within the agency have changed somewhat, so we will have positions there that may be vacant we may no longer need, so it is ...

Question on Notice No 7.4

Mr GUNNER: If it helps, Mr Davies, through you, minister, I can then ask two questions on notice and then you can answer them as you can. The first one would be – I can join them, if you like, to make it easier as one question.

Madam CHAIR: Yes.

Mr GUNNER: Can you provide the number of positions lost or unfilled, the position description and their public service level as a result of the public service staff freeze. Then, separately or together, depending on how it works when you crunch the data, the number of positions lost or changed and the description of each position and their public service level as a result of the restructure of the department? There was a freeze which obviously affected ...

Mr CHANDLER: I will take the question on notice, not a problem. It just may be difficult to be able to quantify some of that, but we will do our best.

Madam CHAIR: The question asked by the member for Fannie Bay of the Minister for Education is question No 7.4.

Mr GUNNER: I understand you will provide some caveats to that, minister. Obviously, as part of the government's decision to freeze staff and reduce staffing numbers there must be some data around what actually happened which would have flowed between you and OCPE.

Mr CHANDLER: There could be a snapshot taken of the data held on a particular day, then a snapshot after the freeze was lifted that may show some differences. We will see what we can come up with, yes.

Question 13 is what we have just dealt with.

Question 14: I do not know whether you want this read out, but it is another one for the Minister for Public Employment who has already responded to that question.

Question 15:

Details on all government tenders, contracts and grants awarded or granted since 26 August 2012, including whether the recipient is a member of the Country Liberals Party. This includes full location details for companies and organisations.

Firstly, information on Country Liberal Party membership is not held by the department. Contracts and grants awarded between 26 August 2012 and 31 March 2013 totalled \$13.2m, according to Attachment A, which you have. These are grants awarded outside normal ongoing grant agreements.

The previous year's total expenditure including ongoing grant agreements to schools and non-government schools – I do not know if you want me to read out that particular sum, but in 2009-10 it was \$381.576m, in 2010-11 \$375.726m, in 2011-12 the actual was \$256.914m, and 2012-13 up to 31 March the actual was \$217.802m.

Attachment A has a number. In fact, there are about two full pages. Do you want me to read those out?

Mr GUNNER: Does that include all grant programs?

Mr CHANDLER: That is included in those sums I have just read out. If it helps, there is not that many, do you want me to read out the one-off grants?

Mr WOOD: Question 15, is it? What question number?

Mr CHANDLER: We are at question 15, member for Nelson.

Mr WOOD: Even if you go to the totals. It gives you an indication of what has been spent and ...

Mr GUNNER: This is a follow-up question to the written question.

Mr CHANDLER: You have the contracts coming in at \$4 974 982, then there are the grants awarded, \$8 249 097. Do you want me to list who got the money, and ...

Mr GUNNER: I have a follow-up question, if that makes sense. You have listed the grants and how much. What were the reductions to the grants from the last budget to this budget?

Mr CHANDLER: Are you talking Northern Territory government money, or federal money coming in?

Mr GUNNER: All NT government grants. I am asking for the reduction in the NT government grants program from the last budget to this budget, including where that reduction might have meant that the grant program ceased.

Mr CHANDLER: I am sure we can get that information. I am happy to take that on notice.

Question on Notice No 7.5

Mr GUNNER: I will restate that as a Question on Notice. Please itemise all grants programs reduced as a result of ...

Mr CHANDLER: What about increased? Do you want increased as well?

Mr GUNNER: Please itemise all grant programs reduced and increased as a result of the mini-budget or the 2013-14 budget compared to the 2012-13 budget by grant and amount of reduction, or increase. How many grant programs are now zero, and please indicate whether the program contained grants to schools.

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do.

Madam CHAIR: The question asked by the member for Fannie Bay of the Minister for Education is No 7.5.

Answer to Question on Notice No 7.5

Mr CHANDLER: We know the answer to that question. Do you want it now?

Mr GUNNER: All right.

Madam CHAIR: The answer to Question 7.5 is?

Mr CHANDLER: Zero.

Mr GUNNER: So no savings have been made through the grants programs.

Mr CHANDLER: Shall I move on?

Madam CHAIR: Yes. Question 16, I believe.

Mr CHANDLER: Question 16:

Details on the procurement processes undertaken and the employment contracts for the employment within the Northern Territory Public Sector since 26 August 2012 of all former CLP and Liberal Party candidates and members of parliament at Territory or federal levels.

Again, the agency does not hold information in regard to that.

Question 17 really should be referred to the Chief Minister because it requests full details and costs of all ministerial travel.

Question 18:

Full details, costs and invitation lists for all ministerial hospitality since 26 August 2012.

Refer to the Chief Minister. I believe he has answered these questions.

Question 19:

Full details, costs and invitation lists for all public service hospitality provided since 26 August 2012.

We can go through that. Meeting, training and seminars refreshments, \$12 324, dinners, functions and conference hospitality, \$17 800, making a total of \$30 124.

Dinners, functions and conference hospitality by event: World Teachers Day functions in various locations, \$5856; NT Board of Studies Awards Ceremony, \$931; Principals Institute of Australia breakfast, \$59; School Governance Training Workshop dinners, \$4182; Youth Business Awards, \$675; The Gap Charity Breakfast, \$635; teacher orientation welcome function, \$1462; and Smart Schools Award, \$4000. That makes a total of \$17 800 for dinners, functions and conference hospitality by event.

The total of hospitality expenses; that is, meetings, training, seminars refreshments, dinners, functions and conference hospitality in 2008-09 was \$60 514; 2009-10 was \$114 374; 2010-11 was \$179 573; 2011-12 was \$61 955. No questions?

Question 20:

Full details and costs of interstate or international public service travel including accommodation, hospitality and flight details, including flight travel class since 26 August 2012.

I can report that international economy, there were 30 travel requests. The fares accounted for \$7152, accommodation \$523, allowances \$644, other expenses zero - total expenditure excluding GST, \$8319.

Interstate economy there 428 travel requests. The fares were \$237 802, accommodation \$68 148, allowances \$49 316, other expenses \$18 563, being a total of \$373 831 exclusive of GST.

There were nine business class interstate fares costing \$32 915, \$3299 in accommodation, \$1245 in allowances, \$482 in other expenses, being a total of \$37 940.

Something I do not think you asked for in the question is intrastate travel. We have the answers here because it is important.

Mr GUNNER: Okay.

Mr CHANDLER: You did not ask for it, but I am happy to give those details.

Economy charter and road number of travel requests, 4120. The fares \$1 291 186, accommodation \$580 890, allowances \$137 070, other expenses \$535 345, being a total of \$2 544 491.

Total number of travel requests is 4587 - and this is interstate, international and intrastate - fares \$1 569 055, accommodation \$652 860, allowances \$188 257, other expenses \$554 390, being total expenditure of \$2 964 581.

Of the interstate travel by category, recruitment was \$13 120, relocations \$40 241, meetings, training and conferences \$358 409, being a total of \$411 770.

International travel by category: conferences and delegations \$2307, exchange programs and school excursions \$6012, being a total of \$8319.

Intrastate travel by category: school visits and related travel \$1 484 977, training workshops and meetings \$954 657, conferences \$46 873, relocation travel \$57 984, being a total of \$2 544 491.

Breaking it down the travel category, meetings training and conferences was in 2008-09 \$7.413m – I will not go through all of those, if you do not mind, I will just read the totals out. The travel by category in the 2008-09 year total was \$7 980 798; 2009-10 was \$7 186 657; 2010-11 \$6 902 588; and 2011-12 \$6 918 302.

Any other questions?

Question 21 should be referred to the Minister for Land Resource Management. The question was:

A breakdown of all water and other natural asset allocation granted by the Northern Territory government since 26 August 2012 broken down by those granted to CLP members and others.

It is a question for Land Resource Management.

Question 22:

Details on all policy item strategies, actual estimates budgets forecasts, agencies, outputs, and funding decisions contained within the May 2013-14 budget.

The details can be found in the 2013-14 Budget Paper No 3. Specific questions will be addressed through the estimates hearing process for which we are here today. Any questions on that particular question?

Questions 23:

Details on all financial and economic data contained within operating statements, balance sheets, cash flow statements in the May 2013 budget.

Again, details can be found in 2013-14 Budget Paper No 3. Specific questions can be asked today.

Question 24:

Full details, including impact statements and implementation plans, and all agency savings identified within the December 2012 mini-budget and the May 2013 budget.

Implementation planning for savings measures is under way, and ongoing monitoring processes are being established to ensure the department achieves the required savings targets. Some measures have already been achieved. Approved savings below as published in Budget Paper No 2: administrative efficiency from 2012-13 to 2013-14 from \$14.45m to \$13.802m; program efficiencies and rationalisation in 2012-13 was \$788 000 and in 2013-14 \$9.416m; structural reforms zero in 2012-13, in 2013-14 it was \$14.25m. Whole-of-government savings for 2013-14 was \$1.740m. Total savings for 2013-14 was \$14.833m, revised in 2013-14 to \$39.172m.

Mr GUNNER: We heard earlier that the savings from losing teachers will be \$6.6m. Which one of those four line items is teacher savings reflected in?

Mr CHANDLER: Structural reforms.

Mr GUNNER: So, \$6.6m of the \$14m is teachers. Is it possible to get a breakdown of the savings measures? You have structural reforms of \$14m, nice and clean, but part of that \$14m is \$6.6m in changes to the teacher ratio - 126 teachers in middle schools. Is it possible to get a breakdown of how those savings translate?

Mr CHANDLER: Member for Fannie Bay, it might be dealt with through a briefing.

Mr GUNNER: I am happy to have a briefing but there needs to be a public answer as well.

Mr CHANDLER: If you have a briefing you can make the answer public.

Mr WOOD: Not some of the briefings I have been to.

Mr GUNNER: It would be good for there to be a breakdown of what the saving measures are because \$6.6m in teacher savings is big. There is much interest so it is important for there to be a public breakdown of the savings.

Mr CHANDLER: I am happy to take the question on notice and also offer you a briefing.

Mr GUNNER: I am happy to follow that up too. I am happy to have a briefing which explains how and why, but it is important we get a breakdown. I do not believe you have deliberately done it here, but \$6.6m in teacher losses is huge and is not reflected in this. People look at the four neat columns - it is easy sometimes to hide - not hide, but behind figures ...

Mr CHANDLER: 'Hide' is a really tough word.

Question on Notice No 7.6

Madam CHAIR: Member for Fannie Bay, can you please restate the question for the record.

Mr GUNNER: Can the minister please provide a breakdown of how the \$39m in savings has been achieved?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do, yes.

Madam CHAIR: The question asked by the member for Fannie Bay of the Minister for Education is No 7.6.

Mr GUNNER: One follow-up question. Previously, you said there were no changes to any of the grant programs. Here it says, 'Program efficiencies and rationalisations have saved \$9m'. Those are separate questions. The zero in the previous answer around grant programs and reductions is not reflected in the line item of program efficiencies and rationalisation?

Mr CHANDLER: The answer to the previous question was in regard to 2012-13. That is a separate question in 2013-14.

Mr GUNNER: I asked for 2012-13 compared to 2013-14, the change in grant programs from one budget to another, and you said there were no changes in those grant programs. But, here we have \$9m in savings in programs. I am asking again because there is no breakdown to this. I do not know what is under program efficiencies and rationalisations. My previous question was were there any reduction in grant programs from the last budget to this budget - not the mini-budget but the last budget. You said there were none, yet here in this line item there is a \$9m savings in programs. Without detail, I do not know what that is. It seems strange there was no change in any grant programs, yet there is a \$9m saving in programs. The word 'program' can be a bit generic.

Mr CHANDLER: I referred to it as no change to the 2012-13 budget, but I will take that question on notice, to get further detail back to you for 2013-14.

Question on Notice No 7.7

Madam CHAIR: Member for Fannie Bay, please restate the question for the record.

Mr GUNNER: It is actually the previous question. What have been the changes in all NT government grant programs from the 2012-13 budget to the 2013-14 budget? Where they have been reduced to zero, what were they and how many of them were there?

Madam CHAIR: Minister, do you accept the question.

Mr CHANDLER: Yes.

Mr GUNNER: That is the one I read out earlier. I read it out better the first time so, if in doubt, it is on the record already as a written question.

Mr CHANDLER: Yes, because I might have to refer back to the original question because that made sense.

Madam CHAIR: Perhaps I will say that the question from the member for Fannie Bay to the minister is question No 7.7 ...

Mr Chandler: Can we refer back to the ...

Madam CHAIR: ... but the minister will look to the earlier question on the same topic, which is question No 7.5.

Mr GUNNER: We are getting the breakdown of the \$39m in savings, but then separate to that we are also getting the contrast between the two budgets on grant programs.

Mr CHANDLER: Yes. Question 25:

Details on all information and data contained within the fiscal strategy, updated fiscal outlook, risks to the updated financial projections, expenses and capital investment, intergovernmental revenue, and Territory taxes and royalties.

I believe that would be one for the Treasurer.

Question 26:

Full details on all information and data contained within the capital works program and estimated capital expenditure across all government agencies and corporations.

Again, details can be found in the 2013-14 Budget Paper No 4. Specific questions can be addressed here, today, at the estimates hearing process if there are additional questions.

Question 27:

Full details of all revenue measures including new taxes and tax increases, including levies and charges. Details to include risk impact statements, community and industry consultation plans, economic modelling, and revenue projections.

Again I suggest that is referred to the Treasurer. He spent 16-odd hours in the chair answering those.

Question 28:

Full details of the operational impacts across all government entities as a result of all government decisions and policies.

I can take any questions in regard to education, if there are any in regard to that question.

Question 29:

Full details of operational impacts across government entities as a result of the governments savings measures.

That question refers to responses in question 24.

Question 30:

Details on the operational impacts across non-government agencies as a result of all government funding decision and policies.

Non-government organisations are external to the budget. The question should be posted to relevant non-government organisations. The organisational impacts are, of course, not known.

With respect to non-government schools, funding changes include a new non-government school per capita funding model which was approved and introduced in 2012-13 through consultation with the non-government school sector. The new model replaced seven previous funding schemes that did not apply funding equitably across all non-government schools. Support has also been provided to non-government schools for increases in utility tariffs, payments which have been made initially on a per capita basis as agreed with the non-government school sector, with ongoing funding support to be distributed via the non-government school per capita funding model from 2013-14.

Funding arrangements that assist NT boarding students are currently under review: a revised capital subsidy scheme for non-government school infrastructure projects which provide for two levels of capacity subsidies; up to 40% of the project costs for high priority assistance in geographic areas that provide for new student places in areas of demographic growth with need for new student places; up to 30% of the project costs for medium priority assistance for new teacher housing needed to address additional school enrolment in remote areas where no other housing is reasonable available.

There are no interest subsidies under the new scheme. All existing subsidies will continue to be honoured under the previous capital and interest subsidy scheme with the last of the projects due to be finalised in 2022-23.

Non-government school funding: 2012-13 budget, \$35.55m, 2012-13 expenditure from 1 July to 31 March, \$32 000 106; 2013-14 budget, \$38 000 347; non-government school capital subsidy 2012-13 budget, \$2.011m; 2012-13 expenditure from 1 July to 3 March, \$182 000; and 2013-14 budget, \$2.73m.

With respect to the Batchelor Institute of Indigenous Tertiary Education, savings measures were not applied to the agency's grant to BIITE for vocational education and training, infrastructure, repairs and maintenance and minor new works.

With respect to Charles Darwin University, DECS grants subject to savings measures are: the operating grant, from \$7.56m in 2012-13 to \$6.803m in 2013-14 - a change of 10% and a reduction of \$757 000; Vocational Education and Training infrastructure grant for repairs and maintenance and minor new works, from \$2.795m in 2012-13 to \$2.516m in 2013-14 - a 10% change and a the reduction of \$279 000; overall, the 2012-13 budget was \$10.355m and the 2013-14 budget \$9.319m, which is a 10% change of just over \$1m.

Any questions?

Mr WOOD: I have a question, thanks, Madam Chair.

Minister, in relation to the revised capital subsidy scheme for non-government schools, what was the previous scheme?

Mr CHANDLER: Good question. The Northern Territory government recently revised its capital and interest subsidy scheme for non-government school infrastructure projects. The scheme has been replaced with a new capital subsidy scheme which provides for two levels of capital subsidies. There are no interest subsidies under the new scheme.

Mr WOOD: That is why I need to know what the original was before I quiz you.

Mr CHANDLER: There is no consistent approach between the states in the provision of capital and interest subsidy schemes, although most states have moved away from interest schemes. The NT scheme was, and remains, a very generous scheme on an ongoing basis. The budget is currently ...

Mr WOOD: Minister, I have those pages.

Mr CHANDLER: Okay.

Mr WOOD: Those pages do not tell me what the previous scheme was. I have nothing to compare it with.

Mr CHANDLER: The new capital subsidy scheme offers two categories of assistance through capital subsidies only, subject to budget availability. The assessment and eligibility criteria for Categories 1 and 2 remain the same as the previous scheme, but the type and levels of funding have changed. Category 1 projects for high-priority assistance in geographic areas that provide for new student places in areas of demographic growth and need for new student places are eligible to receive a capital subsidy calculated on up to 40% of the project costs. The previous scheme provided a 50% capital and 50% interest subsidy.

Category 2 projects for medium-priority assistance for new teacher housing needed to address additional school enrolments to remote areas and, where no other housing is reasonably available, are eligible to receive a capital subsidy calculated on up to 30% of the project cost. The previous scheme provided a 25% capital and 50% interest subsidy.

Not included in the new capital subsidy schemes are the previous scheme's Category 3 projects attracting low-priority assistance, which provided for new student places on their own site, or upgrades to existing student places or student boarding accommodation.

In recent years there has been significant demand for assistance under the NT scheme, predominately due to strong demographic growth and demand for additional student places in the greater Palmerston region. Consequentially, no low-priority proposals have been accepted into the scheme since 2005.

In the transition from the old to the new scheme, two projects have been funded at a 20% capital subsidy. They are MacKillop Catholic College Stage 2, providing for senior years, and Good Shepherd Lutheran College Stage 1, providing for primary years at the Howard Springs Campus. Both projects would have been assessed as low-priority projects under the previous scheme.

Mr WOOD: I just need to get this right. You are saying MacKillop College Stage 2 and Good Shepherd Stage 1 would not have been funded previously?

Mr CHANDLER: Under the old scheme according to the parameters.

Mr WOOD: I am a bit confused now, because the impression I am getting is they are going to lose out in this new scheme for Stage 2 of the Lutheran college. They, obviously, believe they would be a high priority new primary school in the rural area. You are going to change it from 50% of capital plus 50% of interest, if they fit into that category, to simply 40% of the cost?

Mr CHANDLER: The fact we have moved them into a category so they are going to be funded is the first step in the right direction. They would not have been funded under the old program. There is the first positive. There is a difference, however, between the 50% and the 20% that has been funded. Basically, that just comes down to what we can afford to do under this fiscal environment.

Mr WOOD: I understand that. Part of the complaint I have is this was handed to them as a fait accompli. We are trying to get a meeting with the Good Shepherd people. They were a little set back by it because they have plans to expand to a primary school at Howard Springs. This, obviously, must have an impact on the ability for that school to be able to fund that new facility.

I just need to get this clear. They say to me they are going to lose out on this. Are you saying they might have been worse off under the previous categories?

Mr CHANDLER: It depends on the projects size, as well as the demand in the community, and where somebody fits in, whether it is a Category 1, 2 or 3 project. On the information I have, their projects would have been in the Category 3 area, where they, perhaps, would not have been funded at all.

We have decided we will provide some level of funding, but it just will not be at the level it was previously. If we were not in the fiscal position we are in, there might have been more scope but, given that is a fait accompli, the fact is they were advised of this at a meeting on 22 May 2013. They were made ...

Mr WOOD: What they were concerned about was there had not been any warning that this was coming. The consultation - if you can call it that - occurred on the day the announcement was made. They have been planning for this school, I would say, longer than two years.

Mr CHANDLER: I can just put it down to competing priorities. We know that even in the public sector at the moment, we still have a number of schools in the region which are undersubscribed. There are spaces for children to go. This is not a case that there is an absolute demand because we do not have spaces. The fact is we do have spaces. When you roll it all into a ball, where you are talking about our fiscal outlook and what we can afford to do, the fact that we can afford to do anything is a bonus.

Given there has been generous support previously to get the schools up and running, the fact that we are offering a 20% capital subsidy today - particularly in the wider fiscal space we are in right across Australia, not just in the Northern Territory - for any private sector business to come along and provide this subsidy ...

Mr WOOD: I would be always careful of the word 'business', maybe 'businesslike'.

Mr CHANDLER: They are business people ...

Mr WOOD: All schools run in a businesslike ...

Mr CHANDLER: Absolutely, and they provide a valuable contribution to education. I have always enjoyed the fact it offers parents a choice so I am very supportive. However, I am also mindful of the financial position we are in. We will do all we can to support the private sector into the future. At the moment, that is about the best we can do.

Mr WOOD: I understand that, minister. If I need to look back in history, unfortunately, the previous government, in about 10 years, did not build any non-government schools. MacKillop plans were around for about 15 years.

Who makes the decision about the category? Obviously, teacher housing is a category of its own, but who makes the decision whether it is Category 1 or Category 3?

Mr CHANDLER: It is a Cabinet decision which relies on advice from Education, the proponents, and the community in some respect. As needs are put forward, like any commitment or any project, it competes with other projects. If at any time Cabinet decides it is going to support something to an additional level, it will make that decision.

Mr WOOD: There are some savings to government if it provides help to a non-government school because it means the government does not have to pay for the whole school. If it was a government school it would have to pay full capital costs.

Mr CHANDLER: I totally agree. We are now working with a number of developers on proposals. I put my Lands and Planning hat on here. We are looking at spaces for future schools across the Northern Territory, what spaces we are going to require for the private sector, and ensuring we can fairly negotiate public land today for the private sector. That is where we can be of huge assistance to private schools because they offer a valuable contribution to education.

Mr WOOD: I call them independent. Private is Scots College, and these are not Scots College.

Mr CHANDLER: I agree.

Mr WOOD: Minister, I know you are busy, but could you have a meeting with the school some time to discuss this matter?

Mr CHANDLER: Happy to.

Mr WOOD: Thank you. Thanks, Madam Chair.

Mr GUNNER: Minister, what advice did you get from Charles Darwin University around the impact of a 10% cut to the operating grant and the 10% cut to the Vocational Education Training grant?

Mr CHANDLER: Are you asking if Barney is happy?

Mr GUNNER: That is one measure, but also what impact there might have been to what the university is doing. So (a) is Barney happy, and (b) what impact has this had on what the university is doing?

Mr CHANDLER: Let us be honest, no one enjoys finding themselves in a position where there are going to be savings measures applied to their agency. Our good professor at Charles Darwin University - I found Professor Barney Glover remarkable over the years in how he could get money out of not only the Northern Territory government, but also the federal sector in a number of different areas. He is remarkable in securing funding. I have seen some amazing infrastructure go into Charles Darwin University over the last few years.

We recently opened up the new Batchelor Institute building, a remarkable building. It reminded me of something you would see if you walked into Google or Apple headquarters. That is the feeling you get when you walked in. I have no doubt Professor Glover will continue to do very well in that area.

In regard to funding for Charles Darwin University, it has been subject to savings measures from both the Northern Territory and Commonwealth governments. From 2013-14, the Northern Territory government has reduced two grants to CDU by 10% - the same quantum as the efficiency dividend applied across government. The higher education operating grant is less \$747 000, and VET infrastructure grant is less \$279 000.

Also, from 2013-14, CDU is expected to receive reduced funding for VETiS program delivery. The CDU higher education operating grant contributes the provision of a broad range of higher education programs to meet the aspirations and expectations of the Northern Territory, including areas which would otherwise not be viable if dependent solely on the Commonwealth funding arrangements.

The CDU Vet infrastructure grant provides assistance for repairs and maintenance, and minor works for CDU campuses across the NT. VETiS funding enables CDU to deliver VET in schools in remote, regional and urban areas. The department also delivers VETiS to students in remote, regional and urban areas.

In April 2013 the Commonwealth government announced cuts to higher education totalling \$2.36bn over five years including a \$900m productivity dividend. This will impact the Territory's two providers, CDU and Bachelor Institute of Indigenous Tertiary Education. The Commonwealth government has primary responsibility for funding higher education. The NT government continues to support the sustainability of the Territory's higher education providers through current partnership agreements across government.

Yes, there have been savings measures taken. Of course, not everyone is happy with those measures but they have to learn to do things differently. In recent years, CDU has done extremely well with many infrastructure programs. However, recently I spoke to Professor Glover about all the extra infrastructure and he noted that it was going to cost him more to run. That is often the case with infrastructure programs. With school councils, the BER funded programs left them short because other areas such as costs for maintenance, utilities and cleaning were not included in the ongoing funding. I asked Professor Glover whether his energy consumption was going to increase with all the new infrastructure and how he was planning to meet those challenges. It was interesting to find out that CDU's energy bill will reduce with all the new buildings because they are much more efficient compared to their old buildings. CDU will get smarter, they are pretty good at that, and they might have to do a few things differently. Nobody likes savings.

Madam CHAIR: They will be making a lot of money out of Durack Heights, anyway, minister.

Mr GUNNER: Minister, I have one last data-related question. I realise you are still reading through the questions and answers. I have one last question, then those which have been tabled, and I will move on from education sector and welcome my other shadow. Gerry had ducked out but he might have one or two other questions as well.

This is one where I have a table so you can visualise it, because when I read it out it may not make much sense initially. Can you provide a list of all schools and the number of teachers at all levels, assistant teachers and other staff by category employed in the school in May 2012, May 2013 and anticipated number in May 2014? I have a tabled form so you can see how that lays out to make sure it makes sense.

Mr CHANDLER: Happy to take the question on notice. The forward prediction might be a little difficult.

Question on Notice No 7.8

Mr GUNNER: Do you want me to read that again, Madam Chair?

Madam CHAIR: Thanks, member for Fannie Bay. Please restate the question for the record.

Mr GUNNER: Minister, can you provide a list of all schools and the number of teachers at all levels, assistant teachers, and other staff by category employed in the school in May 2012, May 2013, and anticipated number in May 2014? I have a table so you can visualise that.

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I accept the question. The only premise would be that the projection for 2014 would only be a projection.

Mr GUNNER: That is not a problem at all.

Madam CHAIR: The question asked by the member for Fannie Bay to the Minister for Education is question No 7.8.

Mr GUNNER: Thank you for your cooperation today, minister, and I appreciate all the work of all your departmental staff both here and down the line, and I appreciate you taking the time.

Madam CHAIR: That concludes all outputs and agency related whole of government questions and all other questions relating to the Education portfolio. Thank you very much to your officials who assisted today, and we will move on to housing.

Mr CHANDLER: Thank you, member for Fannie Bay.

DEPARTMENT OF HOUSING

Madam CHAIR: Minister, I welcome you this time as the Minister for Housing and invite you to introduce the officials accompanying you and to make an opening statement regarding the Department of Housing.

Mr CHANDLER: Thank you, Madam Chair. Thank you, everyone, for coming today. Members for Wanguri and Nhulunbuy, thank you for being here. I have on my right Allan McGill, the Chief Executive for the Department of Housing. Ken Tinkham, Chief Financial Officer for the Department of Housing, will join us shortly.

Madam Chair, housing is important to all of us. This sounds a simple statement but the reality is that stable, secure, and affordable housing is not just a place to live but it provides a cornerstone of the economic and social wellbeing for each of us who live in the Territory. Stable housing is essential to enable individuals and families to enjoy a quality of life and actively participate in employment, education and general day-to-day living in thriving and healthy communities. Critically, housing plays a vital role in supporting economic development, population growth, and stability of the Northern Territory.

The cost of housing is, for most households, likely to be one of the major factors which impacts on their cost of living. It is a fact that good quality and affordable housing needs to be connected to shops, schools, hospitals, jobs, transport, and other essential services.

The 2013-14 Housing budget delivers a range of housing options that are vital to the future of the Territory if we are to fully harness the opportunities that are ahead of us. It also addresses legacy housing issues inherited by this government such as falling home ownership rates due to housing prices that are beyond the reach of many Territory households. The high rental prices also impact on local businesses which are struggling to attract and retain staff because of who cannot afford to pay their rent.

This 2013-14 Housing budget reflects government's commitment to assertively act to address the housing cost and stem the population drain, particularly for those individuals and households that work in key and essential service jobs, as well as low-income households across urban, regional, and remote Northern Territory communities.

Budget 2013-14 will deliver more real housing supply for people across the Territory through a range of targeted and strategic investment measures that complement the significant land release programs being delivered by this government.

I move on to urban public housing. The Territory government is spending \$52.94m to upgrade and improve urban public housing in 2013. This government is embarking on a socially responsible and strategic approach to better manage our public housing stock. This will include redeveloping and replacing many of the ageing and neglected public houses and unit and flat complexes that ensures existing tenants and future clients are housed in dwellings and communities that best meet their household needs.

A contemporary and well-designed stock portfolio, close to services and employment opportunities to maximise existing social and physical infrastructure, is necessary to ensure the best social inclusion outcomes are achieved for public housing tenants and Territorians more broadly. We are on a path to redevelop some of the complexes that are beyond economic repair, and I will be making some further announcements during the next few days. We are selling houses that are not cost-effective to repair, and we will invest the money in replenishing our urban public housing portfolio.

Budget 2013-14 includes \$22.8m in repairs and maintenance, \$5.37m for targeted and planned upgrades, \$7.3m in minor new works, \$5.6m in managed and supported accommodation and tenancy support programs, and \$3m towards refurbishing unit complexes.

To reduce homelessness, new public housing will be built in Bellamack and Zuccoli, with \$9.44m of Territory and Commonwealth funding. Budget 2013-14 also allocates \$7m in Commonwealth and Territory funding for specialist homelessness services.

In regard to public housing safety strategy, providing good homes for low-income Territorians in a peaceful environment contributes towards an enjoyable lifestyle and community safety. We have a low tolerance to antisocial behaviour around public housing. Public housing safety officers will continue to act when necessary to ensure tenants and neighbours feel safe.

Now to the delivery of more real housing supply. Through the Real Housing for Growth plan we are supporting supply of an additional 2000 new affordable homes throughout the Territory over the next four years. The plan aims to increase the supply of affordable housing and ease housing cost pressures to support the attraction and retention of key skilled workers in the Territory. This government has made a commitment to address housing affordability and supply through a range of strategies, and promote tenure diversification and encourage wider housing choices for Territorians.

There is a clear need to stimulate affordable new supply, and lessen market pressures for renters and home purchasers. That is why the Real Housing for Growth plan incorporates both rental and home ownership incentives. Through this plan, the government is particularly focused on facilitating the delivery of new housing for renters. Considerable work has gone into developing a scheme that is attractive to developers and investors, but that will also meet the needs of Territory renters. The scheme will be a win/win for property owners and renters. Property owners will have rent guarantees; renters will only pay 70% of the market rent with government meeting the difference. This initiative is not only new and innovative, but it represents a significant financial and resource commitment from the NT government.

Budget 2013-14 delivers \$3.8m to support the head leasing rental initiative for the Real Housing for Growth plan. The budgeted amount for head leasing will increase to \$9.9m ongoing from 2015-16. The head

lease provides developers with an income guarantee for 10 years and will encourage developers to build rental properties suitable for lower income earners. For Territory workers there will be a 30% rental subsidy on leased properties. Qualifying tenants may be a hairdresser, a mechanic, the nurse next door, or truck driver who has just arrived.

Under the Real Housing for Growth plan, we are continuing to help low to middle income earners purchase homes through NT home ownership so they have the opportunity to build a life in the Northern Territory. The Territory government assistance to Territorians wanting to buy newly constructed homes includes the HomeBuild Access home loan program, with a low deposit loan or a subsidised interest rate loan product. The Territory government also provides grants which will make a tremendous difference to homebuyers and will help stimulate building.

The First Home Owner Grant provides \$25 000 for a new home or land to build a home throughout the Territory. For people buying an existing home, there is a \$12 000 grant for Darwin, Palmerston and Darwin rural areas, and \$25 000 for the rest of the Territory as there are limited new homes in these areas.

There is also a Principal Place of Residence Rebate of up to \$7000 for non-first homebuyers to buy new homes or land.

The government also supports the Affordable Homebuyer initiative which encourages key low to moderate income homebuyers to have their eligibility and finances pre-approved and ready to buy the moment houses come on the market. Over the next few months, new properties will continue to come online and the Department of Housing and the Department of Lands, Planning and the Environment are working closely together to ensure more new housing is made available through this initiative as new government land releases come online.

Budget 2013-14 continues the unprecedented Territory and Commonwealth investment to make significant improvements to housing in remote communities. The Territory 2013-14 budget has an allocation of \$216.5m to build new homes and upgrade existing houses in remote communities, including government employee housing, which I will address later. The budget includes \$60m for property and tenancy management and repairs and maintenance services; \$139.6m in new and continuing remote Indigenous housing capital works projects; \$17.4m for assessment, remediation and removal of asbestos; and \$32.25m in Indigenous housing repairs and maintenance grants.

The National Partnership Agreement on Remote Indigenous Housing in the Territory is delivering at around triple the pace of Western Australia and Queensland combined. You will appreciate this is a significant achievement for a jurisdiction of our size, delivering in 73 remote communities across 1.3 million square kilometres. The second phase of the national partnership, from 1 July this year out to 2018, will consist of the construction of 522 new houses across a number of communities, largely replacing houses which are beyond economic repair. The program faces some significant challenges moving forward, including cost escalation and lack of infrastructure funding.

In June 2012, Orecon predicted the Territory's growing economy and large-scale projects would impact on the supply of labour, skills and materials, and may affect regional suppliers and drive up costs. This cost escalation is a combination of the current NPARIH cost parameters of \$450 000, but has no allowance for CPI or other rises in building costs, and has already been challenging in very remote locations, particularly on the island communities. We will continue to work closely with the Australian government to ensure this program will deliver the intended outcomes within the current budget structure.

Recent negotiations with the Australian government have led to an agreement under Stronger Futures NT to an additional \$230m in Australian government funding to bring all remote public houses in the Northern Territory to a safe and habitable standard. The next stage of the works aims to deliver a better standard of amenity and a durability to remote houses which was not achieved under SIHIP. This will include, on many communities, the painting of houses and laying of durable floor coverings.

To ensure key services are delivered to Territorians living in remote communities, Budget 2013-14 is setting aside \$44.6m, which includes \$40.6m to build 35 new dwellings and \$4m to upgrade and maintain existing houses for teachers, healthcare professionals, and other government employees.

Madam Chair, in conclusion, I thank the committee for this opportunity to address it and welcome your questions.

Madam CHAIR: Are there any questions of the minister's statement?

Ms MANISON: Thank you, minister. That was an extensive opening statement. I have a number of questions from that because you covered a fairly broad range of housing issues in the Territory.

Going to urban public housing, in the 2013-14 year could you outline specifically what new urban public housing dwellings you intend to deliver?

Mr CHANDLER: There will be some announcements later this week in regard to Runge Street; we are about ready to roll out that initiative. However, since coming into the Housing portfolio I have realised there are a few issues which need to be dealt with. I will need to don my Lands and Planning hat for a moment. One of the areas we realised we needed to address was the cost of greenfield sites; they are very expensive to deliver. Therefore, one of the first things I did as Minister for Lands and Planning was to find out what parcels of government land sit on current corridors next to services and which are appropriately zoned so we could use immediately to start building additional houses.

From that, we got expressions of interest from builders to be involved in the affordable housing project. We received a fantastic response from that and, as a result, the first of 780 new homes will be announced very shortly.

The second phase was to investigate what the previous Labor government had done in relation to public housing; what did they do well and what can we do to improve that. I remember feeling quite out of place during the first couple of weeks as minister when I was invited to open the new Parap apartments, which was a Labor government and Commonwealth initiative. However, I made sure the speech I delivered acknowledged the right people, because it is a really good example of what our government could do in the future with other public housing estates.

There are a number of public housing sites which can be resurrected. Money can be invested in them to provide public housing or a mixture of public and private dwellings. However, there are others that are past their use-by date, like Kurringal flats. I do not think any amount of money would be worthwhile putting into such old infrastructure, so that is one that is going to be bulldozed and will need to be started from scratch.

Mr WOOD: It is nearly heritage; there are many memories in Kurringal for older people.

Mr CHANDLER: What is the best use of that space? That will be next question. I looked again at what the previous government had done in the old Kurringal flats area. There is a marvellous example of what you could do with that particular space.

There will be the first of about 780 homes announced shortly, but in the public space ...

Ms MANISON: Just to clarify, minister, of the 780, are we talking about urban public housing or part of your affordable rental?

Mr CHANDLER: Yes, they are part of the 2000 homes. However, in regard to the public space it is now about identifying what homes are past their use-by date and should be either sold off, demolished or rebuilt, or finding how we can capitalise on some of those land areas. We are doing all that work at the moment and there will be some more announcements in due course.

Ms MANISON: Following on from that, minister, my concern was in the budget in Budget Paper No 4 and the infrastructure projects for new public housing that were there. They were all revoted projects. I did not see anything new on the books; any new initiatives. You have spoken briefly about your desire to redevelop Runge Street. We know we have two vacant blocks there, so it has all been decanted and is ready to go. We are hearing about your commitment to redevelop places like Kurringal, and other complexes like Tomaris and Shier Street also have that same potential for redevelopment.

However, my concern is you said there is nothing in the budget allowing for any new public housing in urban areas that has not been revoted. You have the dwellings regarding affordable rental, but is there any allowance going forward with these redevelopments for new public urban stock? Do you have any plans for any new urban public housing stock?

Mr CHANDLER: Absolutely. There is a real difference between the previous government's approach and the new government's approach. It does not always take just government money to pull off some of these developments. I am all for public private partnerships, and I know the previous government had entered into some arrangements with public private partnerships. However, it is about working with a number of

developers and finding the ways we can deliver improvements in public housing without putting more on the credit card.

We are in a very tight fiscal position because of the way the previous government - no disrespect - left us. However, taking that forward, it makes you deal with things differently. I am not afraid to work with developers. Some of the ideas being put forward by developers on how we can re-establish existing Territory Housing properties are amazing.

The space we are working in at the moment might be quite different had there been money in the bank, but I may not have been open to some of these suggestions that I am open to now. The fiscal position has forced me to work in a space. How do we go forward and deliver on improving public housing without going to the public purse and doing that? There are ways, as I have said, with public private partnerships. It may not be in the budget but that does not mean to say that Allan, the Chief Executive, and I, and many of my Cabinet colleagues, are not working with a number of developers on plans for the way forward.

I will give you one example. We had a meeting with a developer where we nominated some public land which is currently a public housing estate and asked what they could do with that public space. What they came back with was remarkable. It included schools, shopping centres, and public and private apartment complexes. The way they had taken that space and been able to not only provide the same, if not more, public housing positions but also make it a community through their designs was ingenious.

I am not saying we would accept that - you would have to go to expressions of interest; these have to be open and accountable processes - but it provides you with a different way of looking at the world. Government does not have to do everything and, in this case, if we decided to go down that route, we would end up with not only more public housing bedrooms, we may end up with a new school, shopping centre or community facilities that would not cost the government one cent. It is doable without money in the budget.

Ms MANISON: Going back to the Runge Street redevelopment, I understand you will be announcing those details in the next few days. Will there be any allowance for any new public housing in that redevelopment?

Mr CHANDLER: There will be, absolutely.

Ms MANISON: That is good to hear, minister.

Mr CHANDLER: There will be a commitment that there will be at least the same as we have there now.

Mr WOOD: Can I butt in for one second? The figures you have in the budget show a reduction of around 60 houses. It says urban housing stock in the mini-budget, 5123 down to 5062. Those are the numbers in the budget. How does that balance up with what you are saying? Does it mean you are getting rid of some houses?

Mr CHANDLER: I cannot put in the budget papers what we think will occur. It would be nice, but looking forward with what and how we are going to work with developers, I put on the table today that the figures will look really different this time next year.

One of the first things I did as the Minister for Housing was ask the Chief Executive at the time to give me a list of houses that were uneconomical to repair. I received a list of about 250 homes that will require more than \$100 000 to repair. I made a commitment that we really should sell at least 50 of those homes with the guarantee that the money from those sales goes into repairing and bringing up to a decent standard the other 200 homes.

I know that will play into the figures because you could argue that we now have 50 homes less than we had yesterday. I argue that I have 200 homes I did not have yesterday. It is a little bit of balancing. Yes, there will be some product sold off, but that money will be reinvested into new properties.

Mr WOOD: To clarify, the public housing dwelling figure is all houses whether they are inhabited or not?

Mr CHANDLER: That is correct, yes.

Mr WOOD: You are saying where you see a reduction in housing stock figures it is due to what you are doing at present?

Mr CHANDLER: That will play into it, yes!

Ms MANISON: You recently said you will sell 50 of those urban dwellings. How much do you expect to generate from the sales of those 50 public housing dwellings?.

Mr CHANDLER: If I agree to the AVO's valuation, probably more than is realistic. The AVO sets the price based on the market value of land and housing in that particular area. Some of these properties are less than presentable at the moment. I suggest there will be a reduction required to sell them off. At the end of the day, someone is going to have to come into these homes, take out a further loan to renovate them to get them to a decent standard. However, the commitment we have is whatever we make in that space is reinvested into those homes that need to be brought up to a decent standard.

Ms MANISON: With regard to the plans to build more public housing, you are telling me every cent you generate from the sale of public housing will be reinvested into new public housing?

Mr CHANDLER: Absolutely. Sorry, the sale of those 50 will go into the 200 that need to be brought up to standard. Remember, I said there was a list of 250 homes that required more than \$100 000 worth of work to bring them back up to a habitable standard. We will take 50, sell them off, use the money to put back into those other 200 homes to renovate them so we can use them. Today, they are not being used; they are empty. I want to be able to use them again.

As you would appreciate, when you have a list as long as your arm of people desperately trying to get into public housing, in a very short period of time it will give me the ability to put 200 more families or couples into homes that, at the moment, we do not have access to.

Ms MANISON: Minister, I am right in saying not one cent from the sale of those 50 houses will be reinvested back into building new urban public housing?

Mr CHANDLER: Not correct. I am using average figures here – if each of those homes requires about \$100 000 worth of repairs - and some might need less, some might need more - if there is money left over from that sale, I guarantee you it will go into new properties.

Ms MANISON: Okay.

Mr CHANDLER: The guarantee from me is the money that is earned will go back into public housing stock.

Ms MANISON: In building new public housing stock for the future, we have heard about your desire to redevelop existing complexes on some fairly nice pieces of land. Also, with regard to other developments, is the plan going forward to build new public housing utilising existing public housing stock where, for example, you would bulldoze one and build a couple of town houses, or is it new land releases? Is that the only options you are looking at in existing public housing lots and new land releases?

Mr CHANDLER: If we had a couple of days I could tell you of all the different approaches which have been put to me in recent times. I give you a commitment that the door is open and the developers are coming forward with many ideas and suggestions on how we might move forward. It would help to give you the vision I have in Territory Housing based on the fact that we do have much old stock. Old stock is causing Territory Housing to have massive infrastructure and maintenance issues. No one can deny that a 38-year-old Territory home is, perhaps, past its use-by date.

My vision for Territory Housing is to not have any Territory housing stock that is older than 10 or 15 years; to have a point in time, whether it is 10, 12 or 15, that will be worked out on economics. Once that house gets to that age it is sold off and the money reinvested in new houses, so we are never left with ongoing, long-term maintenance issues for this government or any future government into the future. The money will be reinvested into new properties.

It provides not only a step-up for people so they can purchase their homes, it also provides great work for the local building industry and, as I said, takes away a major hurdle for Territory Housing, which is so much money being spent on maintenance. If you get rid of those houses much earlier than we do today, while they are in good condition and worth good money, the money can be invested in new stock.

Eventually, we will have a position where no house is really an old house; the standards of the housing is better, which is better for our communities. One of the other things it deals with, which you did touch on,

was, is there is a good example in Ryland Road where one house and a rather large block is then turned into two town houses. It provides more bedroom spaces and more options for Territory Housing.

When you talk to clients today, even in Palmerston, some of the bigger housing blocks in Gray, Woodroffe, and Driver, are so large and people, especially the ageing population, are finding it harder to maintain their properties. Some do not necessarily want such a large property; some do, some do not. We need a wide variety of units like those in Parap ...

Ms Manison: Yes, love the new units.

Mr CHANDLER: Yes. You have to provide versatility in the stock you have. Because people's needs and wants are different to what they might have been 20 or 30 years ago, we have to be reflective of the modern market. Some will be apartments, some units, and some houses. Some of the bigger blocks we have can be better utilised, as has happened in Ryland Road.

Madam DEPUTY CHAIR: Thank you, minister. I bring your attention to the time. It is now 1 pm. We will break for lunch and resume after that.

The committee suspended.

Madam CHAIR: We are still on questions relating to the statement.

Ms MANISON: Going back to what we were speaking about before the break in relation to new public housing. It is clear in the budget papers what you have on the books going forward in new urban public housing. Are there any other definite plans, aside from what we heard about Runge Street, you could put on the record for estimates today about going forward with new public housing construction?

Mr CHANDLER: There are many, but most of those negotiations are still occurring and it would be wrong of me to put them on the record. Some may not come off - I am hopeful they will happen - some will not. If I was to put out we are working with a particular company or working on a space, we are setting ourselves up to fail.

Whilst I would never suggest the fiscal position we are in is easy to work with, it is quite exciting because it makes you think of doing things differently than you once might have. If we were in a far better fiscal position there might be more money in the budget up-front to build public houses, but that does not mean we cannot deliver public houses. I would love to be sitting here in 12 months able to tell you without additional public money we delivered X number of houses. Hold me to that.

Ms MANISON: That is something we will definitely keep an eye on, minister. Going back to the opening statement as well ...

Mr WOOD: If the public private partnership involves public housing, is the housing public? Do you own the houses?

Mr CHANDLER: A number of scenarios have been put forward. I do not want to talk about hypotheticals, but there will be some. There may be an occasion where you have a public facility today that may be redeveloped. Let us use the scenario where it is redeveloped and what is redeveloped is turned into both public and private to fund the upgrades. There is a company - and I will not breach confidentiality - that has spoken to us about upgrading existing Territory homes or replacing Territory homes on a one-for-one basis. We might enter into a public private partnership in regard to the land in exchange for an additional public house or a brand new public house, and half of that facility is used by them, half is used for public housing.

Some of that might involve seniors. We might focus on a set of apartments where we might provide more seniors accommodation, through to other areas and other demographics. It is not limited to just one type of ...

Mr WOOD: I was trying to understand because once you introduce private into the equation, if that is on public land the house the land is on is public and belongs to the government, or ...

Mr CHANDLER: It depends on how we negotiate. I will use the example of when we were talking about education earlier today; how we transit from a public school into the non-government sector. There are

ways which exist today where, for instance, the asset might be transferred to the private sector but the land itself is on a leased provision. There are a number of schools in the Darwin area that are under that arrangement. That provides assurance to the government that the future use of the land will always be in accordance with what government gifted the land or the assets to them for.

In some cases there might be a commercial arrangement made where a company purchases a public property. We might then use the money to build new public housing. There are number of different ways. There will be everything from leasing arrangements to selling properties completely through to public private partnerships where there will be sharing arrangements. We are looking at a number of different scenarios at the moment.

It is exciting looking at the way other jurisdictions around the country are not only designing, but rolling out public housing estates at the moment. In western Sydney, there is a perfect example where they have changed an entire suburb which used to be old or public housing properties, to quite a remarkable modern development. There is so much we can do in that space. You have to have the courage and the commitment to actually to do it.

Mr WOOD: We will watch.

Ms MANISON: Absolutely. Minister, you have said you have decanted Runge Street, looked to sell vacant houses, and you have other vacancies. Can you confirm how many Territory Housing properties are currently vacant?

Mr CHANDLER: Do we have those figures available? If we do, great, or we will take it on notice.

As of 31 May 2013, there were 299 unoccupied public housing dwellings across the Northern Territory representing 6% of the total stock. Of the 299 dwellings, 24 were vacant and pending assessment; 81 which is 27%, were undergoing maintenance; 78, which is 26%, were undergoing major upgrades; 88, which is 30%, were pending sale and redevelopment or are beyond economic repair and require assessment of a site for future use; and 28, 9%, were available for allocation.

Ms MANISON: Just confirming that number again, that was 299 vacant Territory Housing properties at the moment?

Mr CHANDLER: Yes, 299 unoccupied public housing properties.

Ms MANISON: Also confirming, minister ...

Mr CHANDLER: Do you actually want to know what locations they are?

Ms MANISON: Yes, if you could break them down by region.

Mr CHANDLER: That is vacant urban public housing. Did you want to know the remote?

Ms MANISON: Sorry, the ...

Mr CHANDLER: That was urban public housing. Do you want to know the remote figures?

Ms MANISON: By all means, yes.

Mr CHANDLER: As of 31 March 2013, there were 96 vacant remote public housing dwellings. I will break them down: in Alice Springs there are 28; in the Darwin area, 21; Katherine, 37; Nhulunbuy, six; and Tennant Creek, four. There is a range of legacy houses, new, rebuilt, refurbished, and BER improvements.

Ms MANISON: Thank you.

Mr WOOD: Minister, you said you have 88 houses pending sale. Is there any difficulty selling those if they are not up to cyclone code?

Mr CHANDLER: Member for Nelson, they would have to go through the normal processes of sale and that would include ensuring the right certificates were in place to allow occupancy. If it was uncovered at the time that a particular property did not have an occupancy certificate, it would be incumbent on that

certificate being issued. No bank is going to lend somebody money on a house unless it is up to code and certified.

Mr WOOD: You can buy a house that is not coded.

Mr CHANDLER: Yes, you can but ...

Mr WOOD: These are government houses, and I do not know what responsibility the government has in that regard. I know there were questions asked about the sale of Commonwealth houses; whether they could be shifted and whether they complied to the Building Code. I did not know whether there were complications. I imagine they are older houses. I do not mind if they are sold, but is the government required to do anything to ensure they are up to code before they are sold?

Mr CHANDLER: Whether or not you can get money from a bank is a different story. If you have the cash, of course. The information I have is that all our dwellings are coded because they are all post-cyclone. However, I will go further to say many of these houses that are being sold, because of the condition they are in, purchasers will be buying the properties as is, where is. They will have to go into the sale with their eyes wide open in regard to what they will need to spend on the property to bring it back to a standard. I do not think there is any expectation that the department will bring the house up to a certain standard before it was on-sold. Why would you do that? The government would keep it for its own stock if it was spending money on it.

Ms MANISON: Given we have about 100 extra properties vacant compared to the same time last year, can you confirm the average turnaround time, in days, for vacant properties at the moment, minister?

Mr CHANDLER: Yes, I can get that information for you. Are we able to take it on notice and get the information at a later stage?

Question on Notice No 7.9

Madam CHAIR: Member for Wanguri. could you please restate the question for the record?

Ms MANISON: The average length of time, in days, that Territory Housing properties are vacant for?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do, on the premise that we are able to get the data. Apparently, we are having more AMS issues, which I do not think any of us want to talk about.

Madam CHAIR: The question asked by the member for Wanguri of the Minister for Housing is question No 7.9

Ms MANISON: Minister; previously in Budget Paper No 3, the average time of turnaround for vacant Territory Housing properties was a key deliverable. It is no longer in Budget Paper No 3 as a key deliverable. Why has that been taken out?

Mr CHANDLER: I am not sure. There was no real reason for that to be dropped. It was probably because we have issues with AMS. If we were able to produce the information readily we could have it available for Budget Paper No 3, but the system we have - AMS with its millions of dollars worth of issues - makes it very difficult to find that data. If we can find the data, it will take some time ...

Ms MANISON: It was previously reported on.

Mr CHANDLER: But was it accurate, given AMS was spitting out some pretty average information?

Ms MANISON: It has been reported on in the past, and it is something the report on government services reports on also.

Mr CHANDLER: I do not have an issue, member for Wanguri, in producing the information; there is nothing to hide. We are doing all we can to speed up the processes. That is why the budget, in certain areas this year, is looking - I will not say healthy, it would always be nice to have more money, particularly

for R&M. The reality is we are doing all we can to get houses turned over as quickly as possible and improve on some of the previous processes in how that R&M money was spent.

Madam CHAIR: Did you want that question on notice member for Wanguri?

Ms MANISON: That is fine, sorry, Madam Chair.

Madam CHAIR: You are happy with that?

Ms MANISON: Yes. Going to the average wait list times, minister, would you be able to provide that by region and dwelling size?

Mr CHANDLER: I will just seek ...

Ms Curran: It is on the website.

Mr CHANDLER: It is back up on the website.

Mr WOOD: Following up, there is very little information on previous wait lists and wait times. I could not find anything except the one document you have on your website, which was the wait times. The previous years to compare it with seem to have disappeared. Every year, you could find a waiting list for the previous year, but there is none of that on the website anymore. How am I supposed to know whether you are doing better or worse?

Ms Curran: Wait times were updated every month previously, and we can provide details on a monthly basis.

Ms MANISON: Member for Nelson, going by the records I have of wait list times, there seem to be some significant increases in the most recent I can see online from May to March.

Given we have about 100 extra vacant properties compared to this time last year and we have also seen some significant increases to the wait list, I am concerned about the time line of when you will be able to bring forward more information regarding the plans to develop more public housing stock.

Mr CHANDLER: It comes down to the fiscal position we are in now. We are currently working with a number of developers on some innovative ways we can deliver on housing. My goal is to increase the housing stock we have, but I also never want to see public housing for the majority of people seen as a last resort. It should be seen as something to allow people to step into their own homes. That is why I spoke to you before about the vision where we roll over houses much sooner to allow people that opportunity.

There will always be situations where, if we go down that program where we are rolling over homes at a much earlier date, those people in that house will not be in a position to afford to purchase that house because of their own personal circumstances. I believe that is where we need to provide a decent pathway for those people to move into another newer home to allow us to sell that home.

I was very frustrated, on coming into government, to learn that more than a third of our bedrooms we have across the Territory were unused. We have a waiting list with thousands, but we have situations where we may have little old Mrs Brown who has lost her husband, who has raised four or five children in that home, and has been in it for 30 years. There is part of me that thinks she has a moral or ethical ownership of that home, yet it is still a taxpayer-funded home, an asset of the government. There could be two or three bedrooms in that asses which are underutilised, yet I have families out there who are screaming to get into public housing.

It is another reason I believe it is incumbent on us to change the model of Territory Housing to one where we are getting rid of the older stock and rolling it into new stock; you are going to get rid of some of those legacy items like dear old Mrs Brown who has been living in the property for 30 years. It is not an easy one; a box of chocolates is not going to cut it when it comes to, 'Sorry, Mrs Brown, we are moving you out to another property'. We do not need those problems.

I believe if we have housing turning over much sooner we are never going to be left in that position. So, not only are we dealing with the legacy of huge repairs and maintenance budgets, given old stock costs more to maintain, we are lifting the standards of housing and we are not left with that legacy item. I believe

there are many solid, sound reasons why Housing should move away from keeping stock forever, to rolling them over and bringing on new stock.

Madam CHAIR: I am sorry to interrupt. Member for Nelson, did you need Ms Curran's comments recorded in *Hansard*, or ...

Mr WOOD: I want to know why the previous wait lists were not on the website anymore.

Madam CHAIR: The answer would not have been recorded. Would you like Ms Curran to come up? Sorry, Michelle, are you able to state your name and title, and then your response to the member.

Ms CURRAN: Michelle Curran, Deputy Chief Executive, Housing. The wait times have previously been recorded on our Internet site, and they are usually updated monthly, which then overrode what was there the previous month. That has been the process we have used for a period of time. They were down for a period of time.

However, we can provide that information on a month-by-month basis. The information of wait times is available.

Mr WOOD: I may be wrong, but were you not also able to go back a few years to see wait times?

Ms CURRAN: Wait times were not recorded year-by-year, month-by-month on the website, but they can be provided.

Mr CHANDLER: We can get the information to you.

Mr WOOD: Yes. I had a feeling we have asked these questions every year and ...

Mr CHANDLER: To be fair, if you go back and have a look at some of those figures, I believe you will find, even under the previous government, every month those figures would be put up and you would see the waiting list blow out by about a month every month they went up.

Mr WOOD: We need to know that so we need to know ...

Mr CHANDLER: We are happy to provide ...

Madam CHAIR: Would you like that question on notice?

Question on Notice No 7.10

Mr WOOD: Yes. Minister, can you provide the wait list for public housing over the last three years?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: On a monthly basis?

Mr WOOD: Six months will do. We do not need it every month. It is just to give me a trend to see which way it is going.

Madam CHAIR: The question of the member for Nelson to the Minister for Education is question No 7.10.

Ms MANISON: Minister, I am concerned to hear there are almost 300 vacant houses, 100 more than this time last year. This is at a time where we have seen wait lists go up. If you compare 2012 to 31 May 2013, figures I have for a one-bedroom place in Alice Springs for a normal pensioner is 66 months to 80 months; a one-bedroom for a pensioner, 50 months up to 64 months; for a two-bedroom, 49 months up to 63 months; a three-bedroom, 62 to 66 months in Alice Springs. In the Darwin area: for a one-bedroom for a pensioner, 70 months to 83 months; for a two-bedroom, 52 months to 62 months; for a three-bedroom place in Darwin and Casuarina it is 64 to 68.

We are seeing an increase in wait list times and also more vacant stock, which is very concerning. We do not want to see that blow out because we know there is great need for housing.

Mr CHANDLER: Member for Wanguri, there is no getting away from this question, and you are right. I was fascinated to find out - angry is the right word – when we came into government and found 80% of the R&M budget for this financial year had been expended by Housing. From 1 July to before the election in August, 80% of the R&M budget had been expended.

For the remainder of the year, I was left with around 20% of the budget. It is difficult to turn over this stock and have it fixed when the previous government had spent around 80%. It was as if there was a spendathon in the lead-up to the last election. It was not a good position to be in; having to manage the entire year with only 20% of the budget. It has been very difficult. If there has been a slowdown in turning this stock around, it is on the basis that the budget was not there.

We are doing all we can to find efficiencies within our programs. However, we were picking up some of the legacy items such as AMS, for instance - which must have been a nightmare for the previous government to manage; it is for this government - and finding out a particular light post had been fixed six times before it was finally fixed the right way, yet the department was billed six times. I came in as a minister and found this is the way processes were in the past. We have to be smarter in the way we not only manage what money we have, but how we spend and account for it. To have one light pole fixed six times before it was fixed correctly, and learn the department was billed six successive times is not good enough.

We have to improve on not only with the amount of money we spend on R&M into the future, but how that money is spent and accounted for.

Ms MANISON: Minister, can you confirm the number of current applicants on the wait list and the number of applicants on the priority housing wait list?

Mr CHANDLER: Do you want them broken into regions?

Ms MANISON: If I can have an overall figure, and broken down by region would be fantastic.

Mr CHANDLER: For *Hansard*, I am reading Table 2, Urban Public Housing Applicants as at 31 March 2013. The total number of applicants is 3095, and priority housing applicants is 711. I will break them down to regions. In Alice Springs, the total number of applicants is 589 and priority housing is 220. In Casuarina and Darwin, there are 1507 applicants and priority housing is 311. In Palmerston, there are 442 applicants with 94 on the priority housing list. In Katherine, there are 338 applications with 40 on the priority housing list. In Nhulunbuy, 29 applications with three on the priority housing list. In Tennant Creek, there are 190 applications with 43 of those on the priority housing list. That accounts for 3095 applications, 711 of which are on the priority housing list.

Mr WOOD: Are those figures on the website, minister?

Mr CHANDLER: No.

Mr WOOD: Can they be put on the website?

Mr CHANDLER: I do not have an issue. I have looked carefully through the process that the Department of Housing has regarding applications. Many of these applications are from people who have arrived in the Territory, have applied, and the next time Territory Housing checks, they are living in Victoria. How many you would consider active? I do not whether every one of these is somebody who is waiting at this particular moment in time in the Territory. It is a sad indictment on the system nationally, but I was speaking to a gentleman recently who had applications in three or four different states.

Mr WOOD: Last year, the previous government did an audit of those who should and should not be on.

Mr CHANDLER: That is an ongoing process. People are responsible for updating their details with Housing. When they have not kept their details updated, Housing sends out letters to ensure they still need a house, whether their circumstances have changed, and to ensure the data we have in the system is as accurate as possible. That is an ongoing challenge.

Mr WOOD: Data is important. Sometimes, as a local member, people come and ask what the waiting time is for a house ...

Ms MANISON: And you want to give them a realistic answer.

Mr WOOD: You can put them off when you provide some of those wait times, but at least they know they should be putting their name down early, especially people who are getting towards pension age.

Mr CHANDLER: I totally agree that people need to plan well. However, the fact we have a waiting list at all begs the question of what is acceptable. For some people, fewer than 1000 on a waiting list is acceptable, for some it is zero. In a perfect world you would not have people waiting; there would be a house for them to go into. However, waiting lists are no different across the country; every state and Territory has a waiting list. None of us is happy with that. We want to do what we can to ensure we have enough public housing stock, but we need to move away from a program where people see public housing as, 'That is it, I have a public house and I am going to be here for the rest of my life.' I would love to see us change people's expectations so public housing is seen as a stepping stone to private housing.

Ms MANISON: The applicant numbers on the wait list are pretty similar to what they were last year. There are 300 vacant properties at the moment so there has been an increase of about 100 vacant properties. We are also seeing the wait times rise. That is a real concern and something to keep an eye on, particularly with new housing construction coming online, because we know it is tough for people out there and we do not want to see wait times blow out any further.

Mr CHANDLER: I totally agree. If I was not concerned, I would not be here.

Ms MANISON: Absolutely. Minister, in regard to wait lists, there has been a fair bit of attention about your decision to increase rent significantly for people you classify as over entitlement?

Mr CHANDLER: Are we moving off the opening statement or are we ...

Ms MANISON: Still on the opening statement; just asking a bit about the urban public housing.

Mr CHANDLER: Okay, I do not recall mentioning that in the opening statement but ...

Madam CHAIR: Are you happy to answer that question at this time or in an output?

Mr CHANDLER: I will, that is not a problem. However, that question might lead into many other questions. I am happy to answer it, though.

Ms MANISON: You have made a decision to try to move people you regard as over entitlement out of public housing. Is that correct?

Mr CHANDLER: You are inferring you think this decision was made to force people out of public housing. It was not. There are some people who will question whether or not they should be in public housing or the private sector. It is fair to say that, for a long time, we have seen the cost of housing, through lack of land release and a number of factors, go up substantially. I was always concerned that whatever decision we make in the public housing space would push some people into that next bracket.

We have three brackets. You have public housing and you have the top end of town - if you want to call it that. They will always take care of themselves. They are smart people; they will look after themselves.

It is the chunk in the middle I have grown increasingly concerned about. I have said a few times - and I do not have shares in Gloria Jean's - that I worry about the lady serving coffee at Gloria Jean's. How do the people on average incomes fit into all of this? They have decent jobs that pay reasonably well, but they do not fit the public housing sector eligibility. There are a few people still in the public housing sector who are earning reasonable incomes and should pay their fair share of their rent, but they are not people in the top end of town. As government moves forward, we really need to concentrate on bringing some affordability back for these people who sit right in the middle of public housing and the top end of town; the average person. That is where my focus will continue to be into the future.

We need more public housing stock but, equally, we need more affordable properties to rent and, eventually, to buy.

Ms MANISON: I share your concerns with regard to the people doing it tough and who teeter on the boundary of public housing eligibility and not being eligible. In some of the cases when people came to speak to me, they were shocked and dismayed, as you can imagine, when they saw the rent go up in the vicinity of \$200. Even in the private sector that would strike us as shocking because it is a huge jump for

anybody on any income. It is particularly so for the people I have met because they are battlers doing it really tough, minister. I did not meet any wealthy people through this process ...

Mr CHANDLER: I understand, but what people fail to understand is we are encouraging people to contact Housing wherever they find themselves in a difficult situation. Of the around 500 letters that went out, about 19 people provided information back to Territory Housing. I implore people to come forward and describe their circumstances. I find it interesting that 500 letters were sent and only 19 people have responded to Territory Housing.

It should also be put on record that the rent is based on their income. If somebody is earning a lesser income, they will pay less rent; it is 30% of their income. There are many people in that sector we talked about before, the lady from Gloria Jean's, who are paying well in excess of 30% of their income.

Sorry, it is not 19; 42 people have come forward since 13 June 2013.

It is not so based on the AVO rent according to the market rent in a particular area. The actual rent they pay cannot exceed 30% of their income.

As I said, many people are paying well in excess of 30% of their income in the private sector market today, whether that is right or wrong or good or bad. In this case, with all of these people, they are not paying more than 30% of what they earn.

Ms MANISON: Of those 42 you have reassessed, did you find that in some of those cases they were being charged over 30% of their income on rent?

Mr CHANDLER: From what we know, six are still required to pay market rent, and 36 of the 42 are eligible to pay rent based on 30% of their gross income. That proves to me again there is real benefit in coming forward and letting Territory Housing know what your circumstances are.

Ms MANISON: Absolutely.

Ms WALKER: Excuse me, can I just ask a question, Madam Chair? It is a local member question on this particular subject.

Madam CHAIR: Absolutely.

Ms WALKER: Minister, having seen the figures published on the website about the current rents and the increase in rents in the market values as decided by the AVO, Nhulunbuy across the board, across every type of accommodation, has the highest rents now in public housing in the Northern Territory. A three-bedroom house has gone from \$350 to a market rent of \$700 a week. I have written to you very recently about a couple of constituents who have approached me with their concerns about this.

You alluded to the fact when you were talking about selling off some public housing that the AVO valuation - I am trying to paraphrase you here, minister - is not necessarily reflective of places that are, perhaps, very old and you were going to have a look at that.

I suggest to you that some of the dwellings in Nhulunbuy are very old. The closest market rate in the Territory, for instance, to a three-bedroom house in Nhulunbuy is \$580, from memory, in Fannie Bay. Given the cost of living in Nhulunbuy that goes with remoteness, I am struggling to understand how these market rates can possibly be accurate and reflective of the cost of living there, given that Nhulunbuy is on a special purpose lease where access to land and private housing is incredibly tough.

Mr CHANDLER: Your question is based on how market ...

Ms WALKER: How you arrive at these market rates and the fairness of them.

Mr CHANDLER: It is a good question. When I said that before - and I love the way you paraphrased - the AVO sets a market value, given the market rents paid in the area. This is where I have struggled. I have had discussions with not only the CE of Housing, but also the CE of Lands. The issue I am struggling with at the moment is we know we have an overinflated, if you like, market driven by many factors. We can say lack of land release, companies like INPEX coming to town, in Nhulunbuy higher incomes if you work in the mine, and those type of things are all factors that are affecting the market. The AVO comes along and

provides a market valuation based on what the current market is. If we already think it is overinflated, as a government, what do we do to be able to do something in that area?

I have spoken to the CE of Housing about whether we are able, as a government - let us say we are about to sell off a Territory Housing property and the AVO says that house is valued at \$500 000 - to sell that off at \$400 000 into a new homebuyers scheme, for instance. I am just talking scenarios. I am now led to believe we can under certain circumstances. It is up to the Minister for Housing or the minister for Lands to sell land at lower than the market value, but there are some parameters we have to ensure we consider.

One of those considerations is if I, as the minister for Lands, was to release land for a peppercorn lease of \$1 a year, allowing people to be able to borrow, let us say, \$350 000 to put a house on that land but, in the house next door someone is already in, they have paid \$650 000 for that house because the house and land is valued at that today. If this person got in for \$350 000, that upsets the market too much. If you are going to look at ...

Mr WOOD: Not if you control the rental on the lease.

Mr CHANDLER: I hear what you say, member for Nelson, but if we did that overnight, all the expert advice coming my way is you would cause a tsunami of difference in the market, and you would bring things crashing down. Things have to be brought in over a staged period. You cannot overnight say the market value of a house is worth \$500 000 and we are going to sell it for \$200 000, because it is going to cause a lot of concerns out there.

The same thing with the market rents. I am still learning to understand how we arrive at these market rents based on an AVO in a market that, personally, I think is already overinflated. Then you have added complexities as you have in Nhulunbuy; again, a special set of circumstances out there. Alice Springs also has circumstances. Our remote communities have circumstances. Trying to bring this all in and finding something that is a one-size-fits-all is a complicated matrix for me at the moment.

What I can tell you, though, is if the circumstances of any of those 500 people sent letters are not accurate, please make contact with the department. As you can see, in many cases people have been brought back to 30% of their income away from what the market rent was.

Ms MANISON: Minister, I have seen some pretty shocking cases and have sent them to your office to consider. It has caused a great deal of distress for many families, as you well know. I am trying to understand why you increased rents in one big hit. An amount of \$200 a week is a huge hit for any family, even in the private sector. Why were you willing to make such a huge jump for these families? These are not wealthy people; they are doing it really tough. Why did you make the decision to increase their rent by \$200 a week? Why did you not, for example, look at a system which could tier rents? It is like the Power and Water increases. It was one big hit; too much hurt at one time. It is really hurting families.

Mr CHANDLER: We have to bring some perspective back into this. At no stage will anyone be paying more than 30% of their income in rental. It is based on their income. If they are paying a higher rent it is because they are earning more money than somebody who might be on welfare. The 30% threshold is set to ensure nobody goes into rent stress, or goes past what they can and what has been determined. It has been agreed, federally, that 30% is the threshold where no one should pay more than that or it is called rent or mortgage stress. Nobody, across the board in the Northern Territory, is going to be paying more than 30% of their income.

Ms MANSION: Are you considering people's personal situations? For example, some of the families who have seen me have considerable health expenses. Does Territory Housing take that into account when calculating the 30% or what rent they pay?

Mr CHANDLER: When people present, on a case-by-case basis, to Territory Housing everything will be taken into consideration. It is a bit like the 'I own a dog and I need a fence' argument. Is it Territory Housing's responsibility to put a fence around a property if they choose to own a dog?

Ms MANISON: It is a bit of a different analogy.

Mr CHANDLER: It is a bit different with Health, but Territory Housing's responsibility is to house people and provide as many houses as we can. Under no circumstances is anyone required to pay more than 30%. That is the perspective we need to remember.

The previous government, the government you had worked for, had capped any rent increases to \$20 a year. You could say that decision has caused this anomaly to occur because, as market rents have increased across the board, you now have a situation where things are out of kilter. You could say a decision of the previous government to cap rent increases to \$20 a year has left us with this quantum leap that exists. Whether that is right or wrong, the previous government made that decision for whatever reason, but it has caused this quantum to occur. This is what we are trying to address at the moment. I go back to the fact no one will be paying more than 30%.

Ms MANISON: Minister, ultimately, to increase rents by \$200 a week was a decision your government made ...

Mr CHANDLER: You are probably talking about a specific circumstance. I would say if there is a family out there that is paying \$200 a week ...

Ms MANISON: It is a huge hike by any standard means, especially when you are doing it to people on low incomes.

Mr CHANDLER: ... they need to be discussing this with Territory Housing. We have thousands of people, member for Wanguri - 3095 people. How can I sit here and have people earning decent money live in Territory Housing, who should consider moving into the private market, when I have thousands of people with equally compelling arguments to be in Territory Housing in the first place?

Ms MANISON: This comes back to my concern that some of the people I have been speaking to regarding their rental situation have received an increase of an \$200 a week in their rent. The ultimate world would be there would be housing available for them to step into, in the affordable space, but we know that is being worked on at the moment and is not yet there.

People are also telling me they are considering reducing the hours they work or considering quitting their job in order to afford to stay in their housing because it is just too much. Are those types of circumstances taken into account when you reassess rental situations?

Mr CHANDLER: I would never advocate somebody give up paid employment just to keep them in a house.

Ms MANISON: It is something that people are concerned with.

Mr CHANDLER: I would always advocate that people up-skill to improve their personal circumstances. I do not believe people should be reliant on Territory Housing; they should be doing all they possibly can, when their personal circumstances allow, to move into private sector housing. That could be through a mortgage and many of the other great incentives we have to purchase homes. We are releasing land at very quick rates to get more houses into an already very tight market. With all the programs the government has in place we are going to slowly see changes in that market.

Ms WALKER: Virtually none of those changes apply to Nhulunbuy, where rents are doubling and people have no option other than to reduce their hours.

Mr CHANDLER: Member for Nhulunbuy, as you said, Nhulunbuy does have some particular land issues; the who town is on a lease. It is not a normal circumstance, just as towns like Jabiru are not normal circumstances.

Ms WALKER: You are still applying AVO market rents, doubling rents, and it is unsustainable for people.

Mr CHANDLER: I encourage those people to make contact with Territory Housing and to explain their circumstances. I need to point out that nobody will pay more than 30% of their income for rent. If you are on \$3000 a week, it will be based on 30% of you income. If you are earning \$1000 a week, it will be 30% of your income. If you are earning \$300, it will be 30% of your income.

Ms MANISON: In the *Northern Territory News* recently there was an article regarding a person who was living at Kurringal flats and had their rent increased to \$400 a week. Has that case been reassessed because it did not look like that person would have much money to live on if they were to pay that much rent.

Ms Curran interjecting.

Madam CHAIR: Michelle, did you want to ...

Mr CHANDLER: I will repeat that in a second, as I have to be careful. This is an individual case and I do not want to ...

Madam CHAIR: Perhaps, Michelle, you could come to the minister to speak.

Mr CHANDLER: That is a difficult one to answer because it is going to incriminate somebody. I do not want to do that. I encourage that particular person to make contact with Territory Housing. If I tell you what has occurred then that would be wrong of me to do so.

Ms MANISON: I encourage that person to get in contact with Territory Housing. Is Territory Housing aware of that case?

Mr CHANDLER: I am fully aware of it.

Ms MANISON: Are there any other cases where people are getting charged \$400 a week to live at Kurringal?

Mr CHANDLER: Not that I am aware of. Again, I suggest that particular person contact Territory Housing as soon as possible so we can deal with the issue.

Ms MANISON: In the rental increases that have gone through for being over entitlement, how many of the 500 were seniors?

Mr CHANDLER: I can take that on notice if we do not have that answer.

Ms MANISON: Thank you, minister.

Question on Notice No 7.11

Madam CHAIR: Member for Wanguri, would you clearly restate the question for the record.

Ms MANISON: How many of the Territory Housing senior clients that are classified as over entitlement have experienced rental increases?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: Yes.

Madam CHAIR: The questions asked by the member for Wanguri of the Minister for Housing is question No 7.11.

Mr CHANDLER: Do we want to move on to Question 1?

Ms MANISON: Minister, going further in regard to your opening statement. I know affordable housing clearly plays an important role in the space between public housing and the private market as that gap widens. There was money set aside and allocated in the previous Territory budget of 2012-13 for the construction of 140 dwellings to be transferred to Venture Housing, which are to be done at Johnston, Zuccoli, and Maluka Drive. What is happening with that project?

Mr CHANDLER: I remember signing something for \$60m. Do you want to answer that question?

Ms CURRAN: That project is continuing to deliver houses for Venture Housing. It was intended the houses be finished by 30 June 2014. The project has changed slightly in how it is delivering. We are purchasing a number of dwellings off the plan, which is helping developers to get the remainder of their development up and running. There is a range of strategies. There are 48 dwellings being constructed through an LDC project in Johnston, and the balance of dwellings will be through off-the-plan purchases. Some are in Nightcliff, a number in Palmerston ...

Ms MANISON: Whereabouts in Nightcliff, Ms Curran?

Ms CURRAN: It would not be appropriate for me to tell you; we are negotiating the final details of that. We will be able to provide that in the next couple of weeks.

Ms MANISON: Is the Maluka Drive site still a location for some of these dwellings?

Ms CURRAN: No.

Ms MANISON: What will be happening with the Maluka Drive site?

Ms CURRAN: That will have to be referred to Lands and Planning. That is not a housing project.

Ms MANISON: The 140 are still under way and will still be delivered?

Ms CURRAN: Yes. We are still negotiating. The commitment was up to 140 depending on economic circumstances and the construction prices. The agreement with Venture Housing was always a commitment of \$49m for up to 140 dwellings. That commitment for \$49m is maintained.

Ms MANISON: Thank you, Ms Curran. Minister, given we know there is a big need for affordable rentals for key workers in the Territory, and you have a huge desire to deliver affordable housing in that space, when is it likely we will see the first of the 140 properties available for rent to Territorians?

Mr CHANDLER: I will go back to something I said earlier, which was that the sites which had been identified. One of the first things I did using my Lands and Planning hat was to identify a number of sites across the Territory. From that, we identified 79 sites. If memory serves me right, those sites involved about 4000 ha across the Territory, with a capability of supporting around 2800 dwellings.

Under the 2000 homes over four years policy, that works out to be about 500 homes a year. We went out to the market, received about 29 submissions, and only one fell outside the goal posts of being acceptable. I believe around 13 are in the second level of negotiations at the moment, which include up to about 780 dwellings. Some of those will be ready to roll very soon. I do not like to use the term used by the previous government of 'shovel ready', but there are a number I believe are shovel ready.

As I said in my opening statement, not only will there be an announcement later this week, in the next few weeks we will see some more announcements in that space. the first tranche will involve 780 homes.

Ms MANISON: When will you see the keys in people's hands so they can access these properties?

Mr CHANDLER: My understanding is those 780 homes will be delivered within the next 12 to 15 months.

Mr WOOD: Can I ask a question on the same subject? I am not sure where affordable homes fits into the whole debate. It is not public housing, but it is provided by the government providing land for a private builder - is that correct? The government has identified a number of parcels of land?

Mr CHANDLER: Yes.

Mr WOOD: It intends to sell that land?

Mr CHANDLER: In some cases that might be true, in other cases there might be private public partnerships. There may be some leasing arrangements. Everything has being raised at the moment as a possibility.

Mr WOOD: Most of the sites, maybe excluding the Howard Springs forestry and the Katherine subdivision, will be brownfield sites?

Mr CHANDLER: Sites we have identified are those sites (1) that are appropriately zoned, that (2) already have services to them ...

Mr WOOD: That is what I was getting at; that is a brownfield site.

Mr CHANDLER: ... and (3) we are working with one of the parameters which was we needed companies that were putting out proposals that were ready to run as soon as possible, not 12 months, 18 months, or two years from now. We needed companies with proposals with which we can hit the ground running.

Mr WOOD: If it is a brownfield site and the infrastructure is already there, you raised concerns about moving into an existing subdivision with a house that will, theoretically, be cheaper because there is less infrastructure costs. Is there likely to be what you were saying before, even though you were using the extreme of \$1 rental payment on the land? What are you going to do to find a balance between an affordable house and a house that will not bring a bit of concern from the neighbours?

If their house in Stuart Park - and some of the blocks are in Stuart Park - is worth \$758 000 to \$850 000, and you can put a new home next to that on land that already has infrastructure and sell it for \$450 000, is that what you are after? It will be affordable at \$450 000 but it will not be affordable at \$850 000.

Mr CHANDLER: I need to be clear here because there are two different programs. One is if I am wearing my hat for the minister who is responsible for releasing land for the private sector to come in and buy house and land packages, there are a number of programs such as first homebuyer grants and so forth people can get access to.

These 2000 homes is part of the affordability scheme where we are going to be providing 30% discount on the rental. These will be properties that will be rented out to the market. Of that, 20% will come through the NRAS scheme and 10% will be from the Northern Territory government. Effectively, these are rental properties that will be rented out at 30% less than the market value.

Mr WOOD: Right. Say you are in an area where there are quite a few units. Stuart Park is slowly being devoured by units. You go in on a cheaper block of land with cheaper rentals. I am happy if you can provide it; I am not arguing against the case. I am wondering, as you said before, whether you will have a backlash from private people who are renting houses at \$500 or \$600 a week compared to what you were hoping to do with bringing it in at an affordable price.

Mr CHANDLER: That same argument could be that you have people who are paying high rents or high mortgages in places like Marrakai Apartments. Across the road you could have public apartments where they are paying less than \$100 or \$200 a week.

I see the point of your argument. This particular scheme has been very welcomed by developers because it gives them the ability to have their developments underwritten by 10-year lease agreements, which help them get the finances through the private sector to go ahead with their developments.

There are many wins here: (1) there is work for the building industry; (2) you have developers who are able to get financing in the first place because their developments have been unwritten for the next 10 years; and (3) we are getting another 2000 dwellings for which people will be paying 30% less than the market rental.

This is the area I spoke about before about the lady who is pouring coffee in Gloria Jean's. These are people who are on average incomes, who cannot necessarily afford the top end of the rental market at the moment, who are really struggling. We have public housing space; now we have this affordability rental scheme for 2000 homes over the next four years.

Then, of course, you have the private sector. I am trying to encourage as many people to get into their own homes as possible. Then, you have the top end of town, as I said. They are smart enough to take care of themselves.

Mr WOOD: How do you retain that affordability? What are the controls? Over four years time up goes the rent, it just moves into the open market?

Mr CHANDLER: The market will always have pressure on rentals. It is no different to the current situation at the units in Parap. There will always be pressure on these. We are hoping, with more release of land, more units, houses and apartments constructed, we get in front of the wave. At the moment, as a government, we are behind the wave when it comes to keeping up with demand, particularly in the greater Darwin area. It is going to take some pretty smart thinking by a government with a commitment and the courage to get in front of the wave. That is why we are looking at doing things differently to the previous government, or perhaps any government.

Everything is on the table at the moment. If someone comes up with a good initiative I am not turning my back on it. We recognise the issue is the cost of living, and the major factor in the cost of living is the cost of housing.

Mr WOOD: A few years ago - I do not know if it still applies - teachers were going home because of the cost of housing; rentals were too high. I put to the previous government that they look at building - this is how it used to be - nurse or teacher accommodation. If you were able to get funds from some of the superannuation funds where teachers or nurses superannuation went as an alternative way of supplying accommodation, where the rent went back to the people who owned the units. In other words, that kept the units maintained and expanded if needed. It would need assistance from the government, obviously, to provide some land.

Years ago we had Qantas units for Qantas workers. We seem to have gone away from that. Your previous Chief Minister said there would be building projects to deliver affordable housing for apprentices, nurses, teachers, and young families. I thought there are opportunities there. Could this be expanded? I do not know if there is any room left at RDH because there is nurses accommodation there. Could that be done there? We have no teacher accommodation at Humpty Doo, and you have seen the vacant parcel of land there.

Are there opportunities for industry-specific housing projects to help retain workers in the Northern Territory?

Mr CHANDLER: The simple answer is yes. They are some of the things we are working on with developers behind the scheme at the moment regarding how we can still deliver not cash, which I do not have, but government land. How can we leverage government land to deliver on some of the needs required?

Without breaching confidentiality, I was approached only recently by a representative of a superannuation fund who, quite clearly, wanted to invest in infrastructure; not just in a school, a bridge, or a road, but in entire towns they are prepared to underwrite to construct. There are superannuation funds looking at long-term investments where there is a huge investment up-front, but it is paid back over a very long period of time.

Should we be looking at things like that? Hell, yes. There is more than one way to deliver on vital infrastructure needs in a growing environment. We should not lock ourselves into thinking a government has to deliver and pay for everything. We have to use the mechanisms we have. In some cases it will be the land, in other cases it is facilitation where we can put the left hand with the right hand and get them together.

We had an argument the other week where you have a local government that wants to get into development. I know what you think about that, but you have to at least listen to some of these ideas. I, like you, do not agree with that one, but you have to be open to some of the suggestions out there. There are some great ideas and great thinkers, much smarter than me and much smarter than ...

Mr WOOD: You can say me.

Mr CHANDLER: ... government as a whole. Some of the very best thinking will come out of the private sector. The people who have made money in their lives are often the ones who are going to come up with the ideas that offer savings to government.

One example, for instance, is a particular development that government was going to have to acquire headworks in excess of \$20m; we did not have \$20m in the budget to do it. To allow this development to go ahead it may take another two or three years of budget cycles to be able to afford these headworks. That developer can do the same work for between \$8m and \$12m. A private developer can do the same works under the same regulations and to the same standard, for between \$8m and \$12m. That is a direct saving to government in the future. It is a win/win; development happens today and there are genuine savings for government.

Mr WOOD: Is the development still up to Power and Water standards?

Mr CHANDLER: It has to be - it absolutely has to be.

Mr WOOD: They are part of the issue, I believe.

Mr CHANDLER: That is another story.

Mr WOOD: That is right.

Mr CHANDLER: But you are right.

Ms MANISON: Minister, still with your opening statement. I will ask you about the public housing safety officers, or PHSO for short, as I like to call them. I am glad to see ...

Mr CHANDLER: A good initiative by the former government.

Ms MANISON: Thank you. I believe it is a powerful tool to help tackle the issue of antisocial behaviour in public housing. This question was raised last year, and I would like to get some more detail and data on it to see how it is going with the public housing safety officers, or the PHSOs. Do you still have the 15 in Darwin and five in Alice Springs?

Mr CHANDLER: I might have that information here. While we look for that, it is an initiative of the former government. I am not a person who comes in and just makes wholesale changes to any department; if it is a good system you should stick with it and back it. Where I have run into difficulty are situations where safety officers are involved and the community put in a number of complaints, and the Department of Housing has worked with tenants. In the files I have read, and all i's are dotted and the t's are crossed. Countless hours have been put in. The way the *Tenancy Act* it is written, the bias is always toward protecting the tenant and every opportunity is given to the tenant.

However, there comes a time when I have to make some hard decisions and, as a result of my signature, a young family could be evicted from public housing. Not one of those decisions is arrived at without due process. I believe I have a responsibility to ensure that signature goes on the piece of paper. If I do not sign that piece of paper, I undermine the department, the process, and everything that occurs from the time a safety officer deals with a tenant to help them correct their ways to take into account the community that tenant lives in. If a safety officer worked with a tenant for 18 months trying to help them, and they continually did the wrong thing after they had been offered every assistance, then it went to the Tenancy Tribunal or even to a Magistrates Court before it gets on my desk, if I did not sign the paper, I have undermined the process. It was a process set up by the former government; it is a good process and we should support it.

Ms MANISON: Yes.

Mr CHANDLER: Do we have those numbers? Did I talk long enough?

Ms MANISON: Minister, do you have the staffing figures?

Mr WOOD: Is that a question we need to answer? I am sorry.

Ms MANISON: So, it was 15 in Darwin, five in Alice Springs, they were the initial staffing figures?

Mr CHANDLER: Twenty-one all together.

Ms MANISON: And all those positions are filled at the moment?

Mr CHANDLER: Numbers have changed a bit in Alice Springs, but we still have the original 21 at the moment. There is going to be another one in Alice Springs isn't there? There is an extra one in Alice Springs.

I have had calls, even from my party, suggesting that is an error we should look at improving in the future. The member for Katherine is very interested in expanding the program, and it is one that has my full support.

Ms MANISON: Excellent, minister. In relation to some of the data regarding the good work they do, clearly they encounter some fairly tough situations from time to time, but they are also constantly on the go in public housing to try to tackle problems or problem tenancies before they get worse.

In relation to their capacity to tip out or confiscate alcohol, for this financial year can you confirm the quantity of alcohol that has been poured out or confiscated by the PHSOs?

Mr CHANDLER: I might read this to you. There are a few facts and figures that will answer that regarding two of the key components of this strategy - the legislation and operational framework - for the

establishment of the Public Housing Safety Officer in Darwin and Alice Springs, and implementation of the three-strikes policy.

The Public Housing Safety Officers provide after-hours coverage in Darwin and Alice Springs, ensuring a Department of Housing operational presence seven days a week. Public Housing Safety Officers work directly with problematic tenants and engage with neighbours, support services, and NT Police to reduce the incidence of antisocial behaviour and provide a safer environment. The public safety officer works with Community Services to case-managed tenancies that are consistently coming to the attention of the Department of Housing and the NT Police relating to incidents of antisocial behaviour.

Since commencing in early June 2012, Public Housing Safety Officers have responded to 3039 complaints of antisocial behaviour in the Darwin region, and 1374 in Alice Springs. Case management information has been gained on a significant number of public housing properties, visitors, and tenants engaging in antisocial behaviour. This information helps the officers target hot spots, and allows for problematic tenancies to be reported, or actions to be taken under the *Residential Tenancies Act* where required.

To date, Public Housing Safety Officers have tipped out more than 507 L of opened alcohol, seized more than 88 L of unopened alcohol, removed more than 8257 unwanted people, formally banned more than 181 from public housing premises for up to 12 months, and seized approximately 14 dangerous articles. These statistics are recorded in an online system, WebEOC, to measure the ongoing success of the strategy.

That is the green and red thing I was looking at the other day, right? They were all green, meaning they are taking action.

From the commencement of data collection in late June 2012 to the end of March 2013, Public Housing Safety Officers have been tasked with more than 2688 jobs via the 131 444 police assistance line, passed on via Vkam radio. These call-outs would have historically been the responsibility of NT Police. The result of this is an improved first response by Public Housing Safety Officers, and the release of police resources to respond to other matters.

Many public housing tenants are also providing written and verbal feedback that they are feeling safer in their homes with a marked reduction in antisocial behaviour.

In the three-strike policy, the implementation has had a range of results. The most common response to the issuing of a first strike is that the tenant recognises their tenancy is in jeopardy, and makes changes to their behaviour, thus sustaining the tenancy.

As of 12 April 2013, the following strikes have been issued: in Darwin, 112 first strikes, 31 second strikes, and 14 third strikes; in Alice Springs, 69 first strikes, 28 second strikes, and 12 third strikes; in Katherine we have issued six first strikes, and no second or third at this stage. That is a total of 187 first strikes across the Territory, 59 second strikes, and 26 third strikes.

Information sharing with NT Police regarding drug notices has led to the commencement of lease termination action through the court, based on illegal use of a premise. Following the issue of either a first, second, or third strike, 14 tenants have recognised their inability to sustain their tenancy with issues such as uncontrolled visitors, and opted to relinquish the property and seek alternative accommodation.

Since the inception of the three-strike policy, 26 tenancies have received a third strike, seven tenancies were terminated, six negotiated hand-backs, two were transferred with support, six are currently under assessment for termination, and five are being monitored and intensely managed.

The feedback I am getting from the community is people are taking it seriously.

Ms MANISON: Absolutely. Have you gone through the formal eviction process for any of those tenancies?

Mr CHANDLER: Seven, I think, it was on the last page. Seven tenancies were terminated.

Ms MANISON: Thank you. Minister, going on, you were talking about home ownership in the opening statement as well.

Mr CHANDLER: That was a wide statement, was it not?

Ms MANISON: It was very broad. I want to find out how the HomeBuild Access scheme is going. Under the government there have been many changes to the ownership ...

Mr WOOD: Can I just get a clarification here? Home ownership is a completely new section in the budget. It is more than just a jump-in category. The categories are ...

Madam CHAIR: Output 4.0.

Mr WOOD: Yes, outputs and performances are for Territory Housing Services, Public Affordable Housing, Remote Public Housing, and Government Employee Housing. It is actually a completely new budget item in the budget. I do not know whether we are going - I am waiting for remote housing next.

Ms MANISON: Sorry, I know there is a lot to get through in business for the day.

Mr WOOD: I just thought it throws it out of sync a bit there. I do not mind a general ...

Ms MANISON: I have questions on remote housing which is also there, at this stage, if you want to go to that.

Mr WOOD: That probably would be better now while we are on public housing, if that is all right, then we can ...

Ms MANISON: Yes, absolutely. Minister, with regard to NPARIH, I am keen to find out how many staff you have working in the remote public housing section of the department at the moment.

Mr CHANDLER: We have that information.

Ms MANISON: If it is possible, to break those down by level and location.

Mr CHANDLER: The information I have here is just a summary of the agency workforce profile. The Department of Housing full-time equivalent staff - this is as at 31 March 2013 - is 424, of which five are graduates and trainees.

I have a breakdown of representation of EEO groups: Aboriginal and Torres Strait Islanders, 66, which is 14.32%; non-English speaker background, 15 or 3.25%; people with disabilities, 12 or 2.6%; and women in executive positions including SAO2 and above, 23 or 53.49%.

Ms MANISON: Can you break those down into urban or remote public housing?

Mr CHANDLER: I do not have that information, but I am happy to take that on notice.

Ms MANISON: If I could put that on notice, that would be terrific.

Question on Notice No 7.12

Madam CHAIR: For the purposes of Hansard, will you please restate your question.

Ms MANISON: Could I please get a breakdown of the departmental staff by how many are in urban public housing, how many in remote public housing, by level and location?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do.

Madam CHAIR: I allocate that question asked by the member for Wanguri of the Minister for Housing as question No 7.12.

Ms MANISON: Thank you, minister. The latest data on where NPARIH is in new homes, rebuilds, and refurbishments which have been completed is from January.

Mr CHANDLER: I have that. In regard to the National Partnership Agreement on Remote Indigenous Housing capital works progress update and update on capital works progress, as of 30 April 2013, the National Partnership Agreement on Remote Indigenous Housing, NPARIH, which now incorporates the Strategic Indigenous Housing and Infrastructure Program formerly known as SIHIP, is a joint Northern Territory/Commonwealth housing program which will deliver 1456 new houses and 2915 rebuilds and refurbishments by mid-2018. Housing work has been undertaken in 67 minor communities, seven Tennant Creek community living areas, and 18 Alice Springs town camps.

As at 30 April 2013, 945 new houses have been completed or are under way, of which 848 are complete, 25 at lock-up, zero frames, walls and roof in place, 36 slabs poured and walls erected, and 36 foundations laid.

Of the 945 new houses, 848 were completed in the following locations: 23 in Hermannsburg, 38 in Numbulwar, 48 in Milingimbi, 35 in Gapuwiyak, 90 on the Tiwi Islands, 110 in Maningrida, 86 in Alice Springs town camps, 105 in Wadeye, 80 on Groote Eylandt, 62 in Gunbalanya, 90 in Galiwinku, 59 in Ngukurr, 17 in Lajamanu, three in Santa Teresa, and two in Palumpa. Thirty-four of these new houses under way are outside the alliance framework through the Department of Infrastructure.

A total of 2280 refurbishments were complete with a further 20 under way, and 445 rebuilds were complete with a further three under way. A total of 212 of these refurbishments were completed or are under way outside the alliance framework through the Department of Infrastructure and shire councils.

Ms MANISON: Minister, are you on track to reach the targets set under NPARIH for 30 June?

Mr CHANDLER: We have never missed one and I believe we are on track.

Mr WOOD: Some houses were built at Palumpa, which was not a growth town, and the new ...

Mr CHANDLER: Two in Palumpa.

Mr WOOD: Not under the – what do you call the new – I am used to SIHIP. What is it called now? NPARIH?

Mr CHANDLER: NPARIH.

Mr WOOD: Up to last year, no houses were built outside growth towns. All those houses built outside of growth towns, were they under the NPARIH scheme or is it something else? That was not the policy before.

Mr CHANDLER: All under NPARIH.

Mr WOOD: All under NPARIH. Has there been a change to the policy? I used to complain bitterly about Nauiyu, Barunga, Beswick; those places could never get a new house.

Mr CHANDLER: Maybe they listened to you, member for Nelson.

Mr WOOD: Maybe they have, but that did not fix it for Nauiyu, Beswick or Barunga. Has there been a change in policy which allows houses to be now built outside of those growth towns?

Mr CHANDLER: Yes, it depends where the need is.

Mr WOOD: It was not before. It depended on whether you were in a growth town.

Mr CHANDLER: There was an agreement it would be expanded to 72 communities across the Northern Territory.

Mr WOOD: Is that in a document I can see?

Mr CHANDLER: There would be minutes of a meeting.

Mr WOOD: It is, obviously, a change in the policy. Is there something one can find? Is it on the NPARIH website?

Mr CHANDLER: If it is not we will certainly get that information for you.

Mr WOOD: All right.

Ms MANISON: Clearly, the works you anticipate doing are programmed. Is it possible to get a list, community by community, of where you intend to build the new homes going forward, and carry out the refurbishments and the rebuilds? Is it possible to get that data?

Mr CHANDLER: Yes, that is fine. We will take that on notice.

Question on Notice No 7.13

Madam CHAIR: Member for Wanguri, could you please restate the question for the record?

Ms MANISON: A breakdown of the future housing works under NPARIH; a location of where new housing will be built, rebuilds will be done, and refurbishments will be completed.

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do.

Madam CHAIR: The member for Wanguri has asked a question of the Minister for Housing and that question is No 7.13.

Mr WOOD: Can I ask some more questions on this?

Ms MANISON: Please do. I have more too.

Mr CHANDLER: These would be in reference to the opening statement, would they not?

Mr WOOD: No, this is on remote housing. Minister, you were in an opposition that continually criticised SIHIP. Part of the political argy-bargy of a few years ago was caused by people's different opinions on the funding of outstations and those types of things.

You are saying, with a fair amount of glee and rightly so, that we are well above other parts of Australia in the number of houses that are being built. That does not mean there should not have been criticism of the previous SIHIP. Is something changing; are we still using the alliance method of building houses, or has that gone out the door?

Mr CHANDLER: There is a range of methods being used. The alliance model has been used. We have been contracting to DCI to deliver some of the houses. To be fair, there was, rightfully so, criticism of SIHIP from the word go; it was a heck of an expensive operation. From what I have read and I have understood since taking government, were mistakes made? I think so. Were there lessons learnt? I think so. Can we work from those lessons and do things better? Damn right I think so. Hindsight is a wonderful thing and if you had that money again today, given the experience of SIHIP behind this government and the federal government, would you do things differently? I say so.

Mr WOOD: Now you are in charge.

Mr CHANDLER: Yes. You have to take stock and look at what the mistakes were. I have called for a review into SIHIP. I know there have been a number of reviews in regard to SIHIP ...

Ms WALKER: Just go back and read the CPC report.

Mr WOOD: That is right.

Ms MANISON: It has been reviewed and reviewed.

Mr CHANDLER: That is one of them, and each of the reviews that has been written has some valuable information. However, you have to be careful. In my time with the Bureau of Statistics, when you were developing surveys, for instance, you were very careful on how you developed that survey to, to some

extent, control the answers you were going to get. Perhaps the terms of reference for reviews which have been done in the past were couched in such a way to give a certain result ...

Mr WOOD: Minister, I accept that. Your government scrapped the CTC which was a neutral bipartisan body which was able to check to see if the previous government and the Commonwealth government was doing their jobs. You are taking over the same program. I have no idea how we are going to see how you are going - not your personally by the way - because we do not have that independent assessor now.

The issue you raised is perfectly correct because, when it has come from some government inquiry in Canberra, I do not think it necessarily had that independent focus. What process do we have in the Territory to ensure the criticisms that occurred previously are not going to occur?

I cheered a bit when you said there is going to be money that will actually paint the house - I presume the inside and out - and put a descent floor in them. CTC called for that ages ago when we visited Santa Teresa and Maningrida. Houses were painted on the inside, and on the front was a whole mess of graffiti, which ended up on the front page of the *Northern Territory News*.

I appreciate there are some changes, but who is going to check that the system is working? Who is going to check that the Northern Territory Housing people are making sure houses are being kept in good condition and people are not vandalising houses, and making sure the rent is collected? Who is going to be the overseer of that?

Mr CHANDLER: In regard to the last point, that is incumbent under the Department of Housing to have decent processes in place to ensure that occurs. That is an area, with all due respect, the last government needed to focus on more. Those particular areas are how we collect rent; who is paying rent; the tenancy agreements that are in place - the checks and balances.

We mentioned before that point about a light pole that was fixed six times and being paid for by the department, six times. There are people ripping off the system here, and the system is government. Whose government? The government funded by the taxpayer. We have to have decent processes in place.

As Minister for Housing, in this case I have to be confident my department's processes are going to be able to provide me with all the information I need to ensure houses are being looked after, rents are being paid, and we have proper processes in place; including safety officers doing their job out there to ensure the whole thing works.

Regarding your response about the CTC, we have parliamentary processes and this estimates process is just one of them. Being a member of this parliament, member for Nelson, you know you can call for committees or call for things to occur, including asking questions in Question Time if you have issues that need to be raised.

Mr WOOD: I get two, by the way.

Mr CHANDLER: Or you can ask for a briefing. There are many avenues available to you and to the general public to get information from a government. I have nothing to hide ...

Mr WOOD: No, and I am not saying you have. We had a bipartisan, neutral committee. It might have had its problems about administrative costs - I am not going to get into that - but it had the ability to, without any notice, check whether the CE of alliance, when it was working, was putting houses up, or whether your department was doing the work it was meant to by making sure the first homeowner had some induction courses and things like that.

We had complaints from Snake Bay that people's houses were not being refurbished, and we went there and found the floor had rusted. If we had not gone there, those people would not have had anyone to barrack for them, and no one would have said, 'The outside of that Maningrida house is dreadful.' If we had not gone to Santa Teresa, who would have complained about the verandah covered in dirt? Who will do that now?

Mr CHANDLER: That is my responsibility.

Mr WOOD: We need to make sure you do. It was our job to make sure you were doing your job because there is a lot of money being spent.

Mr CHANDLER: It is my responsibility, as the Minister for Housing, to make sure these guys are doing the job they are paid to do, and ensure what services are being paid for are being delivered on the ground.

Mr WOOD: That is why we had a parliamentary committee; to make sure ...

Madam CHAIR: Member for Nelson, you have made your point over several days about the CTC. Unless you have a question for the minister?

Mr WOOD: It is not a bad point to make over several days ...

Madam CHAIR: You have made it several times. Do you have any further questions for the minister on the statement?

Ms MANISON: In regards to the review into NPARIH you have said is going to take place, who will conduct it, how much will it cost, and will it be released publically, minister?

Mr CHANDLER: The terms of reference are being decided at the moment. Once they are decided, I will have more information on that. There are a number of reviews that have been done over the years and I am ...

Ms MANISON: It is a very heavily scrutinised program.

Mr CHANDLER: ... questioning what we are trying to find out, and whether that information already exists in one of these other reviews. If not, then we are better placed to understand what we need to do ...

Ms MANISON: Do you anticipate that you will publically release this review?

Mr CHANDLER: I would see no reason why we should not.

Ms MANISON: Excellent. You mentioned the Department of Infrastructure being involved in the contracting of that housing going forward. With the new contracting arrangements you have in place to deliver NPARIH, is there a management fee paid to the Department of Infrastructure?

Mr CHANDLER: There is, and I believe it is 8%.

Mr McGill: That varies a little, depending on the services they provide.

Mr CHANDLER: Okay. It depends on the services, but it is around the 8% level.

Ms MANISON: Will that information be available publically so people can track how that fee is going?

Mr CHANDLER: No reason why not. You can ask next year at estimates.

Mr WOOD: Will comparing what you are doing with what has happened be part of the review?

Mr CHANDLER: It needs to be. The three delivery models which is the panel of contractors is project managed by DOI, the alliance model and, of course, local Indigenous enterprises. All of those have to form part, because that is how things are happening at the moment. Is it the best model? A review may uncover there could be other models you could consider, or that these are the best way of doing it. They are the questions I still need answers for. Some of those answers may be in some of the reviews that have already been undertaken.

There was the one I saw earlier, a rather large one, from the federal government done by the Australian Audit Office. There is some quite detailed information in this report that may provide some of the answers we are looking for. If they are not provided in the reviews, and if we are truly going to understand what has gone wrong, if it has, why it cost so much - to be fair, there are many things I have learnt since coming into government that I do not think were recognised first up such as the lack of infrastructure.

I learnt we are going to give X amount of dollars for housing, then there is no money for roads, sewerage, and power, and in some communities Power and Water had to upgrade generation because it just did not have the capacity in the community, and the sewage ponds were already at capacity, so any additional houses were going to put other stresses on that.

It is no different, I suppose, if a federal government is going to provide money for housing, matched by the then Territory government. You can fight until the cows come home about some of the issues in the remote locations. At the moment, there is real stress on the future of the agreement, because there is not even CPI being built into the agreed parameters around how much each house has to be delivered for. That, in itself, is going to provide some ongoing battles that we, as ministers, are going to have to take up with the federal government, whoever they are after September.

We seriously have to look at some of the numbers that are involved here, because it is getting tougher and tougher to build houses, particularly where there is infrastructure that is just not adequate to provide for additional houses. When you start to understand the delivery and some of the challenges the Northern Territory has encountered, you are always going to find faults in many of these things.

There are some issues I am particularly concerned about but, at the end of the day, have there been lessons learnt? We have to learn from those lessons to ensure we do not repeat them.

If we are going off to Canberra for money for housing, they have to take into consideration the whole picture. Recently, speaking to minister Garrett, he was talking about an extra 200 teachers for remote locations. It would be a great offer if we had houses to put them in. It is not as though you can just go down the street and have a house for them. There are complexities; it is not as simple as just throwing 200 extra teachers into remote locations.

Mr WOOD: What is the NT government's contribution to the program?

Mr CHANDLER: All up?

Mr WOOD: Yes, to the NPARIH. What is our contribution?

Mr CHANDLER: \$240m, member for Nelson.

Mr WOOD: What is the Commonwealth contribution?

Mr CHANDLER: Commonwealth contribution, I have seen that earlier - \$1.7bn.

Mr WOOD: All right, so they are putting a fair bit of money in. How many leases does the department have on public housing in remote areas, and what is the cost of those leases?

Mr CHANDLER: The cost to ...

Mr WOOD: The cost to the government. Obviously, you have to lease over every public house on a remote community. I presume, by the way, they have a lease. You can tell me if some public housing does not have a lease yet; I am interested. I presume there is a lease payment to the traditional owners as a requirement of the federal government?

Mr CHANDLER: Do we have that information?

Mr McGill: We will not have a breakup for it, but we do not build new houses unless there is a lease. It is progressing.

Mr CHANDLER: Do you want to explain that?

Mr McGill: There are some communities that still do not have leases signed, but we do not build new houses on any community where there is not a lease. There are different types of leases, depending on the community. There are some that are the whole of the community, that cover roads and all property. In another community, it only covers the allotment for the public houses.

There is a fee paid, and they vary from one part of the Territory to another. The proceeds go to the land trust or the traditional owners through the land council that negotiate those leases.

Mr WOOD: Is it possible to get a breakdown of those leases and the payments and the localities, and the type of leases because they change, as you said? Can I put a question on notice, Madam Chair?

Question on Notice No 7.14

Madam CHAIR: Member for Nelson, could you please restate the question for the record?

Mr WOOD: Could you provide the committee with details about leases in relation to Northern Territory public houses on remote communities, especially in relation to where those leases are, what type of leases there are, and the amount of money paid for those leases? That should cover it.

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do, yes.

Madam CHAIR: The question asked by the member for Nelson of the Minister for Housing is question No 7.14.

Ms MANISON: Minister, I was previously briefed that with the delivery of NPARIH you have moved to a flat pack transportable product as part of the new housing construction. Can you confirm how many of those transportable dwellings are being built?

Mr McGILL: To my knowledge there are no flat pack houses being produced. There is a modular product in a couple of communities, but they still have to meet the parameters the whole of the program is built on, which include durability and lifelong considerations. They have not moved to flat pack products.

Ms MANISON: How many of those types of homes are being built, minister? What is the number at the moment and who is the contractor?

Mr McGILL: As at 30 June, the number is 935, or whatever the number was, we have built new ...

Ms MANISON: In regard to that specific product.

Mr McGILL: No, I will have to get that number for you. There are some in a couple of communities, but going forward from 1 July onwards, there are 522 new houses. How they will be built is not yet determined.

As the minister said a moment ago, there are three delivery models. One will be using a panel of contractors that have been put together and project managed by the Department of Infrastructure. Another model of delivery will be using, where we need to, New Future Alliance, which still exists. The third model will be using local Indigenous enterprises. Hopefully, there will be a panel of those put together to build in regions.

The final construction method might vary depending on where we are building them, but the overriding parameters are still there. They have to have a 30-year life expectancy and so on. Flat pack type products do not fit that at the moment.

Ms MANISON: Is Murray River North one of the contractors using their product?

Mr McGILL: It was one of the products used, yes.

Ms MANISON: They are the houses next to the Alice Springs Airport; that type of product?

Mr McGILL: That is where their head office is, yes.

Ms MANISON: Is the material brought out to the community and assembled there using local Indigenous employment and local contractors in the communities as well?

Mr McGILL: I am unsure of the detail of how they built them, but some are modular. They came out in modular form and some are put together. All those contractors still have to meet the local employment obligations of at least 20% local employment. In Numbulwar, I believe, they are meeting those targets of employment.

Ms MANISON: If they are modular, does that mean they are prefabricated before they go on to the community and then are, effectively ...

Mr McGILL: Bolted together.

Ms MANISON: I am trying to ascertain the local employment benefits to local Indigenous people in those communities.

Mr McGILL: The structures still have to be put together. Many of the 900 houses built now were also modular in form. They were not flat pack, but the various components of the building were brought in and had to be put together and constructed by the local workforce; concrete slabs have to be poured, etcetera.

Ms MANISON: Would I be able to put on notice, minister, how many homes are being constructed under the modular product, and in which communities?

Mr CHANDLER: Yes, I am happy to take that. That is fine.

Question on Notice No 7.15

Madam CHAIR: Is that clear enough? Member for Wanguri, could you please restate the question?

Ms MANISON: How many modular homes are being constructed under NPARIH, and in which communities?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do.

Madam CHAIR: The question asked by the member for Wanguri to the Minister for Housing is question No 7.15.

Madam CHAIR: Are there any other questions on the minister's statement?

Mr WOOD: One question on remote houses. Electricity meters are on all houses, but are water meters on all NPARIH houses?

Mr McGILL: All the new houses have water meters connected.

Mr WOOD: Payment for that water is by whom?

Mr McGILL: I believe at the moment it is still through Territory Housing until the meters are up and functioning throughout the whole township.

Mr WOOD: Who will be the owner of the meter, Indigenous Essential Services or Power and Water?

Mr McGILL: I am not sure of the answer to that. I assume Power and Water; that is who we have to satisfy when we provide them. It is their guidelines, their system.

Mr WOOD: Maybe I can ask Power and Water. I can ask Indigenous Essential Services minister Anderson that question if they do not have the question now.

Mr McGILL: Power and Water own the meters.

Mr WOOD: That will be interesting because Indigenous Essential Services run the power I think. All right, I will ask minister Anderson.

Mr CHANDLER: That is a good idea.

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

Ms MANISON: Home ownership?

Madam CHAIR: That is Output 4.0. Should we move on to the outputs?

Mr CHANDLER: Or do you want to go through the questions?

Ms MANISON: Given the time, and you still have other portfolios to go through, minister ...

Mr CHANDLER: I am at your discretion.

Ms MANISON: Is it possible to table those answers from the written question?. We have had some fairly full and thorough questions so far and, for the sake of timeliness because I know you have a very busy schedule ahead of you still, is it possible to table those?

Mr CHANDLER: The process was going to be as I started today. Read out the answers to the questions, table the questions ...

Mr WOOD: The committee can still make a decision.

Mr CHANDLER: I am happy to table the questions if you are happy with that. Member for Nelson, I know you are quite ...

Mr WOOD: I have to be pragmatic. If we do not get through, some ministers will not get asked. The issue of written questions is something the committee can look at outside of the estimates process at another time.

Mr CHANDLER: I noticed Education was a well-run process. Because we went through the questions, it allowed scope so each of the members could ask additional questions on that question before we moved on. It just kept it together a bit.

Ms MANISON: Minister, for the sake of timeliness - and you have the big portfolio of Lands and Planning coming up, and the Environment - I would be comfortable if you tabled them without reading them out. I have a few questions on home ownership.

Mr CHANDLER: I am quite happy to table them.

Ms MANISON: Are you comfortable with that, member for Nelson?

Mr WOOD: I am never comfortable. In this case, I am pragmatic because I know how we will run out of time.

Ms MANISON: Yes.

Madam CHAIR: Thank you, minister, if you table the written answers to the written questions.

Mr CHANDLER: Given we are going to table them, do you want me to run through the questions because you will have the answers now. I know it is a little late in the day to be allowing me to read out the question and provide the answer now; we should not have spent as much time on the opening statement. If I read out the question, I do not have to read the answer because you have it. But, do you want the questions read out for *Hansard*, because they are not long?

Ms MANISON: For the sake of timeliness, I would be comfortable with them tabled. We have them there to go through.

Mr CHANDLER: My next question is do you have any questions on the questions?

Ms MANISON: I would still need to go through them. I just know we are under the pump time wise. I have plenty of questions on the questions.

Mr CHANDLER: Is it a quicker process for me to read out the question and, rather than read the answer, if you have further questions, I can give you the answers, and then we move to the next one to get through them quickly ...

Ms MANISON: Minister, that would be excessive. It is absolutely fine with tabling them.

Mr WOOD: I do not have any more questions on that section anyway.

Mr CHANDLER: I am just trying to help you out.

Mr WOOD: That is all right.

Mr CHANDLER: If you are happy to just put these aside and take them as tabled, then we move on to any last questions you have, I am happy to do that.

Ms MANISON: I am quite comfortable with that in this instance, because time is ticking and you have many portfolios under your belt.

Agency Related Whole of Government Questions

Madam CHAIR: The committee will now proceed to consider the estimates and proposed expenditure contained in the Appropriation Bill 2013-14 as they relate to the Department of Housing. Are there any agency-related whole-of-government questions on budget and fiscal strategies?

Ms MANISON: Madam Chair, we have covered a fairly extensive amount of detail through the opening statement, there is no doubt about it. I thank the minister for being so forthcoming and having this discussion and answering the questions I have put to him. I have some questions about the last output in regard to home ownership.

OUTPUT GROUP 3.0 – TERRITORY HOUSING SERVICES

Madam CHAIR: Member for Nelson, are you happy to skip Output 3.0?

Mr WOOD: Yes.

OUTPUT GROUP 4.0 – NT HOME OWNERSHIP

Madam CHAIR: The committee will now consider Output Group 4.0, NT Home Ownership (Business Line). Will there be any change in officials, minister?

Mr CHANDLER: I do not believe so.

Madam CHAIR: Will you be making a statement on NT Home Ownership?

Mr CHANDLER: Budget overview, NT Home Ownership, 2012-13 estimates and 2013-14 budget overview reflecting the 2013-14 budget development adjustments: as tabled in the 2013-14 budget, the Government Business Division (GBD) 2012-13 operating estimated increases in the loan portfolio have changed since published in the 2012-13 mini-budget. The Government Business Division's related operating estimate decreased by \$1.5m from \$1.6m to \$100 000, comprising decrease in investment revenue of \$3.4m resulting from timing of approval of new loans, offset by a decrease in interest expenses of \$1.4m and an increase in re-evaluation of investments of \$0.5m.

The financial position of the Government Business Division: the loan portfolio and investment estimates increased by \$1m from \$331.5m to \$332.5m, comprising an increase in re-evaluation of investments of \$0.5m, a decrease in loan discharges and principal repayments of \$6.9m, offset by a decrease in new loans approved of \$6.2m resulting from the timing of approval of new loans.

The 2013-14 budget shows a slight decrease in the GBDs operating estimates from 2012-13. The GBDs loan portfolio and investment estimates decreased by \$8.2m from \$332.5m to \$324.3m, comprising re-evaluation of investments of \$2.8m, total loan discharges and principal repayment sales of \$29m, offset by total new loans approved of \$18m.

In 2012-13 the budget for new loans and investment purchases was \$140m at the time of the mini-budget to fund the new NT Home Ownership initiatives. This was a one-off increase.

In 2013-14, the budget has been reduced to \$18m, a decrease of \$112m.

Ms MANISON: Thank you, minister. Since the mini-budget, we have seen some huge changes in this space in relation to home ownership and the ability of first homeowners and low- to middle-income earners being able to purchase a home.

We have seen the scrapping of the HOMESTART NT scheme, replacing it with your new HomeBuild products which are: HomeBuild Access, which is the low-deposit loan, and HomeBuild Access, which is a subsidised interest rate loan. I note these are only for new product, which excludes people on low- to middle-incomes being able to purchase established homes; for example, a one- or two-bedroom dwelling in a suburb like Stuart Park, Fannie Bay, or Parap, or that fixer-upper house in the northern suburbs. It makes it a bit tougher for them to get in there.

I am keen to find out about the uptake of your new products. In the HomeBuild Access low-deposit loan scheme, how many applications have been successful?

Mr CHANDLER: I have here ...

Ms MANISON: I note that is for ...

Mr CHANDLER: In regard to new constructions, the estimate is that 25 loans will be progressed in 2012-13. As far as I am aware, at the moment that is very much on track.

The first thing to acknowledge about the new programs versus the programs of the previous government is anyone who had any understanding of economics would tell you the scheme put up by the previous government prior to the last election was unsustainable by any government. It ensured prices went up; that the buying power to buy existing homes was increased, but there were no increases in the pool of housing across the NT. If you throw into a market that was already overheated the additional ability of people to pay more for housing, you cause one thing to happen: house prices to go up.

It is true this new focus by this government probably takes some of the focus off existing homes. The reason for that is we want more homes constructed in the Northern Territory. Everyone benefits from the housing industry. Adding to the pool of houses puts pressure on house prices to remain constant, or puts downward pressure if possible.

It is not quite true that the first homeowner assistance schemes are limited to new homes, because there are other programs that are available for people who want to buy existing homes. One thing needs real clarification, and there are many people who do not seem to understand this. When we made the decision to remove the first homebuyers' ability to not pay stamp duty and replace it with a \$25 000 grant; for many people this grant provided an additional bonus. I put it to you that if you are focusing on getting more homes into the market, more land released ...

Ms MANISON: I have to say, minister, it was given with one hand and taken away with the other.

Mr CHANDLER: Not necessarily. If you were buying a house and land package, you were paying stamp duty on the land component - not the house component, the land component. If you are buying a block of land - and I know we can talk up and down about the prices ...

Ms MANISON: On one hand you are giving \$25 000, and on the other you are taking away, effectively, \$26 000.

Mr CHANDLER: Depending on the price of the home you buy ...

Ms MANISON: How do they win?

Madam CHAIR: Member for Wanguri, let the minister answer the question.

Mr CHANDLER: The reality is if you are buying a \$200 000 block of land, member for Wanguri, how much stamp duty are you paying on that? The truth is \$10 000. I argue if you were buying a house and land package - this is new construction, you are paying stamp duty on the land component, not the house component. In that regard, a person is left with \$15 000 to, basically, put into their new home. That might be for a spa, additional home improvements, or to help towards their deposit on the house. This is a grant for them to use as they choose.

Again, it is focused on new homes. Of course, if you are going to go buy an existing home for \$500 000 and it is your first home, you are, potentially, going to be paying more in stamp duty than the grant offers.

Ms MANISON: Families did miss out. There was no doubt when the mini-budget was handed down, people who were going through the process of buying their very first family home, did have sales fall through.

Mr CHANDLER: There were many people we worked with to find solutions for their problems. The reality was, we had to shift the focus from this churn that was occurring and providing more people into an already heated market which was driving up the prices of housing. What we were trying to focus on is shift away from that and focus on new builds.

We are working hard to release land. We have brought \$20m forward to ensure that headworks are completed; we are bringing forward different stages out at Zuccoli. Why? Because we need more land on the market.

The reality is, yes, there is a difference in your government's focus to what our government has focused on, because we have clearly seen what you were doing was driving up the cost of housing. What we wanted to do was to prevent that from occurring. The only way we could do that was to focus on building new homes.

Ms MANISON: Minister, you said 25 loans. For this financial year, from the HomeBuild Access low-deposit loan being open from 1 January, I think it was, you have had 25 loans approved for that. How many loans have you had approved for the HomeBuild Access subsidised interest rate loan, which is for first homebuyers specifically; low- to middle-income earners.

Mr CHANDLER: To be clear, can I take that on notice and we will go through these figures and provide them to you? That is not an issue. The focus here is about new homes, rather than existing homes. I acknowledge there is a concern; I have had people even in the real estate industry saying, 'You have affected our industry' ...

Ms MANISON: So you do not have a figure for the subsidised interest rate loan for the first homebuyers?

Mr CHANDLER: We have a few different figures here, but I would have to go through them. We can take the time to do it now if you want, or I will take it on notice so we can move on.

Ms MANISON: I will take it on notice, if that is okay?

Question on Notice No 7.16

Madam CHAIR: Member for Wanguri, please restate the question clearly for the record.

Ms MANISON: Can I please get the number of applicants who have been successful in obtaining the HomeBuild Access subsidised interest rate loan product?

Madam CHAIR: Minister, do you accept the question?

Mr CHANDLER: I do, yes.

Madam CHAIR: The question from the member for Wanguri to the Minister for Housing is question No 7.16.

Madam CHAIR: It is 4 pm. We will take a 10 minute break. Thank you.

The committee suspended.

Madam DEPUTY CHAIR: Welcome back, everybody. We will continue on the questions on NT Home Ownership (Business Line). Is that where we are up to?

Answer to Question on Notice No 7.14

Mr CHANDLER: Madam Deputy Chair, I have eight copies of the response to questions on notice No 7.14 for tabling on NPARIH. I will not read out the answer because it will be longer than you probably want to spend on things.

Ms MANISON: Thank you, minister, I appreciate that.

Answer to Question on Notice No 7.16

Mr CHANDLER: I took another question on notice about HomeBuild Access. I do not know what number it was, but the answer to that is we had 25 loans estimated ...

Ms MANISON: That is just the low-deposit loan not the subsidised interest?

Mr CHANDLER: It is a combination of both of 25. The number of total loans in progress is 24. There is one loan for off the plan which is deposited funded, four loans at final approval stage, and 19 that are approved in principal waiting for the purchaser to identify a property. Only one person has taken up the subsidised loan approved because a number of those applicants have chosen to use the low deposit instead of that. They went in thinking they would use the subsidised loan approval; however, on understanding the program better, they have chosen to go with the low-deposit loan instead.

Ms MANISON: But in total there have been 25 uptakes?

Mr CHANDLER: There are 24 in progress of the estimated 25.

Ms MANISON: Last question in this area. With the HOMESTART NT scheme, which you have scrapped, how many applications did you process in the 2012--13 year?

Mr CHANDLER: In the 2012--13 year, the number of loans funded was 283, of which the government had to borrow \$66.882m.

Ms MANISON: So, there were 283 new loans?

Mr CHANDLER: Yes.

Ms MANISON: That summarises what a popular program it was.

Mr CHANDLER: Why would it not be?

Ms MANISON: It was an extremely good program, extremely effective ...

Mr CHANDLER: Extremely generous. It was unsustainable and you know that.

Ms MANISON: ... in getting people a start in the home ownership market and keeping them in the Territory.

Minister, I appreciate how candid you have been with the answers and you have gone through quite a bit of detail. That is all the questions I have today.

Mr CHANDLER: Thank you, member for Wanguri

Mr WOOD: I might change my mind. I might have a question.

Mr CHANDLER: Sorry, you missed out.

Mr WOOD: No, I come in after the shadow. Minister, you said 2% of loans went to Indigenous households. Could you say where those loans went and whether they were on Aboriginal land or freehold land?

Mr CHANDLER: It would not be on Aboriginal land; it would have to be freehold.

Mr WOOD: Why would it not be allowed if they had a lease on Aboriginal land?

Mr CHANDLER: We are starting to enter into the issue that all governments in the Territory deal with: the land rights issue.

Mr WOOD: That is right, but there is the possibility of getting a lease. I know there are other options for Aboriginal people, but if someone wanted to get a loan through the Northern Territory home ownership scheme and they had a lease on the Aboriginal land, could they apply for a loan?

Mr CHANDLER: These NT home ownership schemes are for urban. The two we have spoken about, the 2% Indigenous, have been on freehold land in an urban environment.

Mr WOOD: This might be a silly question then. Why do we have to know they are Indigenous, in this case? What is the reason for that classification?

Mr CHANDLER: No real reason at all except the question is often asked.

Mr WOOD: Right. I remember your Chief Minister arguing the case that should not be there. I thought if you were going to put it there, it may have been in relation to Indigenous land, which makes a bit of sense because it is difficult area. But, if it is just of freehold land, then I ask why distinguish between who is buying it?

Mr CHANDLER: It is more to do with reporting purposes: how many females were approved, how many males were approved, how many families. It is probably more something to do with how the Bureau of Statistics likes having information on a number of factors.

Mr WOOD: Okay, thank you.

Ms MANISON: I am finished with my questions. Thank you, minister, thank you, Mr McGill and Mr Tinkham.

Madam DEPUTY CHAIR: That concludes the consideration of the NT Ownership Business Line. I thank the officials who assisted the minister today.

DEPARTMENT OF LANDS, PLANNING AND THE ENVIRONMENT

Madam DEPUTY CHAIR: The committee will now move on to consider the Department of Lands, Planning and Environment. Minister, I invite you to introduce the officials accompanying you and to make an opening statement regarding the Department of Lands, Planning and the Environment if you wish.

Mr CHANDLER: Thank you very much, Madam Deputy Chair. I have an opening statement. I introduce John Coleman to my right, and Jasmin Aldenhoven to my left. Behind me, we have Dr Bill Freeland and Gary Nairn, the Planning Commissioner. Bill is from the NTEPA. There are a couple of other staff we might refer to if we need to throughout the afternoon.

The work of the Northern Territory Department of Lands, Planning and the Environment encapsulates all that is dynamic, challenging, and unique in the Territory. This is the department that plans, prepares, and delivers land release for residential, commercial, and industrial development in the Territory. It is the strategic arm that supports economic growth through planning and designs, and creates liveable suburbs, towns and cities, connecting Territorians through appropriate transport corridors and infrastructure to ensure families have green space to enjoy, schools and parks that are close to their homes, and facilities that meet their needs.

It is also the department that protects and conserves our natural and cultural resources for the future through environmental and heritage protections, ensuring these assets will be around for many years to come. This government has already made significant achievements in the areas of strategic planning, land development, and environmental protection.

As a commitment of this government, the Northern Territory Planning Commission was established on 1 January 2013 to facilitate long-term economic development through strategic and integrated land use planning, making sure we have the land, the infrastructure and, of course, the amenities in place to cater

for growth. The Planning Commission is already working towards strategic land use plans for Alice Springs, Tennant Creek, Katherine and the Knuckey and Ironstone Lagoon areas, as well as a greater Darwin regional land use plan including industrial development at Glyde Point.

The Northern Territory Environment Protection Authority also commenced on 1 January 2013 and is similarly tasked with promoting sustainable development ensuring proper regulatory frameworks for development and resource proposals. The important work of the NTEPA includes contemporising the NT *Environmental Assessment Act* and drafting 11 new environmental guidelines for environmental assessment, and waste management and pollution control.

Most critically, the Department of Lands, Planning and the Environment delivers land release, identifying and progressing greenfield an existing infill Crown land sites for residential, industrial, and commercial development. This work is ongoing and essential to reducing the cost of living in the Territory.

In excess of 70 existing sites around the Territory have been identified to release over the next five years; sites that are already serviced by established infrastructure. Road networks, utilities, and transport corridors exist. This means the cost of development is significantly reduced and land can be released to developers even sooner. The potential housing yield from this audit is 2700 dwellings across the Territory. The target is to release at least 23 sites to the market this calendar year.

In the past few months we have seen significant greenfield residential sites released in Alice Springs to establish the new suburb of Kilgariff, Katherine East, and the next stage of Zuccoli in Palmerston, with proponents expected to be announced in October and works likely to commence in early 2014. These land releases are expected to yield a combined minimum of 400 lots for Territorians. We have also identified land available in Humpty Doo for industrial development suitable for a range of light industrial uses.

This government has committed \$20m this financial year to progress land release in Palmerston East, and government has committed a further \$3.5m as a contribution to fast-track infrastructure at Kilgariff which is to be constructed in conjunction with the development of Stage 1. We are making land ready for industry with a further \$15m investment in infrastructure to service Middle Arm, and \$3.9m for the future release of land around Wishart Road.

The department is also responsible for the ongoing environmental performance of works associated with East Arm port, including the \$110m total investment for the Darwin Marine Supply Base, and proposed Land Development Corporation project, a multi-user barge facility.

Construction of Stage 2 of the Darwin Waterfront Precinct has commenced. This will deliver 137 residential apartments, mixed use commercial and retail, as well as community infrastructure such as boardwalks and parklands. The unique partnership between Charles Darwin University and the Toga group will support tertiary businesses and hospitality at the precinct. This is supported by a \$28m NTG loan to Charles Darwin University to be ready for its first student intake in 2014.

Planning for the emerging needs of the Territory, ensuring there is adequate space and support for existing major projects, and continued sustainable economic growth building communities and amenities for the future are the essential tasks of a strong Territory government.

Madam Chair, I look forward to any questions the committee may have in regard to the appropriation for this year.

Madam DEPUTY CHAIR: Are there any question to the minister's statement?

Mr McCARTHY: Minister, can you tell me the lot number of the first block of land released for sale under your government?

Mr CHANDLER: The lot number for the first block of land. I do not have that lot number available but I will take that question on notice.

Question on Notice No 7.17

Madam DEPUTY CHAIR: Member for Barkly, could you restate the question for the record.

Mr McCARTHY: Minister, can you give me the lot number of the first block of land released for sale under your government?

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

Mr CHANDLER: I do.

Madam DEPUTY CHAIR: The question asked by the member for Barkly of the minister has been allocated question No 7.17.

Mr McCARTHY: Minister, you might be able to give me a geographic location of the first block of land ready for sale under your government?

Mr CHANDLER: I can mention the subdivision, Kilgariff.

Mr McCARTHY: Minister, with due respect, I was at Kilgariff a couple of weeks ago. I did not notice any blocks of land for sale there. Is there any block of land you could point to under your government - you have been in now for 10 months - where it points to your statement and to your government's objective about fast-tracking land release?

Mr CHANDLER: Member for Barkly, I am horrified with the approach that you are taking on the very first couple of questions in this area, given that the very reason this government finds itself behind the wave in releasing land in the Territory is through your government's incompetence. In fact, you had every opportunity as the Minister for Lands and Planning to release land, even in your own electorate of Barkly.

We have inherited a government that has looked at some amazing work that has occurred within your own departments that you were responsible for and decided to sit on, for reason I will never understand. What we saw under your watch was an increase in the price of land across the Northern Territory through the lack of land release. I find it absolutely amazing that you come in here and the very first question is about the lack of land release in the Northern Territory. We are working our butts off. The people in this department are working their butts off trying to get land released out there which you had failed to do in the previous however many years you were responsible in that area.

Mr McCARTHY: Thank you, minister, for your comments. It is really interesting to see you have reverted straight to the blame game.

Mr CHANDLER: I am not blaming, I ...

Mr McCARTHY: Minister, I will remind you, I have the ...

Madam DEPUTY CHAIR: Member for Barkly, Standing Order ...

Mr CHANDLER: Member for Barkly, I am not blaming, what I am ...

Madam DEPUTY CHAIR: Excuse me, minister. Standing Order 112, you cannot ask the minister for an expression of an opinion. If you are going to direct questions to him, please, I hope it is not just repeating questions, because I will have another standing order to that one.

Mr McCARTHY: Thank you, Madam Deputy Chair.

Minister, I did make a comment, and it is interesting you have used Tennant Creek. Can you tell me how many lots of land were released in Tennant Creek under my watch and sold and are now being developed with housing? Can you tell me how many lots of land under my watch in Katherine were sold and are now under housing? I was there the other day and counted the lots that are not under construction, minister, and that is a question for you later.

I hope you do not take too much offence because my question was about land release. I spent four years listening to you berate the previous government and me. I asked each time, minister, whether you really understood what it was about releasing land, and ...

Mr CHANDLER: Is this a statement or a question?

Mr McCARTHY: I think you have answered the question, minister ...

Madam DEPUTY CHAIR: Member for Barkly, are you coming to a question or do you want to skip to the next one?

Mr McCARTHY: Yes. No, I am coming to ...

Mr CHANDLER: I am happy to listen, Gerry. I am happy to listen.

Mr McCARTHY: I am coming to a question. I have asked the first question and you have provided no answer. You cannot tell me one lot of land you have produced for sale.

Let us talk about the \$20m into the head works for Zuccoli. Can you tell me about Zuccoli as a master plan suburb and Stage 2 you are investing in?

Mr CHANDLER: I can. To be fair, there are a number of lots I could say are on the market for sale that have occurred under this government, even in Zuccoli. I would not be the first to say, and I would not dare say, that occurred under our watch. You were the minister at the time who was developing Palmerston East. It would be disingenuous of me to say I can give you lot numbers of all these lots that have been sold. There was a family I was talking to last week that was moving into a house they had only purchased a couple of months ago. That really did not happen under my watch; that happened under your watch. I am being careful to say we have inherited a government - and government just does not stop, as you know. You are alluding to the fact that things do take time, and under your watch things did take time.

What I have said is I have inherited a department of a government, and there has been some amazing work done in that area. I was quite amazed to find out how much work had been done. The work we have only just mentioned in Humpty Doo, for instance, with the industrial land release, member for Barkly, is not work I have done; it was done under your watch when you were the Minister for Lands and Planning.

What has not occurred is the moving forward to where that land has gone from being planned for to being released. That is why I am really pleased we are going out to expressions of interest very shortly on that allotment which was not planned under me, but had been planned previously. I acknowledge things take time in the space we have been working in, looking at the number of sites across the Territory we can release.

There is one thing that keeps bugging me, and it was your advice at one stage: always be mindful when you have the responsibility of being the minister for Lands that you are not selling off the farm. You said to me at one time, 'Be very careful, with all these developers who throw things at you, that you are not just selling off the farm because it is something about which you should take serious consideration of the future.' I will always remember what you told me. In knowing that - it is the little thing in the back of your head that reminds you - we have to acknowledge we are behind the wave when it comes to releasing land in the Northern Territory.

That is why we have been working up and down hill to find spaces we can release quickly, where we can work with developers very quickly, to start to tackle one of the most critical positions we have in the Northern Territory in regard to the price of living: the price of land and housing.

We should do all we can, not only to do things the way we want to, but to build on the good work that had been done under a previous administration - and there has been a lot. We are not throwing the baby out with the bath water. Much good work has been done and we will continue to use that.

Mr McCARTHY: Of course, minister. Thank you for that story. I am sure you will reflect now and not be too upset by me asking you to give me a lot number and the details about your first land release. After four years - and you, minister, were one of them the protagonists - you have suddenly come to realise ...

Madam DEPUTY CHAIR: Member for Barkly, Standing Order 114, repeating questions. If you do not have any other questions to ask the minister you can move on to the next one. This seems to be going around in a whorl.

Mr McCARTHY: Thank you, Madam Deputy Chair. Minister, I would like to ask you about budget appropriation because you mentioned Kilgariff. Kilgariff would be a very testing land release for any government. You talk about a budget appropriation of \$3.5m. Is that revoted work, minister?

Mr CHANDLER: Capital works turned into a capital grant.

Mr McCARTHY: Minister, I was aware of \$3.5m allocated to Kilgariff to establish that so you can get to the first stage of attracting a developer. In the budget papers there is an appropriation next to Kilgariff which mentions a figure of hundreds of thousands. It says that budget 2012-13 provided \$3.5m in the final stages of Kilgariff and that your appropriation is \$854 000. Can you clarify that for me?

Mr CHANDLER: In the expressions of interest in the development of Kilgariff, Stage 1 was released to the market on 29 May 2013. The 14 ha Stage 1 development will deliver a minimum of 100 residential lots. It will also include the construction of an entry road, main drainage works, and typical internal subdivision works to establish the new suburb of Kilgariff.

Kilgariff Stage 1 will provide a range of new housing opportunities. The expression of interest requires developers to deliver lots within the HomeBuild Access price bracket of \$160 000 to \$180 000. A preferred proponent for the development of Kilgariff Stage 1 will be selected following the expressions of interest process. The department will work with the selected developer to get lots for sale off the plan as quickly as possible, and work on-site in 2014.

The \$3.5m is a capital grant not shown in Budget Paper No 4 but listed in Budget Paper No 3 as a capital grant.

Mr McCARTHY: What will that deliver, minister?

Mr CHANDLER: I have just read what we plan to do with Kilgariff. Do you want to explain that, John?

Mr COLEMAN: John Coleman, CEO, Land, Planning and the Environment. Member for Barkly, the \$3.5m was the initial capital works program for the entrance statement and road into Kilgariff. We decided to convert the capital works program into a capital grant to put into the subdivision development for a developer to take on that work, so we did not have two contractors on-site at that time. We thought that would fast-track the development and build it into a more attractive release.

Mr McCARTHY: Thanks, Mr Coleman. Minister, you, no doubt, deal with and talk to demographers in the department about the land release program?

Mr CHANDLER: That is correct, yes.

Mr McCARTHY: What are they telling you about Alice Springs and the projected demography around land release, population increase, supply and demand?

Mr CHANDLER: It is a bit like the old how long is a piece of string. Your answer would depend on who you talk to, how you operate a government, and how you facilitate both land release as well as progressing a growing city. If you were to take an approach I suggest the previous government took, there would not be much growth whatsoever. However, if you are looking at a progressive government that is willing to invest in the city, looking for developmental opportunities for the greater Alice Springs area, you are going to have different figures thrown up at you.

I am particularly interested in the question, because it covers three areas I have a responsibility for: one is Lands, Planning and the Environment; another is Education, needing to know where we are going to need to build schools into the future; and third is as the Minister for Housing. I am intrigued with the answer because we need to know where the growth is going to be - and not just for Alice Springs. We need to understand the demographics of Tennant Creek, as we need to understand it for Katherine and, of course, the greater Darwin area.

It is about listening to these experts and the potential versus, sometimes, the unrealised potential if you do not have a government that is going to facilitate growth. There are projections out there that will give you whatever picture you want to place, depending on how effective you can be as a government in facilitating, particularly the private sector, in investing in each of the regions. Alice Springs is no different.

Mr McCARTHY: Absolutely, minister. Do not get me wrong, Kilgariff is an exciting development. However, the demography is the challenging thing. Do you know the population of Tennant Creek is growing faster than Alice Springs?

Mr CHANDLER: Percentage wise or numbers wise?

Mr McCARTHY: Percentage wise.

Mr CHANDLER: It has always fascinated me about Tennant Creek. I have visited the place many times. For many years you would drive through. In recent years I have not driven through, we have stayed and got to know the people. I have always been fascinated that we have all this land in the Northern Territory, but people struggle to understand why more land is not released and we do not have more industrial land.

I can let you know about Tennant Creek. The next stage of the Peko Road residential subdivision in Tennant Creek will be the release of 21 residential allotments. The contract for design of headworks and internal reticulation has been let. Design is expected to be completed by mid-August 2013. A land release will be programmed pending negotiations with the Barkly Shire about utilisation of its large land stock in Tennant Creek. In the meantime, two single dwelling blocks in the current subdivision will be sold by auction in September this year.

In regard to industrial land in your own hometown, three existing industrial allotments are being prepared for sale by auction in September this year. A concept design and services investigation for a staged 32-lot industrial subdivision behind Brown Street has been completed. Detailed design will be undertaken in the 2013-14 financial year. Once design and costings are finalised, the details of staging and release will be announced. That is a good news story for your hometown.

Mr McCARTHY: Thank you, minister, that is a great news story. It builds on the work that was done previously. In the budget you have allocated \$1.1m for land release across the Territory. Is that correct?

Mr CHANDLER: It is correct, but I had the same argument with the previous spokesman for Housing. The fiscal position your government left us in provided some real pressures for this new government. The one thing it has made us do, which I am quite excited about, is look at different ways of delivering a service, or a product. If you had money in the bank, if we were cashed up when we came into government - I doubt we would have won government if you were cashed up - we probably would not look at doing anything differently. We would use the money government has to stimulate, find land, sell off land, or work with developers. The way we are doing it at the moment does not necessarily mean we have to use government money to deliver the same services.

In that regard, I mentioned an example in the last hearing where we are working with a developer, where government will be required to put in around \$20m worth of headworks and services into the development. That was outside the scope of this government. Whilst it would have been good to see that development go ahead, the government did not have the resources to facilitate that. However, think about it differently for a minute - how can we work with developers? That developer was able to put forward a proposal where they took on responsibility of the headworks. All the same regulations, all the same service requirements by the authorities were being met, but for a price of around \$8m to \$12m.

The difference there is if government accepts that offer - I am not saying we are - what occurs is the development goes ahead, there is a direct saving to government, because it is not taxpayers' money that has to foot the bill for \$20m up-front. If it can be done for between \$8m to \$12m by using a private public partnership, that is a direct saving to government. If we accept that, the development goes ahead, it creates jobs, which creates a new opportunity for Territorians and saves government much money.

Whilst \$1m might not seem much money for land release, when you leverage that against what you can work with and how you can work with the private sector - let me tell another story in 12 months from now.

Mr McCARTHY: Minister, I will be asking many more questions in 12 months as well. We have budget appropriation for \$20m to continue the master plan suburb of Zuccoli into Stage 2. You have outlined a capital grant of \$3.5m to continue the master plan suburb of Kilgariff. Then, there is \$1.1m for land release across the rest of the Territory in this budget.

You have talked about Tennant Creek. I was interested in your media announcement about the 100 new lots released in Katherine. I took a drive through that area recently and looked at the 39 lots done under the previous government and how many of those lots had not had construction. There are 20 in the subdivision and five private lots in surrounding streets. Out of the \$1.1m, how much are you spending in Katherine and how much are you spending in Tennant Creek?

Mr CHANDLER: First of all, member for Barkly, the \$1.1m is for a team - it is for staff. The 2013-14 budget announced \$635 000 in 2012-13, and ongoing \$585 000 personnel and \$50 000 operational base budget uplifting funding for lands functions ongoing for five positions. There is \$450 000 in 2013-14;

2014-15, and 2015-16 being \$320 000 for personnel and \$130 000 operational for the establishment of a project team for land release initiatives, which includes three staff. That \$1.1m is a staffing allocation for a team to focus on land release across the Territory.

In regard to Katherine, the Northern Territory government has responded quickly to identify and commence action to release suitable land in Katherine to meet the residential and industrial demand for developmental land. The Northern Territory government has given the Vista Gold Mount Todd venture major project status. The company is expected to make its final investment decision later this year. Should the project proceed, there will be a potential for increased demand in housing in the Katherine region.

Lot 3011 is a 52 ha Crown land site in Katherine East suitable for residential and some commercial development. The site will support up to 220 lots, resulting in an estimated 400 to 500 dwellings depending on the density of the development. The 19 ha Stage 1 site was released to the public via a request for proposal on 24 June 2013. Stage 1 is expected to yield up to 100 lots to support an estimated 200 to 215 dwellings. Affordable land is one of the objectives to be met as part of the release of Stage 1.

In the industrial area the Department of Lands, Planning and the Environment is undertaking the necessary plan options prior to release to market of land in Chardon Street for industrial release.

You raised earlier how we got to this point by talking to demographers. We have done a lot of consultation in the Katherine region, particularly with the Katherine Town Council, to start to address some of their concerns about what would happen to the town should Vista Gold go ahead. Rather than be behind the eight ball, we prefer to get in front and ensure we have enough land available to be able to take up if Vista Gold takes off. Rather than wait for a final decision being made, we have decided to move forward because Katherine already has land restrictions and some pressures on land prices. This is a way of ensuring we are in front of the wave instead of being behind the wave.

Mr McCARTHY: That is good planning, minister. What about the budget appropriation to service those lots?

Mr CHANDLER: There are a couple of things we can do here. We have spoken about public private partnerships before. We are not a government that is going to restrict everything by government having to pay for everything. I mentioned in the last estimates hearing that it is quite amazing where people are willing today to invest where, even a few years ago, there was no willingness.

There is no final decision on this, but I can recall having a meeting recently with a gentleman who was representing a major superannuation fund. For the very first time in their history they were looking at investing in infrastructure, including subdivisions, entire towns, and cities for long-term investment purposes.

It is a strange world we live in, even from two or three years ago. You were steering a government through the financial crisis that occurred, and you made decisions based on the circumstances at the time. There are different circumstances today. The number of ideas, particularly when it comes to investing, is quite different to even just a few years ago. It is quite amazing to think what people are willing to invest in today. John, do you have any other ...

Mr COLEMAN: Member for Barkly, the Katherine release, Stage 1 for the first 100 lots, is proposed north of near the Casuarina school at Katherine East. The reason that release is happening first is because there are sufficient services at the boundary of the site. We are proposing that around \$300 000 will augment those services. That will be a requirement of the developer to take on; to go through the site, so there is no requirement for a capital works contribution.

Mr McCARTHY: So it will be done from within budget?

Mr COLEMAN: It will be done within the budget of the developer; he will take on that responsibility. It is not within the department's budget requirement to come up with that money; it will be built into the release.

Mr McCARTHY: Thank you, Mr Coleman. Minister, you talked about Zuccoli Stage 2. What I did say to you is I want to see some dust on your boots and ...

Mr CHANDLER: There is plenty of dust.

Mr McCARTHY: ... that will come, no doubt. You talked about Zuccoli Stage 2 and a \$20m investment to turn off land – what you used to bang on about for four years - that we ...

Madam DEPUTY CHAIR: Member for Barkly, are you coming to a question?

Mr McCARTHY: Was that aggression or a question?

Madam DEPUTY CHAIR: It was offensive.

Mr McCARTHY: Madam Deputy Chair, I have a question, yes please.

Madam DEPUTY CHAIR: If you could just go to the question, please.

Mr McCARTHY: There is \$20m to provide serviced lots of land. That is a capital investment to make those lots affordable. Tell me about the public private partnership and how you will manage the yield and the affordability of that land.

Mr CHANDLER: Member for Barkly, there is a variety of ways. You have to remember that, ultimately, at the end of the day, the government on behalf of Territorians is the landowner. Therefore, we will take that into consideration in how we negotiate that deal with the developer.

We know in Kilgariff, for instance, part of the parameters are the developer must be able to release land for between \$160 000 and \$180 000. The end result is known up-front, then we work backwards. The developer, of course, needs to make some money or they will not be interested in the job in the first place. It will end up getting down to what the transfer of land will be from the Territory government to the developer. There is scope for movement in there. This is where we can have a direct impact on the price of that land.

In regard to Zuccoli and the \$20m, the department is preparing for the release of Zuccoli Stage 2 to the market via a request for proposal, which will be on 8 July 2013. Zuccoli Stage 2 is expected to deliver at least 200 residential lots. The request for proposal process opens on 24 June 2013 for registration of proponents interested, and an industry briefing is scheduled to be held on 3 July 2013. A subdivision application seeking consent for the Zuccoli Stage 2 development parcel is currently being considered by the Development Assessment Services.

A total of \$12.8m has been identified in this financial year for headworks to develop Stage 2 and the balance of Stage 1. Planning for future stages is occurring with estimated time frames for release starting in 2014-15. Future stages of Zuccoli beyond Stage 2 are expected to deliver around 800 dwellings.

There is room for both processes. There will be room in the future for government to provide money for headworks and services, but there has to be space, given the fiscal position we are in the Northern Territory, to accept that there are other ways of doing business. Kilgariff is another way of doing business. We do not need to be afraid of it.

You were the pioneer of public private partnerships in the Northern Territory in regard to the prison. That is a whole other argument about what is being paid and what will be paid in the future, but it is an example of how a government can work with a private partner. There is room for both here. We are open for business and we will be doing both.

Mr McCARTHY: Minister, you just mentioned ...

Mr WOOD: Are you going to get off Zuccoli or are staying on Zuccoli?

Mr McCARTHY: Yes, on Zuccoli.

Mr CHANDLER: We are still under the opening statement, aren't we?

Mr McCARTHY: Yes, we are talking about Zuccoli, minister. You just mentioned \$12.4m for Stage 2.

Mr CHANDLER: \$12.8m.

Mr McCARTHY: Will you bank the difference between \$12.8m and \$20m?

Mr CHANDLER: The \$20m is for the whole of Palmerston East; the \$12.8m is for this stage, which is Stage 2.

Mr McCARTHY: Gerry, did you want to ask a question?

Mr WOOD: Yes. It is one of those questions that could be in Land Development Corporation, but I probably need to ask you now while we are talking about it. I was there on the weekend with the developer. There was discussion about changing the lot sizes on Radford Road. The developer was asked about the price of land there and he said that - I hope I do not verbal him, but my understanding was that a standard block there was going to cost \$340 000. We asked him the price of a 4000 m² block, which he wants to cut into 1000 m² blocks. He said it would be about \$450 000, the same as Bellamack. If they were to come down in size to maybe 1000 m² you probably would be looking at \$400 000.

The government undertook this project to see if we could produce land at an affordable price. I would like to know, minister, if you think a single dwelling block - about 700 m², maybe a bit smaller - at \$340 000 is the figure that will be regarded as affordable for first homeowners or ...

Mr CHANDLER: You are quoting the top end of the market on rather large lots compared to the small ones. You are referring to is the market at the moment. That is why we need to work very hard in this space to get as much land on the market as possible, which will have some downward pressure on the price of land. I would much prefer - and I do not think there would be an argument in the room - to be in a position today where people could be paying \$100 000 to \$120 000 for a decent housing block so they can invest most of the money they borrow in the house they build on the block ...

Mr WOOD: The answer from Urbex to what you are saying is if you want an affordable block, get down to 450 m². I said Palmerston is never going to have any cricket players who are going to represent Australia because they will not have a back yard.

Mr CHANDLER: I will give you an even more interesting story. What is acceptable in the marketplace today is what the market is prepared to buy. We have just come back from South Australia. We were looking at individual homes that were constructed on 112 m². That is a bit down the line of 450 m² ...

Mr WOOD: It is not tropical, is it? You need to keep close together in South Australia to keep warm.

Mr CHANDLER: I am just telling ...

Madam DEPUTY CHAIR: Member for Nelson, could you please let the minister finish.

Mr WOOD: It is all right; it was only a joke. Sorry, it upsets everyone; it was a joke.

Mr CHANDLER: I know there are people out there with solid views that we need to have every single housing block in an urban environment across the Territory to be at least 800 m² to 1000 m². That is their view and they are entitled to that view. People say that gives you the opportunity to twist homes; to turn them to the right angles to meet the sun and design tropical open living. There is also a market out there at the affordable end that is quite different to that.

Whilst there will be people with those opinions, there will always be a person who wants to live in an apartment or a high-rise building because they do not want to work hard all week and then go home to lift bricks. That is not what they want to do; they want a lifestyle apart.

To put this on the record, these homes which were built on 112 m² blew me away. It was like the Tardis. You looked at these homes from the outside, and they remind you a little of the terrace homes we knew years ago. They all had a back laneway because there was no access to the front of the property for a vehicle; it was through the back. Realistically, what you are getting is a two-storey home at the start. These were two-bedroom properties with two bathrooms, a kitchen, a dining room, a rear deck that went down to a rear garage that opened onto a laneway. All these properties all had this back laneway. It reminds you of the Sullivans with ...

Mr WOOD: No, it reminds me of Collingwood and Fitzroy in the 1880s. You have gone the full circle.

Mr CHANDLER: ... children playing in these rear spaces.

The difference with these developments, though, is they were very careful to design an environment within walking distance to each of these properties. Of course, there are open park places and plenty of walking tracks.

Member for Barkly, you would have seen them in your travels. These are really well-designed properties. There are two interesting things about the particular design in South Australia. One is you had house and land packages worth \$260 000, keys in the door, with a view of the buildings of the CBD in Adelaide. You cannot tell me there is not a marketplace out there for a house in a major city in Australia where you are able to hand the keys over for \$270 000. There are some people who (1) can afford \$270 000 because it is probably cheaper than the rent they are paying today in most establishments, (2) it is what they want, what they are looking for. The third point is it is incumbent on government to provide the widest variety of infrastructure and housing types for whatever the market is going to choose.

The last thing is the most important point because it bridges around affordable. I am not suggesting – or perhaps I am suggesting - that we, as a society in the Territory, need to start looking at different ways of delivering housing products so we can keep the prices down. If our land prices are getting to the point where the average person cannot afford to build a house on that block of land, we have a problem and we have to deal with that.

Mr WOOD: Can I just ask two questions on this? One of the issues Urbex raised was that the requirements now for a developer of infrastructure - as much as I believe we should retain our watercourses and wetlands – was things such as recycled water, all those sorts of things such as urban water management design etcetera, add a huge amount to the cost.

The second part of the question is, minister, I agree with you but the man sitting next to you helped develop a subdivision called the Bellamack Gardens, which is a really fine example of what the previous government did in using small blocks in such a way as you could still use a tropical design so people who bought there were not relying on air conditioning, as some of the other small subdivisions in the Darwin and Palmerston region do.

There is an issue about how much is now required of developers, which is adding to the cost of the development ...

Madam DEPUTY CHAIR: Member for Nelson are you coming to a question?

Mr WOOD: Thank you, minister.

Mr CHANDLER: There is nothing that you have just said, member for Nelson, that I disagree with. I have a couple of facts here about the Trojan release at Zuccoli. To date, 11 of the Trojan release lots have sold at prices between \$259 000 and \$360 000. Urbex is confident that the remaining stock will sell over the coming months, albeit at a slower rate than previous stages due to the price point of these premium lots. There are some premium lots there. You are right; we can get smarter in how we develop our land today.

Everyone focuses on tropical living. I agree we live in a tropical environment, but it is completely different in the Barkly. We need to be very careful our regulations do not insist on particular requirements across the Territory because we have to acknowledge that for what is built in Darwin the requirements will be different for Katherine, Tennant Creek and Alice Springs. Some of the products on the market today; I am looking at a product at the moment that is quite amazing. I encourage you to look at it, and this is just one.

It is fair to say we have had a history where the old besser block, core-filled, stands the test of time; great for investment properties. What is the worst someone can do it? Just repaint it and get it tenanted again. There are a number of amazing products on the market today that we need to consider to do things differently.

I was looking at one product recently. It blows me away to think there are products that are now available in the Darwin market. They are building houses to a design factor Category 5, rather than Category 4. Tick the box. Energy ratings are up to 8-star. To give you a clear indication, we have information that suggests that besser block homes, with their heat radiation factors, have an average power bill of around \$1200 for a three-month period and the housing that is now available, with these new products, have energy costs of around \$244. That is an amazing difference in energy costs because of the type of product. These are homes that are built to a Category 5 standard. The thermal qualities of the new products available today are quite different to where we were even a decade ago. We have to start using these products to design new properties and, in doing so, keep down the prices.

Government has a part in that because we have to do what we can to release land at affordable prices. We have to work with developers to do that because we are not cashed up and cannot go into debt any further with land releases. But we can still deliver. I am absolutely confident we can deliver on land release without, essentially, using government money to provide the land release, but leveraging the land we have and facilitating the development of that land as quickly as possible so we can have a real impact on reducing the cost of living in the Territory.

Mr McCARTHY: Minister, let us stay on that point about land release and talk about serviced lots of land. You are in a great space when you are looking at the housing product, the innovation. I encourage you to keep pushing the boundaries in smaller lot sizes and alternative designs and ...

Madam DEPUTY CHAIR: Member for Barkly, are you going back to the same question at the start, referring to release of blocks of land again, because if you are, we have moved on from there. If you do not have any relevant questions to the minister in regard to anything else, then we are not going back to that one. Sorry, you had your chance.

Mr McCARTHY: I was talking about serviced land, minister. You were talking about public private partnerships. One of the real pressure points is local government, the Power and Water authority, and the other associated partners around land release. Can you tell me about your conversations with those authorities, or what work is going on around making sure they are all coming along with your new innovative approach?

Mr CHANDLER: That is a really good question, member for Barkly. Yes, we are in discussions. One of the things that interstate trip I did to South Australia and New South Wales demonstrated to me was there were other ways of, let us say, delivering the titles. This has been an ongoing bugbear for many people; when properties are finished and people are screaming out that their loans are not being approved because the titles have not been released. You are right, it is not just a lands issue, it is partly Power and Water, and can be local government and so many different agencies that factor in.

Being new to the game, I am on a journey of discovery. One of the things I learnt interstate was they have a system - I first learnt of it in South Australia - where they have bonds in place which allows titles to be released up-front. The developer is required to come up with the bond, the bond is held, the title is released and, as the boxes are ticked off, the bond is released. It issues titles up-front and then allows the other agencies that are involved to tick off their parts as the process goes through, then the bond is released. It allows things to move forward more quickly than they have moved in the past.

There are other areas about making changes to the legislation. I am an advocate of doing rezoning and development applications in the one process. I might get some pushback saying that is not as open and accountable. I argue it is even more open and accountable because, if we can do a land rezoning as well as people seeing up-front what the development is, that is far more productive because it provides openness to what that land is going to be used for. However, the main thing it does is speed up the process for the developer so they can get the shovels in the ground and get on with doing the work.

Mr McCARTHY: Minister, I am not sure how that would speed up the process. Can you explain that to me?

Mr CHANDLER: I have seen a number of projects where it has been up to six months, in some cases, to rezone land. Then, the developer comes along with their development application process and it can take months and months more. By changing the legislation to allow both to occur at the same time, we will speed up the process from start to finish. From the moment someone applies to rezone and go through the development application at the start, the end date will be a lot sooner than a two-step process.

Mr McCARTHY: You are not talking about scrapping exhibition periods?

Mr CHANDLER: No, not at all. That will still be part of the process. If a developer comes along who is looking at land that needs to be rezoned, it allows the rezoning process and the development application to be done at the same time.

Mr McCARTHY: Are you expecting much pushback on that from the community?

Mr CHANDLER: There might be. I argue the point that if that was releasing land or rezoning, and that is the development afterwards, at a later stage, what is not open and accountable about that process?

People actually see up-front what the development is going to be on that particular land. It is more accountable.

Mr McCARTHY: I could make a comment there, minister ...

Mr WOOD: I could make a comment too.

Mr McCARTHY: ... but we will move along. That is the difference between policy and politics.

You talked about industrial land and servicing land. There was a budget appropriation in the 2013-14 budget that was for the supply of water supply headworks in the Middle Arm precinct of \$15m. Can you tell me what that project is delivering and what industrial development it is supporting?

Mr CHANDLER: Do you want to take that, John?

Mr COLEMAN: Member for Barkly, the \$15m allocation for the water pipe from along Jenkins Road out to Middle Arm is to provide for the INPEX project, as well as for future industrial projects and anything else that might be achievable along Jenkins Road through those industrial areas leading into that major industrial complex.

Mr CHANDLER: To clarify, you mentioned in parliament a while back to look at that land because of that pipeline, so you were aware of that.

Mr McCARTHY: Thank you, Mr Coleman. Yes, minister, my question is what happened to Weddell? It did not appear in the budget. You should know the history of Weddell. What industry will it support? Has it the capacity to support future residential land release in the area which is being designed as the city of Weddell?

Mr CHANDLER: Thank you, member for Barkly. Weddell is still on the drawing boards and is still part of the future growth of Darwin. How it fits in and the actual timing it fits into our focus on the future will be dependent on a number of factors. Weddell is, perhaps, outside the scope of a major commitment at this stage, given the fiscal position.

However, bringing forward infill is my focus at the moment, because I know it is land that is readily available; it is serviced and appropriately zoned in many cases. I can achieve something sooner which, again, will have a downward effect on the pressure of land across the greater Darwin area, but Weddell will always be there as part of the future.

I put it on record that we have some amazing opportunities in the future for the greater Darwin area, in particular, in downstream oil and gas. It is something we have to prepare for. Even in the government you were part of, there was talk many years ago about Glyde Point. That is very much back on our agenda, because there comes a point where you have to draw a line in the sand and say, 'No more development in our harbour. Let us find a space where we can grow oil and gas industries and the downstream industries without further impacting our harbour.' That is why we have made a commitment that Glyde Point is where we want to turn that focus. What will that mean and what will it need? The first thing it will need is a village or small city.

The member for Nelson has raised Murrumujuk a number of times in parliament and there has been much work done in that space. If I was a betting man - and I am not really - I would say our focus would be Palmerston East, and infill sites in and around not only the greater Darwin area but also in Alice Springs, Katherine, Tennant Creek and others. Then, the move would be towards Murrumujuk as Glyde Point develops. That will be developed and, probably at a later stage, Weddell will come online. Weddell will always be there, but whether it is in the next decade or the next 15 years will be determined by the growth of Darwin.

This government has a real direction on facilitating an oil and gas hub, as well as other industries and development opportunities including tourism, education and agriculture. We have a different focus. Your government was focused on Weddell - kudos, great idea - but our focus is towards facilitating the growth of the oil and gas industry and those downstream industries. I, personally, do not want them in the harbour. I would prefer to have a site away from Darwin. Glyde Point has much merit. We will need to be able to support the workers and their families around that area, and that is where the natural growth will be. After that will be Weddell. Eventually, we will work our way around the harbour as this place grows to probably in excess of one million people in 60 years.

Mr McCARTHY: I will refer to our colleague to get a take on the geography. However, I debate with you that it was our government's view to develop Gunn Point. Gunn Point is where the planned village of Murrumujuk sits. Is that correct, member for Nelson?

Mr WOOD: Yes, Murrumujuk is at ...

Madam DEPUTY CHAIR: Member for Barkly, could you please keep ...

Mr WOOD: ... Gunn Point. The industrial area was going to be at Glyde Point. There are two spots ...

Madam DEPUTY CHAIR: Member for Nelson.

Mr WOOD: Yes?

Madam DEPUTY CHAIR: When I am talking you can be quiet, thank you very much.

Mr WOOD: I did not hear you talking.

Madam DEPUTY CHAIR: I am sure you heard me.

Mr WOOD: No, it must have been ...

Mr McCARTHY: My apologies, Madam Deputy Chair, I ...

Madam DEPUTY CHAIR: Member for Barkly, can you please keep your question directly relevant to the minister?

Mr McCARTHY: We will continue the debate around that future industrial area. However, with roads, power, and water going straight past Weddell, and your ambition to deliver fast-tracked, cheap, affordable land, would it not be better in sticking with Weddell before you start to look at residential development at Murrumujuk, where there is no supporting enabling infrastructure?

Mr CHANDLER: This is probably a point of difference in focus your government had to the focus our government has. There are some benefits to using areas like Weddell. What Weddell does not do, though, without some major commitments to infrastructure, is take into account traffic corridors. We know now what it is like between the rural area and Palmerston, and Palmerston into the city. We still have some major concerns about finishing the duplication of Tiger Brennan Drive.

To improve the road infrastructure would need major investment. Even light rail, which has been talked about before, requires major infrastructure because of the distance. Let us face it, the majority of people who would move to Weddell in the short term would be those who have jobs in either Palmerston or Darwin, so they would be travelling each and every day. Distance-wise, there is not a big difference between the city and Murrumujuk, to the city and Weddell. Would it take roads to be constructed out to Murrumujuk? Yes, it would. However, there are still major concerns about infrastructure - and I am talking about the road network - out to Weddell which would still cost money.

Either way, there are going to be cost implications for infrastructure. It is just that Weddell is further out, providing further distance for people to travel either to Palmerston or Darwin, whereas the main focus for Weddell would not preclude people from working in those areas, but would be delivering a city that is going to support an industrial area. That is the difference.

If I look at history of the flat country I was born in, the little of Moulamein was there because that is where the river boats came in. Towns were often built around a mine. The difference here is that Murrumujuk will be constructed because of an industrial area. That is the point of difference.

Mr McCARTHY: Yet, minister. I find it hard to accept that you are ignoring Jenkins Road and Channel Island Road and those major arterial roads that link to the Stuart Highway such as the link to Finn Road that linked to the Cox Peninsula Road. There is amazing array of infrastructure already there supporting it. As I said, it is looking at your objectives of fast-track and reducing the costs of service land ...

Mr CHANDLER: Member for Barkley, at the moment, the Planning Commission is working on plans for the greater Darwin area. It may be that the Planning Commission comes back to government and says, 'You may want to rethink. You might want to move on Weddell before you move on Murrumujuk'. We will wait

until those suggestions. I am giving you what my personal opinion is. The current focus of government is moving around to the north, not down to the south. There will be advice coming from experts - as you worked with them in the past - who know about good planning. If there is infrastructure in place in the Jenkins Road area, that will have to be taken into consideration with what government does next. At the end of the day, we are going to continue to grow and we have to plan for that growth. It is not off the table.

Mr McCARTHY: That is my next question, minister. What plan are you working off?

Mr CHANDLER: To have the Planning Commission in place is one of the great achievements of this government. The Planning Commission was introduced in January this year. It is to provide high-level strategic advice to government on good planning. It is required because, in my mind, good planning is not just about the budget cycle, and certainly not about this election cycle, it is about the next government, and the government after, and the government after that.

I have a four-year-old. We should be planning when my four-year-old is 30, 40 and 50. Planning should not just be limited to the next couple of years. We should be planning for where the next airport is going to be constructed in the greater Darwin area. Where are we going to need the schools? Where are we going to need those roads and ensure those corridors are put aside? There has been a heap of work done in that area, but I wanted to bring it back into something that really is a road map.

My criticism of your government's 2030 plan was not, essentially, that I disagreed with the philosophy behind the plan; I thought there were some great ideas in there. The disappointment for me was that it did not provide me with the directions of how to get there. It was a great journey but it did not have the actual concrete directions in there to get there. That is what I am asking the Planning Commission to do for me: provide me with real guidance on how we are going to manage the growth, particularly in the greater Darwin area but not just limited to here, for the next 20, 30, 40 years and beyond.

Mr McCARTHY: Sure, minister, but remember the 2030 plan was the visionary plan done by Territorians in a very select facilitating group. However, the Darwin land use plan ...

Mr CHANDLER: Then it should have been called 'vision'.

Mr McCARTHY: ... and the 10-year infrastructure plan and the 10-year road strategy plan; surely you are using that with your Planning Commission? Surely, you are using that incredible volume of work that was done in the department and remains in the department, I suggest?

Mr CHANDLER: It is very important to understand where you come from. Amongst that information, there were earlier reports done from the 1970s and 1980s that still have very vital information that is available to us today. We should not ignore that and nor should we ignore the 2030 plan. There were some great visionary ideas in that. It is about now coming up with the network to get there. That is what I am hoping the Planning Commission can provide for me - I know they can provide for me.

Mr McCARTHY: Minister, surely you would have the Darwin land use plan open on your desk?

Mr CHANDLER: Not at the moment, no.

Mr McCARTHY: Good answer. Surely, you would be referring to that incredible volume of work that was done that shows the deficits of the 1970s and 1980s land use planning; it really does. If you just look at constraints, for instance. You are telling me you are not referring to any of that work that was done?

Mr CHANDLER: No. Of course, that is not what I just said.

Mr McCARTHY: I am pleased to hear that, minister.

Mr CHANDLER: It is important we understand where we have come from. There is a great deal of work done. I have worked in a number of government departments over the years, in different levels of government, and I have become increasingly frustrated over the years that good work is not used.

We have spent the morning talking about education, and the last time a review of Indigenous education was done in the Territory was in 1999; 14 years has gone past since that time. The sad thing is it is very timely that we have another review of Indigenous education.

That is not to say that report which was done in 1999 should not be reviewed; that should be the starting point. The issue I have now is there are many fantastic ideas within that report that have never been used, and some of that information could hold the key to improving educational outcomes. I am not going to ignore it. You have to listen to it, just as we do the plans your government has come up with. You are not going to ignore it, you are going to use it. They are all valuable pieces of information that helped construct a plan for our future.

Mr McCARTHY: Thank you, minister. You might be able to explain something to me. I am a little confused with the budget appropriation that deals with Kilgariff and also flood mitigation works at Rapid Creek. This is about remediation, so I have drifted off land release a little. Can you tell me about the scope of that project that has a budget appropriation ...

Mr CHANDLER: \$750 000.

Mr McCARTHY: Budget Paper No 3, on page 215, talks about land development key variations. It states that the increase in land development and economic development output is due to additional funding in 2013 for a capital grant for the Kilgariff headworks, offset by one-off funding in 2012-13 to undertake investigative studies for Rapid Creek flood mitigation. What is the figure that is put up for the Rapid Creek flood mitigation and what will that work entail?

Mr CHANDLER: Probably the key points around that is that properties adjacent to the Rapid Creek corridor experienced inundation to varying degrees during the formation of Cyclone Carlos in February 2011. We were all here then, when greater Darwin and the Top End experienced some of the highest recorded rainfall events.

On 20 August 2012, government announced a \$1.5m down payment on flood mitigation works around Rapid Creek as a first step towards funding future works. This commitment included the assessment of recommendations arising from the review of the Rapid Creek catchment hydrology, and development of an action plan to ensure the outcomes meet community requirements.

Various studies are under way for the Rapid Creek catchment including a reassessment of flood hydrology and flood damage risk assessment. This work will be provided to the Northern Territory Floodplain Management Committee for its consideration.

Completion of this work will facilitate modelling of options to reduce the potential for property inundation resulting from significant storm events. A project working group has been established to progress this work, comprising the Department of Lands, Planning and the Environment, Land Resource Management, Water Resources and Transport. The Department of Lands, Planning and the Environment will report back its preliminary findings in relation to possible mitigation options to me by the end of September this year. The background is that \$750 000 has been budgeted for in the 2012-13 financial year; no expenditure has been incurred between 26 August 2012 and 31 March 2013.

The Rapid Creek flood damages assessment report being prepared by SKM will predict the levels of damage and respective costs incurred from flooding at Rapid Creek during a range of storm events of increasing intensity. The current \$750 000 allocation is sufficient to fund SKM's current studies. The SKM report will identify appropriate flood mitigation works, options for government's consideration, and is expected to be finalised by July 2013.

This work will investigate and differentiate the likely influence of a typical 1-in-100-year storm event as compared to a larger event such as Cyclone Carlos. Cyclone Carlos caused a record rainfall to occur throughout a significant area of greater Darwin.

Mitigation measures are likely to be complex and contentious. The \$1.5m was not required to finalise the work that was committed to; we are able to get the work done for so \$750 000. The report will be finalised by July 2013.

That is Stage 1. It will then be up to Cabinet to look at that report and decide what works are recommended to be done, and see what costing will be around those works, and when we can afford to do it.

Mr McCARTHY: Thank you, minister.

Madam DEPUTY CHAIR: Any more questions, member for Nelson.

Mr WOOD: I just need to work out where we are. Are we going to ...

Mr CHANDLER: We are on the opening statement.

Mr WOOD: Yes, I realise that; I am just trying to get where we are. Are we on Land and Economic Development? Do you have a statement?

Mr CHANDLER: No, I do not have a statement ...

Madam DEPUTY CHAIR: If you do not have any more questions, we can move on to the outputs ...

Mr WOOD: I am just trying to work out if you have more questions?

Mr CHANDLER: I am in your hands, but we have had a strange day because, in the first part of the day, through Education, it was a really good process where I had read through the questions, stopped, allowed for any other questions on that question, and then we moved forward. Are you happy to go down that process again?

Mr McCARTHY: If you could table that, minister, if you are happy to table it?

Mr CHANDLER: I am happy to table it, but it does not give you the benefit of being able to ask additional questions. There are answers in here. Earlier today, the member for Nelson requested we read out the information so Hansard had the information on the record. It allowed you the time while I am reading it to think of any other questions in regard to what I have just said. It provided a really good structure to go through the hearing. However, if you want to move towards just tabling all the answers, I am happy to do that; they are all here. Again, it does not afford you the opportunity of then being able to go back if we have stepped through them. It is up to you. I am happy to ...

Mr WOOD: We will run out of time; that is the problem. We have the Planning Commission, the EPA ...

Mr CHANDLER: All right.

Mr WOOD: We do not have to finish at 6.30 pm, we can keep going. However, we have to be mindful we have another minister yet.

Mr CHANDLER: I am in your hands; I am happy to do that.

Madam DEPUTY CHAIR: No. My understanding of the PAC meeting, we finish off with the Minister for Education, which is now Lands, Planning, and the Environment at 6.30 pm before we break, then the other minister comes along. That is the understanding.

Mr WOOD: No, we can drift across as long as we finish by 11 pm. We can keep going. I do not want to lose ...

Ms FYLES: We can keep minister Chandler here until 10.30 pm and then have half an hour with minister Conlan. We will not do that, but ...

Mr WOOD: That is what happens; 11 pm is the only time we have to stick to.

Madam DEPUTY CHAIR: It is up to you guys.

Mr McCARTHY: If the minister is prepared to table that ...

Mr CHANDLER: I am happy to do that.

Mr McCARTHY: I am very much interested in the information ...

Mr CHANDLER: I do not want to take away your opportunity to ask questions.

Mr WOOD: Member for BVarkly, have you don all the Land Economic Development questions for the time being? Much of that you were talking about ...

Mr McCARTHY: I have questions in outputs and around statutory bodies.

Mr WOOD: I have questions – not many – on other sections, especially Land Administration. So, if you have Land Economic Development, can I go onto Land Administration?

Madam DEPUTY CHAIR: So, that is Output 5.2?

Mr WOOD: Yes.

Madam DEPUTY CHAIR: So, you want to skip all the way to Output 5.2?

Mr WOOD: No, because much of the work we have been doing and the discussions the minister's statement cover that.

Ms FYLES: We just did Output 5.1.

Madam DEPUTY CHAIR: No, we are still in the questions.

Mr WOOD: No, we are going to go back to the ...

Madam DEPUTY CHAIR: You have not gone to the outputs yet. We are still on the statement.

Mr WOOD: All right.

Mr CHANDLER: I am in your hands. I am here to answer questions.

Madam DEPUTY CHAIR: I am trying to ask everybody where they want to go. The member for Nelson wants to go to 5.2. Member for Barkly ...

Mr CHANDLER: Madam Deputy Chair, I know time is pushing but I would love a wee break.

Madam DEPUTY CHAIR: Let us have a five minute break and we will resume. Is that okay, everybody?

The committee suspended.

OUTPUT GROUP 5.0 – LAND DEVELOPMENT

Output 5.1 – Land Economic Development

Madam DEPUTY CHAIR: We have a quorum. In Output Group 5.0, the committee has decided to skip to Output 5.2, Land Administration.

Mr WOOD: Can stay on Output 5.1 for one minute?

Madam DEPUTY CHAIR: Make it one minute.

Mr WOOD: Minister, in relation to industrial land, you mentioned, thankfully, the land at Humpty Doo which has been on the cards for a long time. How long, do you think, before tenders will be called? Do you have an approximate idea of when you might think the land could be turned off?

Mr CHANDLER: We do. I believe expressions of interest will be called during July and August this year. It will be a pretty short process to find an appropriate developer to work with. Nothing we are working on at the moment, I am hoping, will be part of a long process; we need to get this out soon.

One of the major issues, which was raised pretty clearly during that public meeting held in Humpty Doo the other week, was the fact that the lack of appropriate land in the rural area has forced many people to undertake businesses on what today is Rural Residential property. That puts them at risk for a number of factors. They might argue that because there is no industrial land out there they are forced to use Rural Residential.

At the other end of the spectrum, if you can buy - and I can understand that argument - a Rural Residential block for a third of the price you might pay for an Industrial block, that is another incentive. We have to be very careful with the price points that are in place with this industrial land release at Humpty Doo. If we

want to encourage people back into appropriate industrial areas, rather than using their Rural Residential blocks, we have to be careful what price points this industrial land will be set at.

Mr WOOD: I totally agree. I had a look at the UCVs the other day. The UCV for residential land is about \$300 000 to \$330 000 and industrial land in the existing subdivision is about \$660 000 to \$670 000. Obviously, they sell them for much higher than that.

Mr CHANDLER: It is the lack of further releases in that area which has driven up the prices. The direct result is forcing people into Rural Residential areas. Some get away with it because, sometimes, they have neighbours who do not really care what they are doing. Some of the blocks are so large they are not really impacting on their neighbours. At the other end of the spectrum you have people who really have genuine concerns about what is going on in their neighbour's property. This is an important initiative and it needs to move on from that.

Mr WOOD: I agree, minister. From the point of view of developing the economy, people running businesses there will now have a place to go, which is important.

Mr CHANDLER: One of the other things that comes to mind from that public meeting we had in Humpty Doo was the requirement of certain businesses - even if it might be outside the scope of this particular development - for larger blocks, which we may have to look at providing in further allotments in the future. Some of the people might be overestimating the size of land required for their business, by a long shot in some cases, but legitimately there could be some businesses that require some bigger pieces of turf. As a government, we have to accommodate what the business needs are.

Mr WOOD: You are in good hands with your Chief Executive Officer, who had experience at East Arm for a long time. He will know all about that. That is all the questions I have on Output 5.1.

Madam DEPUTY CHAIR: Thank you, member for Nelson. Okay. That concludes consideration of Output Group 5.0 and Output 5.1.

Output 5.2 – Land Administration

Madam DEPUTY CHAIR: The committee will now consider Output 5.2. Are there any questions?

Mr WOOD: I have some questions, minister. What money is the government spending on cleaning up dumped rubbish on Crown land, especially in the Darwin, Palmerston and rural areas? I might give you the four questions at once so you can respond to the lot. Does the government have a strategy or plan to clean up the land? Has the government a strategy to monitor and police the dumping of rubbish on Crown land? Does the government have a policy on burning Crown land? I will just give an explanation. I drove up Tulagi Road/Thorngate Road. Take the first dirt road on your right, which was the old mining road, and there are concrete piles everywhere plus other building materials, all on Crown land. It is not only there, but the forestry land at Howard Springs is a regular place for dumping.

Mr CHANDLER: This is one of those amazing areas; you once were a regular complainer, and now you are responsible for fixing up the mess. I agree. There are many areas of Crown land today that I, for one, as a member for Brennan, find within my own electorate which, for many years, I complained about; whether it was dumped cars or building materials. I had ongoing discussions not only with the then minister for Lands but, even in my previous life working for the Palmerston council, looking at ways we could move car bodies and so forth.

It is important, but it also has to do with the additional cost for some builders today to dump their rubbish appropriately. I have had builders who have been the first to admit that they have dumped inappropriate material on Crown lands because they have gone to a council dump and it is closed, or the dump does not take that particular product.

These are not simple things to deal with. Whilst there needs to be an appropriation every year for Lands to be able to do some of that work, to be quite honest and fair to both the previous government and this government, if you were to jump on a motorbike and have a look around the rural area, and just the Darwin area, let alone Katherine, Tennant and Alice, you will find areas where there has been some inappropriate behaviour. Of course, I encourage people, particularly if you see someone doing this, to take a number plate, report it to police. Do what you can to be proactive in this area.

We have talked about this before, about how you come across everything from old washing machines and microwaves, to heaven knows what you find on a dirt track on a piece of Crown land. I do not have all the answers, but education is part of this. We have to be proactive in how we educate the community on looking after our Crown land.

There is money put aside in the budget. Would I say it is enough and going to be able to clean up every piece of Crown land we have? No, probably nowhere near it.

Mr WOOD: Okay, you have money, but do you have a strategy to work on an area? Is there some sort of plan to say, this is a bad area this year? I am not expecting you to clean up every bit of Crown land, but perhaps part of your strategy is not only advertising and trying to encourage people not to dump it. You raised a really important issue about the dumping of materials and the cost of dumping. That is something that maybe requires a government/local government get together, because that rubbish is not going to go, unless someone puts the effort into moving it.

Mr CHANDLER: Member for Nelson, I agree. As far as a strategy for dealing with it, I will get John to add to this. In my mind, it would be very difficult to expend an entire budget on cleaning up a particular area, given the way it has been done in the past is probably the most appropriate way: as complaints come in, in various areas, you act on those complaints. Sometimes, our own community can be the best eyes and ears for what is going on in the community; just like the police rely on feedback from the community to deal with crimes. We do not have officers covering every piece of Crown land across the Territory. When it is reported, we need to be in a position to be able to act when we can.

Mr WOOD: And a community can, of course, help to clean up, as it does, yes.

Mr CHANDLER: Absolutely. Have you anything else, John?

Mr COLEMAN: Member for Nelson, we are largely reactive but we do monitor hot spots, periodically. Going to your second question, or third part of your question, in regard to the fire management regime, we work closely with the fire services people each year, to say which area should be burnt off at what time.

Mr WOOD: The reason I asked that question is because I had someone from one of those groups that cares for wildlife, saying the problem is that people just burn off the bush. She said there is no regard for the animals. There are some more manageable ways of burning off; for instance, having the 100 m strip between two firebreaks so you burn a portion of the land. Her complaint was that in some cases on Crown land, they go along the road and burn it all, and there is no plan that is meant to protect property.

I did not know whether, at times, the government was putting its environmental hat on, as well as land protection, and had some strategy which, on one hand protects property, and on the other hand also has some recognition that there are other things that live out there in the bush, besides human beings, that also need to be taken into account when working out a strategy. The complaint was that sometimes a large amount of bush - I am not saying who - they will just light it up ...

Madam DEPUTY CHAIR: Are you coming to a question, member for Nelson?

Mr WOOD: I am. I did not know whether you had a strategy in that sense.

Mr CHANDLER: Sure. I want to read the budget numbers: repairs and maintenance budget this year is \$1.714m in 2011-12, and \$2.31m, which is an increase of \$317 000, in 2012-13. In 2013-14, it is \$2.84m, which is about a \$400 000 uplift in the R&M budget over last year's budget. So, there is a bit more money this year to be able to work in that space.

Mr COLEMAN: Member for Nelson, I have not come across the idea of having an entity to look after the furry animals within the bushfire regime. We would have to refer to our colleagues in the Bushfire Council and the fire service, because they undertake those burns on behalf of government. We just work with them to nominate the periods and then pay for the service. You would need to defer to them.

Mr WOOD: Okay, thanks. I have no further questions, Madam Deputy Chair.

Madam DEPUTY CHAIR: That is it?

Mr WOOD: That is it.

Madam DEPUTY CHAIR: That concludes consideration of Output 5.2.

OUTPUT GROUP 6.0 – LAND SERVICES
Output 6.1 – Building Advisory Services

Madam DEPUTY CHAIR: The committee will now proceed to Output Group 6.0, Land Services, Output 6.1, Building Advisory Services. Are there any questions?

Mr McCARTHY: Yes, Madam Deputy Chair. Minister, Budget Paper No 3, on page 16, talks about key variations and the decrease in building advisory services and the development services outputs being mainly the result of approved savings measures. It equates to about \$3.252m, which is a pretty large variation. It was put down in the book as approved savings measures. Could you explain what those savings measures entail?

Mr CHANDLER: I am prepared to take that on notice, to get you some clear information on that. Or do we have it here? Are you asking for the difference between 2012-13 and 2013-14 or between the mini-budget and 2013-14?

Mr McCARTHY: Budget Paper No 3, page 216, Key Variations. I am working straight off the budget book. It talks about a decrease in building advisory services and the development services outputs. You have been outlining different savings measures your government has created and the figure is large. I was wondering if you could outline what those savings entailed.

Mr CHANDLER: What page is it, member for Barkly?

Mr McCARTHY: Page 216 of Budget Paper No 3.

Mr CHANDLER: I can read through these individually, if that is helpful.

Mr McCARTHY: Are there staffing savings in that, minister?

Mr CHANDLER: I will read through them just so we do not miss anything. This is for the Land Services Output Group. The final total operating expenses estimate for 2012-13 is \$26.392m, and the initial estimate for 2013-14 was \$22.79m. That is a decrease of \$3.602m.

The key variations to the Land Services Output Group budget from 2012-13 to 2013-14 are: a total increase of \$0.491m represented by additional funding for the residential consumer package, which is \$75 000; commercialisation of the Integrated Land Information System, \$27 000; provision of valuation services to the Northern Territory government, \$50 000; wage increases and CPI increases offset by efficiency dividend, \$339 000. That gives you a total of \$491 000.

The total reductions of \$4.93m are represented by personnel reductions savings measure, \$1.1m; reduction in repairs and maintenance on government-owned assets under the conservation program, \$260 000; reduction in professional advice services, \$10 000; a reduction in the Heritage Incentive Grants Program, \$20 000; 2011-12 funding transferred to 2012-13 for the Historic Shipwrecks Program, \$50 000; amalgamate industry registrars' locations, \$88 000; rationalised licensing and registration boards and committees, \$250 000; rationalise other boards and committees, a saving of \$10 000; a reduction in survey drilling and drafting, a saving of \$150 000; NT Fleet savings measures, \$40 000; corporate overheads, a saving of \$226 000; other, \$86 000.

One-off funding in 2012 for use of balancing 2012-13 for Commonwealth funding for FaHCSIA task opportunity, which is the funding ceased, \$897 000. There was a land survey of Territory growth regions the funding for which has ceased, of \$733 000. There was three-year funding for land surveys of Territory growth regions ceased in 2012-13, for \$296 000. As I said before about the shipwrecks program, it is a savings of \$4.93m. But, a great percentage of it was ceased Commonwealth funding.

Mr McCARTHY: Minister, to clarify. That \$1.1m, was it a savings in staffing?

Mr CHANDLER: In personnel reductions, yes, \$1.001m.

Mr McCARTHY: How many personnel does that equate to?

Mr CHANDLER: I suggest around 10.

Mr McCARTHY: Are you sure about that, minister?

Mr CHANDLER: I can give you a more accurate description, but the figure of around \$100 000 per, including ongoing costs, has been what I have been advised to refer to when talking about personnel costs.

Mr McCARTHY: In an environment of accelerated land release and construction, do you see that is appropriate when you see 10 highly-qualified people part company with the department?

Mr CHANDLER: To answer that, it is something we are very much keeping an eye on at the moment. I have had discussions with the Chief Minister and the Treasurer on this subject. The CE of Lands, Planning and the Environment at the moment is putting together a proposal we will look at. The truth is when you inherit a government in a fiscal position we are in, we have to make some savings measures. Rightly or wrongly, the debt does not disappear. If we stop talking about it, the debt does not disappear. We had to deal with it in a number of ways.

Some people are unhappy with certain things, other people are happy. There is always this argy-bargy about where you are going to appropriate the majority of your money. I had arguments in Education this morning, wanting more money - you were here – and arguments in Housing. Could we have more money? Yes, we could.

If there was more money to divvy up, of course, you would not have to make these savings in the first place. However, we are very mindful we have a growing economy, and have a regional growth focus in a whole-of-government approach to developing the Northern Territory. We are very mindful of the situation at the moment.

I put it to you that the Chief Executive is working very hard in this area. I will do my best to look at the recommendations around staffing, go back to my Treasurer and Chief Minister, and do what I can. The worst thing we want to do, member for Barkly - and you would agree – is become a funnel. We have to be able to deal with the number of development opportunities and the workload that comes through that department.

Yes, there was a cost savings measure applied. Where we go next, though, we are on to it, and we will keep a very close eye on that area because, as I said, I do not want to become our own worst enemy and not be able to keep up with the growth this department will be expected to handle.

Mr McCARTHY: Thank you, minister. In that reply, you gave a comment on appropriation to residential building insurance. You have just announced you are conducting an inquiry into residential building insurance. Can I ask you why?

Mr CHANDLER: Yes, absolutely. The issue we face is the amount of feedback we have had from the building industry over this particular package has been huge. I do not think on any particular subject I have been involved in, in the short time I have been in government, has provided me with as much feedback as this particular program. Let us face it, you would usually allow legislation to work over at least a 12-month period before you put your eyes over it to see whether or not there are any improvements you can make, as you should, with any legislation at timely intervals, review that legislation.

I made the decision based on the fact that the feedback we were getting did not quite meet the expectations I was provided with; that this particular fund was covering the expectations the community had. Rather than wait 12 months, it has been proactive to get in there now, get in there quickly, and identify (1) if this is the right package for the Northern Territory; (2) if it is, if there needs to be any changes to the particular package to improve how it works; (3) if we need a package at all, and we all know the answer to that; and (4) whether or not there is another model or can we just improve this model to provide certainty and to meet the expectations the general community has that this program is supposed to deliver on.

This is just to answer some questions, to give you a more accurate picture. It was under your stewardship and prior to us taking government that the department had done all the background work on this. It was not something we were over 100%. We were certainly, in opposition, supportive of elements of the legislation and had some genuine concerns in other areas. When we took government, and took the advice of the departments that this particular model was the right model to introduce, of course, we went ahead and introduced it.

I go back to how I remember helping out at least 11 families in my own electorate which had gone through a break-up or, in a particular case, a death, that led to many homes which were not completed. I know the angst those families went through. I am very supportive of having a mechanism in place that is going to provide protection for families like that.

However, the feedback we have been receiving has raised my concern levels to the fact that I want a quick desktop review of this legislation, just to ensure we have the right model in place.

Mr McCARTHY: How many builders have registered, minister, to date?

Mr CHANDLER: We have that information.

Mr McCARTHY: And what equity has that provided on the books?

Mr CHANDLER: I think I have it right here in front of me. It is all here. On 1 January 2013, amendments to the *Building Act* and two new sets of regulations - the Building (Residential Building Insurance and Fidelity Fund Schemes) Regulations and the Building (Resolution of Residential Building Work Disputes) Regulations – commenced ...

Mr McCARTHY: Minister, I just asked you how many have registered and what equity has that provided on the books ...

Madam DEPUTY CHAIR: Member for Barkly, the minister is trying to answer your question.

Mr CHANDLER: It is important to go through this to put the context around it. These changes compromise the residential building cover package. Consumers are now, for the first time in the Northern Territory, protected if their builder dies, disappears, becomes bankrupt, or is deregistered. Builders are now responsible for rectifying structural defects for a period of six years, and non-structural defects for a period of one year from completion.

An independent fidelity fund managed by the Masters Builders Association has been established to provide fidelity certificates for residential building cover. On 1 March 2013, the fidelity fund increased the cost of fidelity certificates by 10% to cover the cost of stamp duty payable to the Territory Revenue Office. The requirement for the fidelity fund to pay stamp duty on each policy issue was not initially identified. Following representation by me, the Treasurer has approved waiver of the requirement for the fidelity fund to pay stamp duty.

On the 6 June 2013, officers from the Department of Lands and Planning attended a public meeting in Alice Springs to address builders' concerns about the residential building cover package. On 12 June 2013, the government announced that an independent review of the operation of the RBC package would be held. Government has yet to determine who the review will be carried out by ...

Mr McCARTHY: Do you have those ...

Mr CHANDLER: We are getting them now. If we want to move on, can we take them on notice?

Question on Notice No 7.18

Mr McCARTHY: I will put them on notice if you could supply the number of builders that have registered for residential building insurance, and the amount of equity that has created on the books since the implementation of the scheme. I was really interested in the numbers because they are the numbers that are in; they are the numbers that are ...

Madam DEPUTY CHAIR: Minister, do you accept?

Mr CHANDLER: Yes, no issue.

Madam SPEAKER: The question asked by member for Barkly of the Minister has been allocated the No 7.18.

Mr McCARTHY: Minister, those numbers will come to us and they suggest that the building community value and have supported this. How many have advised you that it is not a good scheme?

Mr CHANDLER: Many.

Mr McCARTHY: You mentioned Alice Springs. Has the Chief Minister asked you to call an inquiry, minister?

Mr CHANDLER: No, this is something that was my decision based on the feedback we are getting. It is not just feedback to me, it is feedback to the Chief Minister, the Treasurer, and to minister Styles. We have had been, and we are being inundated, by people who are complaining about the particular scheme - not so much about what the community expectations of the scheme but whether this scheme and how it is managed by the NBA is delivering on expectations. There are just a few things I need to iron out to ensure this is the right vehicle.

I spoke to a builder from Alice Springs last week who was very critical of this scheme, but he was the first to admit we need to have a scheme in place to protect the consumer. It is good to hear the feedback from the building industry. It is not so much about whether or not we need a scheme; they are adamant that we do. I asked what if the recommendations come back from a review which say if we tighten up the regulations in the front end, we mitigate the need for scheme in the first place? He still agrees no matter how tight you get them, there are still going to be times when, humans being humans, something goes pear-shaped and we need to have some protection for the consumer.

It is good to hear they are not trying to get rid of the scheme; it is just about ensuring this scheme and the way it operates is delivering.

Mr McCARTHY: Madam Deputy Chair, the member for Nelson will have a few questions and, because we are all under time constraints, I will stop. I am sure it will all come out in the review of this Estimates Committee. I have many more questions but I will stop because it is important we get the statutory officers up as well, because they have taken the time and energy to attend.

Mr WOOD: I will be quick on this issue. I received the e-mail this week from the Builders Collective of Australia. I wonder what role they play in promoting this particular issue. Minister, you were in this debate, as was I. My understanding was most builders supported it. Is that how you felt at that time?

Mr CHANDLER: I did, and I still believe it has some support out there. However, there are a few aspects of the scheme and the way it operates that may place some level of restriction on some builders to complete the work and to take on new work. In that regard, we need to ensure we are not stifling business in any way while still ensuring we have the right cover in place and delivering expectations the community has with regard to this scheme.

This scheme has garnered much interest from around the country. To be honest, I am not really interested in what is going on in Victoria and what is coming out of Victoria. I am more interested in listening to builders in the Northern Territory and how it may be impacting on their way of doing business. They can rustle as many feathers as they want and rattle chains down there. I am not listening, I am listening to people in the Northern Territory.

Mr WOOD: Well, I hope that you are listening to the consumer because that is who we are trying to protect.

Mr CHANDLER: Absolutely.

Mr WOOD: There was the previous system that did not get off the ground. This scheme was to be based on the ACT version. Minister, if you are doing a review, would you also see how the ACT system works because that was the model this system followed?

Mr CHANDLER: We have to cover off on those areas. As I said, at the moment, the terms of reference are still being worked out. I will certainly need to have somebody from Treasury on there because there are numbers involved. I will need someone from the Department of Justice in case there are any changes because there could be legal implications. We already have a run-out scheme from the original scheme that was up and running. That will run out in the 10 years. If a government recommends any changes in the future there could be legal implications.

Of course, we need to not only speak to MBA and the other industry agencies, but to consumers and builders from the length and breadth of the Territory, from the biggest to the smallest. As I said from the word go, it is very heartening to hear from the building industry from the smaller end of town and even from Alice Springs. We need to have some kind of protection in place. The bottom line is we all agree there needs to be some kind of protection.

I do not think the recommendation will be, given the feedback, that we do not have a scheme. We need to have something. Can we fix the model we have through amendments, or do we change models? I do not want to pre-empt what the review might recommend, but we have to get this right; too much rides on it.

Madam DEPUTY CHAIR: Any more questions? That concludes the consideration of Output 6.5 and Output Group 6.0.

Mr WOOD: Hang on.

Madam DEPUTY CHAIR: We are skipping it because ...

Mr WOOD: No, you said - that was only ...

Madam DEPUTY CHAIR: The member for Barkly wanted to continue on to Output Group 7.0.

Mr WOOD: That is fine. That is his opinion, not mine, but I am still allowed to ask questions. I will be quick. I just want to ask a question on heritage conservation.

Mr CHANDLER: Yes.

Mr WOOD: Minister, Hughes Airfield was declared a heritage place and, as you know, it is surrounded by private land. Is there public access to the Hughes Airfield?

Mr CHANDLER: Can we take that on notice, please?

Question on Notice No 7.19

Madam DEPUTY CHAIR: Member for Nelson, please restate the question.

Mr WOOD: Minister, can I get an explanation as to whether there is public access to the Hughes Airfield, which has been declared a heritage place but is surrounded by private land? If so, what kind of public access is allowed?

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

Mr CHANDLER: I do, yes.

Mr WOOD: Minister, just two quick questions ...

Madam DEPUTY CHAIR: Can I quickly finish this one? The question asked by the member of Nelson has been allocated the No 7.19. Now you can continue.

Mr WOOD: Does the 17½ Mile heritage area sit with you or Parks and Wildlife? It is on the corner of Lambrick Avenue and Stuart Highway.

Mr CHANDLER: The listing comes under our department, but what is the question?

Mr WOOD: Has any more research been done to show that the 17½ Mile is actually the 16 Mile? It was raised last year, the signs are still up, and many of us believe there is incorrect signage on that facility. I did not know whether any more work has been done to check out ...

Mr CHANDLER: Whether or not it is at the 16 Mile point ...

Mr WOOD: The 16 Mile is the Howard Springs turn-off. It is on Army maps from way back. Right across the road they call it 17½ Mile. We raised the question with the department last year and asked them to investigate. Most of the locals say they have it wrong, but we have not had any feedback.

Mr CHANDLER: I am happy to look into it but I am wondering whether that referred to what Defence called it then, rather than whether it ...

Mr WOOD: Mount Rushmore was what the Americans called it.

Mr CHANDLER: ... is indicative of the sign post from the post office in the city. My understanding ...

Mr WOOD: I have the original Army maps that were the strip maps and the 16 Mile dot is smack on Howard Springs Road. We do not have the time, but ...

Mr CHANDLER: Do you know whether it was referred to as the 17½ Mile when it was the camp, or was it referred to as the 16 Mile?

Mr WOOD: That is part of the reason we asked the question. There was no real comeback.

Mr CHANDLER: We will look at it.

Mr COLEMAN: Member for Nelson, that was referred to as the 16 Mile. When I was a kid, the 17½ Mile was at Virginia. However, the question on the correct name would go back to the heritage people and they will take that on.

Mr WOOD: Okay. One of the two new budget items for the Litchfield area is new signage at Strauss Airstrip. Does that sit with you or the Department of Transport?

Mr CHANDLER: The Department of Transport.

Mr WOOD: Okay. That is all the questions I have.

Madam DEPUTY CHAIR: That concludes consideration of Output 6.5 and Output Group 6.0.

OUTPUT GROUP 7.0 – STATUTORY BODIES **Output 7.1 – NT Environment Protection Authority**

Madam DEPUTY CHAIR: The committee will now proceed to Output Group 7.0, Statutory Bodies, Output 7.1, NT Environment Protection Authority.

Mr CHANDLER: I will introduce Bill Freeland from the EPA. If you have questions and I do not know the answer, I know Bill will know the answer.

Madam DEPUTY CHAIR: Are there any questions?

Ms FYLES: Yes, Madam Deputy Chair. How many scientific and technical staff are employed in your agency to support the work of the EPA?

Dr FREELAND: The total staff are 37.6, because some of our staff are part-time. It does not add up to whole numbers. Off the top of my head, I will have to go through and remove those who are not scientific staff - and the vast majority are. We have recently restructured into a Pollution Control Group, a Waste Management and Resource Recovery Group, and an Environmental Assessment Group. All those people, by and large, have a scientific background. That would be the vast majority of the staff.

Ms FYLES: Thank you. You have probably answered my next question outlining the expertise. Are there any gaps that you would like to fill, through new recruitment, in the EPA?

Mr CHANDLER: Do not ask him that!

Dr FREELAND: I would like thousands ...

Mr WOOD: It is all right, minister, he is independent.

Dr FREELAND: The reality is you do with what you have. The reality is also that, historically, that group has not done everything it possibly should have. All you have to do is look at the situation with waste management, which has been well recognised as being inadequate. We do not do enough of certain things. I believe we are actually performing better since our restructure. We have been looking at our processes and things are looking much better.

Ms FYLES: In the interests of time, I probably will not go into the depth I had planned. With the EPA and consultancy services, are you able to list consultants you have engaged, and what types of work they have been engaged to do?

Dr FREELAND: Yes. At one stage, we were very pressed for people in assessments. We were overloaded, and we had to get out some comments on an EAS, and we hired Cardno to do some marine-type assessments which we just did not have the capacity to deal with at the time.

The other one was the development of a guideline on hazardous waste incineration. We did not have the internal expertise. We hired GHD for that one. They did the preliminary, then one of our board members took over and finished it off for free, which was fantastic. He actually wrote the Victorian Guideline about 20 years ago, and it has become the Australian Standard. When he got us using the same standards, he said, 'This is out of date, I will fix it'. So, that was very helpful.

For completeness, we have recently entered into a contract with the University of Queensland Centre for Coal Seam Gas, to develop a guideline on fracking. We have a lawyer from the School of Law and the head of the centre collaborating to develop that guideline. She was actually hired, I believe it must have been by the previous government, for what was then resources or something in the Department of Mines and Energy, to look at regulation of fracking and review the Territory government's fracking. She is now helping us with the guidelines, along with this bloke who does that sort of work.

There was also at least one training consultancy, but I cannot exactly remember the details of it.

Ms FYLES: Okay. Are you able to table a full list of delegations approved by the minister under the *Environmental Assessment Act*? In the interest of time, could you possibly table a full list of the delegations made under Part 5 of the *Northern Territory Environment Protection Authority Act 2012*?

Dr FREELAND: Okay. Those delegations are not delegations from the minister.

Ms FYLES: Okay.

Dr FREELAND: They are delegations from the Environment Protection Authority.

Ms FYLES: Okay.

Dr FREELAND: They have gone through and made those delegations in fine detail. I do not think we have that one on the Internet. But, yes, we can get those for you.

Ms FYLES: Okay, that would be great.

Mr WOOD: Can I just ask the Chair before you keep going?

Ms FYLES: Yes.

Mr WOOD: I know you are saying in the interest of time, there is no guarantee, we have not decided if we want to go further than ...

Ms FYLES: I have pages of questions here ...

Mr WOOD: Yes, I am happy to go longer after ...

Ms FYLES: Thank you, Gerry.

Dr FREELAND: There are some delegations the authority has kept to itself to make as a body.

Ms FYLES: Okay. Coming back to a point you made earlier, the former Chief Minister, Terry Mills, in introducing the Northern Territory EPA legislation, was asked whether expressions of interest would be

sought from people for appointment to the Environmental Protection Agency, as was done for the membership of the Planning Commission. He said, 'Yes, possibly'. Were expressions of interests done and, if yes, how was that done?

Dr FREELAND: I simply went around Australia seeking the best people I could find in the various areas that were most critical to us. I had a short list of people. In one case, I had two. They were two people who had been instrumental in the development of the water quality guidelines, which is national policy and agreed by all states. I thought if I could get one of them, I did not care which. The other people I talked to said, 'Give me a bit of time'. They got back and said, 'Yes please, I would love to do it'. One of the water people said he was too old to do the flying that was necessary and he apologised and ...

Mr CHANDLER: Older than Gerry.

Mr WOOD: That is not old.

Dr FREELAND: Yes, but he is not as fit. I went to the other one and he took a while to think about it, but he said yes, and it has been very good.

Mr CHANDLER: This probably demonstrates the independence of the EPA; certainly no political influence on who was being appointed.

Ms FYLES: What was the final process of recommending members to the EPA, to the Administrator?

Dr FREELAND: I recommended to the minister, then, from memory, went to Cabinet. Then, Cabinet made a decision and made its recommendations to the Administrator.

Mr CHANDLER: With no changes.

Ms FYLES: On how many occasions has the EPA met since its establishment?

Dr FREELAND: We have met twice. We have another meeting next month. We meet four times a year. It is important to note I used to be running Parks and Wildlife when we had the Parks and Wildlife Commission. We met and then disappeared into the sunset; this one does not.

This is the first week since we started there was not a minimum of one out-of-session paper for them to deal with. It has just been deluge of matters. It is inevitable because, when you have time limits on environmental assessments, you have to get all sorts of things passed and, in policy that is ongoing, they work very hard because there are many decisions I do not believe I should make; it has to be one made by the ...

Ms FYLES: Do you plan - and please excuse me if they are already there and I have missed them - to summarise any of your meetings on the website?

Dr FREELAND: We do not publish. They voted not to publish our minutes because it has too much in it.

Ms FYLES: Of course. I understand minutes, but some summaries just to let members of the public know. It is something that I raised ...

Dr FREELAND: For the first one we did the major things, but the second one I cannot remember but I think we did. We went to Mount Todd and that was the biggest issue. I thought it was critical, given the nature of that issue, that they be personally aware of it.

Ms FYLES: Minister, is that something you would be looking towards in being an open and accountable government; for the summaries to be published?

Mr CHANDLER: Yes, I am happy for that to be ...

Dr FREELAND: I am happy for that, too. If there was not a media release on the last one, it was my fault because I just forgot.

Ms FYLES: Could be me trying to find it. Have there been any occasions where the chair of the Northern Territory Planning Commission has had to declare a conflict of interest in meetings on the Environmental Planning Commission?

Dr FREELAND: The chair? Not at this stage, no.

Ms FYLES: No, the Chair of the Planning Commission.

Dr FREELAND: No.

Ms FYLES: No, not on the Environmental Protection Agency?

Dr FREELAND: No, not at this stage.

Ms FYLES: Okay.

Dr FREELAND: I am the only one who has done that; I have had about four.

Ms FYLES: You have had four conflicts of interest?

Dr FREELAND: I think it is four, yes.

Ms FYLES: Has there been any occasions where advice or recommendations from the Environmental Protection Agency have been rejected or amended by a minister responsible for an action that is being reviewed by the EPA?

Dr FREELAND: Absolutely not.

Ms FYLES: What measures do you have in place to review the effectiveness of agency responses to the recommendations of the EPA?

Dr FREELAND: Agency responses? Agencies do not ... Okay ...

Mr CHANDLER: You have responded but ...

Dr FREELAND: I have to be very careful because I do not have authority over Mines and Energy or anyone. Under the *Environmental Assessment Act* all I can do is make recommendations to the minister; we do not have any control over that. Under the *Waste Management and Pollution Control Act* and a section of the *Water Act*, we issue licences and permits and so forth. In the implementation of those - for example, discharge licences under the *Water Act* - we have had absolutely superb cooperation from all other agencies involved. We have had massive cooperation from the Department of Health on emissions from incinerators and other things. I could not have asked for more from other government agencies.

Ms FYLES: So if there was an incident, what would that trigger be? Would it have to be a trigger from a member of the public? How would that process ...

Dr FREELAND: For what?

Ms FYLES: Say you have put guidelines in place ...

Dr FREELAND: Yes.

Ms FYLES: ... and the agency was not participating in them as per the guidelines, how would that be managed?

Dr FREELAND: The guidelines we are producing are of three different kinds. Some of them are procedural. We have some out at the moment for consultation with the public and industry. There is one for the *Petroleum Act*, one for the *Mine Management Act*, the *Planning Act* and the *Pastoral Lands Act* on when a notice of intent is required for a particular proposal for a project. I am pleased to say the agencies so far have just simply adopted it in the interim, and it works very well.

Ms FYLES: Dr Freeland, as a statutory officer in a high-level coordination role, what roles have you had in environmental policies and practices within or across the NT government at this point?

Dr FREELAND: Right now?

Ms FYLES: Yes. In your current role.

Dr FREELAND: Right now we are building policies for us. We do not dictate policies to anyone. Our policies relate to what we have to implement under statutory requirements.

Ms FYLES: I am not sure if you have had this incident happen, but in the committee stage of the legislation, it was something I raised around the public reporting of an incident. Have you had any examples where a member of the public has reported an incident, but you have declined to investigate that complaint?

Dr FREELAND: You know we have the Pollution Hotline?

Ms FYLES: Yes.

Dr FREELAND: That hotline is the major source of information from the public, and it is very valuable. I am trying to promote it to be used for more than just pollution. We call it the Pollution Hotline, but if people have other issues we want to know about it. Yes, there are cases. I cannot give you one, but we do get some very crazy stuff that has nothing to do with what we are doing, and we do not investigate those.

Ms FYLES: Yes.

Dr FREELAND: We do, in many cases, talk to the person about the nature of the incident and try to gauge whether or not it is important or whether we can just deal with it on the phone. So, no, not everything is investigated in depth.

Ms FYLES: You spoke about the documents that are out for public comment. I will not name them. Have you had public interest comments so far on those documents?

Dr FREELAND: Yes, we are starting to get them coming in. For example, with the Environmental Defenders Office here sent it to their Melbourne office to gain additional comments. I believe the response is going to be pretty good. People have taken it very seriously. The mining industry people are interested. I am happy.

Ms FYLES: Will you publish an analysis?

Dr FREELAND: Yes, we are going to have a big matrix where we have the comments and our responses to them. I have to do that for the EPA when they meet to discuss these things, and it will be made public. All that is made public.

Ms FYLES: Do you have a time frame for publishing the draft environmental assessment for the offshore petroleum exploration?

Dr FREELAND: No, I am afraid I am not familiar with that.

Ms FYLES: Okay.

Dr FREELAND: Seabed mining?

Ms FYLES: No, for some of the offshore petroleum exploration. No? Nothing at the ...

Dr FREELAND: No, I do not know anything about that.

Ms FYLES: Okay. We had concerns in the committee stage of the legislation regarding the public and the Territory with its vast distances and remote communities. What arrangements do you have in place to ensure that people living and working in remote areas of the Territory are able to be briefed and provide comments about the assessment guidelines?

Dr FREELAND: This is guidelines for EAS? Comments on the guidelines?

Ms FYLES: Yes.

Dr FREELAND: The best I can do is post it on the net, which we do religiously. Other than that, in our guidelines we do occasionally, where it is pertinent - for example, there is a requirement for the consultation for the recent proposal for a gas pipeline from Katherine to Nhulunbuy to be appropriate to the

people it affects; if necessary, in language to ensure people understand what the proposals are that are going in their back yard.

Madam DEPUTY CHAIR: I bring attention to the time. It is now 6.30 pm, which is dinner time, so we will reconvene in half an hour at 7 pm.

The committee suspended.

Madam CHAIR: Thank you, minister Chandler, for coming back after the break. Are we up to Output Group 7.0?

Answer to Question on Notice No 7.18

Mr CHANDLER: Yes, but before we do, I have a couple of answers to Questions on Notice that we took earlier which I will read out.

Madam CHAIR: Do you have the number?

Mr CHANDLER: I do. This is for question No 7.18. The question was:

How many builders are registered and what equity has that provided since implementation of the scheme?

The number of builders assessed for eligibility in the fidelity fund is 250. The number of fidelity fund certificates is 400. The total value of fidelity certificates issued is \$164 492 925. The balance of the fidelity fund will be reported by the fidelity fund trustees to the minister annually.

Answer to Question on Notice No 7.19

Mr CHANDLER: Question No 7.19 from the member for Nelson:

Can you please explain public access to the Hughes Airfield and advise what type of public access is allowed.

The airstrip was heritage listed in September 2011. In considering the extent of heritage listing, the view of the then Heritage Advisory Council was that, as well as the strip itself, taxiways and other features around the strip were significant. However, although the strip is on Crown land, the surrounding land is privately owned and the owner objected to the heritage listing of any of his land; therefore, the heritage listed strip is isolated from the Stuart Highway and cannot be accessed without crossing private land. It is understood the owners have agreed that Bushfires NT personnel can access the strip to use it for water bombing aircraft in the Dry Season, but there is no agreement to allow members of the public to cross his land at this time.

Mr WOOD: It is a work in progress.

Madam CHAIR: Are there any further questions under that output?

Ms FYLES: Are we on 7.1 still?

Mr WOOD: I hope so.

Madam CHAIR: Yes.

Ms FYLES: With the environmental grants administered by the EPA, have there been applications, and when will recipients be announced? Please excuse me if I have missed that detail somewhere.

Dr FREELAND: Yes, they were advertised and applications are being processed. They have not been to the EPA yet to be sorted. We have some recommendations and will get the answer sometime.

Ms FYLES: I will wait patiently. What is current uptake on Energy Smart rebates and has there been a change in uptake since last September?

Mr CHANDLER: Do you have that information?

Dr FREELAND: Off the top of my head, about \$24 000 worth has gone out. It was short-term funding from the previous government and it is no longer present, from my understanding.

Ms FYLES: So the Energy Smart rebate is no longer?

Dr FREELAND: It will no longer exist beyond the end of this month.

Ms FYLES: That answers my next question: any changes? Thank you, Gerry.

Mr WOOD: Thanks, minister and Dr Bill - that sounds like somebody on TV. What was the Green Energy Taskforce and has it finished?

Dr FREELAND: Minister, would you like to answer that?

Mr WOOD: It is in page 218 of the budget if you want a reference.

Mr CHANDLER: I am sure we have some points on that in here.

Dr FREELAND: I can answer it if you like.

Mr CHANDLER: Yes, if you would. I am sure I read it somewhere.

Dr FREELAND: The Green Energy Taskforce is a bunch of people, mostly government, who put together a program with the university. We supply \$250 000 a year in grants to the CDU energy efficiency group. That funding was a three-year program from the previous government, and this coming year will be its last round.

Mr WOOD: Were they a group like the COOLMob that went round and checked out ...

Dr FREELAND: No, it is a research group.

Mr WOOD: They were not just ...

Dr FREELAND: No, no, they were not running around households saying ...

Mr WOOD: Oh, they were not doing that. Yes.

Dr FREELAND: ... tighten your tap, or whatever. These are researchers doing various things. They actually have various commercial companies involved which are interested in renewable energy. They have people out there doing things as well.

Mr WOOD: I have a few questions on some of the mining projects that are occurring. I am not sure whether the minister has a vested interest in this first one. Could you explain a little about the Chandler salt mine project. I was just a bit worried there.

Dr FREELAND: Minister Chandler, would you ...

Mr CHANDLER: That is what my office is referred to.

Mr WOOD: What is the status of that project at the present time?

Mr CHANDLER: Do you have information on that?

Dr FREELAND: Yes. Chandler salt mine is located south of Alice Springs. It is planning on digging this enormous tunnel into the earth, where there is very high-quality salts. It is a mixture of salts. They will dig them out, bring them to the surface, and purify them on-site. Then, the majority will be trucked to the railway, then shipped out through Darwin, as high-quality industrial salts of various kinds.

They have been to Germany where, apparently, they have salt mines. They dig these big tunnels, with pillars between them, or columns or walls, and they actually store waste in there, or archive objects or that sort of thing. There are a number of wastes they will not take in the salt mine, including nuclear wastes. They will take things like drilling muds, for which we have no adequate disposal anywhere in the Territory, and a variety of other things. They will take just about anything.

They currently have had their guidelines issued, is my understanding. I think that is where we are at. I have seen the guidelines. They are preparing an EAS. If they do not have them yet, they will be getting them very soon.

Mr WOOD: What is the salt used for?

Dr FREELAND: It is industrial salt for industrial processes, but they are also talking about the possibility of establishing a boutique salt 'thing' in Alice Springs for the tourists.

Mr WOOD: I can see it now: 'Chandler Salt Shakers'. Yes, they will be a popular tourist item.

Mr CHANDLER: Wait until we get the ...

Dr FREELAND: They are really an energetic company. I am quite impressed with their energy.

Mr WOOD: Any issues that you might see – show stoppers, or is that unlikely?

Dr FREELAND: If it is done well, I do not see any show stoppers. It mostly happens so far down, and there is water down there, but there is not significant water. It will help to preserve the wastes. It will not cause a problem.

Mr CHANDLER: For the record, no, I do not have an association with the company, member for Nelson.

Mr WOOD: That is okay. Where are we at with Sherwin and Hodgson Downs mining?

Dr FREELAND: Sherwin Iron has a proposal out there where you said, near the Roper. We have just given them the guidelines for their EAS.

Mr WOOD: They have to get through that phase?

Dr FREELAND: They have to get through that phase, yes.

Mr WOOD: The other one, which might be something our member for Arafura will be interested in, the Kilimaraka mineral sand mine. What is the latest with that? It is out near Ranku.

Dr FREELAND: Where are we at with that? They have their guidelines.

Mr WOOD: Yes, 22 March.

Dr FREELAND: Yes, but I have not heard from them since.

Mr WOOD: Do you know what that proposal is about? Is it different than the Melville Island sand mines?

Dr FREELAND: It is very similar, except in two things. One it is bigger; it is the biggest one so far. The other couple of issues is they will be getting it out of the ground differently. They are going to use a bulldozer. They have a fancy name for it, but it means bulldozer. They will be doing the sorting and sifting and all that sort of stuff on-site, then they will automatically go to in-site. The amount of mineral sand is never huge, so the volumetric things do not really change that much. They will be establishing a way of getting it off the island ...

Mr WOOD: That is what I am interested in.

Dr FREELAND: They have not told us yet precisely where that is going to be. There are a couple of options.

Mr WOOD: Now one of my favourites, or one I have always been interested in is the Clarence Strait tidal energy project by Tenax. I note it has been around for a while. It got its guidelines prepared in July 2009. Have you heard anything from them?

Dr FREELAND: Their guidelines have expired. We recently got a letter asking if they could extend. What we are going to have to do is clarify some of the guidelines.

Mr WOOD: So, it has not dropped off altogether?

Dr FREELAND: It has not dropped off altogether; we will need to clarify some of the guidelines.

Mr CHANDLER: It is influenced by the tide.

Mr WOOD: Cheers, thank you, yes.

Dr FREELAND: I will be honest. The clarification relates to their desire to put large turbines throughout all the straits up there, on the bottom of the ocean, at the same time as the Northern Territory government is planning on sailing Panamax freighters over the top of it. They need to be fully cognisant that what they are dealing with is a very interesting situation that they are going to have to talk and think about. Also, the industrial and urban development potential for that site – they are going to have to deal with those potential land uses, which they should always do in an EAS. But when I mentioned it to them they were not, or pretended not to be, terribly familiar.

Mr WOOD: May be opportunities for their power, of course, if there is industrial ...

Dr FREELAND: Yes. There are all sorts of ways. They have told us how much water they want to put these things in, but they have not told us how tall they are. Unless you know how tall they are, you do not know if there is room for a Panamax freighter on top of it.

Mr WOOD: You might get lots of fish fingers out of it, anyway. In relation to the Mount Todd gold mine, how many discharges did they have this year?

Dr FREELAND: Legal ones or illegal ones?

Mr WOOD: No, legal ones.

Dr FREELAND: Illegal ones?

Mr WOOD: Well, you can tell us both. Yes, give us both.

Dr FREELAND: I know more about the illegal ones than I do about the legal ones, because they went off spiffingly. I can get back to you on the number of times.

Mr WOOD: That is all right but ...

Madam CHAIR: Sorry, member for Nelson, I hate to interrupt you but could you just direct your questions to the minister, then, if the minister elects Dr Freeland to answer, then that is fine.

Mr WOOD: That is true but, as you know, Dr Freeland is independent. But, I will go through the minister ...

Madam CHAIR: That is fine but you have had quite a bit of a conversation, so if we could just direct back to the minister?

Mr WOOD: I will do it, Madam Speaker. I will naturally do as you tell me.

Madam CHAIR: Thank you.

Mr WOOD: That is quite all right, for the time being.

Madam CHAIR: Thank you on the fourth round ...

Dr FREELAND: Can I finish that answer?

Madam CHAIR: Yes.

Dr FREELAND: I do know about the illegal ones. It was only one - well, from two ponds - in February and it went for approximately 24 hours, a bit more. As we have noted publicly, we are doing an investigation which I am not involved in. The EPA has made some decisions about how they want to handle it.

What they have asked is that the draft of the report will go to Vista Gold and to the Mines and Energy Department to confirm the factual content. Following that, it will go to the EPA for review and, with that, would be some administrative advice, I suspect, for the minister. There may be some other things involved. What that other advice is going to be or how that is assessed, I do not know. I should not know because of my conflict of interest. I can say the draft of the report is currently with Vista and the Mines department.

Mr WOOD: All right. Could you just explain how the Edith River is monitored now? Who monitors outside the mining lease and who monitors inside the mining lease?

Dr FREELAND: Vista Gold does above the discharge points; it does on the site according to their mine management plan ...

Mr WOOD: Sorry, Madam Chair. Through you, minister. Dr Bill, I will not repeat the question.

Mr CHANDLER: Monitors both upstream and downstream. Dr Freeland can answer that.

Dr FREELAND: On and off the mineral lease. In addition to that, we occasionally take samples and Mines and Energy is known to take samples as well.

Mr WOOD: Can I ask the minister a slightly complicated question. Because the EPA now is, basically, the Department of Environment or the other way around - you have run what used to be the Department of Environment?

Dr FREELAND: No, it used to be the environment part of the Environment and Heritage.

Mr WOOD: Yes, it has changed. Have you, as the EPA, got power to do your own testing inside the lease?

Dr FREELAND: Ah! If they are naughty boys we can. For example, they reported the uncontrolled discharge and, under those circumstances, we have every right to go on-site.

Mr WOOD: It is only if an infringement has occurred?

Dr FREELAND: Correct.

Mr WOOD: Is the status of the Katherine to Gove gas pipeline now out for public consultation?

Dr FREELAND: There are too many of them, Gerry.

Mr WOOD: That was the only reason; that is a pretty important one.

Dr FREELAND: Yes, it is a very important one. I have read it, so I presume it is out for consultation.

Mr WOOD: That will do. Minister, through you to Dr Freeland. The closure of the incinerator at the port was done because of the dioxins and furans. Was there any contamination of the ground underneath the incinerator and, if so, was that ever cleaned up?

Mr CHANDLER: I have read that report and Dr Freeland can answer that question.

Dr FREELAND: We required the Darwin Port Authority to conduct an audit under the *Waste Management Control Act* to determine that. They hired Coffey to do the sampling under the direction of an environmental auditor from AECOM. I think the sampling was conducted in December. They sampled both aquatic and terrestrial environments; right on the shoreline, they did not go deep. The results are gratifying. There was one site that had very clear contamination from the incinerator, but at no site were there dioxins at a level that would increase any risk to human health or the environment.

Mr CHANDLER: Dr Freeland, it should be pointed out that if the incinerator was to continue to operate as it has done for years, there were some dangerous chemicals that had been spewed out of that incinerator every single day. It was very important that this government made a stamp on the environment by saying 'No, it gets shut down.' The next thing to do was to undertake the testing to ensure there were not any ongoing concerns with any contamination.

Dr FREELAND: We are fortunate. It rains a lot and, when it rains, it rains very heavily. These things are hydrophobic, they do not like water, so they are going to wash. So, instead of staying on land they probably went down to the bottom of the harbour, but you are never going to find them because of all the dredging.

Mr WOOD: Was the contamination on the ground cleaned up? You said there was one area that ...

Dr FREELAND: It was not even a danger ...

Mr CHANDLER: From my understanding of the report and what I have read so far - I think it only turned up this week - there was not any level of contamination that required that kind of remedial work.

Mr WOOD: Okay.

Dr FREELAND: That report is on the website.

Mr WOOD: Okay. Just quickly, minister. I have asked this of the Chief Minister. What is the latest on the container deposit issue in the federal government sphere?

Mr CHANDLER: The last information came through last Friday from Dr Freeland. Would you like to explain what you heard?

Dr FREELAND: Yes, it is fair to say the states and territories are doing us proud and they have moved with remarkable haste. I thought it would be like herding a bunch of cats. In fact, they have been very good and, at the moment, it is looking as though everything is going to go positively, as long as the Commonwealth government does not disappear one night.

Mr WOOD: So it is looking good?

Dr FREELAND: It is looking good.

Mr WOOD: I will wait with bated breath. You mentioned fracking before. People come and see me about fracking, and they always talk about the Hunter Valley and all those places. You are going to do an inquiry into fracking in the Northern Territory? You are going to do a review of the legislation?

Dr FREELAND: The legislation review is being done by this lady from the University of Queensland School of Law, and she is very good. You would have to talk to Mines and Energy about what they are doing about her recommendations. I am not au fait with them. I did not see any point in an inquiry. I did a quick skim around the world and found a big pile of paper on standards for fracking; it is massive, Gerry. It is not a simple subject. I thought what we needed was to get some people who really understand what is going on to design us some guidelines for our assessment process, so when somebody comes up with a proposal to explore or extract with fracking, when they do an EIS we can have some good criteria we can use to assess and draw up guidelines they have to meet to get our approval.

Mr WOOD: If a company wants to do fracking, say in the Georgina Basin, can you also be involved, as the EPA, and say you would like an environmental impact statement? Does it get to that point?

Dr FREELAND: Yes. One of the guidelines, as I mentioned earlier, was with the *Petroleum Act* for when a notice of intent is required. The petroleum people in Mines and Energy have been very helpful. For exploration, this did not happen for last year's fracking, but this year it is happening. It is important that it does happen, even if it is an exploratory well because, under that guideline, if it even has potential risks of water contamination, be it ground water or service, we need to get it. I am hoping UQ comes up with our fracking guidelines very quickly. They said they would have a draft to us at the end of July.

Mr WOOD: One of the problems I have, as a layman, is trying to convince somebody our fracking is not the same as it is in the Hunter Valley or parts of Queensland. I am not sure how much different it is, except that it is in a deeper well.

Dr FREELAND: It is also not coal; it is in shale.

Mr WOOD: Okay.

Dr FREELAND: And it is much deeper.

Mr WOOD: All right. If you could put me on to some more contacts - the more contacts I have to learn about it, especially if the Territory ...

Dr FREELAND: When we get our draft guideline, we will send you a special present copy.

Mr WOOD: Thank you very much.

Dr FREELAND: Not a problem.

Mr WOOD: Another issue regarding your powers. There has been quite a bit of discussion about the issuing of water allocation licences in the Mataranka aquifer. Do you have a role to play in whether the Water Controller, for instance, has made a right decision?

Dr FREELAND: I have no legislative purview over that part of the *Water Act*.

Mr WOOD: Do you have a role to play as to whether the decision ...

Dr FREELAND: However, there is a provision which would allow an appeal to the relevant minister ...

Mr WOOD: If you felt ...

Dr FREELAND: ... to conduct an inquiry.

Mr WOOD: ... there may have been some detriment, say to the Roper River – I will give a hypothetical. Madam Chair, I need to do this to see what the role of the EPA is. If there was too much water, for instance, being pulled out of the Mataranka aquifer, enough to cause early drain or early reduction in the flow of the Roper River, and someone said, 'EPA, will you look at this?', could you do that?

Dr FREELAND: I would need to talk to my lawyers because - I am not a lawyer; I am a monkey watcher - I suspect, because the *Water Act* is the *Water Act* and it provides appeal provisions leading to inquiries by going to the minister, that might take precedence over anything I might do. However, I do not understand for sure; I do not know. I would have to get a legal opinion.

Mr WOOD: A last question. Do you have much to do with assessing government vehicle emissions? You may have, in years gone by, realised that the government had a move to have the green fleet. It bought the hybrids while, at the same time, there are little diesels with less emissions than the hybrids which probably costing half the price. Are you ever asked to investigate those sorts of things?

Dr FREELAND: We have not been asked to investigate those things. There is a NEPIM, a national environmental standard, for diesel engines which was introduced around 1994. It says that, for the time being, we will have these standards but they will die at some time in the future - which is getting very close - when they are expecting a transition from a certain kind to a new kind of diesel engine. The new diesel engine was, theoretically, not going to produce all that foul particulates. Okay? That is really where it is at. We use those standards of NEPIM as guidelines and standards for our work. We have never had been asked to look at vehicle emissions. We are certainly not equipped to look at them.

Mr WOOD: Thank you, minister, and Dr Bill. That is all the questions I have, Madam Chair.

Madam CHAIR: Any further questions for Output 7.1? No. This concludes consideration of Output 7.1. Thank you, Dr Freeland.

Mr CHANDLER: Thank you, Dr Freeland.

Output 7.2 – NT Planning Commission

Madam CHAIR: The committee will now consider Output 7.2, NT Planning Commission.

Mr CHANDLER: Joining us now is our newly-appointed Planning Commissioner, since – what date in January?

Mr NAIRN: 1 January legislation was passed.

Mr CHANDLER: Since 1 January when legislation was passed.

Mr NAIRN: The legislation came into effect on 1 January.

Mr CHANDLER: Yes. I will take questions in regard to the Planning Commission and anything that I am not over, I will certainly allow Mr Nairn to answer those questions.

Madam CHAIR: There is no sign, but we have Gary Nairn with us. Thank you. Are there any questions on Output 7.2?

Mr McCARTHY: Yes, thank you, Madam Chair. Minister, I remember the committee stage amendments of this bill well, with the minister at the time being very defensive about my questioning. One of the things that was said that night - very late at night, if I remember rightly - was the budget appropriation for the Planning Commission. The minister said it would come from within existing resources. There is a budget appropriation of \$801 000. Is that from existing budget resources?

Mr CHANDLER: We can go over a couple of key points, if you like, about the Planning Commission, or do you just want ... Okay. The answer is yes, but it was from reprioritised money from within the budget, and it was \$800 000.

Mr McCARTHY: Has that seen an increase in staff since it commenced?

Mr NAIRN: Gary Nairn, Chairman of the NT Planning Commission. No, if I can comment. As the Chairman of the commission, I and the other nine appointees are members of the commission as such. Since the early days of the commission, one staff member is heading up the Secretariat, and is a Department of Lands, Planning and the Environment employee. There was a part-time administrative person, also a staff member of the department who has subsequently gone back to the department to do other work. There is a second administrative project managing-type person, also a departmental person.

There are really only two staff working on a day-to-day basis as part of the Planning Commission as such, in addition to the 10 members. The other resources I use are departmental people, as required by the legislation.

Mr CHANDLER: It is important for the record that we go through the witnesses. That it is Gary Nairn, Chairman of the NT Planning Commission. Also on the Planning Commission we have Mr Peter McQueen, as most people will know, the Chairman of the Development Consent Authority; Dr Brian Reid, Chairman of the Heritage Council; Dr Bill Freeland, Chairman of NT Environment Protection Authority; Mr Stuart Duncan, Local Government Association representative; Dr Ken Johnson, former government executive who developed the Desert Knowledge Precinct and the Desert Wildlife Park in Alice Springs; Mrs Nicole Wheeler, Interior Design specialist; Dr Denys Stedman, Chartered Accountant; Mr David McHugh, Engineer and former CEO of Department of Transport and Works; and Mr Graham Bailey, strategic planner and Life Fellow of the Planning Institute of Australia.

Mr McCARTHY: Are any of those members town planners?

Mr NAIRN: Mr Graham Bailey, as the minister just said, is a Life Fellow of the Planning Institute of Australia, and town planning was part of my degree at the University of New South Wales.

Mr McCARTHY: How does the Planning Commission interface with the department then, in its role?

Mr CHANDLER: The primary function of the Planning Commission is to prepare integrated strategic plans, guidelines and assessment criteria for inclusion in the Northern Territory Planning Scheme. I have gone through the membership of the association. It is very clear that the way the legislation is set up so it must perform its functions and exercise its powers independently, impartially, and in the public interest, taking into account the objects of the *Planning Act*.

The role of the Development Consent Authority remains unchanged and the Chairman of the DCA, Mr McQueen, is a member of the Planning Commission. The commission will undertake community

engagement to develop integrated strategic plans, guidelines, and assessment criteria. A secondary role of the commission is to advise me, as the Minister of Lands, Planning and the Environment, on significant development proposals. A significant development is a development that has a significant impact on the strategic planning of the Territory, the natural environment, or an existing amenity.

At least four meetings are required of the commission annually. To date, the Planning Commission has met four times: on 1 February 2013, 21 March 2013, 24 April 2013 and 6 June 2013.

The Chairman of the Planning Commission continues to actively engage with peak industry organisations, Northern Territory government agencies, community groups, and the development industry.

On 5 June 2013, the chairman briefed a European Union delegation of investment and trade advisors on the commission's strategic planning work for the Territory, and feedback from the stakeholders has been positive, in particular, that an independent body to drive strategic planning has been established.

The Planning Commission's website is now live and will be used as a tool to converse with the community and industry on strategic planning, land use, and the Northern Territory Planning Scheme. For those people interested and those people listening in, that is on www.planningcommission.nt.gov.au.

In summary, the work program already undertaken by the Planning Commissioner - and I am totally amazed at what they have been able to do so far - includes developing strategic regional land use plans for regions including the greater Darwin region, Katherine, Tennant Creek, and the Alice Springs CBD.

Significant development proposals were referred by the minister for the Planning Commission for the following locations: Hughes/Noonamah district centres and the Nightcliff island idea. The Planning Commission is also developing an urban densification strategy, with particular case studies for Darwin.

Current 2014 work program. To date, the Planning Commission, with the assistance of the Department of Lands, Planning and the Environment, has achieved and progressed land use planning matters. I will not read through all of them but they are working on, as I said, the Darwin regional land use plan. This is independent, it is under way. The strategic land use plan for the area includes Darwin CBD, Berrimah, Palmerston, East Arm, Litchfield, and Cox Peninsula. The strategic land use plan will consider issues such as future land for strategic industry, residential and personal development.

Opportunities for community input into the Darwin regional land use plan will be provided throughout 2013. Other areas include Knuckeyes and Ironstone Lagoon, Katherine land use plan, Alice Springs, Tennant Creek and, of course, the urban densification strategy. Work has already been undertaken.

I have met with the Planning Commission and everybody on the commission a number of times. The enthusiasm that exists is - I suppose the wrong word is refreshing but it is abuzz. They see that using the expertise of these experts in the field is something this government is wanting and needing to use. The decisions we make in the future will be so much better because of the people we have in the commission.

Mr McCARTHY: Have you referred any significant projects on to the Planning Commission yet, minister?

Mr CHANDLER: Yes, I have; two so far. The first one was the Hughes/Noonamah district centres. The second one was a proposal called Nightcliff island.

Mr McCARTHY: Yes, I picked that up. Nightcliff island sounds exotic. What is it?

Mr CHANDLER: It will be a little early for me to talk about it now. It has been referred to the Planning Commission to provide detailed submission back to me. What happens after that will be decided upon in the future.

Mr McCARTHY: I know how difficult it was for you to curb your enthusiasm there, minister. For another time? The department would still do the heavy lifting work, and you would use the expertise of the department?

Mr CHANDLER: Absolutely, yes.

Mr McCARTHY: Consultants, of course?

Mr CHANDLER: If required, consultants could be called in from time to time. We have some pretty good experts in the field. Yes, if consultants are required, that would not be out of the picture.

Mr McCARTHY: The release of the discussion paper around Knuckey and Ironstone Lagoons is a good example. That is out in the community, and I know the member for Nelson has already been active in that space. How does it work? Can you explain that process?

Mr NAIRN: Do you want me to answer that?

Mr CHANDLER: Yes.

Mr NAIRN: Thank you, minister. The Planning Commission has released two discussion papers to the public. The Friday before last, I was in Katherine to release a consultation paper called *Towards the Katherine Land Use Plan*. Then, I think it was last Wednesday, we released the discussion paper, *Towards an Area Plan for the Knuckey and Ironstone Lagoons Locality*.

As you would know, member for Barkly, in both of those areas substantial work had been done over a number of years. I was surprised to be told in Katherine people participated in workshops in 2008 in preparation for this, but were still waiting to see the discussion papers. They were pleased to have it out.

We did a lot of review work on it, after the commission came into being in January, because much of the work did go back quite a number of years, and a lot has happened between 2008 and 2013. We reviewed and rewrote, and added to and subtracted from, etcetera, to come up with this particular discussion paper.

I know you asked me about Knuckey Lagoon, but the process is probably very similar for both, so I will talk about both. When I saw the work that was done from Katherine, one of the early things I did, even before I was officially the Chairman of the Planning Commission, was to visit Katherine, as I have done for a number of areas, meeting with all different stakeholders and other interested people to introduce myself. It was surprising the number of people I did not have to introduce myself to; people I had worked with in some sort of form or fashion in the 1980s and 1990s.

I was surprised to talk to the council, whose members said they had been waiting a long time to see the results of the work that was done, and they really wanted to be able to have some input and comment. While I and the commission felt a fair bit of work needed to be done on what was already there, I thought it was appropriate to give that work to the council and get their specific input - as the council, and not put it out to the broader public. I felt it was an important stakeholder that really needed to have some ownership of a discussion paper that would go more broadly to the public.

So, we did that. The Katherine council came back with some very detailed work, some ideas, and options. We had a debate. You were talking about demographers earlier, and I had the benefit of some good demographic information. The council had a very different view about some of those projections for the future. However, the great thing is we have been able to incorporate those different ideas into this discussion paper. It is a discussion paper for the community.

I felt I was not going to run a hard line with council and say 'I am sorry, but the experts say this, you are wrong.' They are the people on the ground and often they have that little extra knowledge, ideas, and gut feeling, which are important in coming to good conclusions on these things. We ended up taking a redrafted paper back to the commission.

At our last meeting, on 6 June, the commission, subject to a few amendments, gave me authority to finalise that. We released that, and it is out to the public until 2 August. Between now and then, we will hold a number of key stakeholder forums. It is on the website. I noticed today that the Katherine council has put a link to it on their website so more people can see it. We will have an exhibition at the Katherine Show where people can look at the plans and provide feedback there and then if they want.

When that comes back after 2 August, the commission will analyse and pull all that together. I will take a draft land use plan to the commission, which we will then pass on to the minister for his decision on whether we then amend the planning scheme to incorporate it.

Similarly, Knuckey and Ironstone Lagoons was another area where some work had been done. It is an area where the department has been receiving quite substantial pressure over a number of years for further development. However, it is a very sensitive area; there are many issues about the lagoons and the aquifer underneath them. Aircraft noise comes into it; part of the areas affected by above ADF20, which is

accepted for land use planning for residential living, and biting midges, etcetera. There is a series of constraints.

At the same time, the Development Consent Authority and the government generally are getting rezoning and other spot planning changes, which are never ideal; it is not a good way to do long-term planning. That is why we believe that was an important piece of work to pick up on and take forward quickly, because the pressure is continued.

Once again, we received input from the various agencies that have done a lot of work in the area. The original work probably did not define the extent of some of the constraints and how you might handle those in different development scenarios to the extent the commission was happy with. That is why we did much more work on that over the last few months. That has resulted in this plan.

It was very good having the input of Dr Freeland as a member of the commission, from an EPA point of view, on some of the issues around environmental aspects. Some of the changes made to the discussion paper were directly as a result of his input. Similarly, the input from Peter McQueen on both of these discussions on preparing these papers was valuable because he was the one who had to cope with some of these spot rezonings without really appreciating the bigger picture. That has been useful.

That was released last week. I forwarded advance copies to the Litchfield Council and the Darwin City Council because about 25% of the area is covered by the Darwin City Council and the other 75% is in the Litchfield Council. I also gave an advance copy to the members for Nelson and Fong Lim, the two local members of the area affected by the study. It is now on the commission's website. We also received an e-mail today which said the Litchfield Council has put a link on their website as well.

Once again, we will hold some key stakeholder forums between now and 9 August when this will come off exhibition. We will have an exhibition at the Royal Darwin Show as well, getting broad input to it.

I thank the member for Nelson for distributing a copy to his constituents in the area. It came back to us straightaway because one of the staff in the department lives in the area. We knew that had occurred, and that is all good, to ensure the broadest number of people get it.

What we have done with this particular discussion paper is, in fact, put forward three options. We have put forward a low growth option which does not change existing zonings all that much. Within the study area there is already medium density - multiple dwelling zones allowed – which has occurred through this spot rezoning process, which is not good planning. The low growth is some additional zonings to achieve a bit more growth, but not a huge amount beyond what the zone currently is. There is a medium growth option and high growth option.

I have tried hard to write the paper in such a way that we are not wanting to say this is our preferred option because, quite frankly, we do not have a preferred option between the three. There is viability in all three options. We may end up with a bit out of each option, depending on the response. It is fair to say there is really big differing views. Some people would not want the area changed one iota, and others are very keen to be able to do more. It is an area right on the fringe of a residential area. Part of it is literally across the road from part of Karama. It is a natural area that will come under pressure from a development point of view. It was a positive way to take that discussion forward with this discussion paper.

Mr CHANDLER: In this era of openness and accountability, I reckon you might have had a copy before I did, member for Nelson.

Mr WOOD: So I should, because I am closer to it.

Mr McCARTHY: Thank you, Mr Nairn, that is a great explanation.

Mr WOOD: Yes.

Mr McCARTHY: Minister, the infrastructure program on page 36 lists a Planning and Land Development Fund with a 2013-14 budget output of \$2.445m. What is this fund for?

Mr CHANDLER: That is so the Planning Commission could approach the department to access funds to undertake studies. That is why that money is there. There would be an agreement between the work programs, the agency, and the Planning Commission NT. Then, of course, they would then prioritise the best use of these funds. That is just one of the areas the Planning Commission could use.

Mr WOOD: You have actually asked most of my questions, so that is good. I thank Mr Nairn for giving us a copy of that report and taking an interest. I am glad you also said there could be some hybrid versions of the options. I have told people that is not the only option.

You mentioned the Noonamah/Hughes development, which has been going on a long time. I was the MC for a meeting at the Noonamah Pub about this many years ago. Minister, how far off is the option that might be put forward for public discussion on this particular issue?

Mr CHANDLER: I will hand over to Gary. In the interim, though, this is a perfect example of how a government can use a Planning Commission with a development such as this that has a rather large change occurring in a particular area, to get the very best advice, and best way to go forward. That is why this is one area I have asked the Planning Commission to do some work on; to ensure we have covered off on just about anything we possibly can.

Many of these decisions by governments around the world can be made just based on politics in some cases. It is important, in this particular case, that we have an independent look at this particular proposal and, from that, people can be assured that it is at arm's length from government making a decision.

Mr WOOD: I know there has been a lot of pressure because I have had some of that pressure and it has probably caused me to lose a few friends. Although there has been talk of a development at Noonamah/Hughes for some time, how does the Planning Commission see its role as not just having - and I will use what Mr Nairn said - a 'spot' approach? You get some developers who just happen to own a lot of land and say, 'This is what we want to do.' We also have the Litchfield picture, which does concern many people who live on small blocks, and they would like to see that lifestyle retained. How do we work those two opposing views together?

Mr CHANDLER: It is a perfect example. You and commissioner Nairn raised it before. This is why we have a Planning Commission, because they are going to look at wider implications, not as the DCA would look at things and have to make a decision based on isolation without looking at the wider view. This is a perfect example of where that wider view will be used in any of the recommendations put forward. This will not be looked at in isolation; this will be looked at with a wider view.

Mr NAIRN: Thanks, minister, if I could just add to that. I have said to a number of people on a few occasions, as I have done presentations on what the Planning Commission is about and what it is doing and things like that, that in an ideal world you would tell everybody to go away, let me do the really you-beaut strategic planning for the greater Darwin area, and not have to deal with any individual block or region or anything; let us get that right and see how it all fits in from there. However, we do not live in an ideal world and a number of things have had to be done in parallel. The Noonamah/Hughes project was referred by the minister to the Planning Commission under the significant development provisions of the *Planning Act*. We are required to look at that as a project, but also how it fits with broader planning aspects and, ultimately, provide the minister with a significant development report.

I also say to people the Planning Commission does not make any decisions, it can only make recommendations, and that is what we will do. However, because one of the many priorities we have had since the commission started was the greater Darwin area and the land use plan for the greater Darwin area, on which substantial work had also been done over the last couple of years, we have looked at this as a significant development within the context of the work we are doing in the greater Darwin area.

From a timing point of view, our work on the Greater Darwin Regional Land Use Plan will take some time longer. There is a lot of work to do. To pick up on some of the questions earlier in hearings when I was listening in the back - and I think the member for Barkly raised this - the commission used the documents that were there from the previous government. I thought they were official documents but I subsequently discovered that it was work that was done but never actually adopted by the previous government.

We have taken that, and the document that the now government, when in opposition, prepared around Darwin as a dynamic harbour city. We have gone back through all sorts of other work that has been done over a long period of time because, as you know, member for Nelson, there was some very good work done in the 1980s and 1990s in this area. We have not ignored any of that. That is why it will take a bit longer to finalise that work.

We have been able to look at the Noonamah/Hughes project as a significant development in the light of that work. Our report, which we will have to the minister within the next few weeks, or at the end of July at the latest because we have another Planning Commission meeting on 23 July. It does not have to come

back to the commission because the last commission meeting gave me authority to finalise the report because we have done a lot of work on this since it was referred to us a couple of months ago. However, depending on how finalising that occurs, I may end up taking it back to the commission to be finalised. I would say by the end of July that report with our recommendations will go to the minister.

Mr WOOD: Did the chairman see the alternative view that the member for Goyder and I put together?

Mr CHANDLER: He did.

Mr WOOD: We put a fair bit of effort into it and I do not want it to be lost forever. It was ...

Mr NAIRN: You can be assured that document was referred to the commission and was taken into account in the work we did.

Mr WOOD: Not as professional looking as yours, but we tried. Thanks. I do not have any other questions.

Madam CHAIR: Any other questions on Output 7.2?

Mr McCARTHY: I have to finish now, but I thank the minister. I enjoy people I learn things from, and I have learnt a lot from this department. Thank you very much for the opportunity. Mr Coleman, thank you to you and your staff.

Mr WOOD: Just before we do wind up, when I said I had no more questions on that section, I have one on the Darwin Waterfront Corporation, that is all.

Madam CHAIR: Just to clarify, member for Barkly, are you done with Outputs 7.2, 7.3, 7.4 and 8.1? Is that my understanding?

Mr McCARTHY: Yes, Madam Chair.

Mr CHANDLER: I thank Hon Gary Nairn for his participation.

Mr NAIRN: Does the committee want copies of those two discussion papers to be tabled?

Madam CHAIR: Yes, we can table one; that would be great.

Output 7.3 – Darwin Waterfront Corporation

Mr WOOD: Minister, in regard to the car parking at the waterfront, the annual report said the government owns 72% of it. How much revenue do you get from your stake in that car park?

Mr CHANDLER: Would you answer that, please, Mr Coleman?

Mr COLEMAN: I am CEO for the Darwin Waterfront Corporation, member for Nelson. I do not have that figure with me, but it is substantial income from the multistorey car park, the balance of the car parks in the public area, as well as underneath the convention centre.

Mr WOOD: Where does that money go? Does it help to maintain the car park, or is it just going to the Darwin Waterfront Corporation revenue?

Mr COLEMAN: Member for Nelson, it goes back into the Darwin Waterfront Corporation, but it is disbursed across maintenance of everything from hiring inspectors through to line marking.

Mr WOOD: I did not realise - I must be behind the times - but Charles Darwin University is moving down to the waterfront and is taking over a section of the Wharf 2. Can you explain what they are doing there, how much of that new stage will they take up, and what will be the cost of that move?

Mr CHANDLER: Wharf 2 of the waterfront development comprises 137 residential apartments, 4050 m² of commercial space, 900 m² of interchangeable space, public parklands, boardwalks, roads, and services at a total construction cost in the order of \$90m.

The development application for Wharf 2 was approved by the Development Consent Authority on 17 August 2012, and the developer received the development permit and conditions on 23 August 2012.

Charles Darwin University has entered into an agreement with the Toga Group for the establishment of an education and training facility at the Waterfront Precinct as part of Wharf 2 development. Toga has an agreement with Charles Darwin University for the purchase of Building 4, and Toga commenced construction of the basement car park on 17 December 2012.

The Territory has negotiated an arrangement whereby the developer will also deliver some interim improvements to the undeveloped part of the site, including road works to Kitchener Drive and broadacre landscaping, which is mainly grassing.

The Wharf 2 scope includes delivery of Goyder Park located on Kitchener Drive opposite the intersection of Hughes Avenue. These works include survey, fencing, grass, irrigation, and tree planting. I will probably go through that next year; you are more interested in the status of Charles Darwin University.

The status of construction work is currently: Building 4, Charles Darwin University, ground floor block work and first floor scaffolding are being placed, form work erection is progressing; in Building 5, basement services fit-out work is continuing, and the ground floor slab has been completed, ground floor block laying is progressing; in Building 6 pad construction, fittings, and batter protection works are complete, form work and rebar installation is practically complete, with the basement slab concrete pour to be completed within the next few weeks.

Mr WOOD: Date to be completed?

Mr CHANDLER: Yes. Following a period of soft market conditions over the last two years, presales are now progressing at a satisfactory rate with 115 - that is 84% - of 137 apartments being sold.

Mr WOOD: When does the university expect to be in there?

Mr CHANDLER: In the first term of 2014.

Mr WOOD: We have hit 8 pm. I thank you, minister, for all your hard work today. You had a lot of portfolios to cover and you did well.

Mr CHANDLER: Thank you, member for Nelson. Thank you, Jasmine and John, for your involvement, as well as the other Chief Executives and staff I had here from Housing and the Department of Education this morning. Thank you, members for Barkly and Johnston, Chair, and other members for your participation.

Madam CHAIR: Thank you, minister. That concludes consideration of outputs relating to the Department of Lands, Planning and the Environment. On behalf of the committee, I thank the departmental officers who attended today. Perhaps we can take a five minute break for the reshuffle.

The committee suspended.

MINISTER CONLAN'S PORTFOLIOS

TOURISM AND MAJOR EVENTS

Madam CHAIR: Thank you very much, minister Conlan. I welcome you and invite you to introduce the officials accompanying you this evening.

Mr CONLAN: Thank you, Madam Chair. Thank you, committee. It is hot in here; must have been turning up the heat. Maybe we can push down for hours. Anyway, thank you and I have a brief statement here which I will read.

Madam CHAIR: Did you want to introduce everyone first?

Mr CONLAN: I will, and that actually comes with the opening statement, if you like.

Madam CHAIR: Yes, thank you.

Mr CONLAN: So, on Output 1.0 which is Tourism NT. Am I correct, Madam Chair.

Madam CHAIR: Yes.

TOURISM NT

Madam CHAIR: We are in the introduction stage, so you can do your opening statement if you like.

Mr CONLAN: I wish to make a brief opening statement in my capacity as Minister for Tourism. Before I do, I introduce the officials from Tourism NT here today. We have Mr Tony Mayell, Chief Executive Officer of Tourism NT; Ms Angela Collard, Executive Director, Corporate Services; and also Noelene Biddell, Chief Financial Officer for Shared Services of Tourism NT.

There are a number of factors currently working against the tourism industry; that is, the high Australian dollar which is encouraging our spirited travellers overseas in record levels, the slow recovery of the economy in our traditional markets across Europe and the United States, but also the current low exposure of the Territory to markets in the east which are performing well for Australia overall.

It is important we do not knock down the tourism industry which directly provides jobs for around one in 10 Territorians. The visitor economy is worth about \$1.4bn to the Northern Territory, so it is quite significant. The tourism figures from 2012 indicated a 5% increase in domestic travel.

Despite the decline in visitation from our traditional markets, visitor data collected from Tourism Research Australia showed an opportunity to leverage the strong China market, and new marketing campaigns targeting this segment have commenced. All up, there was a 9% increase in visitor expenditure despite the fall in international visitor expenditure.

From a regional perspective, in 2012 there was an increase of total visitors in the Top End but a decrease in visitors to Central Australia from the previous year. In 2012-13, Tourism NT has increased its focus on conversion, and this approach is delivering results on the ground for local tourism operators.

Our digital marketing activation program aims to help operators move from their marketing activity from print media to digital platforms, and funding will be allocated in a targeted and effective manner to deliver incremental bookings direct to operators via their websites.

In great news, Tiger Airways commenced direct flights from Sydney and Melbourne to Alice Springs on 9 April this year, and Jetstar commenced flights from Sydney to Uluru, or Ayers Rock Airport, on 4 June 2013. This provides new opportunities to revitalise tourism in Central Australia. Tourism NT is undertaking a series of campaigns across the globe to promote these new services.

Tourism NT has also provided sponsorship to the Melbourne Football Club to expose Tourism NT as a brand to the national market, and the club's corporate connections will help attract business conventions to the Northern Territory.

Over the past year, our new CEO for Tourism NT, Tony Mayell, has spurred a significant change in our strategic focus and a whole-of-Territory partnership to revitalise this sector. We think it is great news but there is much to be done and we are only on Step 1 of probably 100 at this point. There are many more highlights that I can mention, but there is more discussion to be had in a little time, so I suggest we start with questions.

Madam CHAIR: Are there any questions on the minister's statement?

Mr VOWLES: Yes, welcome everybody and welcome, minister. Our first estimates; yours as minister. How many Tourism NT staff have been relocated to Alice Springs?

Mr CONLAN: The answer is six who have been relocated. I think it is six; is that right?

Ms COLLARD: Yes.

Mr CONLAN: Yes. Madam Chair, before we continue, I have a stack of written questions. Where do we deal with those in this process?

Madam CHAIR: Would the committee like the minister to read them all out, or would you like them to be tabled?

Mr VOWLES: We would like them to be tabled; that would be great.

Mr CONLAN: Okay, no problem. Happy with that, Gerry?

Madam CHAIR: He is never happy with it ...

Mr WOOD: I am just being a pragmatist.

Mr CONLAN: These are the Tourism NT written questions, and I seek leave to table these.

Madam CHAIR: That is no problem; thank you, minister.

Member for Johnston, will you be asking questions to the minister's statement or moving into outputs?

Mr VOWLES: He mentioned Tourism at the start. I am happy to go to Output Group 1.

Mr GUNNER: There are the questions to the output statement, so the minister needs to start with that before we can talk to those things. Then, we go to any questions to the answers provided to the written questions. Then, we can go to whole of department, then we get into Output 1.0.

Madam CHAIR: So, there are no questions on the minister's statement?

Mr CONLAN: There was one; I answered it.

Madam CHAIR: The committee will now proceed to consider the estimates of the expenditure contained in the Appropriation Bill 2013-201 as it relates to Tourism NT. Are there any agency-related whole-of-government questions on budget and fiscal strategies?

Mr VOWLES: Minister, how many staff did the Tourism Northern Territory have before 25 August 2012, how many positions do they now have, and how many exist in the department today?

Mr CONLAN: How many staff is there?

Mr VOWLES: How many staff was there before 25 August 2012 and how many staff since 25 August 2012? Do you want to take that on notice?

Mr CONLAN: Yes. I thought we might have that at our fingertips, but it will be easy to provide.

Question on Notice No 8.1

Madam CHAIR: Member for Johnston, would you please restate the question clearly for the record?

Mr VOWLES: How many total staff did the tourism department have before 25 August, and how many positions do they now have in the agency?

Madam CHAIR: Minister, you accept the question?

Mr CONLAN: Yes, absolutely.

Madam CHAIR: The question asked by the member for Johnston to the Minister for Tourism is question No 8.1.

Mr VOWLES: What is the total cost of those six staff relocating to Alice Springs?

Mr CONLAN: The cost associated with relocation was \$106 720.

Mr VOWLES: Can you break that down for me please, minister? What is that broken down into relocation costs, furniture travel, flights? Is that ...

Mr CONLAN: It is not a huge figure, \$106 000. I will take it on notice and I am sure these guys will endeavour to do their very best to break it down for you.

Question on Notice No 8.2

Madam CHAIR: Member for Johnston, could you please restate the question clearly for the record?

Mr VOWLES: What is the breakdown of the \$106 000 for relocation of the staff, please?

Madam CHAIR: Minister, you accept the question?

Mr CONLAN: Yes.

Madam CHAIR: The question asked by the member for Johnston of the Minister for Tourism is No 8.2.

Mr VOWLES: Minister, did any tourism staff choose not to go; not to relocate?

Mr CONLAN: Yes, there are a number of staff who are still based in Darwin.

Mr VOWLES: How many of those are still in tourism, how many have left, or how many have gone to other positions within the Northern Territory government?

Mr CONLAN: As of 6 June 2013, 21 full-time equivalent staff are employed in Alice Springs; one executive contract position has been made redundant; Tourism NT has no current redeployees held in unfunded positions; four redeployees have found alternative permanent employment in the public sector; four redeployees have found alternative temporary employment in funded positions; one has tended their resignation effective 30 June 2013; and four staff are currently on maternity leave and may be declared redeployees on their return to work if no funded positions are available at the time.

Mr VOWLES: With the redundant employee, can you tell me what position that was within the Tourism department, please?

Mr CONLAN: That was the Regional Director for Central Australia.

Mr VOWLES: How much was the refit of Jaliston House, the new home of Tourism NT?

Mr CONLAN: The fit-out was \$702 310, and the fit-out management fee, which is a fee paid to the Department of Infrastructure, was \$68 697.

Mr VOWLES: The complete fit-out of Jaliston House is computers, phones, everything up and running?

Mr CONLAN: That is right.

Mr VOWLES: All open doors. That has opened?

Mr CONLAN: It has.

Mr VOWLES: What date did that open?

Mr CONLAN: It was May, last month. We can find that out for you, but it was last month. The Visitor Information Centre has been operating now for about a month or so, maybe five to six weeks, and Tourism NT has been in there since 3 May, about the same time, I think. This Friday night is the official opening, but it has been operating now for about five or six weeks.

Mr VOWLES: That is a shared facility, is that right, with Alice Springs tourism ...

Mr CONLAN: The Visitor Information Centre is downstairs, and Tourism NT headquarters is upstairs.

Mr VOWLES: Thank you for that, minister. Are there any current vacant positions at Tourism NT and, if so, for how long have they been vacant?

Mr CONLAN: Stand by for a second and we will get that information. In Alice Springs, we have three positions currently under recruitment with one position temporarily vacant pending a return from maternity leave in July. In Darwin, three positions are under recruitment, and four separations are pending.

Mr VOWLES: Can you tell me which positions they are?

Mr CONLAN: Yes, we probably can. We will have to take that on notice, but we will provide that for you. Two new starters are not yet reflected in the staffing report. There are three in Darwin and three in Alice Springs; six positions overall. We will find out, hopefully before the end of the evening, what positions they are.

Madam CHAIR: You do not need to take it on notice?

Mr VOWLES: That is fine. Will you be able to provide it after?

Mr CONLAN: We will get it to you at some stage.

Ms COLLARD: We just have to check it.

Mr VOWLES: No problem, that is fine, thank you. Minister, you have detailed \$770 000 to move to Alice Springs and get Jaliston House ready.

Mr CONLAN: Yes.

Mr VOWLES: Can you please detail the quantitative or qualitative research investigation evidence reports you used to make the decision to move the department to Alice Springs.

Mr CONLAN: It was a government decision; a Cabinet decision. It was a decision government made based on the election result of 2012. The regions were screaming out for attention. The regions deserved some clout. Alice Springs is a natural fit for Tourism. It has been placed in Tourism for many years prior, so we made the decision to place what we see as a natural fit of an agency into a community in the regions that had been downgraded quite drastically by the previous government. I am pleased to say that, to date, industry, operators, and staff seem quite happy with the overall result, despite the concerns in the beginning as to how this would play out. They were natural concerns and we took them on board, but we felt it was the right decision to make. The visitor centre has been in operation in Alice Springs for eight months now, and the Darwin component is operating well with industry and the tourism sector overall.

Mr VOWLES: When you say tourism operators are happy with that, are you talking about the whole Territory or just Alice Springs?

Mr CONLAN: Territory operators.

Mr VOWLES: Have you spoken to any Darwin operators lately?

Mr CONLAN: Yes.

Mr VOWLES: And they are happy with that?

Mr CONLAN: I spoke to a number of them today. We launched a new initiative regarding the Brolga Awards: \$10 000 additional marketing for all Brolga industry winners for 2013. Overall, people are happy with the state of tourism and the direction the government is taking in an industry that is their lifeblood. It has been a passion of our operators for such a long time; it is what they do. They are very pleased to see a government taking it seriously.

I mentioned the initiative of \$10 000 as an incentive for our Brolga winners this year, but there is also the \$8m in additional marketing that we have put into the appropriation. We now have a \$54m budget and, apart from New South Wales and New Zealand, we are one of the few jurisdictions investing money in tourism. We realise that marketing is the lifeblood of tourism. Marketing is crucial and critical, and directly correlates with visitation. The numbers speak for themselves; when the marketing spend decreased, visitation dropped. That happened in about 2007, when the previous government started to decrease its funding to Tourism NT. It has not received an injection of funding to the tune of this for a long time. Operators are, overall, pretty happy with where we are at. As I said, it needs to be noted that this is Step 1 of 100, or maybe 1000; there is a long way to go.

We inherited an industry that was haemorrhaging. We inherited an industry that was screaming out for some leadership, and needed a complete refocus. Those decisions we made around the relocation, the constituting of the commission, and the extra \$8m appropriation, are all decisions we took pretty quickly. The government was very happy and quite prepared to take make these decisions because we went to the previous election with the view that tourism was such an important economic driver to the Northern Territory that it was one of our three hubs. That \$54m will equate to in excess of \$1.4bn in revenue to the Northern Territory. It is a huge industry, employing some 14 000 Northern Territorians, directly and indirectly.

This is not an Alice Springs versus Darwin scenario by any stretch of the imagination. It is a whole-of-Territory scenario. For too long, the Territory has been split in half. Alice Springs and Darwin have been played off against each other for far too long by the previous government to the point where Alice Springs was downgraded to such a deplorable state.

We took the decision to ensure all the regions - particularly when you look at the result of the election in 2012. I look around at some of the members sitting opposite who live outside Darwin. In fact, I think apart from the two members from the Labor Party, every other member sitting here is from outside of Darwin - Palmerston, the rural area and two remote seats. These people voted for the Country Liberals because we demonstrated there is more to the Northern Territory than just Darwin ...

Mr VOWLES: Thanks for that long answer, minister, I appreciate it.

Mr CONLAN: Darwin is absolutely crucial. I am just finishing my answer, please.

Mr VOWLES: You have been going for 10 minutes.

Mr CONLAN: Darwin is absolutely crucial ...

Mr VOWLES: You have actually gone ...

Madam CHAIR: Member for Johnston, the minister is answering the question.

Mr GUNNER: I think he has answered it.

Mr CONLAN: As I said, it is absolutely crucial to the equation, but it is not the only component. The regions need clout, they need to be resourced and respected, and that is exactly what we have done.

Mr VOWLES: I am sure the regions have been respected over the years, by both governments over many years. Tourism is a very important industry for everybody involved. Minister, in regard to Alice Springs Tourism NT staff, has anybody been provided with rent subsidies in their relocation costs? The first one was relocation costs, and this one is anybody getting rent subsidies.

Mr CONLAN: The answer is no, there are no rent subsidies. We did not have to subsidise rent, interestingly enough. People were quite happy to move to Alice Springs; they did not need rent subsidies. There is the normal public service relocation ...

Ms COLLARD: Six fortnights, depending on whether they have ...

Mr CONLAN: I am sure you can look those up. There is the usual public service allowances in relocation, but there are certainly no rent subsidies. People have moved there willingly, and have embraced the opportunity to be adventurous. That is also what tourism is all about.

Mr VOWLES: Thank you for that answer. In regard to your travel, minister. They are in the provided questions. Can you detail how much you have spent on your travel in the last 10 months?

Mr CONLAN: That is ministerial travel?

Mr VOWLES: Ministerial travel, yes.

Mr CONLAN: I think that was highlighted. The Department of Chief Minister actually highlighted that while he was on. That comes through DCM, so you will have those figures.

Mr VOWLES: You are not going to provide me with them?

Mr CONLAN: They have been provided.

Mr VOWLES: Do you know what they are?

Mr CONLAN: They have been provided to you.

Mr VOWLES: Is that the \$104 000 figure?

Mr CONLAN: We are talking here about agency spend. Those figures you are seeking, the ministerial expenses, have been provided through the Department of Chief Minister.

Mr VOWLES: Thank you, I will go back on those records. Minister, can you outline any travel by Tourism NT staff and what that has cost since 25 August 2012? The cost of those trips and how many?

Mr CONLAN: I believe they are in the written questions is the advice that I am receiving. They are in the written questions. I have tabled the written questions to Madam Chair. Do I need to verbally answer it?

Mr VOWLES: If they are in there, that is fine, I can look them up. Thanks very much for that. What was the cost of paying out the contract of the former head of Tourism NT, John Fitzgerald, if any? Did we need to pay out his contract?

Mr CONLAN: We may have to take that one on notice. Ange, you might be able to answer that.

Ms COLLARD: I missed the question.

Mr VOWLES: The former head of Tourism NT, Mr John Fitzgerald, and his contract. Did we have to pay him out? Was there a cost involved?

Ms COLLARD: It was terminated in accordance with the normal OCP termination of contracts, but the details of financial figures involve privacy, so we will not be providing that.

Mr VOWLES: There was a figure, though?

Ms COLLARD: His contract was terminated in accordance with ...

Mr VOWLES: So there was six months; I think that is what they get. Thanks very much. Minister, you have made trips to Kununurra, Germany, and London as Minister for Tourism. Have you been to Tennant Creek, Borrooloola, Katherine and Nhulunbuy yet?

Mr CONLAN: I have not been to Borrooloola or Nhulunbuy, but I have been to the others.

Mr VOWLES: Apart from the CLP conference, any other meetings in Tennant Creek?

Mr CONLAN: Yes, I have been to Tennant Creek a number of times.

Mr VOWLES: For consultation meetings as Minister for Tourism with who?

Mr CONLAN: Madam Chair, I fail to see how this is appropriate. I have answered the question. I have been to Tennant Creek a number of times.

Members interjecting.

Madam CHAIR: Could you rephrase the question?

Mr VOWLES: Yes, I will rephrase it. That is fine, minister, sorry. Have you had meetings in Katherine, Nhulunbuy, Tennant Creek, Borrooloola as Minister for Tourism?

Mr CONLAN: I have had a number of meetings in a number of those places in my capacity as Minister for Tourism, Minister for Sport and Recreation, Minister for Arts and Museums, Minister for Racing ...

Mr VOWLES: Just Minister for Tourism, that is all.

Mr CONLAN: Yes, I have had a number of meetings but for a few portfolios. That answers the question, Madam Chair.

Madam CHAIR: Member for Johnston, do you have another question?

Mr VOWLES: Yes I do. Minister, besides Darwin and Alice Springs, what are you spending towards increasing visitor overnight stays in places such as Tennant Creek, Borroloola, Nhulunbuy and Katherine?

Mr CONLAN: Sorry, can you rephrase the question?

Mr VOWLES: Yes, minister. Besides Darwin and Alice Springs, what funding is going towards visitor overnight stays in the regions of Tennant Creek, Katherine, Nhulunbuy and Borroloola?

Mr CONLAN: We have put an additional \$8m into marketing and, as I said earlier, it is not just about Alice Springs or Darwin, it is about a whole-of-Territory approach. We want to whole of the Northern Territory to be a desirable destination. That is the whole point of a marketing organisation such as Tourism NT; to market the organisation so the Northern Territory is the preferred option when people are making their next choice for a holiday. That is the point. We believe that \$8m additional into marketing, plus the existing \$46m, the total of \$54m, plus, of course, our partnerships with airlines, distributors, wholesalers, hotels, inbound operators and all of those - you name it - will lead to increased visitation to the Northern Territory.

As we have seen, when you increase your marketing spend you increase your visitation, as evidenced by the figures. A simple look back on the figures of Tourism NT in the appropriation or the spend on marketing, and the visitation, you will see they directly correlate with each other.

As of about 2007 when money for Tourism NT started to drop off, we saw a drop off in visitation. The whole of the Northern Territory is important to our tourism product; in fact it is our tourism product. It is not just about a Top End destination. I have said before, and people who are listening to this are probably sick of hearing me say it, but a Darwin Harbour boat cruise is not any better than a camel ride in Alice Springs, and vice versa. It is all about a whole-of-Territory experience. It is all about a Territory product we can enjoy, or that we should be promoting for others to enjoy, through Tourism NT.

Mr VOWLES: Leading on from that, minister, what did the department give the local operators in Alice Springs affected by the flights in and out of Uluru now?

Mr CONLAN: Sorry, I am not clear on the question.

Mr VOWLES: Obviously, as you were saying, Alice tourism has been down and out for a while. With the fly-in, fly-out straight in from Sydney into Ayres Rock or Uluru, how are you working with local tourist operators in Alice Springs to get people to Alice Springs?

Mr CONLAN: That is an interesting question, because Uluru is about 450 km from Alice Springs. Those flights are separate to any strategy that might be in and around Alice Springs. Tiger Airways recommenced flying into Alice Springs in April this year, providing flights from Sydney and Melbourne. I think the seating capacity is 1500 from each destination, per week; in additional seats. We are not seeing any huge drop offs on load factors from Qantas as a result. That means an additional 1500-plus additional seats per route; that is, additional visitors into Alice Springs. That has been a great story for Central Australian tourism and our operators, particularly in and around Alice Springs.

As far as Uluru goes, our product at Yulara has struggled for a long time. We firmly believe if the Rock is not kicking, the Territory it not kicking. It is very important for us to ensure the Rock fires. I know we have lost a daily QF service into the Rock, but I tell you, I would rather have a full A320 flying in four days a week than a quarter- or a third-full 737 flying in seven days a week. It is more bums on seats and it provides a real opportunity to stimulate a market that has been seen for a long time as quite expensive and out of reach.

The Rock is really a high-end product and has been seen as a high-end product for a long time. We now have an opportunity to stimulate that market, which we are doing. We have some collaborative marketing partnerships with Jetstar, Tiger Airways, and Qantas into the Rock. You will start to see some real numbers over the next quarter or so. We are already starting to see some soft numbers come in that look pretty good. That is as of the March quarter. Over the next quarter, we will start to see a real stimulation of both the Alice Springs and the Uluru market, and the Central Australian market overall as a direct result of those two low-cost carriers providing that low-cost option.

Mr VOWLES: The Chief Minister, Adam Giles, said the Tiwi Islands would be the new Bali. Have you, as Tourism Minister, had any talks with the Tiwi Islands about this plan? What funding has been put aside to develop this new tourism initiative?

Mr CONLAN: The Chief Minister is very excited about all corners of the Northern Territory, and many of us as ministers and colleagues, often have to say, 'Listen, chief, you just need to go and have a cold shower because your enthusiasm is infectious. We love it, but let us do one thing at a time.' We are very lucky to have a chief who is so enthusiastic about everything when it comes to the Northern Territory, not just tourism. I agree; I think the Tiwi Islands could be the next Bali, or Mauritius; they can be anything, as can Groote Eylandt. There are a number of parts of the Northern Territory that could be the next anything. There is a lot of work to be done.

The member for Arafura and I have had conversations about what he wants to bring to the table and how he wants to grow the tourism product in the Tiwis. We have spoken to members of parliament and community stakeholders across the Territory about tourism opportunities; I alluded to some of those earlier. I have not had any conversations about any specific ideas at this stage. As I said, we are at Step 1 of a big journey and we really need to start firing up some of our traditional markets before we start to explore too many others. Once we get this whole tourism thing back on track, we will start to see that happen very quickly. We can start to explore these other opportunities but, in principle and as an aspiration, I agree; the Tiwi Islands is a fabulous place and will be a fantastic next Bali. I concur with the chief; it is a great idea.

Mr VOWLES: Thanks for that answer, minister. How much are the members of the Tourism NT board being paid?

Mr CONLAN: There is a particular term for it. They are being paid in line with the remuneration for a Level 1 board. Our chair receives approximately \$80 000 per annum, and our commissioners receive approximately \$44 000 per annum. That is in line with other Level 1 boards across the Territory.

Mr VOWLES: Thanks, minister. How often has the board met and what is the cost of the meetings? Can you provide details of travel, accommodation, and catering costs?

Mr CONLAN: It must have met four times and there is another meeting this week. It has been very active in that space. We have a fantastic board. We were determined, when we put this board together, to have a board the rest of Australia could look at and say, 'Gee, look at that board; that is pretty good.' We have achieved that. The board has met and has been very active.

I can probably get some further information on how much it cost for them. All that detail will be in the written questions. In the answer to Written Question 5 you will see some of the information regarding the board which has already been tabled.

Mr VOWLES: Thank you, minister. Moving on to airlines, has the Northern Territory government provided any funds to airlines?

Mr CONLAN: No, we are not in the business of underwriting airlines.

Mr VOWLES: Can you provide any details of marketing arrangements with airlines servicing the Northern Territory?

Mr CONLAN: Yes, there have been a number of arrangements. That is all part of our collaborative marketing approach with airlines. They are very important partners. You do not have a tourism industry if you do not partner with airlines. You do not have a tourism industry if you do not partner with hotels. The aviation marketing budget in 2012-13 is \$1.3m. The expenditure there is as follows: Virgin Australia, \$200 000; SilkAir, \$250 000; Singapore Airlines, \$250 000; Jetstar, \$300 000; Tiger Airways, \$250 000; and Philippines Airlines, \$100 000.

Mr VOWLES: What funds have you put aside in your agency to spend on working with tourism operators to develop and refresh their products?

Mr CONLAN: That is a very good question. I have just been advised that development function was referred to the Department of Business and currently sits with the Department of Business as part of a restructure of Tourism NT. That question should have been asked of the Department of Business.

Mr VOWLES: You are not going to answer that as the Minister for Tourism?

Mr CONLAN: As I said, I cannot answer it because we do not have that information. That sits with the Department of Business. I understand what you are trying to ask: what we are doing to assist operators? I guess that is what you are trying to say. What are we doing to assist operators? The specifics around that question sit with the Department of Business.

However, Tourism NT is very committed to assisting operators with their product. I said today we have provided \$10 000 worth of marketing as an incentive for the 27 Broilga winners this year. They will receive \$10 000 of marketing in digital spaces, a breakdown of which I can provide to you. Please do not ask me to get too technical about it. I was asked by the *NT News* about it today. Some of the technical side of how that is going to work is way over my head, essentially, and I do not think it is necessary that I provide that level of detail. That can be provided by Tourism NT staff. Nevertheless, the operators get an extra \$10 000 to market their product to the rest of the world to generate more business. That is what we have done, and it equates to \$270 000.

We have the \$1m additional industry digital marketing activation which is part of the \$8m we have thrown in to Tourism NT; the additional \$8m in the coming years budget to bring us up to \$54m. Tourism NT will produce a panel of consultants with proven experience to work with industry operators to bring the industry fully into the digital world of marketing. The board has identified that this is a fundamental area in which the industry must become proficient, and is integral to successfully turning around the Territory's tourism industry.

A recent survey showed only 2% of Northern Territory operators actually use Google AdWords, Facebook AdWords, retargeting all visitors to websites. If you are not in this space these days, you are not really in the tourism business. Things have changed in this world. Providing a digital coaching panel to support the industry has been successful elsewhere, right around the world. Tasmania springs to mind. The Northern Territory will be adopting a proven model. That is an additional \$1m we have provided.

While I cannot answer the specifics of that question because it sits with the Department of Business, I can assure you that Tourism NT is doing everything - this as well as a number of other examples - to assist our operators to grow their business because, if they grow their business, they grow the tourism sector in the Northern Territory.

Mr VOWLES: Thanks for that answer, minister. Going on to Indigenous tourism development, can you tell me how many meetings you have had with the Minister for Regional Development to specifically discuss the progress of Indigenous tourism development?

Mr CONLAN: I speak to the Minister for Regional Development, the member for Namatjira, a lot. We have met a lot. I could not put a figure on it. I see her in the corridor, we talk often. In fact, most of our conversation are about growing the regions through tourism. It would be a lot; I could not give you an exact figure.

Mr VOWLES: When you meet with the Regional Development Minister in the hallway, do you talk about what targets for Indigenous tourism there are for the Northern Territory over the next three-and-a-half years you are in government?

Mr CONLAN: I do not specifically think I have talked about Indigenous targets for tourism in the corridors with the member for Namatjira, no.

Mr VOWLES: Do you have any targets for Indigenous tourism, the products ...

Mr CONLAN: I believe you would find that specific target would sit with the CEO of the Department of Regional Development. That might be a question you might want to put to the Regional Development Minister. Our aim is to grow the sector as a whole.

Mr VOWLES: You are telling me, as Minister for Tourism ...

Mr CONLAN: Indigenous tourism ...

Mr VOWLES: ... you are not going to discuss targets for Indigenous tourism in the Northern Territory?

Mr CONLAN: Indigenous tourism is crucial to the Territory product. Madam Chair, you will know so ...

Mr VOWLES: You have said the pendulum has swung too far towards Indigenous tourism. It deserves a bit more than a chat in the hallway. Are there targets with the Minister for Regional Development?

Mr CONLAN: The answer to that question, Madam Chair, would sit with the CEO of the Department of Regional Development. I was attempting to answer but that is okay, it does not matter. The Department of Regional Development will have those figures.

Madam CHAIR: Thank you. Member for Johnston, do you have any more questions?

Mr VOWLES: Yes, I have a heap of questions to go through. Has Airnorth been provided with any marketing or any other support from Tourism NT? If so, what is the dollar value?

Mr CONLAN: No, not from my understanding. Airnorth has not been provided with any, no.

Mr VOWLES: All right. Regarding the rebranding and replacement of the brologa. Can you tell me how much this is costing in uniforms, stationery, and merchandise for the new logo? Was there any testing done around the effectiveness of changing it and things like that?

Mr CONLAN: It did not cost anything. It was done in-house by our marketing arm of Tourism NT. There has been a huge appetite for the full-colour brologa. It signifies and tells so much of the Northern Territory story. One of the first things I said to the incoming CEO when he started work in November was, 'I grew up in Queensland and, if there is one thing you Territorians had that no other state or jurisdiction has ever had, is an instantly recognisable logo, and you guys were mad to throw it out the window. I do not know what harebrained whiz-kid came up with the idea to strip the colour off it, but let us get it back.'

To me, there has been an enormous appetite by industry to have it back. It looks absolutely fantastic and I make absolutely no apologies for that. It did not cost anything and it looks terrific. We are starting to get the Territory recognised as the Northern Territory again, as a result of something as simple as that instantly recognisable logo the Territory carried with such pride for about 25 years.

Mr VOWLES: Thanks for that answer, minister, but I just want to go back to the question. What has been the cost of rebranding offices, and staff shirts. Was it tested?

Mr CONLAN: I answered the question about the testing or about the appetite for it. There was plenty of evidence out there that industry and the Territory wanted it back. That was good enough for me.

As far as stationery goes, all new stationery that we are ordering will have the new logo on it; new offices as well. There will be some cost around putting a new logo on an office. There is no replacement cost for the office in Alice Springs, because the office in Alice Springs has to be rebranded in any case.

We are moving the office here in the Top End. Our Darwin office is being relocated to Harbour View, just across the road. That office will have to have a rebrand obviously, in the foyer. There will not be too much out the front but there will be a little sign on the foyer so that would have to happen anyway. All this will be at minimal cost. Of course, there will be some associated costs with rebranding buildings and the like, but there are not many buildings. There will be some small cost but they will have to happen in any case by virtue of the fact we have two brand new Tourism NT buildings. Things like stationery, business cards and all that sort of stuff, will happen in any case.

We are not ordering or replacing stationery, we are just using the existing stationery and ordering the new stock as it comes online. The way it works these days is we do not have stationery sitting in the office. You have A4 blank paper and, when you print off something, you just change the template on the computer and the printer, bang, there it goes. It is not like the old days where you have to order 50 000 lots of A4 paper with a letterhead that might be out of date. That is one of the good things, I guess, about modern technology.

Mr VOWLES: Thank you, minister. How much money is being spent on marketing the Northern Territory to the cruise ship industry?

Mr CONLAN: The answer is about \$200 000. In 2012 - and it is worth putting on the record - Darwin received 47 cruise ship visits generating a total of about 56 264 passengers with an additional 27 295 crew. The main cruise season in Australia ends in April, but some large Australian-based vessels will continue to visit Darwin throughout the year, including the *Dawn Princess* and the *Sun Princess*. Orion Expedition Cruises' *Coral Princess* and *Oceanic Discover* will operate 28 cruises out of Darwin into the Kimberly

region between now and October 2013. Orion Expedition Cruises changed ownership on 1 May when Lindblad Expedition Cruises took possession. Lindblad operates similar, smaller luxury expedition cruises in exotic destinations in conjunction with National Geographic. They are also committed to leaving Orion's schedule in place for 2013-14, which is great news, and they will announce future plans in the coming months.

We are currently preparing a cruise sector activation plan to focus on three key elements: attracting cruise liners to home base their operations permanently, or for a considerable period of time, in Darwin or to visit as a port of call; developing infrastructure to accommodate future growth of the sector; and to improve the visitor experience in the NT. The cruise activation plan, Madam Chair, will replace the 2010 plan and will come into effect soon. Specifically, the cruise sector is very important to us, with 47 ships, 56 000 passengers in 2012, and a healthy spend of about \$200 000 to market that.

Madam CHAIR: Member for Johnston, did you need that question on notice?

Mr VOWLES: No, that is fine, thank you very much.

Madam CHAIR: Are there any further agency-related whole-of-government questions?

Mr CONLAN: I have an answer to a question about some staff. Would you like me to answer them?

Madam CHAIR: Was it a question on notice?

Mr CONLAN: It was about the existing vacancies. In Darwin we have an AO4, which is a PR officer; an AO6, which is a digital marketing coordinator; and an AO4, which is a systems coordinator. In Alice Springs there is an AO5, which is a social media coordinator; an AO5 international media coordinator; and an AO7, which is a research executive.

Madam CHAIR: Thank you, minister. Member for Nelson?

Mr WOOD: Minister, you have \$46m to spend on marketing. What methodology do you use to see whether that marketing dollar is actually working, especially from the point of view of having more visitors on the ground in the Northern Territory?

Mr CONLAN: It is \$30m we are putting into marketing in the coming year. There is \$54m appropriation from the budget for Tourism NT. Of that amount, \$24m is operational and \$30m goes towards marketing. It is a huge amount of money for a jurisdiction this size.

Member for Nelson, you have it a bit muddled. The way to gauge the investment is by looking at the visitation numbers. I have said previously the moment you see a drop in marketing investment, you see a drop in visitation. So, there is a methodology that is used through the international and national visitor survey programs. That is how we correlate that data. The result of the data is how you see the results of your marketing spend.

Mr WOOD: Minister, I presume, as you said, it is not just about numbers on the ground, it is finding out whether those numbers on the ground have come to the Territory because of your marketing. That is the issue I am putting forward.

Mr CONLAN: Yes, fair enough. We track all our data. Every dollar we spend, we track it. That is why it is so important to us. In Budget Paper No 3, on page 283, you will see the key deliverables: holiday visitor expenditure and domestic international holiday visitors are all there in plain view. You will see that is how we set our targets.

Mr WOOD: That is fine, but what methodology are you using to carry out your surveys to prove those people who have come to the Territory have, for whatever reason, come because your marketing has influenced them to come to the Territory.

Mr CONLAN: Tourism Research Australia is very robust when it comes to tracking visitation. You want me to offer an answer I cannot explain. I have explained to you that we - Tony might have a different take on it but you may get the same answer at the end of the day. Tourism Research Australia provides the data for our national and international visitor surveys. Are you asking how they go about correlating that data?

Mr WOOD: Yes ...

Mr CONLAN: Do they fill out a survey form or something; is that what you are asking?

Mr WOOD: Yes. You are spending a lot of money on marketing. It does not matter whether it is you or the cultural department ...

Mr CONLAN: Okay, member for Nelson, I will hand over to our Executive Director who can take you through the virtues of filling out a survey form.

Ms COLLARD: Essentially, Tourism Research Australia does it on behalf of all the tourism authorities across Australia. For the international visitor surveys, it interviews departing tourists at airport. There is a sample size they have to reach to give us the numbers. I am sorry, I cannot remember the exact sample size, but I can assure you it is robust.

For the domestic side to measure Australia a telephone survey is used where households are contacted to find people who have travelled in the last year or the last three months, depending on what they are looking at.

Mr WOOD: That way you would cover also the grey nomads who can sometimes slip through the ...

Ms COLLARD: No, the grey nomads, hopefully, are the ones surveyed over the phone at home who have taken a holiday and returned. They are asked a series of questions, and when we get our information we are able to break it down into different types of traveller. We can find out what the drive market was, what a backpacker was, what an international visitor was, or whether someone was visiting friends and family. It is done at the national level and very robust sampling takes place.

Mr WOOD: Minister, from those surveys, do you change your accent on who you market according to what results you get back from your surveys?

Mr CONLAN: We are not bloody-minded if that is what you mean. If the surveys are showing huge spikes or dips in something then, of course, we take that data on board and adjust. CEO, do you want to add to that?

Mr MAYELL: Tony Mayell, Chief Executive Officer, Tourism NT. Mr Wood, there are a couple of angles to your questions. Angela has answered the one in relation to the broader raw data. You are particularly interested in how we keep track of the efficiency and effectiveness of our spend at every activity level. All the work we do is done with trade partners, be they in Germany or Australia. At the start of every campaign we do an enormous amount of research to identify the market propensity, to use a bit of jargon, to respond to a product or a range of products we would put in front of a consumer that would generate visitation to the Territory. At that time, with those partners, we set some goals. If it looks like we may only get 100 visitors out of a \$1m spend, we would shy away from that. We have a formula which shows the return on investment we want relative to the market audience, the size of that audience, where that audience is located, and what media we need to use to get to them. It is quite scientific and the processes we have put in place in the last few months make us confident we do that very carefully. We are all about getting return on the investment.

There is tracking put in place by the campaign partners. Let us face it, in a Flight Centre or an airline that might be working with us on this, they are not interested in putting money into something that is not going to generate a return for them as well. So, we approach it on the same commercial terms they do in a private sector partnership situation.

Mr WOOD: Thank you, Mr ...

Mr MAYELL: Tony Mayell.

Mr WOOD: Tony. The other question I have is there has been some discussion about the change in the logo. I have been here long enough to hear everybody give their subjective views on which logo is better than what. I suppose whoever promotes the logo reckons it is great and whoever does not promote it reckons it is no good. If we get down to the science, you have changed the logo; how do you know whether that change of logo is going to have any effect?

Mr CONLAN: We did not really change the logo; we just put the colour back into it.

Mr WOOD: Yes, but the previous logo had the words 'NT' stuck in it.

Mr CONLAN: The current logo has 'NT' and so did the previous one. Have you seen both of them side by side? Have you got them there, member for Nelson? Would you like me to provide you them so you can compare the two? There is not really much difference except one has the colour back in it.

Mr WOOD: I suppose ...

Mr CONLAN: You can see it from about three feet, as opposed to the other one.

Mr WOOD: What is that supposed to mean, minister?

Mr CONLAN: I am happy to table this so you can have a look at it. It is better if you had a couple of facts around what it is you are trying to get to. We might table the card as well, so you can compare the two.

Mr WOOD: But we had marketing advertising which had words with 'NT' enlarged in it. It was not a logo as such, but it was a ...

Mr CONLAN: Yes, you are talking about - the logo is different to marketing. The logo is ...

Mr WOOD: That is right, but that was the one most people saw, with the new emphasis on the letters 'NT' in a word.

Mr CONLAN: You will see the new one has the letters 'NT' in there.

Mr WOOD: Anyway ,I suppose I was just asking you ...

Mr CONLAN: Yes, I am happy to show you. You can have a look at the two for yourself.

Mr WOOD: Yes. I did not ask whether they are good or bad. As you have changed it, I am asking whether the change been positive, that is all. If you make a change, I expect there is a reason for it.

Mr CONLAN: Tony?

Mr MAYELL: Mr Wood, through the minister, we keep track of historical data in relation to that logo. There has not been much change between the logo, particularly the colour execution as it appears now, to what it was previously before we did the reversing out form you can see on my business card getting around there. The market strength and the awareness of that logo and the positivity in the market remain very strong for that, as it does, funnily enough, for 'You will never, never know if you never, never go.' That still tests very well. All we have done with that logo is tweak it a little, as the minister has said, and put the colour back into it. That is what has made such a strong symbol for the Territory. In market testing, we did take notice of what the market was still continuing to tell us in relation to the logo.

Mr WOOD: Okay. I always liked the broлга. In relation to employment, I only have the last year's annual report which says that in 2011-12 there were 134 paid staff, and only three employees of Aboriginal and Torres Strait Islander background. Considering that much of our tourism depends on the Aboriginal culture people come to see, is there any move to try to increase the number of Aboriginal and Torres Strait Islanders employees working in your department?

Mr CONLAN: We are always looking for good people to work in the Northern Territory - full stop - whether they be Aboriginal or non-Aboriginal. First of all, you have to rely on staff to declare whether or not they are Aboriginal. That is self-identifying when it comes to filling out a job application. This government has been pretty open about its position when it comes to not discriminating against one person or another. We are all here, we are all Territorians.

I do not think there would be an Aboriginal person out there who would like to be promoted simply because they are Aboriginal. It comes down to the fact that I do not think there would be a woman out there who would like to be promoted because she is a woman. People like to have a job because of their ability to do it, and be promoted as a result of that. This government has been very clear on that, through those years of opposition, and also recently in government by abolishing the Indigenous Affairs portfolio. We are all here for all Territorians. I know our Aboriginal members of parliament are very proud Aboriginal people who are 100% supportive of that. We are always looking for good people in Tourism NT. If you are an

Aboriginal person, please come on board and apply for a job and identify yourself as such because we would love to have you.

On the other side of the coin you will not be hired in Tourism NT because of any particular race. I am not sure that is what you are getting at. We encourage everyone to apply for a job with the Northern Territory public service whether that be within Tourism NT, Sport and Recreational or Racing, or whatever department it is.

Mr WOOD: Yes, I can understand where you are coming from. I am not necessarily saying I disagree with the general philosophy. However, you will find that nearly every annual report highlights the low number of Aboriginal people employed. Over the years, governments have attempted to increase the number of Aboriginals employed because, statistically, our highest rates of unemployment are in the Aboriginal communities.

Many people come to the Northern Territory seeking an Indigenous experience, but I have heard, , that people go out to particularly Kakadu because they want to see Aboriginal people working in the tourism industry; that is what they think they will see.

Minister, in relation to Question 10 about government advertising, you have listed a series of costs of \$4.02m for advertising, and marketing promotion \$5.2m. Could you give us the same figures for the previous two financial years, which other ministers have done, so a comparison can be made of how the government has spent money over the last couple of years?

Mr CONLAN: Sorry, is there a question there?

Mr WOOD: There was a question.

Mr CONLAN: Sorry, what was your question again?

Mr WOOD: Could you supply details over the last two financial years so we can compare the amount of money spent on advertising and marketing?

Mr CONLAN: You would like to see the previous two years totals as well?

Mr WOOD: Other ministers have done the same.

Mr CONLAN: In that case, I am more than happy to do it. No problem. I will take that on notice.

Question on Notice No 8.3

Madam CHAIR: Member for Nelson, please restate the question clearly for the record.

Mr WOOD: Minister, could you provide the total costs for advertising and marketing promotion over the last two financial years?

Madam CHAIR: Minister, do you accept the question?

Mr CONLAN: Yes.

Madam CHAIR: The member for Nelson has asked the question of the Minister for Tourism and that question is No 8.3.

Mr WOOD: That is all the questions I have.

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

OUTPUT GROUP 1.0 – TOURISM NT
Output 1.1 - Marketing

Madam CHAIR: The committee will now proceed to Output Group 1.0, Tourism NT and Output 1.1, Marketing. Are there any questions, member for Johnston?

Mr VOWLES: No.

Madam CHAIR: Member for Nelson?

Mr WOOD: No, I do not have any questions.

Madam CHAIR: That concludes consideration of Output 1.1.

Output 1.2 – Northern Territory Major Events

Madam CHAIR: The committee shall now consider Output 1.2, Northern Territory Major Events. Are there any questions?

Mr VOWLES: Yes, thanks. Minister, can you inform me why the Superbikes was delayed from April to September?

Mr CONLAN: Yes, that was on the advice of NT Major Events. The general manager suggested it was a better time because it tied in with another similar event. So, rather than having two standalone events, it is better to generate more of a critical mass around two events. This is a couple of notes we made before.

The timing of this year's event has been repositioned to 14 and 15 September, as you were saying, member for Johnston. Darwin has hosted a standalone Australian Superbike event at Hidden Valley since 2010. The Northern Territory government has secured a round of Australian Superbikes until 2014. Hidden Valley achieved recognition as the best Superbike event three years in a row. The Australian Superbike weekend will include a round of the Australian Supercross championship. That was the other event I was talking about. We tied these similar events together and NT Major Events is banking that the addition of the Supercross will see a large increase in spectator support for the event.

Mr VOWLES: Have there been any extra costs in delaying the Superbikes?

Mr CONLAN: No, not to my knowledge. The Australian Superbikes was more than happy with that concept.

Mr VOWLES: What about getting the Supercross event? How much is that costing?

Mr CONLAN: Australian Supercross: the total is not broken down as a result of the two being combined. We provided \$911 000 for the Australian Superbikes. That is \$911 000 for the Superbike weekend.

Mr VOWLES: Can you give me a breakdown of the Supercross component of that please?

Mr CONLAN: We will take that on notice.

Question on Notice No 8.4

Madam CHAIR: Member for Johnston, could you please restate the question for the record?

Mr VOWLES: Could the minister please provide a breakdown of the cost incurred for both the Superbikes and the Supercross event?

Mr CONLAN: We will take that on notice at this stage. It might sit somewhere else, but we will find out.

Madam CHAIR: Do you accept the question?

Mr CONLAN: In goodwill, we will take it on notice, but it may not be able to be answered by this agency.

Madam CHAIR: That is okay. The question asked by the member for Johnston of the Minister for Tourism is No 8.4.

Mr VOWLES: Just picking up on that, minister, who would have the carriage of this?

Mr CONLAN: I am unsure at this stage, but we are going to find out. It could possibly be Sport and Recreation. That would be my guess.

Mr VOWLES: As a major event?

Mr CONLAN: We will take it on notice, Madam Chair, and we are happy to provide it.

Madam CHAIR: That is all done, member for Johnston?

Mr VOWLES: Moving on to the Masters Games, how many participants and how many sports were in the last Masters Games in Alice Springs?

Mr CONLAN: I have left my Masters Games upstairs, so we can find that. It is pretty dear to my heart. I know I have it, I was looking at it this afternoon. I will get that; I will provide that pretty quickly. It is just upstairs in my office but I did not put it into the file. I do not know if it needs to be a question on notice. That is up to you, member for Johnston. Are you happy for me to provide it to you?

Mr VOWLES: We have Sport next, so if somebody can bring it down, that would be great. I am happy to take that on good faith.

Mr CONLAN: Very successful, though, I can assure you.

Mr VOWLES: What were the numbers from the last Masters Games and the previous Masters Games?

Mr CONLAN: We will definitely take that on notice because the information I have is figures around the 2012 Masters Games. If you are looking for some comparison figures, I will need to take that on notice.

Question on Notice No 8.5

Madam CHAIR: Member for Johnston, please clarify the question for the record.

Mr VOWLES: Can you please provide comparison figures from 2010-12 participants and sports?

Madam CHAIR: Minister, do you accept the question?

Mr CONLAN: Yes.

Madam CHAIR: The question asked by the member for Johnston of the Minister for Tourism is question No 8.5.

Mr VOWLES: In regard to the Masters Games, are there any plans to rejuvenate the games considering the competing market that is out there now? When I was at the last Masters Games there was a lot of talk around the Gold Coast events and that we have to rejuvenate the games to keep people coming. Are there any plans for that?

Mr CONLAN: There is a feeling that we need to address some issues with the Alice Springs Masters Games. It would still be the premier event in Alice Springs. No offence to lovers of the Finke Desert Race which, in itself, is an extraordinary world-class event every year, but the Masters Games, in the way it captures the spirit of the town every two years, is something I have never seen elsewhere. I have been to a number of Masters Games.

I accept that I came on board last year. That was my first Masters Games and it was well in train. I had been the minister for about four weeks and I was thrust into the Alice Springs Masters Games. Any issues relating to the state of the games has to fall squarely on the previous minister for Sport and the previous government.

This government has looked at it and identified some areas we can improve. At this stage, that is all I can say. We have a number of people working on some ideas to bring the games back to its glory days. I say that carefully because it is still a fantastic event and people still love it. Member for Johnston, you probably accept, and others around the table who have been to the Masters Games in previous years have seen a slight shift one way or the other.

Yes, the games on the Gold Coast is also a concern. What we do not do anymore and what we used to do are road shows. We used to promote the games at other games; that was our bread and butter. That generated a lot of momentum and much interest in the Alice Springs Masters Games because we were on the doorstep at other games around Australia. For some reason, the previous government, Sport and Recreation, and NTMEC stopped doing that.

The CEO of Major Events, the CEO of Sport and Recreation and I have looked at ways we can improve the exposure of the Alice Springs Masters Games and tweak a few things. It does not need much attention. It just needs a small screwdriver and a small tweak and we will be back on track again.

I accept there has been some criticism of the games over the last four or five years. With the introduction of Tiger Airways, coupled with our road shows, we will create greater capacity for travellers to attend the Alice Springs Masters Games through a low-cost carrier, and they may be able to attend other games around Australia. We have to position our games as the friendly games; that is what it is. People like to attend other games and they might only be able to afford to attend one or two at a time. The Tiger Airways activity in Alice Springs is terrific; the bookings are fantastic. Some of that data will be available shortly. With Tiger Airways, coupled with our road shows and a tweak here and there, we should be able to get the Alice Springs Masters Games back on track. I know the town loves it and expects it.

Mr VOWLES: Thank you for that answer, minister. That is all the questions I have, member for Nelson.

Mr WOOD: What effort is placed into trying to promote the Masters Games within the Northern Territory? At the last Masters Games I went to, quite a lot of people from Darwin did not attend as they had the previous year. Have you looked at the cost of accommodation when the Masters Games is on, because it is not cheap? I do not know whether that is an issue for many people, especially coming from Darwin.

Mr CONLAN: I can revert to my previous answer about what we are doing to activate that space. You are right; it is not exclusive to the rest of Australia. There is still much work to be done around the Northern Territory. Yes, we have seen a slight drop off. I am a bit reluctant to say too much because I do not have my documentation with me. Based on anecdotal evidence, there appears to have been a drop in the competitors from Darwin and around the NT - certainly Darwin and Katherine. Tennant Creek still supports the Masters Games quite considerably, as do other communities around the Centre.

With this reactivation program we are about embark on with NTMEC, Sport and Recreation, and me, we will start to see – it comes back to marketing, member for Nelson. It is about marketing those games as that great, friendly, social sporting event it is. It is a sporting event that is not taken too seriously. It is called the friendly games for a reason. The whole town embrace it, as does the whole of the Masters Games fraternity right across Australia and, indeed, other parts of the world. It is a wonderful asset to the Northern Territory. It is tremendous for Alice Springs, and for the Northern Territory. It generates a huge amount of income for the town and, as a result, through the Northern Territory just through its visitation, the people on the ground, and the follow-on spend through restaurants, bars, picnics, and tours.

That is part of our job too, to ensure we keep those visitors here when they arrive, after they go to that expense and make that effort to travel to Alice Springs and the NT. We would love them to stick around in Alice for a few days. We would love them to get in their campervan and head up to Tennant Creek, Katherine, and Darwin, and enjoy the experiences and the rest of the Territory product.

That is not a challenge for us, because it should be something that is pretty easy. The attention has not been turned to that space for a long time. That is why the member for Johnston has identified some areas of the Masters Games which are of a concern to me. I am not gravely concerned, because I know the product is there, and we can turn it around very quickly. The goodwill and the enthusiasm is still there, and the product is fantastic. We just have to ensure we address some of those issues that, sadly, have been left unaddressed, if you like.

With regard to accommodation, I am not sure, short of building another hotel. The NT government is not into building hotels. Attracting hotels or attracting investment into the Northern Territory is the business we are in. We are determined to attract as much investment into the Northern Territory as possible. We have

a very pro-development Cabinet and a very pro-development Chief Minister who comes from Alice Springs. He is very keen to see investment across the Territory but, particularly, in Alice Springs. That investment will also include hotel investment. We need to see more of that.

It is anecdotal evidence that you say hotels are expensive. It is like the old argument that when Tiger Airways was not flying to Alice Springs, we only had Qantas, and Qantas automatically put up its airfares. Qantas does not put up its airfares, member for Nelson, they just release a certain amount of low-cost seats. If you do not get those seats, then you buy the next level, and then the next level, and then the next level, until all you are left with is premium business class seating. You either buy that ticket or not. Hotels are in the same business; they release a certain amount of rooms to operators or directly to the market themselves and, if you are decide to go to the Masters Games at the last minute, then you might get stuck with a premium room.

That is my answer, at this stage, to you about these issues. I cannot go into any more detail because it is an opinion of yours at this stage. I do not see too much of that on the ground in Alice during the games.

Madam CHAIR: It is now 9.30 pm. We should stop for a 10 minute break.

Mr VOWLES: I am finished.

Madam CHAIR: On that output?

Mr VOWLES: And all the rest of Tourism and Major Events.

Mr WOOD: I was only going to ask one more question on that particular issue.

Madam CHAIR: Okay, then we will be done for Tourism. Is that right?

Mr WOOD: Yes. Minister, it is not just my opinion, I talk to people when we go to the Masters Games. If you do not think my opinion is worth some concern, then why does the tourism industry not survey those people who go to the Masters Games? After all, many stay for a week, and that is a lot of money if you are paying \$100 a night. They are not the rich end of town; they are people who just enjoy sport. Has the Tourism Board - I do not know who else might do it; maybe the Alice Springs Council has done it – done a survey finding out about what people like and do not like about the Masters Games so you have some data instead of opinion as to whether that is a real issue?

Mr CONLAN: I can only say to you, member for Nelson, we talked about visitor survey data. You asked about how visitors fill out a form. You asked this committee and those of us appearing for the committee how to fill out a form. The Executive Director of Corporate Services took you through that and how that happens. Those visitors to Alice Springs fall under a number of visitor surveys compiled by Tourism Research Australia. There is also a local organising committee set up to organise the Masters Games and they do all that work.

I have not seen anything to suggest that accommodation prices are so prohibitive that is going to stop people from attending the Masters Games. From what I have seen, the issues surrounding the Masters Games are not just a result of expensive accommodation. The town can only accommodate so many people, true, but many of the issues surrounding visitation to the Masters Games has been through the lack of marketing the Masters Games.

We need to look at the way we market the games, how it used to be marketed, and to bring those visitors and competitors, if you like, back. They are competitors but, essentially, they are visitors because they are tourists and mostly interstate travellers. That, to me, the crucial issue of those other issues surrounding the Masters Games is marketing. These are issues I am addressing with the Department of Sport and Recreation, the CEO of Major Event Company, and Tourism NT.

Madam CHAIR: That concludes consideration of Output 1.2 and also Territory Discovery. On behalf of the committee, I thank all of the Tourism NT officials for coming along. We will have a break until 9.45 pm and then we will bring on Sport and Recreation. Thank you.

Mr CONLAN: Thanks, Madam Chair. I thank the staff for sticking around for a week-and-a-half and all night tonight. Thanks for your efforts.

Mr VOWLES: Thanks very much.

The committee suspended.

DEPARTMENT OF SPORT AND RECREATION

Madam CHAIR: We are all here, so we should keep moving along. Minister, thank you for coming as the Minister for Sports and Recreation. I invite you to introduce the officials accompanying you. If you would like to make an opening statement, you can do that. If you have answers to written questions, they can just be tabled.

Mr CONLAN: Thank you, Madam Chair. I have an opening statement. I thank you and the committee members. I am responsible for the Sports and Recreation Output Group, and today I am joined by Phillip Leslie, who is the Chief Executive Officer of the Department of Sport and Recreation, and Joanna Frankenfeld, Chief Financial Officer for Shared Services.

Budget 2013-14 commits \$52.328m to the Sport and Recreation portfolio to continue to deliver opportunities for all Territorians to participate in sport and active recreation activities, which include Water Safety and Racing, in urban and remote areas of the Northern Territory.

The Territory is comparatively young in population, as we all know. The benefits of sport and recreation are paramount to not only individual growth, but also to social cohesion. This government is serious about providing and promoting involvement in sport and active recreation. This is demonstrated by the government's approach to making participation in sport easier for children and families with less financial impact. The introduction of the Sports Voucher Scheme, which sees \$4m each year invested in making participation in sport more accessible, has been extended to include not only sporting clubs but schools where structured sport is not easily accessible, such as in remote and regional communities. The department has worked hard to establish the Sports Voucher Scheme and it continues to ensure that each and every child who wants to participate in sport is able to have the opportunity to do so with the \$75 voucher.

The government has increased funding to all peak sport and active recreation bodies by 50%. This has seen an additional ongoing \$1.74m invested, bringing the total funding amount for 2013-14 to \$5.6m. This funding will ensure the work the department continues to do around strengthening sport and active recreation organisations is well managed, governed and financially sound.

We will also continue with increased funding which will support the peak bodies to ensure the stability of their sports and clubs at the grassroots level. Facilities are an important component of any sport and active recreation activity. This government continues to provide substantial funding to ensure facilities are maintained, with \$3.577m allocated in 2013-14. This is a 100% increase from the previous year.

The Palmerston Water Park and the Lake Leanyer Recreation Park will both now be sufficiently funded, unlike previous years, with the increases of \$1.2m allocated to Lake Leanyer and a total operational budget of \$2.3m allocated to the Palmerston Water Park.

BMX facilities at both Jingili and Palmerston have received \$300 000 each to improve their facilities to host national competitions. Jingili's upgrade specifically will enable competitors to have access to a facility all year round to train for national and international competitions, something previously lacking and hindering our chances of national and international success.

Anzac Oval in Alice Springs will receive \$2.8m in upgrades. The Alice Springs Drags will receive \$495 000 in 2013-14, and see its facility capable of hosting national events.

Alice Springs Karting Club received \$30 000 to assist in completing the lighting upgrades after it was successful in securing the 2013 Australian Karting Titles in Alice Springs from 4 to 6 October this year. The event is likely to bring as many as 600 competitors and their families to Alice Springs. Additionally, the NT titles will be held from 26 to 27 September this year.

Hidden Valley Motorsports Complex is a big winner in the 2013-14 Budget, with \$4.9m to resurface the track and \$4.12m in 2014-15 to upgrade amenities, sewerage, and drainage. This is one of the Territory's premier facilities that hosts not only the V8 Supercars which brings some 40 000 people to watch a world-class event each year, but also the local drags and national events such as Slamfest.

All of these facility upgrades ensure the hosting of national and international events are continued, and the ability to secure additional events is increased - events such as the AFL premiership matches in Darwin and the pre-season matches in Alice Springs; the upcoming NRL premiership match in July; and the Hottest 7s competition, both of which were not budgeted for by the previous government; and the return of international cricket with the English Ashes team to play, with the Barmy Army, hopefully, accompanying them this year, invading Alice Springs in November. It is a first for the Territory and a welcome addition to the events already in Alice Springs, including the WNBL and men's pro tennis tour.

This government not only brings national and international sporting events to the Territory, it is determined to provide opportunities for regional Territorians to see and experience these elite sports in their own communities. It is Territory focus rather than, essentially, a one-region focus.

The hosting of these events, plus the IRB Surfing Championships, National Polocrosse Championships and the Australian Masters Football competition sees real economic benefits coming back to the Territory and expanding our tourism opportunities. The tourism dollar is an important part of our economic success. Linking sport to tourism is a natural and profitable fit for the Territory, and we will be focusing this particular fit on future national sporting arrangements.

These elite events will have community engagement programs that will have long-term legacy outcomes to ensure our most talented athletes have the ability to learn from their sporting heroes. This government is determined to give our talented athletes the most opportunities available to progress the national and international stage. Some \$400 000 is dedicated to this by continuing to support the NT Thunder, the NT Storm, NT Pearls, NT Stingers, and recognising the success of NT Strike by providing support of \$50 000. The Central Australian Redtails will also receive \$75 000 funding to support its entry into the AFLNT competition in 2013, a first for a team from Alice Springs.

The NTIS is a key partner in the sporting sector through its identification and development in sport of the Northern Territory's talented and elite athletes. Its primary role is to provide high-quality services and support to those aspiring athletes and their coaches that epitomise opportunities to achieve the highest level in sport and in life. To ensure this continues, NTIS funding has been maintained and, in partnership with the Australian Sports Commission, has undertaken a review of the NTIS to ensure it continues to play its part in the Australian sporting system, and is aligned to deliver on a national plan to ensure athletes have a winning edge.

The Northern Territory breeds outstanding sportsmen and women, and the NTIS is the finishing school which allows these outstanding athletes to achieve the highest level of sporting success possible. The government is determined to see success for our athletes and provide them with the opportunity to achieve this in their hometown.

Budget 2013-14 provides for exciting facility upgrade programs, increased opportunities for national and international sporting events, an increase to the grants program, increased support for our sporting bodies and athletes, and highlights this government's support and investment in Northern Territory sport and active recreation. It is strong in supporting grassroots and families. Overall, the role this government has taken in supporting sport and active recreation will provide the best return from public funds for sporting families, our athletes, facilities and, of course, the Territory economy. This all leads to more opportunities for Territorians to participate in sport and active recreation, and, ultimately, this is what we are all about.

The staff with me today will assist answering any questions the committee may have and, if necessary, we can take some of those questions on notice. Madam Chair, I have a stack of questions that were provided by the committee and I am happy to table those. Would anyone like me to read out the questions one by one or are we happy to table those?

Madam CHAIR: We are happy for you to table them, minister, thank you very much.

Mr CONLAN: All right. I seek leave to table the questions. Okay.

Madam CHAIR: Are there any questions on the minister's statement?

Mr VOWLES: Yes.

Madam CHAIR: Yes, member for Johnston.

Mr VOWLES: Minister, you are saying \$5.6m is the total amount for the peak sport and recreation organisations' funding for this year? Is that the figure?

Mr CONLAN: Yes, that sounds about right.

Mr VOWLES: A \$1.477m increase.

Mr CONLAN: Yes.

Mr VOWLES: Yes, so now the total is \$5.6m?

Mr CONLAN: Yes.

Mr VOWLES: Can you provide me a list of the organisations and the amounts to those peak sport and recreation bodies or active recreation bodies?

Mr CONLAN: Yes, we sure can. We will take that on notice, provide those for you. I do not think they are in, I do not think we have them here.

A witness: We do.

Mr CONLAN: We do actually, so we can provide those to you. We do have a list, would you like me to read them out?

Mr VOWLES: Just provide them would be ...

Mr CONLAN: Yes, so this is grants you are talking about?

Mr VOWLES: Yes, the \$5.6m grants to peak sport and recreation bodies. There are normally many of them. Instead of reading them out, it might be that we can get a copy or you table them.

Mr CONLAN: I just might. There are a lot.

Madam CHAIR: Are you able to table that, minister, or could you take the question on notice to provide the details?

Mr CONLAN: That is the peaks there. Because there is some additional information on here which I might retain, we will take that and provide that to you. We should be able to provide that snapshot before we finish tonight. Can we just do that?

Madam CHAIR: Yes.

Mr CONLAN: No problem.

Mr VOWLES: Thanks, minister. Also, are you able to inform me the total amount of the Facility Development Grants, who has received those grants, and where are those grants situated?

Mr CONLAN: Okay. I will just see if we have that information with us right now for the level of detail you are requiring, or if we need to take that on notice.

Mr VOWLES: I have a couple more on those grants. Yes, just the total amount of the Facility Development Grant bucket of money and who receives those?

Mr CONLAN: Okay. The Facility Development Grants of various organisations and peak sporting bodies is \$892 000. I do not have a list with me about who received those, but the CEO may. Yes. We have the Top End Practical Shooting received \$29 000 ...

Mr VOWLES: I would prefer if you tabled that.

Mr CONLAN: That is all right, it will not take long. The Darwin Bowls and Social Club ...

Mr VOWLES: How many are there?

Mr CONLAN: Darwin Bowls and Social Club, \$45 000; the Alice Springs Roller Derby Club, \$16 000; NT Rugby League received \$25 000; Swimming NT received \$25 000; Darwin Cricket Club received \$18 000; PCYC Gymnastics received \$19 000; Touch Football NT received \$37 500; Alice Springs Cycling Club received \$6000; Berrimah Riding Club received \$2600; Pitjantjatjara Community Aboriginal Corporation received \$49 500; NT Rugby Union received \$50 000; Roper Gulf Shire Council at Borroloola received \$41 800; Roper Gulf Shire Council, Eva Valley received \$43 600; Gove Boat Club received \$35 000; Tiwi Shire Council received \$35 000; Alyangula BMX Club received \$30 000; Roper Gulf Shire Council received \$49 000; Gove Netball Association received \$35 000; the Barkly Shire Council received \$17 000; the Roper Gulf Shire Council at Ngukurr received \$40 000; Gymnastics Northern Territory received \$50 000; Darwin Clay Target Club received \$50 000; Northern Territory Quarter Horse received \$22 000; and Dead Centre Bow Hunters received \$20 000; and Tracy Village Sports Club received \$50 000; Darwin Golf Club received \$50 000, which were special assistance grants totalling \$100 000. The total for that is \$891 000.

Mr VOWLES: You informed me of the \$50 000 for Tracy Village Sports Club. Was that part of a Wanguri by-election promise or was that for ...

Mr CONLAN: That was for facility maintenance. That is the information that I have with me, facility maintenance for Tracy Village.

Mr VOWLES: Thank you very much for that answer, minister.

Mr CONLAN: Madam Chair, I have the peak sporting body grants here, so am I able to table that?

Madam CHAIR: He is just answering your last question, member for Johnston.

Mr VOWLES: You are going to table that? Thank you. Can you tell me the funds for the grassroots grants, and whether they have gone out to communities? That is a maximum of \$3000 grant, if that is still happening? I believe there were normally two different buckets of money for that. Have they all been put out?

Mr CONLAN: Sorry, the question again?

Mr VOWLES: What is the bucket of money for the grassroots grants; how much was it?

Mr CONLAN: It was \$190 000.

Mr VOWLES: They have all been allocated?

Mr CONLAN: They have been fully allocated.

Mr VOWLES: If you can provide me with those I would be happy for you to table them.

Mr CONLAN: No, I am happy to read through them. It is good for us to know.

We have the Katherine Indigenous Cricket Team, NT Cricket, \$3000; Katherine Gorgeous Derby Dolls, \$3000; Northern Territory Field and Game, \$2000; Alice Springs Baseball Association, \$2500; Mindil Beach Surf Living Saving Club, \$3000; The Grow Zone, \$3000; Sunset Calisthenics, \$3000; Alice Springs Dressage Club, \$2000; Alice Springs Hockey Association, \$2900; Katherine District Cricket Association NT Cricket, \$3000; Northern Territory Quarter Horse Association, \$3000; Victoria Daly Shire Council, \$2600; Vikings Football Club, \$3000; Football in Central Australia, \$1500; Kirby's Cricket Club, NT Cricket, \$3000; Central Australian Bushwalkers, \$1500; Darwin Roller Girls, \$3000; Gove Boat Club, \$1000; Nhulunbuy Amateur Swimming Club, \$3000; Nightcliff Swimming Club, \$2000; Rangers Cricket Club, \$800; Top End Practical Shooting League, \$1800; Top End Drift Association North Australia, \$3000; Nightcliff Boxing Club, \$3000; Alice Springs Town Council, \$2800; Tiwi Island Shire Council, \$1200; Ansett Basketball Club, Top End Basketball Club, \$3000; Darwin Basketball Association, \$1800; Alice Springs Pony Club, \$3000; Roper Shire Council, \$9200; and Old Codgers Footy Club \$1400.

The second round of grants was the Alice Springs Cricket Association, \$3000; Alice Springs Netball Association, \$2800; Alice Springs Running and Walking Club, \$2300; Alice Springs Swimming Club, \$1500; Anyinginyi Health Aboriginal Corporation, \$2000; Berrimah Riding Club, \$2000; Central Australian Drag Racing Association, \$2000; Central Australian Rough Riders, \$3000; Central Australian Canoe Club, \$2000; Central Australian Shire Council, \$5500 ...

Mr WOOD: Could you table that document?

Mr CONLAN: ... Darwin Athletics Club, \$3000; Darwin Cricket Club, \$2000; Darwin Off-Road Cyclists, \$2800; Darwin Swimming Club, \$1700; Darwin Top End Bow Hunters, \$2000; Darwin Volleyball Association, \$1500; East Arnhem Shire Council, \$3000; Federal Footy Club, \$1000; Howard Springs Polocrosse, \$3000 ...

Mr WOOD: Madam Chair, are the answers allowed to be as long as the questions we are pulled up for?

Mr CONLAN: I am just reading out the grants. You asked what they were.

Madam CHAIR: Member for Nelson, the minister is answering ...

Mr VOWLES: I said you could table the document instead of wasting time.

Mr WOOD: We know what you are doing ...

Madam CHAIR: The more the members interrupt, the longer this will take. May the minister finish?

Mr CONLAN: Thank you, Madam Chair. ... Humpty Doo Bowles Club, \$3000; Katherine Off Road Motorcycle Sports Club, \$3000 ...

Mr WOOD: One rule for them ...

Madam CHAIR: Member for Nelson!

Mr CONLAN: ... Litchfield Horse ...

Mr WOOD: One rule for another.

Madam CHAIR: Member for Nelson!

Mr CONLAN: ... and Pony Club, \$3000 ...

Madam CHAIR: Sorry, minister, stop. Where is my little ...

Mr WOOD: You should know it off by heart.

Madam CHAIR: Yes, I should, with you lot. Member for Nelson, I consider your conduct to be disorderly and warn you that should you persist, I will order you to withdraw from the hearings under paragraph 31 of the Assembly's resolution establishing this committee. Minister.

Mr CONLAN: Thank you, Madam Chair. ... MacDonnell Shire Council, \$8000; Mature Athletes Darwin, \$2500; Nakara Soccer Club, \$1500; Northern Territory Inline Hockey Association, \$1000; NT Appaloosa and Western Performance Club, \$900; NT Cricket, \$2000; NT Police and Citizens Youth Club Association, \$2400; Palmerston Cricket Club, \$3000; Palmerston Rugby Union Club, \$1000; PINTS Football Club, \$1450; PINTS Netball Club, \$3000; Red Centre BMX Club, \$2700; Roper Shire Council, \$4500; Rovers Football and Sports Club, \$1500; St Mary's Hockey Club, \$1000; Sanderson First Scout Group, \$2700; Southern Districts Cricket Club, \$2000; Sporting Shooters Association of Australia, \$1000; Australian Sepak Takraw Association, \$2200; Darwin Horse and Pony Club, \$1800; Darwin Sailing Club, \$1800; Top End Calisthenics Club, \$1000; Victoria Daly Shire Council, \$3150; and Waratah Hockey Club, \$800. The total for Round 2 was \$108 000, the total grassroots was \$190 000.

Madam CHAIR: Minister, will you be tabling the document?

Mr CONLAN: That is now on the public record, Madam Chair.

Madam CHAIR: Thank you. Are there any further questions on the minister's statement?

Mr VOWLES: Can you tell the committee how much is in the bucket of money for the quick response grants and who has received them?

Mr CONLAN: I probably can.

Mr VOWLES: Once again, I am happy if you want to table those documents. Before you start reading those - if that is what you are going to do again – can you provide me with a breakdown by region?

Mr CONLAN: I will read those out to you, and then they will be on the public record. You can probably go back and sort them out by region. I do not have them written down by region.

Mr VOWLES: The previous Labor government used to list them by regions so you could see where they were from.

Mr CONLAN: The total grants was \$5371 ...

Mr VOWLES: You are not going to do that?

Mr CONLAN: Sorry, I beg your pardon, I am looking at the wrong figures. There was \$762 000 for our quick response grants ...

Mr VOWLES: Sorry, what was that figure?

Mr CONLAN: It was \$762 000 for our quick response grants. We had Baily Valentine, \$2000; Luke Ellison, \$1000; Robyn Stanley, \$2000; Kylie Gaffel, \$2000; Hidden Valley Drag Racing Association, \$90 000; Hottest 7s, \$100 000 ...

Mr WOOD: Is this okay, Madam Chair?

Mr CONLAN: ... Arafura Dragons Paddling Club, \$5000 ...

Mr WOOD: The member asked if it can be tabled.

Madam CHAIR: Sorry, minister. Member for Nelson, what?

Mr WOOD: Can it be tabled?

Mr CONLAN: I am going to read them out instead ...

Mr WOOD: We know why he is going to read them out.

Madam CHAIR: The minister indicated he is going to read it . He is entitled to answer the question ...

Mr WOOD: We know why he is going to read them out.

Madam CHAIR: The minister is entitled to answer the question how he sees fit, member for Nelson.

Mr WOOD: You do not apply the same rules to questions.

Madam CHAIR: Member for Nelson, you can have an early mark!

Mr WOOD: Good, happy to. I can probably do some useful work.

Madam CHAIR: Member for Nelson, I order that you immediately withdraw from these hearings for a period of one hour. We will see you tomorrow morning, thank you very much. Minister, please continue.

Mr WOOD: Was it written down that you will see me tomorrow morning?

Mr VOWLES: Do not worry. Matt knows what that feels like.

Madam CHAIR: Member for Johnston, you do not want to miss this opportunity, I am sure.

Mr VOWLES: I do not, Madam Chair.

Mr CONLAN: So, Hottest 7s, \$1000; Arafura Dragon Paddling Club, \$5000; Rum Jungle Bowls Club, \$10 000; Top End Mud Racing Association, \$3000; Sarah Lock, \$500; Joy Wood, \$500; Memo Bowls Club, \$4000; Alice Springs Golf Club, \$3000; Aiden Hookey, \$200; Arunga Park Speedway, \$6000; Alice Springs Town Council, \$20 000; Jan Dyer, \$1000; AFL Masters, \$30 000; Tangentyere Council, \$10 000; Dead

Centre Bow Hunters Club Inc, \$1000; Central Australia Drag Racing Association, \$17 000; Surf Life Saving NT ...

Mr VOWLES: Can I interrupt, Madam Chair?

Madam CHAIR: Member for Johnston.

Mr VOWLES: Are you reading out the grants you have given, the ones the previous government gave in the last year, or the grants you have signed off on since coming to government?

Mr CONLAN: I believe this is the total pool since the start of the 2012 financial year.

Mr VOWLES: So, half of them are ours. Is that you are saying?

Mr CONLAN: I guess so. Some of those would be ...

Mr VOWLES: I asked you details of bucket of money amounts you have given.

Mr CONLAN: Oh, sorry, I thought you thought of me in my capacity as the minister for Sport, not me personally as Matt Conlon.

Mr VOWLES: What do you mean by that? I am asking you a simple question around ...

Mr CONLAN: I will just ...

Mr VOWLES: Matt Conlon cannot give these grants out; the minister for Sport gives these grants out ...

Mr CONLAN: Exactly. So ...

Mr VOWLES: I just asked that. I am talking about since you were elected. What grants have you approved out of the special bucket of money you have since 26 August? What have you approved, as the minister?

Mr CONLAN: What I will do, Madam Chair, is continue to read through the amounts that have been ...

Mr VOWLES: It is useless to me, because half of them is stuff we have done.

Madam CHAIR: Are you asking a very specific question?

Mr VOWLES: Yes, I am asking if the minister could provide information around the grants out of this quick response grants, the \$762 000. What grants has he approved and who they went to? I do not want to hear about who the previous Sports minister has given grants to; I am asking about since minister Conlan has been in charge. Having said that, there might have been a few approved. I am serious, though.

Mr CONLAN: I should just continue reading through these grants, and then the member can go back and look at the public record, and he can see which grants ...

Mr VOWLES: There is no way I can know that.

Mr CONLAN: ... were handed out by the previous government or, potentially, we can get ...

Mr VOWLES: There is no way I can do that.

Madam CHAIR: Is there a way to break that down?

Mr CONLAN: I guess there would be a way to break that down from 26 August but, in the interest of time, we should probably continue through the grants program ...

Mr VOWLES: The point is this ...

Mr CONLAN: ... otherwise we may as well just strike that from the record, because this means what I have just read out is irrelevant.

Mr VOWLES: I am unhappy about it because I need a specific answer around quick response grants that you have approved since you have been the minister.

Mr CONLAN: Okay. Sure. We can probably do that ...

Mr VOWLES: That is fine.

Mr CONLAN: The member probably needs to be a bit more specific in the information he is seeking.

Mr VOWLES: I apologise, minister, if there was some confusion. Now we have rectified that, thanks very much.

Question on Notice No 8.6

Madam CHAIR: For the record, member for Johnston, can you please restate the question?

Mr VOWLES: Could the minister please provide details of who has received the quick response grants since 26 August approved by the minister for Sport?

Madam CHAIR: Minister, do you accept that question?

Mr CONLAN: Yes, we do.

Madam CHAIR: The question asked by the member for Johnston of the minister of Sport is No 8.6.

Mr VOWLES: Once again, will you be able to give them to me by region. Thank you.

Mr CONLAN: I guess so. We will provide the information, then the member can go through and sort it out by region.

Mr VOWLES: Will there be names and addresses for those people so we know where they are from?

Mr CONLAN: It mentions where the grant originated from.

Mr VOWLES: Yes, that is fine. That will be fine, thanks. In regard to Sports House and displaced tenants who are moving out who have been given six months notice. In particular, what are you doing to help Badminton NT with the loss of their facility? Is there any help or assistance you are giving them?

Mr CONLAN: Yes, we are in negotiations, or discussions at least, with Badminton NT to find them a suitable venue.

Mr VOWLES: Is that it?

Mr CONLAN: That is it.

Mr VOWLES: They have come to me numerous times already concerned that the time is going to come and there has been no consultation or discussion around where they could go and how you are going to assist them.

Mr CONLAN: I will repeat the answer that we are in discussions with Badminton NT to find them a suitable venue.

Mr VOWLES: When will those discussions take place and when do you think there will be an outcome?

Mr CONLAN: They are ongoing now. I am not going to get into opinion, I do not think that is helpful.

Mr VOWLES: I was not asking for your opinion. I was just saying there is just a six-month or five-month time frame. Has there been any discussion around when they were going to have a facility?

Mr CONLAN: I have answered the question, Madam Chair. We have been talking to Badminton NT for about a month or so.

Madam CHAIR: Member for Johnston?

Mr VOWLES: Do you know when the deal with the AFL around games to the Territory ceases?

Mr CONLAN: The contract expires at the end of season 2014.

Mr VOWLES: Knowing negotiations are starting soon, can you guarantee there will be continued AFL games in the Northern Territory?

Mr CONLAN: Government is very keen to pursue arrangements with the AFL in facilitating games in the Northern Territory, yes.

Mr VOWLES: And both matches will continue to stay in Darwin?

Mr CONLAN: I cannot guarantee that.

Mr VOWLES: You are going to guarantee that AFL will continue to be played in the Northern Territory?

Mr CONLAN: I can guarantee the government is very keen to continue seeing AFL games in the Northern Territory, but the outcomes and the result of that will depend on those negotiations we embark on with the AFL.

Mr VOWLES: In regard to NRL matches, are there any negotiations going on to secure, next year or in the future, full point matches the former Labor government brought back to the Northern Territory?

Mr CONLAN: There are discussions with the NRL about continuing a rugby league presence in the Northern Territory.

Mr VOWLES: When will that be signed off and a media release issued?

Mr CONLAN: That will depend on when these negotiations are finalised.

Mr VOWLES: Are you able to table how much the NRL matches cost?

Mr CONLAN: NRL matches that were negotiated under the previous government? The current NRL games that are in place as a result of the previous government or this government?

Mr VOWLES: This match coming up.

Mr CONLAN: Yes, \$400 000.

Mr VOWLES: You are guaranteeing negotiations are starting and there will be NRL matches next year in the Northern Territory?

Mr CONLAN: No, I am guaranteeing the government's commitment to NRL in the Northern Territory; that is, we are committed to it. I can guarantee and assure you that the Northern Territory government is committed. What that looks like on the ground here at Marrara, or wherever these games are played, will be a result of the outcome of those negotiations. I can only assure you of the government's keen desire to continue to see rugby league played in the Northern Territory.

Mr VOWLES: Thanks very much for that answer, Minister. What about rugby union?

Mr CONLAN: We are seeing a commitment by the government to continue the Hottest 7s competition in January.

Mr VOWLES: What about a return of the University of Canberra Brumbies?

Mr CONLAN: No ...

Mr VOWLES: After I issued a media release, embarrassingly, you were forced to admit this government is not renewing the opportunity for Territorians to see first-class rugby union.

Mr CONLAN: I am unsure of the premise of the question, so I cannot ...

Mr VOWLES: The premise of the question is are you negotiating? You have negotiated with AFL and you are negotiating with NRL. Are you negotiating with Super 15 clubs to bring top-class rugby union back to the Territory?

Mr CONLAN: No.

Mr VOWLES: What about in the future?

Mr CONLAN: No, not at this stage. It is important to highlight that this government was saddled with a \$5.5bn debt. There are areas where we need to be fiscally responsible. We cannot have everything. I would love to have rugby union here. I would love to have the lot. I would love to have roads paved with gold. I would love to see every single child in school. I would love to see a lot of things but, unfortunately, due to our very dire fiscal position tracking towards a \$5.5bn debt, there are some casualties. Rugby Union is one of those. However, we are providing continued funding for the Hottest 7s competition in January 2014.

Mr VOWLES: Thanks, minister. You issued a media release saying the rugby union was no bang for a buck, costing Territorians \$300 000. I am sure the grant you gave to Alice Springs Golf Club was \$300 000 in the mini-budget. Can you explain the necessity for such a grant to the golf club?

Mr CONLAN: It has been demonstrated over 10 years of power by the former government, between 2001 and 2012, that they turned their back on Alice Springs. It is no surprise that Labor members of parliament do not appreciate the facility that is the Alice Springs Golf Club. It is in the top 10 desert golf courses in the world. It has rated in the top 100 public golf courses in Australia continually for the last number of years; currently sitting at about position 71. It is a jewel in the Northern Territory.

I love playing at Darwin Golf Club, but I can tell you even the members at Darwin would admit that the Alice Springs Golf Club is something special and the best golf club in the Northern Territory, if not the best golf course in remote parts of Australia, potentially only beaten recently by Kalgoorlie, a lovely Jeff Marsh designed course in another comparable town to Alice Springs.

The Alice Springs Golf Club is so important to the fabric of the community. You cannot have a town the size of 27 000 to 28 000 people without having a golfing facility of some sort, let alone presiding over one of the best golf courses in Australia. To me, it was a no-brainer. It is absolutely vital to the Northern Territory that we retain the best golf course in the Northern Territory. I had absolutely no qualms in supporting a grant to the tune of \$250 000, plus \$50 000 from the Department of Business, to enter into a business plan. It is a vital asset to the sporting infrastructure of the Northern Territory.

Mr VOWLES: Due to the debt you were saying you cancelled rugby union University of Canberra Brumbies and, on the other hand, you gave \$300 000 to your golf club, the Alice Springs Golf Club. At the time, the Treasurer said it would have been better off spent elsewhere. Minister, are you a member of the golf club?

Mr CONLAN: Yes, I am an active member of the golf club. I have not played for a little while. Unfortunately, I do not get out as much as I can.

Mr VOWLES: Are there any other CLP members or ministers who are members of the Alice Springs Golf Club?

Mr CONLAN: I have no idea. It is important also, Madam Chair, to highlight that, with the fiscal position we face, we still invested \$10m into Hidden Valley, as I outlined in my opening statement. It is a vital ...

Mr VOWLES: I specifically asked about Alice Springs golf, not about the track, the V8s.

Mr CONLAN: I was just making a point, Madam Chair.

Mrs LEE: A point of order, Madam Chair! Standing order 69, interruption of a member speaking.

Mr VOWLES: What? Are you allowed to do that?

Ms LEE: Yes, I am.

Mr VOWLES: Are you?

Mr CONLAN: She is on the PAC, I think she can.

Mr VOWLES: You were talking about ...

Madam CHAIR: Sorry, minister, you were just about to wrap it up ...

Mr CONLAN: I was just wrapping up an answer, essentially, that, yes, there are some priorities. As I said, there are some casualties. Hidden Valley is also a jewel of the Northern Territory in its facility, the event it brings, the economic driver of the Northern Territory economy, and the number of people who visit the V8s and those other numerous events that take place at Hidden Valley.

I did not want to be the minister to say the V8s are off, but I was the minister who said we are putting on hold future rugby union games into the Northern Territory, but what we will do is continue with the Hottest 7s. We cannot do everything. Unfortunately, the previous government wanted to do everything. They did many things badly. One of those was to drive us into a very dire budget position because they tried to do everything. We cannot do everything.

Mr VOWLES: You have to look after your golf club, is that right? Minister, you have declared your membership at the Lions, the Qantas Club on your register of interest, but you never put down the Alice Springs Golf Club. Why is that?

Mr CONLAN: I did not think it was, necessarily, a conflict of interest.

Mr VOWLES: But you have been a member, not registered on your interests. Then, you gave a \$300 000 grant in tough economic times, as your government has said. How is that not a conflict of interest?

Mr CONLAN: Maybe it is a point well made, member for Johnston. It was not something I particularly considered to be a conflict of interest. I am not sure what defence that is, but I never, in my wildest dreams, would have thought supporting a local club, a not-for-profit organisation that provides vital sporting infrastructure to a community of 27 000 people, would be seen to be a conflict of interest. However, if it makes the member happy, or if it satisfies the member, I will move first thing tomorrow morning to place that on to my register of interests.

Mr VOWLES: Thank you, minister. Can you detail, in 2013-14 budget as mentioned, more funding to the Alice Springs Golf Club? Can you provide that amount, what it was for, and whether there has been any other assistance?

Mr CONLAN: I do not think so. I do not know what figure you are talking about ...

Mr VOWLES: In the 2013-14 budget papers, it said there was a grant to the Alice Springs Golf Club. It did not mention the mini-budget.

Mr CONLAN: That is the grant we were discussing, \$250 000.

Mr VOWLES: Plus the \$50 000 from the Department of Business.

Mr CONLAN: Yes, \$50 000 came from the Department of Business.

Mr VOWLES: So, it is the same money. Is that right? There is no new money. There is \$300 000 from the mini-budget ...

Mr CONLAN: That is right.

Mr VOWLES: ... and the same is mentioned in the 2013-14 budget papers?

Mr CONLAN: That is correct.

Mr VOWLES: Okay. That is fine. Let us get on to the Arafura Games. Did you cancel the Arafura Games just to save money?

Mr CONLAN: The Arafura Games, I am advised, is not part of this output group, Madam Chair.

Mr VOWLES: I am going off how fiscally responsible budget ...

Madam CHAIR: We are answering questions on the minister's statement. If there are no further questions on the statement, we can move to agency-related whole-of-government ...

Mr VOWLES: I have some more on the statement. You mentioned the Sports Vouchers, saying \$4m is the cost?

Mr CONLAN: Yes.

Mr VOWLES: They are set up. This might be difficult for department staff, but do you know how many children have accessed the vouchers?

Mr CONLAN: It is more than I thought at first, which is good news. As of today, it is 11 554. About a quarter of the vouchers have been taken up. The scheme was rolled out in February.

Mr VOWLES: Thank you, minister and Mr Leslie. Of those 11 554, how many have been given to approved Australian Sports Commission recognised sports, as per the Sports Voucher criteria, and how many have been given to recreation and dance clubs that do not fit in that criteria, which your Sports Vouchers are supposed to cover?

Mr CONLAN: We do not have that broken down. We can see if we can find that information.

Madam CHAIR: Member for Johnston, would you like to restate the question for the record.

Mr CONLAN: Yes, it is worth noting too, Madam Chair, that will be a breakdown of the 11 554 vouchers, so the member will have a bit of reading to do ...

Mr VOWLES: There are a couple on the website that have no categories, so there is a couple already. We have heard on ABC radio about the dance club in Alice Springs which lobbied the minister and was given approval, but does not fit under the Australian Sports Commission criteria for recognised sports. This was one of the issues with the Sports Voucher. It should have been for all sport and recreation, for everybody who wants to be part of something. Having to be an Australian Sports Commission recognised sport is so specific that people who are involved in dance and other activities are unable to use it.

Madam CHAIR: Member for Johnston, did you still want the breakdown?

Mr VOWLES: If there is an easy way to do it, that is fine. I do not want to put excess work on the department. If they can just provide ...

Madam CHAIR: Perhaps if you restate the question, then they can provide the best result.

Question on Notice No 8.7

Mr VOWLES: Can the minister please provide any information on the approximate figures of non-recognised Australian Sports Commission activities that Sports Vouchers are being used for.

Madam CHAIR: Minister, do you accept the question?

Mr CONLAN: Yes, I have received advice we can provide that breakdown of 11 554 vouchers.

Mr VOWLES: Excellent.

Madam CHAIR: The question asked by the member for Johnston of the minister is No 8.7.

Mr VOWLES: I am done with that output.

Agency Related Whole of Government Questions on Budget and Fiscal Strategies

Madam CHAIR: The committee will now proceed to consider the estimates of proposed expenditure contained in the Appropriation Bill 2013-14 as they relate to the Department of Sport and Recreation. Are there any agency-related whole-of-government questions on the budget and fiscal strategies?

Mr VOWLES: Yes. Minister, the Arafura Games was cancelled. Can we go to that now? Where are you saving \$3.5m?

Mr CONLAN: Madam Chair, that does not sit under Sport and Recreation; it was transferred to Motor Events, Arafura Games.

Mr VOWLES: My understanding is it had not been transferred at all, and you are the minister for Sport who cancelled it. It was still under carriage of Sport and Recreation at the time.

Mr CONLAN: My answer is that it falls under another Output Group that was transferred to Northern Territory Major Events Company.

Mr VOWLES: Can the minister please inform me when that was transferred to Major Events?

Mr CONLAN: Not long after we came to government is my understanding. We can provide you with those details if you want that on notice.

Question on Notice No 8.8

Madam CHAIR: Member for Johnston, please restate the question for the record.

Mr VOWLES: Can the minister please provide the information and a date of when the Arafura Games was transferred to Major Events?

Madam CHAIR: Minister, do you accept the question?

Mr CONLAN: Yes.

Madam CHAIR: The question asked by the member for Johnston of the minister is No 8.8.

Mr VOWLES: Minister, strategic issues listed in Budget Paper No 3 state, 'Enhancing the capacity of regional and remote communities to deliver regular organised sporting competitions'. However, within Output Regional Remote Club Development and Water Safety, the increase in funding for the next financial year has only been 0.8%, well below CPI. Is this a cut in real terms and how are the sporting bodies in the bush supposed to cover their operating expenses with such a low funding increase?

Mr CONLAN: My understanding is there is a refocus. We have increased peak body funding by 50%. I might even defer to the CEO to drill down to a little more detail. That was quite a specific question requiring a level of detail the CEO, hopefully, can provide.

Mr LESLIE: Member for Johnston, you are familiar with the Indigenous Sport program and the office under that? We are focusing the Indigenous Sport program on competition opportunities in bush and remote communities and, subsequently, the work they do with community sport and recreational officers. It is going to be very much focused around improving competition for both children and adults in communities.

Mr VOWLES: Thank you, Mr Leslie. I am done. I am ready for Output 3.3.

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

OUTPUT GROUP 3.0 – SPORT AND RECREATION

Output 3.1 – Northern Territory Institute of Sport, Sporting and Racing

Madam CHAIR: The committee will now proceed to Output Group 3.0, Sport and Recreation, Output 3.1, Northern Territory Institute of Sport, Sporting and Racing. Are there any questions?

Mr VOWLES: Minister, are you aware of any Sport and Recreation organisations that have increased their fees this season?

Mr CONLAN: I think the Alice Springs Golf Club fees have gone up but, apart from that, I am not aware of any, no.

Mr VOWLES: As minister of Sport, you are not aware that any fees in any sport and active recreation organisations have gone up?

Mr CONLAN: None of those have been brought to my attention by the number of peak sporting bodies and personnel I have spoken to in extensive conversations and engagement with the sporting community across the Northern Territory. Madam Chair, that is my answer.

Mr VOWLES: I doubt it. You have been consulting with Alice Springs Golf Club because that is the only one you know about.

Sports out there are hurting and so are the active recreation groups, especially with power and water increases. One sporting organisation has informed me they have put up their fees by 13.4% as a result of the CPI price increase to power and water tariffs. They know this money will not cover the bills and are likely to put up fees again, but wanted to lessen the impact on families and members. They have also put up their hiring fees by \$20, which will not cover costs of the increases. Minister, will your government introduce a discount or exemption for those increases for non-profit organisations?

Mr CONLAN: I have answered the question, Madam Chair. I draw the member's attention to answer to written question No 11.1. That answer satisfies, I am certain.

Mr VOWLES: What was that?

Mr CONLAN: The question you just asked.

Mr VOWLES: Will your government introduce a discount or exemption for the increases for non-profit organisations or associations?

Mr CONLAN: No. There are no plans to. We have increased the Sports Voucher programs to \$75 to the tune of \$4m. Plus ...

Mr VOWLES: The sports vouchers to not cover the increases in a lot of the fees.

Mr CONLAN: ... the peak sporting body funding by 50%. So, the answer is no.

Mr VOWLES: You might have increased sports funding by 50%, but some of the major sporting organisations have come to me and said they have increases in power and water costs of \$31 000. They have to water their facilities, with these massive increases. They have not been coming to you complaining about that, or asking for extra assistance? You promised 50% increase to peak sport and recreation bodies and many of the sports were organising an employee, be it part-time or full-time. Then, you brought the power prices in and now they are just covering the costs of the extra charges. There is going to be no extra help for them?

Mr CONLAN: Those people who are suffering, as you said, can thank the previous government and the enormous debt it lumbered the Northern Territory with ...

Mr VOWLES: Unless you are a member of Alice Springs Golf Club.

Mr CONLAN: ... \$30 000 debt for every Territorian, I think it was, Madam Chair, tracking toward \$5.5bn. That is the story of the Northern Territory at the moment; the enormous debt and the very tight fiscal position we are in. As I said, there will be some casualties along the way.

Mr VOWLES: But not if you play golf in Alice Springs.

Madam CHAIR: Member for Johnston, your next question?

Mr VOWLES: Thank you, Madam Chair. In regard to sports clubs, the government granted \$100 000 to Tracy Village. Is that anywhere in Sport and Recreation's carriage? There is some confusion because the Minister for Business announced the grant. I cannot remember who it was because it has been changed a number of times. I know there was a \$50 000 grant; is that part of it for the ground maintenance?

Mr CONLAN: Madam Chair, \$50 000 was provided in the 2012-13 budget cycle from the Quick Response Program to engage a business consultant to prepare a comprehensive plan for the organisation to assist it

to improve its revenue operations. Another \$50 000 will be made available to the club on application from the 2013-14 Face Program.

Mr VOWLES: Sorry, minister, the money that was promised during the by-election is new money?

Mr CONLAN: I believe that to be the case. I believe that is new money.

Mr VOWLES: What about the election commitment for the \$25 000 for the Nightcliff Sports Club the former Chief Minister, Terry Mills, said the CLP would honour? To date, they have not received that. Are you aware of that commitment?

Mr CONLAN: I have some vague recollection of it. I have not heard much championing of that cause from the current member for Nightcliff.

Mr VOWLES: I am fully aware there has been correspondence from your office about this.

Mr CONLAN: I said 'much' correspondence.

Mr VOWLES: Is that in the process of being approved, and honouring your commitment?

Mr CONLAN: As far as I am aware, the Nightcliff Sports Club is well aware of that. I think that money is about to be exchanged.

Mr VOWLES: Thank you very much, minister. The member for Nightcliff has been fighting for that \$25 000 because the CLP candidate promised that to the sports club. With the Chief Minister saying he would honour all election commitments, we hope you will see fit, as the minister with carriage, to approve that money to Nightcliff Sports Club because they need it.

Mr CONLAN: You missed my response. I said that has been approved. The money is forthcoming.

Mr VOWLES: Oh, sorry. Thank you very much. When will that be approved?

Mr CONLAN: It has been.

Mr VOWLES: No, but when is it going to them?

Mr CONLAN: It is only a few days until the new financial year, so I believe it will be forthcoming.

Mr VOWLES: Thanks very much. The member for Nightcliff has worked very hard to secure that, and unless she is ...

Mr CONLAN: Did she secure a promise from the former ...

Mr VOWLES: That was fantastic, thanks very much, minister. Moving on to NTIS which is under this output group still. How many athletes do we have currently on the books at the NTIS?

Mr CONLAN: Currently, we have nine NTIS athlete and coach services.

Mr VOWLES: What? You have nine athletes?

Mr CONLAN: That might be the wrong ...

Mr VOWLES: I reckon!

Mr CONLAN: No, I said athletes and coach services. I did not say athletes; I said athlete and coach services were nine.

Mr VOWLES: Not a problem.

Mr CONLAN: I am just getting the rest of the information. NTIS athlete and coach services are nine. So far, we have 69 athletes who have been awarded an NTIS scholarship during the 2012-13 financial year.

Mr VOWLES: Is that the new system of the national system that was brought in? I thought NTIS numbers were 148 last year. Can you tell me the difference, please, or what the figures were from last year?

Mr CONLAN: Okay. I might ask the CEO who might be able to expand on some of that detail for you.

Mr LESLIE: You would be possibly aware that there was an integration across all the national institutes of the scholarship categories, ranging from Category 1 to Category 4. The Northern Territory has come into that, and the national institute network has agreed to that. That started as a result of the Crawford report.

Presently, under the program, you would be aware of the changes since the institute began. When the institute began, there were many more athletes because we had dedicated squad programs; for example, the NTIS playing in rugby league. We had cricket teams and the like, so the numbers were far higher than they are now.

However, under the current year, as the minister said, we had 69 full scholarships. Then, there is another 100 other athletes through sport-specific academy programs which then feed into the institute. It is in line with the national system for scholarships.

Mr VOWLES: What is the budget this year?

Mr CONLAN: You will find that information in the budget paper, if it speeds things up. It is all there.

Mr VOWLES: As the minister, are you aware of it? What it is? What is the budget?

Mr VOWLES: We are just providing you with that information.

Mr VOWLES: Okay, thanks.

Mr McCARTHY: Could be a Jodeen Carney moment. Minister, you are not across your portfolio ...

Mr VOWLES: Surely not!

Mr CONLAN: As I said, we are looking for the information for you.

Mr McCARTHY: We have a sense of humour.

Mr CONLAN: In fact, it might have been in the opening statement too. We might move on, Madam Chair, while we search for that specific information. I do not want to round it up or down. The idea is to provide the exact figure for the committee.

Mr VOWLES: We are nearly finished here, that is why I want to get those figures soon. I am sure Mr Leslie has it, but ...

Madam CHAIR: Perhaps, the minister could undertake, if we moved past, for ...

Mr CONLAN: We will provide it. We should just keep going just while we are trying to provide the information for the committee.

Mr VOWLES: Can you inform me how many national representatives we had in the last year - NTIS athletes representing Australia in any sports in the NT?

Mr CONLAN: Yes, we can provide that information to you. We will take that on notice.

Question on Notice No 8.9

Madam CHAIR: Would you like to restate the question for the record?

Mr VOWLES: Could the minister please provide a list of the number of NTIS athletes who are representing Australia or have represented Australia in the last year?

Madam CHAIR: The question asked by the member for Johnston of the Minister for Sport is question No 8.9.

Mr VOWLES: I have a couple of questions on venues and events. Minister, Larrakia Park, or the Darwin Soccer Stadium, has been brought to my attention lately. The grass is dead, the facility is a bit worn down but, more importantly, millions of dollars were spent on the upkeep of that oval. The Northern Territory government has carriage for looking after that facility. Is there any work going on there, or is there any issue with the state of Larrakia Park?

Mr CONLAN: That is pretty specific, so I might see if the department is able to answer that question for you.

Mr LESLIE: The issue at Larrakia Park is twofold: usage levels and the type of grass that has been laid. Advice we have from a turf expert is the species of grass at Larrakia Park does not cope well with high usage and wear. To replace all of the turf on the No 1 and No 2 pitches is not feasible, so we have commenced a program of over-sowing new grass into the existing grass. That will take some time to take effect. In the meantime, it will assist by holding the surface together much more tightly.

You may be aware, member for Johnston, that last year some of the games were transferred from that facility to Palmerston because of the wear on the oval, which we are aware of. The other issue is in football, or soccer as it is called, the centre corridor cops a lot more use than in other sports. The wear and tear relates to that, but we are hopeful that over-sowing that second species of grass amongst the existing species will hold that better into the future.

Mr VOWLES: Is there a plan not to play on it? Over the last few years, there has been a bit of to-ing and fro-ing about its use when there was redevelopment or reseeding going on.

Mr LESLIE: The reseeding is happening in tandem with being able to play.

Mr VOWLES: Okay. I have one more question about the capital expenditure plan for the next three years for works on venues. Is there one, or is one being developed?

Mr CONLAN: Sorry, I did not hear what you said.

Mr VOWLES: Do you have a capital expenditure plan for the next three years for repairs and maintenance, forward works, and future works of facilities such as Darwin Soccer Stadium or the retwining of TIO Stadium? You announced \$9.5m for the V8s. That is great because it is a fantastic event and if that needs to be done then it has to happen. Are there any other forward works planned for our facilities?

Mr CONLAN: Yes, there are.

Mr VOWLES: Can you detail any of them?

Mr CONLAN: We can provide all those for you. It might be worth having a briefing, rather than taking it on notice.

Mr VOWLES: Yes, I am always very happy to have a briefing with Mr Leslie. He is full of knowledge and very good at what he does. Thank you very much for offering that, minister.

Mr CONLAN: No problem. Our sporting facilities, particularly in Darwin, we have seen deteriorate over a period of time ...

Mr VOWLES: I beg to differ on that. Both in Darwin and in Alice Springs we have some of the greatest facilities in the country, including Alice Springs Traeger Park. It is a world-class facility.

Mr CONLAN: I have to say including the golf club as well. Madam Chair, I was just going to answer the question that, of course, there is a capital works program in place and the government is very committed to maintaining our great sporting facilities.

We have seen some deterioration, particularly in the Top End. The previous government used sport as a political football, sadly. Why we have some outstanding facilities in Alice Springs is because they are run very well by the Alice Springs Town Council. We see a number of facilities in Darwin which are of a very

high standard but, sadly, there are a number of facilities that are in dire need of repair and maintenance. This is preventing a number of events coming to the Territory to the Top End, so we are very committed ...

Mr VOWLES: What events are those and what facilities are you talking about?

Madam CHAIR: Member for Johnston, do not interrupt the minister.

Mr VOWLES: Well, he is making a statement and I want to ask a question on it. I will wait until he is finished.

Madam CHAIR: You have to wait.

Mr CONLAN: We are very committed to ensuring these facilities are of a very high standard. As I said, we will provide the member with a briefing if he likes, and we can outline the government's vision when it comes to upgrading and maintaining our sporting facilities.

Mr VOWLES: Minister, what events are not happening because of the facilities? Can you name those facilities which are not up to scratch and are stopping us from getting these events?

Mr CONLAN: Our aquatic and tennis facilities are two that come to mind. There are a few others as well that require some serious investment to ensure we can retain and attract high-quality sporting events to the NT.

Mr VOWLES: Thank you.

Madam CHAIR: Is that all your questions? Okay, that concludes consideration of outputs relating to the Department of Sport and Recreation. On behalf of the committee, I thank all officers.

Mr LESLIE: We have two answers to provide.

Madam CHAIR: Do you have the number?

Mr VOWLES: I may not have had one.

Madam CHAIR: Unless they were not questions on notice.

Mr CONLAN: This is on the NTIS budget.

Mr VOWLES: No, that was not on notice, it was just the numbers.

Mr CONLAN: The NTIS budget for 2013-14 was \$2.367m, and for 2012-13, by comparison, was \$2.418m.

Mr VOWLES: Thank you very much.

Mr CONLAN: We have NTIS achievements, so this might be worth tabling for you ...

Mr VOWLES: Is that the national representation?

Mr CONLAN: There are 16 Australian national league representative achievements through the NTIS ...

Mr VOWLES: In the last year?

Mr CONLAN: In 2012-13.

Mr VOWLES: They are, obviously, down to sports as well?

Mr CONLAN: Yes.

Mr VOWLES: Okay that is great. Thank you.

Madam CHAIR: Would you like to table that?

Mr CONLAN: Yes, I will table that.

Mr VOWLES: I thank Ms or Mrs Frankenfeld and Mr Leslie, and the minister. Thank you very much.

DEPARTMENT OF PARKS AND WILDLIFE

Madam CHAIR: The committee will now move on to consider the Parks and Wildlife of the NT. Minister, I invite you to introduce the officials accompanying you today from the Parks and Wildlife Commission.

Mr CONLAN: Thank you, Madam Chair. I am joined today by Mr Andrew Bridges, Chief Executive Officer of Parks and Wildlife Commission of the Northern Territory, and Joanne Frankenfeld, Chief Financial Officer.

The primary responsibility of the Parks and Wildlife Commission of the Northern Territory is to manage and develop the Territory's parks and reserves for the benefit of the community. It does this by providing high-quality nature-based tourism and recreation experiences and opportunities that also protect the intrinsic natural and cultural values of the parks. The commission manages over 90 parks and reserves covering more than 45 000 km², both terrestrial and marine. Thirty-two of these parks are jointly managed in partnership with Aboriginal people.

The education of our visitors on the natural, cultural, and historical values of our parks is a key activity performed by Parks and Wildlife staff. The development and upkeep of our valued facilities is also a high priority to keep the parks safe and appealing and to provide a diversity of experience for many of the park visitors.

The commission also carries out wildlife management programs, the most well-known being the active management of estuarine crocodiles. There are also 32 saltwater crocodile management plans in place for the Top End parks and reserves, with more than 60 traps in operation.

Between 1 January 2013 and 11 June 2013, 114 crocodiles have been captured by the commission. The CROCWISE initiative integrates public education and active crocodile management. The Territory's active crocodile management program is well regarded. The commission is now working with Timor-Leste to assist in developing an integrated saltwater crocodile water program. This is super recognition of the quality of our work in this area.

Territory national parks and walking trails are internationally recognised and, as Minister for Parks and Wildlife, I take the opportunity to thank the staff of the commission. Many work in remote areas, often outdoors and in trying climatic conditions. All staff play a vital and important role ensuring the Territory's parks and reserves not only protect our unique wildlife but keep our magnificent park areas open and available for the enjoyment of Territorians and, of course, our valued interstate and international visitors.

I proudly announce these highlights for the past 10 months, all of which will contribute to growing the tourism economy through Parks and wildlife:

- Two exclusive tendered camp sites were opened by World Exhibitions along the Larapinta Trail. This provides direct economic benefit for the traditional owners of the West MacDonnell National Park, along with provision for employment opportunities. We are currently in negotiation with another two companies seeking exclusive use for camping opportunities. Additional funding was provided by Munbilla camp ground for the upgrade to be completed in April 2013. It is now open to the public and managed by Parks and Wildlife rangers.
- The new Wangi Visitor Centre within Litchfield National Park is completed and open, and boasts an indoor/outdoor café and Aboriginal art gallery. This a highly valued tourist attraction.
- Cicada Lodge within Nitmiluk National Park is completed and open offering a stylish bush experience for those who enjoy ecotourism with comforts. It is one of our really great new high-end tour operators.
- The commission, in close consultation with Tourism NT and the Department of Business, has sought expressions of interest for the development of a tourism and recreation master plan.
- New plans of management for Mary River and Litchfield National Parks are being drafted to provide for new and expanded tourism opportunities. Further community consultation and writing of fresh plans is currently under way following the disallowance of the original plans in the Legislative

Assembly last year. Our government is actively pursuing initiatives to help make parks and reserves more open and available to Territorians.

- The commission has signed a MOU with Four-Wheel Drive Northern Territory. This cooperative relationship will now increase access to club members and, at the same time, enable four-wheel drive vehicles to assist the commission in opening up tracks and conducting remote fence line checks. This jointly promotes conservation and ecologically sustainable visitor use of paramount importance, and increased visitor enjoyment in the selected parks.
- Recreational hunters are also in our vision. Similar discussions are progressing well with Northern Territory Field and Game.
- In 2013-14 budget highlights, the Country Liberals recognise the importance of parks and the outdoor lifestyle to Territorians. We have committed an extra \$1.85m to fund frontline positions and put more rangers in parks. \$1m of funding will improve Alice Springs most popular parks and reserves. Central Australia deserves this after being long neglected in the previous two portfolio areas by the former Labor government. \$1.35m will upgrade walking and cycling trails across the Territory, including Casuarina Coastal Reserve and Nitmiluk National Park.
- We will be providing for a better lifestyle, increased visitation to the Territory, business opportunities and growth in the economy. Our government has re-established a standalone organisation with an operational focus on parks service delivery and, as you can appreciate, the Parks and Wildlife Commission of the Northern Territory provides important services to some of its 2.7 million visitors – Territorians, interstate, and international - with a strong presence in all parts of the Northern Territory. Those figures are based on 2012 visitation.

That is the opening statement. They are the questions on notice. We have the parks, protected areas and conservations. So, we will table those.

Madam CHAIR: Perhaps answers to all questions should be tabled.

Mr CONLAN: I will table these.

Madam CHAIR: Thank you. Given there is only three minutes left, we will just open it up to questions.

Mr McCARTHY: Minister, could you please outline the extent of the asbestos found under the ground at the George Brown Botanic Gardens. What is the plan for its removal? Is there a budget output allocated for the removal? What is the fire management plan for the area of the Darwin Botanic Gardens not managed by slashing and mowing at present? What is the weed management program for the area of the George Brown Botanic Garden not managed by slashing and mowing? Do these additional management programs have budget appropriation?

Mr CONLAN: That was about four questions in one. I will attempt to answer it one by one, and we will see how far we get.

In the Northern Territory, asbestos is a listed waste under Schedule 2 of the Waste Management and Pollution Control Regulations. An approval or licence is required for its removal and disposal. Asbestos contaminated sites have been found, as the member alluded to, in George Brown Botanic Gardens, Casuarina Coastal Reserve, Charles Darwin National Park, Howard Springs National Park, Channel Point, Simpsons Gap and the West MacDonnell Ranges. Asbestos containing material has also been identified through sampling within buildings managed by the commission.

A risk assessment on identified asbestos is conducted by a competent person as defined by legislation. The risk-rating guidance decisions are made on control measures to minimise risk to health of staff contractors and the public. Where asbestos presents a high risk to health, it is prioritised for removal. Asbestos in buildings with a low-risk rating will be managed in situ until it is eventually removed through work projects, or when a building or equipment is demolished. The management of asbestos-contaminated sites consisted of a combination of remediation measures including soil removal, on-site contaminate, and adapted management practises.

The cost of asbestos management within park assets will exceed \$500 000 in 2012-13. A budget allocation of \$450 000 has been set aside in the 2013-14 works program for continued management of asbestos within the Parks and Wildlife Commission area. Asbestos registers are being developed for

Parks and Wildlife Commission assets through the Department of Infrastructure. Completion of all registers and associated management plans are expected by the end of June 2013. The registers will provide information needed to budget for asbestos management going forward in 2013-14.

That might address some of the areas of asbestos. There were other parts of the question to do with yard maintenance?

Mr McCARTHY: Thank you, minister.

Madam CHAIR: I am sorry, member for Barkly, it is 11 pm, so there will be no further questions.

Mr McCARTHY: Minister, I would like to comment on two other areas because you, obviously, got have it well in hand, which is good to hear. What about the weed management and the fire management? The George Brown Botanic Garden is a high-profile area and is very close to the road. What is the plan to manage that? I am from the bush, and the first thing we are going to cop at the end of this season is fire.

Madam CHAIR: Member for Barkly, the minister does not have to answer the question.

Mr CONLAN: The minister, obviously, has a strong interest in this area, so we need to provide him with a briefing. This is a topic you have a strong interest in. We are doing a lot of work in this space, and the best way to go about it is to sit down when we have plenty of time on our hands. Are you happy to go down that path?

Mr McCARTHY: Thank you, minister.

Madam CHAIR: I thank all Parks and Wildlife staff this evening. Goodnight.

Mr CONLAN: Can I confirm, Madam Chair, are we reconvening for the rest of these group such as Arts and Culture ...

Madam CHAIR: No, you are done.

The committee suspended.
