



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

**COUNCIL OF TERRITORY CO-OPERATION**

**SECOND REPORT**

May 2010

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## CHAIR'S FOREWORD

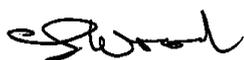
The second Council of Territory Cooperation (CTC) report deals with a number of key issues that were also the main focus of the first report; the Strategic Indigenous Housing and Infrastructure Program (SIHIP), Local Government reform and *Working Future*. The CTC travelled to communities where SIHIP was underway such as Wadeye, Nguiu and Groote Eylandt.

One of the unique features of the CTC is its ability to self-refer and this report covers two issues under this referral system. The first CTC investigated was the cause of a major power outage in the Darwin region on 23 November 2009. The Power Water Corporation and NT Gas were invited to address the CTC and attended public hearings in Darwin.

The second issue of concern for the CTC was the apparent variation in figures and differing interpretations of statistics supplied on domestic violence from two government agencies, the Department of Police, Fire and Emergency Services and the Department of Justice.

The CTC believes it has an important role in scrutinising government policies in an open and transparent manner, which is why public meetings are an essential part of the process. Where possible all meetings will continue to be open to the public, the exception being when an organisation or individual requests that a matter be heard *in camera*.

It should also be noted that as a result of concerns raised in the first report the CTC asked government to provide a dedicated secretariat to the CTC which has been established within the Department of Legislative Assembly.



**Gerry Wood**  
Chairman

**CTC MEMBERS**

<b>Mr Gerry Wood, MLA</b> Member for Nelson	Independent
<b>Mr. Michael Gunner, MLA (to 18 March 2010)</b> Member for Fannie Bay	Territory Labor
<b>Ms. Marion Scrymgour, MLA</b> Member for Arafura	Territory Labor
<b>Ms Lynne Walker, MLA (from 18 March 2010)</b> Member for Nhulunbuy	Territory Labor
<b>Ms Alison Anderson, MLA</b> Member for Macdonnell	Independent
<b>Mr Willem Westra Van Holthe, MLA</b> Member for Katherine	Country Liberals
<b>Mr John Elferink, MLA</b> Member for Port Darwin	Country Liberals

**CTC SECRETARIAT**

<b>Committee Secretary:</b>	Ms Pat Hancock (to 1 April 2010) Ms Helen Campbell (from 6 April 2010)
<b>Research Officer:</b>	Ms Jan Whitehead
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**ABBREVIATIONS**

ABA	Aboriginals Benefit Account
ABC	Australian Broadcasting Commission
ALC	Anindilyakwa Land Council
ALRA	<i>Aboriginal Land Rights (NT) Act</i>
BIHA	Bathurst Island Housing Association
CDEP	Community Development Employment Projects
CTC	Council of Territory Co-operation
DEEWR	Department of Education Employment and Workplace Relations
DHLGRS	Department of Housing, Local Government and Regional Services
EDTL	Executive Director Township Leasing
Eni	Eni Australia Limited
EOSG	Early Off-Specification Gas
FaHCSIA	Australian Government Department of Families, Housing, Community Services and Indigenous Affairs
FHBH	Fixing Houses for Better Health
FTR	For the Record digital recording software
GBM	Government Business Manager
GEBIE	Groote Eylandt Bickerton Island Enterprises
GEMCO	Groote Eylandt Mining Company
GST	Goods and Services Tax
HOIL	Home Ownership on Indigenous Land
IBA	Indigenous Business Australia
ICAD	Integrated Computer Aided Dispatch System
IJIS	Integrated Justice Information System
LGANT	Local Government Association of the Northern Territory
MOU	Memorandum of Understanding
NLC	Northern Land Council
NTER	Northern Territory Emergency Response
NTG	Northern Territory Government
OLSH	Our Lady of the Sacred Heart
OTL	Office of Township Leasing
PROMIS	Police Realtime Online Management System
PWC	Power Water Corporation
RPA	Regional Partnership Agreement
SDCU	Service Development Coordination Unit
SIHIP	Strategic Indigenous Housing and Infrastructure Program
TDC	Thamarrurr Development Corporation

## **LIST OF RECOMMENDATIONS**

### **Recommendation 1**

The CTC recommends the PWC send the CTC at its earliest convenience the results of the PWC and NT Gas investigations into events leading up to and on the day NT Gas stopped supply to the Weddell Power Station.

### **Recommendation 2**

The CTC recommends that the final report from the discussions between NT Gas, APA Group, PWC, Worley Parsons, the regulator and Eni which identified risks and recommendations on the release of EOSG be released to the CTC.

### **Recommendation 3**

The CTC recommends the Minister for Essential Services and the Treasurer attend a CTC hearing to determine their involvement and level of knowledge of what transpired.

### **Recommendation 4**

The CTC recommends that statistics used by the Department of Justice and the Northern Territory Police relating to reporting of crime, especially domestic violence-related crime, be accurate and consistent with one another or if not, explanations be given to interpret the differences.

### **Recommendation 5**

The CTC recommends that the minimum reporting times for crime statistics be reviewed to reduce the volatility in the numbers, especially when they are small, to assist in setting policy responses by government.

### **Recommendation 6**

The Council recommends that the Northern Territory and Australian Governments re-establish government offices in growth towns to prevent overloading shires and non-government organisations.

### **Recommendation 7**

The CTC recommends that the Australian and Northern Territory Governments review the number of advisory boards and reference groups that governments are requiring growth towns establish.

### **Recommendation 8**

The CTC recommends that the Australian Government reviews HOIL to ensure the housing standard meets existing agreed national standards for Indigenous community housing.

### **Recommendation 9**

The CTC recommends that the Northern Territory Government permit shires to develop an organisation structure without requiring approval from the government.

### **Recommendation 10**

The CTC recommends that refurbishment of housing include all work to return houses to functional houses that allow for healthy living, including the ability to keep houses clean.

**Recommendation 11**

The CTC recommends that both Governments publicly acknowledge their shortcomings in implementing SIHIP.

**Recommendation 12**

In the interests of transparency and accountability, the CTC recommends both Governments establish independent building supervision and certification as part of SIHIP works.

**Recommendation 13**

The CTC recommends that the Northern Territory Government provide a report detailing monies paid to Earth Connect and work undertaken up to the termination of its contract.

**Recommendation 14**

The CTC recommends that detailed costs for the remainder of the work allocated to Earth Connect be provided to ensure Territory Alliance has sufficient funds to complete this work.

## 1. INTRODUCTION

On the 14 October 2009 the Legislative Assembly established a Sessional Committee to be known as 'The Council of Territory Co-operation' (CTC or the Council), as part of a Parliamentary Agreement between the Independent Member for Nelson, Mr Gerry Wood MLA and the Chief Minister, the Hon Paul Henderson MLA.

The CTC is comprised of up to six members including two government members, two opposition members and at least one independent member, with Mr Wood appointed as Chairman. The CTC's purpose is to facilitate:

- (a) greater levels of collaboration in the governance of the Northern Territory;
- (b) enhance parliamentary democracy by providing a stronger role for members of the Legislative Assembly who are not members of the Executive – particularly on matters of common concern;
- (c) expand involvement in important Northern Territory initiatives and projects;
- (d) provide new avenues for Territorians to have input through the Legislative Assembly into the governance of the Northern Territory; and
- (e) provide a roadmap for tackling some specific issues currently facing the Northern Territory.<sup>1</sup>

While the duties of the CTC are to inquire into, consider, make recommendations and report to the Assembly from time to time on a range of matters of public importance, it has determined its immediate priorities are to investigate the Strategic Indigenous Housing and Infrastructure Program (SIHIP), local government and *Working Future*.<sup>2</sup>

On 2 December 2009, using its self-referencing powers, the CTC resolved to inquire into the compilation of domestic violence statistics and the power generation network in respect of gas supply to determine what led to the outage that affected 14,000 households in late November 2009.

### Public Hearings

Between January and the end of March 2010, public hearings were held in Darwin, Nguiu, Wadeye and Angurugu, Umbakumba and Alyangula on Groote Eylandt, with site visits also undertaken at Nguiu, Wadeye and on Groote Eylandt.<sup>3</sup> The Council has previously held meetings in Darwin, Katherine, Tennant Creek and Alice Springs.<sup>4</sup>

In addition to the public hearings, a number of *in camera* briefings were conducted in Darwin.

The Council plans to conduct site visits and hold hearings in additional Territory regional centres and remote communities in the coming three to six months.

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<sup>1</sup> See Appendix A for a copy of the Council's full terms of reference.

<sup>2</sup> Legislative Assembly of the Northern Territory (LANT), Council of Territory Co-operation (CTC), *Media Release*, 22 October 2009,

<http://www.nt.gov.au/lant/parliament/committees/CTC/Media%20Releases.shtml>.

<sup>3</sup> See Appendix B for the full details of the conducted hearings.

<sup>4</sup> For the details see LANT, CTC, *First Report*, February 2010, <http://www.nt.gov.au/lant/parliament/committees/CTC/CTCFirstReport24Feb2010%20.pdf>.

## Reporting

The CTC has committed to regularly provide information on its activities and findings through the Legislative Assembly and as broadly as possible through the media. It will report regularly to the Legislative Assembly on the matters of public importance detailed in the terms of reference.

The Council has determined that it will report on a quarterly basis to the Legislative Assembly, with this being the second report. The first report was tabled in the Legislative Assembly on 24 February 2010 and is available online or by contacting the Council's Secretariat.

Details of the CTC's expenditure to 31 March are at Appendix C and the registers of the publicly available tabled papers and questions on notice are at Appendix D.

## Structure of the report

This report provides information on the Council's public hearings and visits during the period January to March 2010. There are seven chapters of which this is the first.

Chapters two to seven discuss the findings of public hearings and site visits and are organised in order as they occurred starting with chapter two: power supply; chapter three, domestic violence statistics; chapter four, *Working Future*; chapter five, Nguiu; chapter six, Wadeye; and chapter seven, Groote Eylandt.

## Submissions

The Council welcomes submissions both in writing and orally. Submissions do not have to be long or detailed and can set out a community's, organisation's or an individual's concerns in dot points and can be emailed or posted to the Secretariat.<sup>5</sup>

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<sup>5</sup> See page v for Secretariat's contact details.

## 2. POWER SUPPLY

On 23 November 2009, about 14,000 Darwin and Katherine households lost electricity for about two hours due to a gas supply problem to the Weddell Power Station.<sup>6</sup> Using its self-referencing powers,<sup>7</sup> the Council decided to inquire into the Northern Territory's power generation network and, in particular into what led to the outage that affected 14,000 households on 23 November 2009.

### Background

The Power Water Corporation (PWC) owns most of the power stations in the Northern Territory. The Darwin-Katherine system includes Channel Island, Weddell, Berrimah, Pine Creek (privately owned) and Katherine power stations in an interconnected system which represents about 75 per cent of PWC-owned generating capacity. The Channel Island power station is the largest power station in the Territory and is the main source of electricity for the Darwin-Katherine interconnected system. The primary fuel for the generating sets is natural gas, however, most of the gas turbines can also run on diesel fuel.

Natural gas is supplied to the PWC from the Meerenie, Palm Valley and Blacktip gas fields. As the Palm Valley field's gas production was diminishing, the PWC sought additional gas, which was negotiated successfully to come from the Blacktip field. The PWC states it has secured its gas requirements for the next 25 years, through its contract with Eni Australia Limited (Eni) for gas from the Blacktip field. Other potential gas suppliers (Santos, ConocoPhillips and ExxonMobil) that the PWC sought to negotiate with for gas supply did not progress to the stage of offering gas supply.<sup>8</sup>

Following power interruptions in suburban Darwin in September and October 2008, an independent report was commissioned to investigate into what led to the power failures. Acting on the findings of the Davies' Enquiry, the PWC announced increasing its capacity to provide reliable power supplies.<sup>9</sup>

The Utilities Commission has recently found that the majority of customers in the Territory experienced inferior power network performance in 2008-09 due to events at the Casuarina zone substations in September and October 2008.<sup>10</sup> An Acil Tasman report on infrastructure in resource-rich regions for the Minerals Council, commented on the public concern in the Darwin region during 2008 and 2009 about the reliability of the electricity supply which was understood to be due to a maintenance backlog and under-investment in new or replacement assets. The

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<sup>6</sup> Australian Broadcasting Commission (ABC), 'Power outage hits 14,000 Darwin homes', *ABC News*, <http://www.abc.net.au/news/stories/s009/11/23/275053.htm>, accessed 26 March 2010.

<sup>7</sup> Section 4(f) of the Terms of Reference, see Appendix A.

<sup>8</sup> LANT, CTC, 'Statement from the Power and Water Corporation', Tabled Paper 8/1, 28 January 2010 and 'Transcript of Proceedings', 28 January 2010, pp.4-5. The Power and Water Corporation's *2009 Annual Report* says that the Amadeus Basin gas fields of Palm Valley and Meerenie are both experiencing declining productions but that Meerenie is expected to continue to supply the PWC until the Blacktip gas supply comes online. Power and Water Corporation (PWC), *2009 Annual Report*, p.22, [http://www.powerwater.com.au/\\_data/assets/pdf\\_file/0015/15810/PWC\\_2009\\_Annual\\_Report.pdf](http://www.powerwater.com.au/_data/assets/pdf_file/0015/15810/PWC_2009_Annual_Report.pdf), accessed 12 April 2010.

<sup>9</sup> PWC, *Mervyn Davies' Enquiry: Power and Water's Second Progress Report, Summary*, September 2009, p.1, [http://www.powerwater.com.au/about\\_us/major\\_projects/power\\_supply\\_update](http://www.powerwater.com.au/about_us/major_projects/power_supply_update), accessed 26 March 2010.

<sup>10</sup> Utilities Commission, *Power System Review 2008-09*, March 2010, p.57, <http://www.utilicom.nt.gov.au>, accessed 6 April 2010.

report included details of the PWC's five year program to build, upgrade and maintain power, water and sewerage facilities.<sup>11</sup>

### **PWC and NT Gas Hearings**

The Council held hearings with representatives of the PWC and NT Gas over the last three months.<sup>12</sup> The CTC Chairman, Mr Gerry Wood, stressed to the PWC representatives the purpose of the public hearing was to find out what had gone wrong and that hearings gave the PWC an opportunity to provide information on the public record.<sup>13</sup> Mr Andrew Macrides, Managing Director, PWC, commenced by providing a detailed briefing of matters related to the 23 November loss of power.

The Weddell Power Station was completed in 2008 and is a base or intermediate load station with two General Electric gas turbines, remotely controlled from Channel Island.<sup>14</sup> In June 2006, the PWC and Eni executed an agreement for the supply of gas over 25 years from 2009. Earlier in 2006, an agreement was reached between the PWC and NT Gas to construct a gas pipeline from Wadeye to Ban Ban Springs, south of Darwin, to transport gas from the Blacktip gas field.<sup>15</sup>

Following delays in availability of the first gas under the agreement, Eni proposed the sale of early off-specification gas (EOSG) to the PWC. This was agreed in August 2009 after a review and study into the viability of using EOSG. The first EOSG was supplied to the PWC by Eni through NT Gas' Bonaparte Gas Pipeline to Weddell and Channel Island Power Stations in September 2009, along with gas from the Mereenie/ Palm Valley fields.<sup>16</sup>

On 23 November 2009, the supply of gas was stopped to the Weddell Power Station by NT Gas, causing power outages. Investigation by the PWC and NT Gas continues into the cause of the failure of the gas supply system.<sup>17</sup>

The CTC asked the PWC representatives about the quality of the EOSG and if there were any concerns about using it. Mr Macrides said that the only element that is off specification in EOSG is that it has higher water content than the specification requires.<sup>18</sup> NT Gas detailed that all parties to the agreement and consulting engineers jointly undertook risk and engineering assessments and agreed on measures and actions to enable transportation of EOSG.<sup>19</sup>

In response to questioning by the CTC, Mr Macrides described the 23 November incident:

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<sup>11</sup> Acil Tasman, *Vision 2020 Project: the Australian Minerals Industry's Infrastructure Path to Prosperity, Northern Territory*, May 2009, p.19, [http://www.minerals.org.au/data/assets/pdf\\_file/0020/33842/MCA\\_2020\\_Vision\\_NT\\_report\\_FINAL.pdf](http://www.minerals.org.au/data/assets/pdf_file/0020/33842/MCA_2020_Vision_NT_report_FINAL.pdf) accessed 26 March 2010.

<sup>12</sup> See Appendix B for details of hearings and witnesses.

<sup>13</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.23.

<sup>14</sup> LANT, CTC, 'Statement from the Power and Water Corporation', Tabled Paper 8/1, 28 January 2010.

<sup>15</sup> LANT, CTC, 'Statement from the Power and Water Corporation', Tabled Paper 8/1, 28 January 2010.

<sup>16</sup> LANT, CTC, 'Statement from the Power and Water Corporation', Tabled Paper 8/1, 28 January 2010 and LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.4. There are four gas sources and four separate contracts with the PWC, with the gas being delivered through a series of pipelines that are operated by APA, the parent company of NT Gas. 'Transcript of Proceedings', 28 January 2010, p.10.

<sup>17</sup> LANT, CTC, 'Statement from the Power and Water Corporation', Tabled Paper 8/1, 28 January 2010.

<sup>18</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.4.

<sup>19</sup> LANT, CTC, 'Information Paper Weddell Power Station – Gas Supply Incident 23 November 2009', Tabled Paper 14/1, 3 March 2010, p.2.

What appears to have happened was that their system did not pick up the amount of water that was in the pipeline itself, and when the water hit the coalescers at Weddell, the volume of water that came into the coalescers, their pumping system did not cope with it, and their backup pumping system did not work, so, as a result of that, their system was basically overrun with water, and they had to shut supply down because their system failed.<sup>20</sup>

Mr Macrides noted that while there is a range of issues that NT Gas has to manage in relation to the delivery of gas, the company has a 20-year history of reliably providing gas in the Territory. Until 23 November there has only been one supply interruption due to an earthquake around Tennant Creek.<sup>21</sup> The Utilities Commission has similarly reported that the supply of gas into power generation facilities has been very reliable, with only four occasions since 1987 when gas was not supplied to a power station in the Darwin-Katherine system.<sup>22</sup>

NT Gas representatives described the agreement with the PWC for the early gas delivery as having a gas specification attached to it which detailed the specification ranges for the EOSG. Because the transportation of off-specification gas can detrimentally affect the maintenance and lifetime of pipelines, variants of upper limits of water vapour, heavy hydrocarbons and methanol were included in the specifications.<sup>23</sup> A number of operational precautions were installed to ensure the Bonaparte Gas Pipeline system's integrity. These included:

- installing additional liquid collection facilities to capture the expected level of hydrocarbon liquids;
- application of internal pipeline coating to protect against corrosion; and
- close monitoring and control of the pipeline inlet temperatures and pressures.<sup>24</sup>

Mr Stephen Ohl, Director, NT Gas, told the CTC that the EOSG being transported however, did not reach the upper limits stipulated in the agreement.<sup>25</sup> Ms Wendy Oldham, General Manager, NT Gas said that the early monitoring, through coalescers of the quality of the gas for water vapour content, showed that it essentially stayed within the early gas specifications.<sup>26</sup>

At the facilities at Ban Ban Springs and Darwin City Gate, where there is pressure reduction, filter coalescers were installed to capture excess liquids.<sup>27</sup> Gas chromatographs were located at inlets and major outlets on the pipeline system to measure hydrocarbon content, including hydrocarbon vapours in the gas stream, but not liquid.<sup>28</sup>

In response to questioning by the CTC, Mr Ohl agreed that it was possible for liquid hydrocarbons and liquid water to enter the pipeline at Wadeye and pass through Ban Ban Springs and reach Darwin City Gate without being detected, however, it was expected to accumulate in the Ban Ban Springs liquid separation system.<sup>29</sup> Following

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<sup>20</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.10.

<sup>21</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.10.

<sup>22</sup> Utilities Commission, *Power System Review*, p.4.

<sup>23</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.2.

<sup>24</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.2.

<sup>25</sup> LANT, CTC, 'Transcript of Proceedings', 3 March 2010, p.5.

<sup>26</sup> LANT, CTC, 'Transcript of Proceedings', 3 March 2010, pp.6-7.

<sup>27</sup> LANT, CTC, 'Transcript of Proceedings', 3 March 2010, p.7 and LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.3.

<sup>28</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.3.

<sup>29</sup> LANT, CTC, 'Transcript of Proceedings', 3 March 2010, p.11.

questioning, Mr Ohl clarified that the Weddell off-take comes at a point before the filter coalescer at Darwin City Gate.<sup>30</sup>

Between 10 September and 23 November 2009, liquids were being collected at the various facilities as planned.<sup>31</sup> On 20 and 22 November 2009 high liquid alarms were activated at the Weddell Metering Station with staff attending and correcting the situations, which were due to liquid build up in the on-line filter coalescers.<sup>32</sup> Mr Ohl told the CTC that NT Gas was not expecting the quantities of liquids that were being received within the timeframes.<sup>33</sup>

On 23 November 2009, while staff were in transit to the site to review the situation, a series of high level alarms were activated in quick succession indicating that the coalescer was again full of liquids. Following three phone conversations between NT Gas and PWC staff advising of the need and intention to stop the gas supply, NT Gas closed the gas supply to Weddell Power Station. Gas supply was restored in approximately an hour and a half.<sup>34</sup>

Testing of the liquids removed from the filter coalescer indicated the composition was a mixture of two hydrocarbons, one a condensate and the other a diesel type.<sup>35</sup> Responding to CTC questions on what NT Gas thought the reason was for a large volume of water in a short period of time, Mr Ohl said:

The theory is that the liquids were travelling through the system as liquid slugs rather than gas, and that is why it was not detected. That liquid slug for the Weddell incident, in particular, came in such a high volume for such a short period of time the only prudent option we had left to us was to shut in that particular gate to try to prevent liquids from carrying over into the power stations... the analysis indicates that it is made up of, if you like, condensate-type hydrocarbons. Now, condensate-type hydrocarbons are those that have formed naturally in the gas and were obviously there, and the other one was a diesel component. The diesel component was used as part of the off-specification gas process to protect the pipeline against potential corrosion.<sup>36</sup>

Ms Oldham said that diesel was pumped into the pipeline before the EOSG entered the pipeline, in September 2009, and throughout the EOSG process it was injected into the gas stream from Wadeye to coat the internal wall of the pipeline to inhibit corrosion. It isn't possible to accurately access how much of the diesel contributed to the liquids collected in the filter coalescers at the Weddell Metering Station.<sup>37</sup> Mr Ohl agreed with CTC members' supposition that if the Weddell pipeline had gone through Darwin City Gate there is a fair chance that the hydrocarbons would have been removed.<sup>38</sup>

Mr Ohl agreed with CTC members that when the possibility of using EOSG was investigated, NT Gas looked at the actual gas being delivered but not at anything

<sup>30</sup> LANT, CTC, 'Transcript of Proceedings', 3 March 2010, pp.10-1.

<sup>31</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.3.

<sup>32</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.3. In response to questions about the volume of liquids, Mr Ohl said the two coalescers' capacity was 200 litres each. LANT, CTC, 'Transcript of Proceedings', 3 March 2010, p.12.

<sup>33</sup> LANT, CTC, 'Transcript of Proceedings', 3 March 2010, p.12.

<sup>34</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, pp.3-4.

<sup>35</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.4.

<sup>36</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.13.

<sup>37</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, pp.13-4.

<sup>38</sup> LANT, CTC, 'Transcript of Proceedings', 3 March 2010, p.18.

extra, like the inclusion of diesel in the pipeline as a corrosion inhibitor. It is NT Gas' understanding that there was an urgent need for the PWC to receive the EOSG when discussions commenced in March 2009.<sup>39</sup> In a reply to a question on notice, NT Gas stated that the PWC was warned about how the EOSG could affect the pipeline and that protective measures would have to be implemented.<sup>40</sup>

Mr Macrides gave evidence that at the time he believed the function of the chromatographs on the pipeline was to measure the gas purity and therefore provide an early warning of the potential need for staff to be at the coalescers to pump out the liquids. Following the 23 November incident, there appeared to be some uncertainty about the chromatographs' ability to detect the liquids. It is one of the things that PWC's independent investigation is looking at.<sup>41</sup>

In relation to the process followed by NT Gas on 23 November, Mr Macrides made the point that while no one can fault NT Gas for shutting the gas supply in the circumstances, a half-an-hour's notice to the PWC could have allowed an alternate power source to be made available.<sup>42</sup>

As part of the mitigation processes instigated following the 23 November incident, the switch to on-specification gas in January 2010 was expected to prevent any future similar incidents. Mr Macrides described a process of 'pigging' as pushing everything out of a pipeline, to get rid of anything that might have been there, as another mitigation step.<sup>43</sup>

Another widespread loss of electricity in early December 2009 was described as being unrelated to gas supply. It occurred following the finding of severe damage to one of the turbines at the Weddell Power Station. Because of the level of damage it was decided to shut it down immediately and seek a replacement turbine from the United States. Mr Macrides said that like the public, the PWC is concerned about two major losses of power in close proximity. The new engine was operational at the beginning of the year. The CTC expressed interest in knowing the outcome of the investigation into the damaged engine.<sup>44</sup>

## Findings

A number of matters become clearer when considering the PWC's and NT Gas' evidence together. The first is that there was some urgency for the PWC to move to using EOSG, rather than to burn diesel. The cost of diesel, rather than the cost of EOSG may be at least part of the reason.<sup>45</sup>

The CTC believes that the introduction of EOSG was essentially a gamble. The lateness of the supply of gas by Eni invoked a clause in the contract for liquidated damages arising for not supplying gas on 1 January 2009. The issue with the liquidated damages clause is that it was capped at a certain price which the CTC believes would have been reached by about May or June 2009. Without a clear supply of gas after that time and with Eni not liable for any further liquidated

<sup>39</sup> LANT, CTC, 'Information Paper', Tabled Paper 14/1, 3 March 2010, p.15.

<sup>40</sup> LANT, CTC, Questions on Notice 14/2/1 and 14/2/2, 3 March 2010.

<sup>41</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.11-2.

<sup>42</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.17.

<sup>43</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.12-4.

<sup>44</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp. 7-8,18.

<sup>45</sup> The Utilities Commission report says that the move to EOSG in October 2009 reduced the PWC's requirement for more costly diesel fuel: *Power System Review*, pp.15-6.

damages, the PWC, and therefore ultimately the Territory taxpayer, had to meet further costs.

NT Gas representatives acknowledged that there was pressure from the PWC to find an alternate supply of fuel. Eni's failure to deliver specification compliant gas within contractual timeframes came at the expense of the PWC.<sup>46</sup> It must have been clear, evidenced by the substantial preparations to introduce EOSG into the pipeline, that Eni's supply of gas from Wadeye was not only going to be late, but very late. On-specification gas was not supplied until 19 January 2010.

These circumstances led the PWC to seek EOSG in spite of the risks that it represented to the infrastructure. Because of the threat to the pipeline from corrosion it was decided to introduce 27,000 litres of diesel as a corrosion inhibitor. The CTC was advised that there was no capacity for NT Gas to know how much liquid was being introduced to the pipeline at the point of supply. Evidence was given that the only thing that was different, and not monitored in relation to using the EOSG and its delivery, was the liquid content of the diesel used to coat the gas pipeline as a corrosion inhibitor.

There appear to be misunderstandings on NT Gas' part of what the PWC understood about what the coalescers and chromatographs could or would measure, or of the process to remove excess liquids.<sup>47</sup> Clearly, the PWC thought there were processes in place to detect and then remove excess liquids in the gas pipeline.

The CTC acknowledges it has no expertise in these matters. However, it believes it is reasonable to assert that the combination of deliberately introduced diesel and unknown quantities of liquids entering the pipeline overwhelmed the capacity of the pipeline's liquid abatement systems.

### **Recommendation 1**

**The CTC recommends the PWC send the CTC at its earliest convenience the results of the PWC and NT Gas investigations into events leading up to and on the day NT Gas stopped supply to the Weddell Power Station.**

### **Recommendation 2**

**The CTC recommends that the final report from the discussions between NT Gas, APA Group, PWC, Worley Parsons, the regulator and Eni which identified risks and recommendations on the release of EOSG be released to the CTC.**

The decision to shut down the gas supply by NT Gas was the right one. The employee who made that decision needs to be commended for their willingness to make a tough call under pressure. However, the fact that the decision needed to be made is reflective of a causal link of errors and assumptions that cannot pass without comment.

It is acknowledged that the PWC needed to source fuel from somewhere as the supply from the Mereenie/ Palm Valley fields had been dwindling for some time. As one of the largest gas suppliers in the Southern Hemisphere is in Darwin Harbour it is disappointing that ConocoPhillips was not the PWC's supplier. Nevertheless, the decision was taken to source gas from Eni which was to be supplied from

<sup>46</sup> The Director's Report of the PWC's Annual Report stated: 'Delays in gas delivery required the Corporation to use higher cost alternative energy sources (including distillate) which has a detrimental impact on the cash flow the extent that higher costs are not covered by damages received from Eni.' PWC, *2009 Annual Report*, p.57.

<sup>47</sup> LANT, CTC, 'Transcript of Proceedings', 3 March 2010, pp.4-5.

1 January 2009. As discussed above, that deadline was never close to being attained.

As the PWC is a Government Owned Corporation it is the subject of government oversight. There are two Ministers with responsibility for the PWC: the Minister for Essential Services; and the Treasurer as the share holding Minister. The CTC believes that this has the potential for delivering a disjointed system, with the recent performance of the PWC, an example.<sup>48</sup>

Mr Macrides gave evidence that hydrocarbons would be damaging to a turbine if they got into the system. This evidence was taken when Mr Macrides believed the liquids in the system were water.<sup>49</sup> It was subsequently revealed that the liquids were hydrocarbons. Without knowing the details of the insurance arrangements in place for the PWC, it is conceivable that if the damage was caused by hydrocarbons in the system because of the use of EOSG, the repair costs may be the PWC's responsibility. The CTC will write to the PWC seeking the results of an analysis report on the damaged turbine and to determine if hydrocarbons did damage the Weddell turbine and who will pay for the repairs.

The CTC believes that because of the lateness of gas supply by Eni, a risk was taken by the PWC and NT Gas to pump EOSG into the pipeline. This resulted in overwhelming the pipeline's liquid detection and abatement systems, causing the loss of power on 23 November 2009. It may also be linked to the damage of a turbine at the Weddell Power Station.

The CTC believes the liquidated damages clause threshold was too low, using EOSG was inherently risky and insufficient capacity existed in the system to detect liquids in the system. The PWC was forced by circumstances to use gas it would not have otherwise used after the liquidated damages threshold became insufficient to cover the cost of the diesel. The Government should have known of the high risk process being undertaken by the PWC and should have been the final approver of it, given the effect on taxpayers. The Ministers responsible declined to attend the CTC hearings to discuss their role and knowledge of what transpired.

### **Recommendation 3**

**The CTC recommends the Minister for Essential Services and the Treasurer attend a CTC hearing to determine their involvement and level of knowledge of what transpired.**

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<sup>48</sup> The CTC notes that while the PWC is a wholly owned Northern Territory Government Corporation, the management of the PWC is undertaken by the PWC Board.

<sup>49</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.8.

### 3. DOMESTIC VIOLENCE STATISTICS

Council members sought clarification on domestic violence statistics and the apparent different figures and interpretations of Police and Department of Justice statistical information. Representatives of NT Police and the Department of Justice provided a briefing to CTC members on 28 January 2010.<sup>50</sup>

Mr Grahame Kelly, Assistant Commissioner for Operations Service for the Police, described domestic violence as where violence occurs, or where there is a threat of violence between people who have a familial relationship. Mr Kelly and Mr Shanahan, Chief Executive, Department of Justice described how reported incidents are recorded in Police administration systems<sup>51</sup> and how the information is used in Police annual reports and Department of Justice statistics.<sup>52</sup>

One important difference pointed out by Police representatives was the difference between offence-based and victim-based reporting.

In our annual report this year we actually did offence-based because that is how we have done it in the past; we are looking to transition to victim-based counting so we are actually reporting the victims of crime as opposed to the offences. So in this year's annual report we had both types – victim-based and offence-based.<sup>53</sup>

The CTC asked about domestic violence figures in the 2007-08 and 2008-09 Police, Fire and Emergency Services Annual Reports which appeared to be the same, despite the earlier report counting victims and the later, offences. After discussion this anomaly was found to be a typographical error, however, as part of examining the two reports a number of questions arose about how Police information is recorded and reported.<sup>54</sup>

A number of issues in relation to how information is recorded, collated, analysed and reported appear to affect the final statistics publicly released. Evidence to the CTC revealed that the figures used by the Department of Justice and Police are derived from the same raw data. The CTC's concern is what the statistical information is saying and what is being used to develop the Government's policy directions to address a reported increase in domestic violence.

Other important variances in reported statistics are the different geographies and time periods that the figures relate to. For example, Mr Kelly pointed out that when the Chief Minister talks about crime statistics he is using figures about the previous 12 months. When the Police report on crime statistics, it is a 12 month period preceding the quarter for the month released. Mr Kelly described the effect of this variance:

So the figures will not look anything like the annual report figures because they will be from different quarters. It might be two quarters

<sup>50</sup> See Appendix B for details of the hearing.

<sup>51</sup> The process described for Darwin and Alice Springs was that information is initially recorded in the Integrated Computer Aided Dispatch System (ICAD) and then moved to the Police Realtime Online Management System (PROMIS) where the information is stored and updated. In all other locations incidents are recorded directly into PROMIS. Information from PROMIS is then used for Police annual reporting and is passed to the Department of Justice to produce reports. LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.24.

<sup>52</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.23-4.

<sup>53</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.25.

<sup>54</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.28-37.

out of the previous year, for instance, and it is a comparison between the same 12 month period ending at that quarter.<sup>55</sup>

Further explanation to the CTC revealed that the data used by the Department of Justice was derived from analysing different geographical areas than used by Police and that Police counted all crimes against the person in their count, while the Department of Justice only counted those offences classified as 'assaults'.

While assaults represented the majority of the offences under the general classification of crimes against the person, offences like rape, murder and robbery were not included in the Department of Justice statistics.<sup>56</sup> By excluding these offences, the proportion of domestic violence offences was increased by limiting how many crimes of violence were included.

A further difficulty in the Northern Territory when reporting on a quarterly basis is the degree of volatility in the numbers because they are relatively small, and affected by seasonal factors. Mr Kelly said that because of the level of volatility in quarterly figures they can be misleading unless people are looking at long term trends over several years.<sup>57</sup>

Mr Kelly provided a PROMIS extract which shows for the last six reporting years (calendar years) the number of domestic violence related assaults nearly doubled from 1,899 to 3,113.<sup>58</sup> The statistics in the following tables however, demonstrate some of the volatility of statistical reporting in the Territory, due to variances in locations, timeframes and the total numbers of assaults in each location. For example, while the NT total columns in Table 1 shows consistent annual increases for all but one year in the number of domestic violence related assaults, Table 2 shows the percentage of domestic violence related assaults varied up and down.

**Table 1. Number of domestic violence related assaults<sup>59</sup>**

	<i>Alice Springs</i>	<i>Darwin</i>	<i>Katherine</i>	<i>Nhulunbuy</i>	<i>Palmerston</i>	<i>Tennant Creek</i>	<i>Balance NT</i>	<i>NT TOTAL</i>
12 mths to Sept								
2004	462	296	197	31	116	221	576	1899
2005	543	299	238	36	82	195	654	2047
2006	697	329	353	36	121	284	794	2614
2007	708	466	345	46	167	332	828	2892
2008	676	361	304	47	148	308	755	2599
2009	747	374	395	39	196	288	1074	3113

<sup>55</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.31.

<sup>56</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.32.

<sup>57</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.31.

<sup>58</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.32 and LANT, CTC, 'Domestic Violence Related Assaults', Tabled Paper 8/4, 28 January 2010. This PROMIS extract is unique offence based which means that in cases where multiple associated offences are committed, the most serious one is identified as the unique offence. LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.25.

<sup>59</sup> The tables' data are derived from: LANT, CTC, 'Domestic Violence Related Assaults', Tabled Paper 8/5, 28 January 2010. Please note that the timeframe is a 12 month period.

**Table 2. Percentage of domestic violence related assaults<sup>60</sup>**

	<i>Alice Springs</i>	<i>Darwin</i>	<i>Katherine</i>	<i>Nhulunbuy</i>	<i>Palmerston</i>	<i>Tennant Creek</i>	<i>Balance NT</i>	<i>NT TOTAL</i>
12 mths to Sept								
2004	57.5	29.2	63.1	53.4	45.0	67.0	59.4	50.7
2005	60.3	30.9	60.4	46.2	40.8	62.7	61.5	52.3
2006	64.0	32.4	72.5	39.1	51.1	69.3	67.3	58.0
2007	61.9	31.3	68.7	36.5	49.4	70.2	68.3	54.7
2008	63.2	24.9	60.7	32.4	45.4	68.0	64.0	50.7
2009	55.7	25.9	56.8	34.2	47.9	66.1	65.8	51.3

The important difference between Police and Department of Justice reporting was described by Mr Jackson.

For the last six years we have been releasing information on assaults. That information always relates to assaults, it does not relate to murders or sexual assaults or any such. So, being pedantic, and we should be when we are talking about statistics, we are talking about the percentage of assaults which are domestic violence related, whereas the police are talking about the percentage of offences against the person which are domestic violence related, and that includes sexual assault, it includes murders, it includes dangerous acts and a whole range of things which are out of our scope.<sup>61</sup>

In addition, until the 2007-08 Annual Report, Police reported on the number of unique offences within a reported incident. This offence counting was different from the number of crime incidents and to the number of victims of crime. Following a national review of reporting differences in recorded crime, and the development of a national standard of victim based counting, NT Police now report crime consistent with that national standard.<sup>62</sup>

From 2007-08, Police annual reporting of crime statistics has included both methods of reporting. The following table gives the last four financial years' figures for Police reporting of domestic violence related offences/ victims.

**Table 3. Police Annual Reports Domestic Violence Reporting<sup>63</sup>**

	<i>Unique offence based counting %</i>	<i>Victim based counting %</i>
2005-2006	55.0	n/a
2006-2007	51.2	n/a
2007-2008	48.2	46.0
2008-2009	47.1	45.5

<sup>60</sup> Table date is derived from: LANT, CTC, 'Domestic Violence Related Assaults', Tabled Paper 8/5, 28 January 2010. Please note that the timeframe is a 12 month period.

<sup>61</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.32.

<sup>62</sup> Northern Territory Police, Fire and Emergency Services (PFES), *Annual Report 2007-08*, p.96, [http://www.nt.gov.au/pfes/documents/File/police/publications/annrep/AR\\_0708.pdf](http://www.nt.gov.au/pfes/documents/File/police/publications/annrep/AR_0708.pdf), accessed 26 March 2010. Note that the timeframe for these figures is financial years.

<sup>63</sup> PFES, *Annual Report 2008-09*, pp.110, 126; *Annual Report 2007-08*, p.109; *Annual Report 2006-07*, p.119, <http://www.nt.gov.au/pfes/index.cfm?fuseaction=page&p=132&m=60&sm=169>, accessed 15 April 2010.

Mr Kelly said that the real issue when comparing statistics between one year and the next is to compare the same statistics from the same source with the same classifications.<sup>64</sup>

While there are differences between Police and Department of Justice statistical reporting, the similarities between Police, courts, prisons and the Department of Justice are achieved by all being part of and using the Integrated Justice Information System (IJIS). Mr Gordon noted that the integrated system ensures that offence codes are mapped very similarly which means crime statistical reporting in the Northern Territory is more closely aligned than any other jurisdiction.<sup>65</sup>

As a way to overcome some of the difficulties in quarterly reporting it was suggested to move to six monthly or annual reporting or to a timeframe that overcomes the anomalies created by relatively small numbers.<sup>66</sup>

## Findings

The CTC is grateful to the NT Police and Department of Justice representatives for their patience in discussing the two organisations' roles in crime statistics recording and reporting. The PROMIS extract which clarified the increase in domestic violence related assaults was particularly useful in CTC members understanding the affects of geography on crime reporting.

The CTC notes however, the percentages in the extract, which are usually the publicly released statistics, will not necessarily, clearly establish movements in domestic violence-related assaults. This observation is made without further considering other differences in the statistical reporting related to whether information is offence or victim based.

Due to public reliance on the statistics, the CTC believes that greater care needs to be taken in the preparation of crime statistics in the Police Fire and Emergency Services Annual Reports. Police crime statistics, which include murder, rape and other dangerous acts should be used to set Police policy to respond to domestic violence related crime in the Territory, rather than only using assault numbers.

The Council supports the suggestion to move to an alternate timeframe for crime statistics reporting. However, it is unclear what timeframe would be most appropriate, when the statistics are used for a variety of purposes.

### Recommendation 4

**The CTC recommends that statistics used by the Department of Justice and the Northern Territory Police relating to reporting of crime, especially domestic violence-related crime, be accurate and consistent with one another or if not, explanations be given to interpret the differences.**

### Recommendation 5

**The CTC recommends that the minimum reporting times for crime statistics be reviewed to reduce the volatility in the numbers, especially when they are small, to assist in setting policy responses by government.**

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<sup>64</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.32-3.

<sup>65</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.34-5.

<sup>66</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.35-6.

#### 4. A WORKING FUTURE

A *Working Future* was announced and the NT Coordinator-General for Remote Services, Mr Bob Beadman appointed less than a year ago. Mr Beadman released his first six monthly report on progress in implementing the six parts of the *Working Future* policy, including the development and delivery of government services and facilities to the Territory growth towns late last year.<sup>67</sup>

During its initial hearings the CTC began to look at how *Working Future* was being implemented, raised some emerging concerns and said it would seek further briefings on the policy but particularly on its implementation. In late January 2010, Mr Bob Beadman spoke to the CTC about his role and findings of his first report.

Mr Beadman described his role as providing an independent view of what is happening in government agencies, how they are delivering on government commitments and to identify and eliminate overlaps and gaps and any systemic problems in the way governments do business.<sup>68</sup>

In its first report the CTC questioned the Territory growth towns policy that is part of *Working Future*, as some Territory residents relate to places outside the Territory, like Mount Isa and Kununurra, which are not included in the policy. Also, several chosen sites are quite close together. The CTC asked Mr Beadman if he was able to question the chosen growth towns.

While Mr Beadman said he had accepted the growth towns as a 'given', he also agreed that there is a gap to the north-east of Alice Springs for a community to be identified as a town. However, the most likely, Alparra, was at the time an outstation resource centre, which prompted Mr Beadman to query 'when does an outstation become a community?'<sup>69</sup>

Mr Beadman commented on the readiness of government agencies to support the implementation of the *Working Future* policy by reorganising priorities and resource allocations.<sup>70</sup>

The CTC asked about the level of cooperation with external agencies, like the Australian Government and land councils. Mr Beadman reiterated comments in his report that it is the Australian Government's responsibility to ensure that employment opportunities are taken up and to take action where people refuse employment.

Another pivotal issue in *Working Future* is the resolution of secure land for infrastructure development in the growth towns. Mr Beadman said that he believes the move to lease discrete housing precincts as part of the acceleration of the delivery of SIHIP took some of the pressure away from township leasing; however, it remains to be resolved. He said that township leasing has to be resolved as governments have agreed in national partnership agreements that government infrastructure will only be developed on government controlled land.<sup>71</sup>

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<sup>67</sup> Northern Territory Coordinator-General for Remote Services, *Report #1 May to November 2009*, Department of the Chief Minister, Darwin, [http://www.workingfuture.nt.gov.au/ntcg\\_report1.html](http://www.workingfuture.nt.gov.au/ntcg_report1.html), accessed 18 December 2009.

<sup>68</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.44.

<sup>69</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.45.

<sup>70</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.46.

<sup>71</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.46.

In his report, Mr Beadman said he understood the Northern Territory Government had not taken the lead role in the negotiation of township leases to date and that it had declined to establish a statutory entity to function as the leasing entity. Instead, the Australian Government created the Executive Director of Township Leasing (EDTL) as its statutory lease-holding entity.<sup>72</sup>

He urged the Northern Territory Government to:

- actively advance township leasing negotiations in all Territory Growth Towns, whether or not these are sites prioritised by the Commonwealth Government and its EDTL;
- actively participate in the development of township head leases in all Territory Growth Towns, including those to be held by the Commonwealth EDTL, to ensure that Northern Territory Government and local government assets are secured under appropriate terms and that head lease conditions are attractive for private sector investors;
- apply considerable effort to securing long-term land tenure for Northern Territory and local government assets on all Aboriginal land, including interim arrangements where township leasing is delayed.<sup>73</sup>

The CTC discussed with Mr Beadman its concern that governments have used the land tenure provisions in the *Aboriginal Land Rights (NT) Act (ALRA)* as an excuse to evade responsibility for providing government services, like postal agencies and Centrelink.<sup>74</sup>

Mr Beadman agreed that had happened and said the Australian Government's installation of Government Business Managers and Indigenous Engagement Officers was the first restoration of a government administration presence in Indigenous communities. He added,

I believe it should not end there and I believe that there is an overload onto shires and non-government organisations to undertake this myriad of functions on behalf of governments when, in fact, governments need to rethink re-establishing a presence across a whole range of functions out there... Private sector investment and what can spin out of that I see as a separate issue, but related.<sup>75</sup>

### **Recommendation 6**

**The CTC recommends that the Australian and Northern Territory Governments re-establish government offices in growth towns to prevent overloading shires and non-government organisations.**

The CTC notes that the growth towns' process includes establishment of community reference groups,<sup>76</sup> at the same time as SIHIP has housing reference groups and local government has local boards. In addition, most larger communities have other organisations or groups that advise on government policy implementation. The CTC is concerned that the addition of community reference groups for the growth towns' process on communities that already have a range of other advisory responsibilities.

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<sup>72</sup> NT Coordinator-General, *Report #1 May to November 2009*, pp.30-1.

<sup>73</sup> NT Coordinator-General, *Report #1 May to November 2009*, p.31.

<sup>74</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.46-8.

<sup>75</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.48.

<sup>76</sup> Also discussed in Chapter 2.

### **Recommendation 7**

**The CTC recommends the Australian and Northern Territory Governments review the number of advisory boards and reference groups that governments are requiring growth towns establish.**

Mr Beadman said the lack of township leases is also affecting the ability of governments to negotiate sub-leases for individual blocks that would assist in developing the concept of home ownership and the uptake of Indigenous Business Australia (IBA) home loans.<sup>77</sup> Mr Beadman said the idea with township leasing is that the lease would be held by a government entity, which would then issue sub-leases for individual blocks, thereby enabling tradable title over land on which an asset is built, and the possibility of home ownership.<sup>78</sup>

IBA provides incentives and affordable loans to make home ownership a realistic choice for Indigenous people living on community titled land through the Home Ownership on Indigenous Land (HOIL) program. To be eligible to apply for HOIL, the community must be first assessed and accepted as a location in which HOIL is available.<sup>79</sup> On 14 April 2010, it was announced that IBA had approved 14 loans totalling \$2.4 million at Nguiu,<sup>80</sup> the only location to date where sub-leases for housing lots have been finalised.

CTC members recommended in its first report that IBA schemes supporting the private ownership of houses on Aboriginal communities be actively encouraged by the Northern Territory Government and private financial institutions, especially in communities where the SIHIP program is presently operating.<sup>81</sup>

Elsewhere in this report the CTC discusses its viewing of HOIL houses under construction at Nguiu.<sup>82</sup> The CTC is concerned about the quality of the HOIL houses it was able to view which has prompted asking what are the specifications or standards for building under the HOIL program in the Territory's Indigenous communities. The CTC is concerned that the HOIL houses people buy may not be as robust as other community housing.

### **Recommendation 8**

**The CTC recommends that the Australian Government reviews HOIL to ensure the housing standard meets existing agreed national standards for Indigenous community housing.**

The CTC raised the issue of commercial rates being charged on the leased land, highlighted in the NT Coordinator-General's report and the CTC's report. A number of shires have discussed with the CTC that they are being charged Darwin commercial rates for long term leased land in communities, which they are not funded to be able to pay, or raise funds to pay, long term.<sup>83</sup>

<sup>77</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.48-9.

<sup>78</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.49.

<sup>79</sup> Indigenous Business Australia (IBA), *Annual Report 2008-2009*, <http://www.iba.gov.au/wp-content/uploads/2009/10/Report---Annual-Report-2008-09.pdf>; and *Home Ownership on Indigenous Land Program*, <http://www.iba.gov.au/home-ownership/home-ownership-on-indigenous-land/>; both accessed 17 March 2010.

<sup>80</sup> P. Karavelas, 'Tiwi Islands home-building gathers pace', *The Australian*, 15 April 2010, <http://www.theaustralian.com.au/politics/tiwi-islands-home-building-gathers-pace/story-e6frqczf-1225853811917>, 15 April 2010.

<sup>81</sup> LANT, CTC, *First Report*, February 2010, Recommendation 10, pp.20-23.

<sup>82</sup> See Chapter 5.

<sup>83</sup> LANT, CTC, *First Report*, February 2010, pp.38-9.

Mr Beadman said the township leasing arrangements have been established under Australian Government legislation with the requirement to repay the source of funds for the cost of the head lease over the town, which would be recovered through commercial leasing charges. In practice, this means the recouped funds are returned to the Aboriginal Benefits Account (ABA) which was the source of funds for the establishment and ongoing cost of the EDTL.<sup>84</sup> Mr Beadman said he understood that the EDTL is planning to commence discussions with land councils and shires about the leasing arrangements of shire assets.<sup>85</sup>

During this initial period of *Working Future*, baseline mapping is being undertaken to help judge progress achieved in future progress reports and in national partnership agreement reporting.<sup>86</sup> However Mr Beadman added that emphasis on reporting on numbers of houses and infrastructure does not show how the improvements are being delivered or about how restoring pride and self-esteem will occur.<sup>87</sup>

## Conclusion

The CTC has foreshadowed with Mr Beadman that he return to brief the Council on his second report and to respond to issues not covered within the hearing, like homeland resource centres, land tenure and how local government and *Working Future* will work together.

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<sup>84</sup> The Aboriginals Benefits Account (ABA) is a trust account under the *Financial Management and Accountability Act 1997* (Cwth) administered by the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) in accordance with *the Aboriginal Land Rights (Northern Territory) Act 1976* (ALRA). Under section 64(4) of the ALRA, the Minister for Families, Housing, Community Services and Indigenous Affairs can approve payments to or for the benefit of Aboriginal people living in the Northern Territory. One of its current uses is to support for the acquisition and administration of land leases through the EDTL. The Aboriginals Benefit Account Advisory Committee provides advice to the Minister on these payments. For more information see, FaHCSIA, *Aboriginals Benefits Account* (ABA), [http://www.fahcsia.gov.au/sa/indigenous/progserv/land/Pages/aboriginals\\_benefit\\_account.aspx](http://www.fahcsia.gov.au/sa/indigenous/progserv/land/Pages/aboriginals_benefit_account.aspx), accessed 31 March 2010.

<sup>85</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, p.49.

<sup>86</sup> More information about baseline mapping was provided by Mr Matthew Fagan as part of the hearing at Nguuu and is included in Chapter 5.

<sup>87</sup> LANT, CTC, 'Transcript of Proceedings', 28 January 2010, pp.50-1.

## 5. NGUIU

The CTC flew to Nguiu on Bathurst Island on 2 February 2010 for site visits of SIHIP construction and to hold a public meeting with witnesses representing the Tiwi Shire Council, the Tiwi Land Council, the Bathurst Island Housing Association (BIHA) and the Service Delivery Coordination Unit in the Department of Housing, Local Government and Regional Services (DHLGRS).<sup>88</sup>

The Council was met at Nguiu Airport by Mr Alan McGill, Manager, Territory Alliance, and driven to the work camp site where safety rules were outlined to Council members and a briefing provided on the Alliance's contract.

The total program for Territory Alliance on the Tiwi Islands is 90 new homes: 30 under Stage 1 (pre-SIHIP review); 60 under Stage 2 (post-SIHIP review); and 95 planned refurbishments. With infrastructure costs taken out following the review, the extra 60 houses were included under stage 2.

Mr McGill said that the Alliance had 13 new houses in Stage 1, 3 new in Stage 2 and 11 refurbishments under construction in Nguiu. Thirty houses in Milikapati are being refurbished and 29 new houses in Stage 1 are to be finished by end of this year. Some of the houses will be Rytec modular-style, filled with concrete and some will be steel frame. Three (Stage 2) houses were ready to lock-up stage and were expected to be handed over later in February.<sup>89</sup>

Thirteen new houses under construction were at various stages, 7 had concrete slabs, while others were closer to being finished. The Alliance was on schedule as far as the wet season allowed. It was expecting to be out of Milikapati before the end of April.

Alliance representatives were not sure if existing water, power, and sewerage will be sufficient for new subdivisions, or who pays for the head works, but said they are responsible for connecting services (electricity and water) within the boundaries of the house. The Alliance is doing all the geophysical work, including surveying, within the new subdivisions for housing.

Non-Tiwi Territory Alliance workers fly in and out from Darwin, working 17 days on, 4 days off. About 39 Alliance workers were employed, with 32 in the camp at that time.

Alliance representatives said that Tiwi workers were doing well and they were encouraged to commit to coming to work. The number of Tiwi employed by the Alliance was 39 with 29 regularly attending work. Tiwi employees were being encouraged to complete their certificates and to be looking for on going work, particularly in housing maintenance.

Tiwi Enterprises, which is a part of the Tiwi Land Council, has contracts for repairs and maintenance, as does BIHA. The plan is for Tiwi Enterprises to oversee business operations, employ workers and win contracts for repairs and maintenance. Shires are funded for \$7,000 per house per year for repairs and maintenance, and subcontract for these services.

<sup>88</sup> The site visit information is taken from notes of the CTC's Secretariat staff. The public hearing information is drawn from the hearing's transcript.

<sup>89</sup> The first three houses to be completed and handed over at Nguiu were announced on 22 March 2010. Northern Territory Government Minister for Public and Affordable Housing, 'New Houses at Nguiu completed under SIHIP', Media Release, 22 March 2010, <http://newsroom.nt.gov.au/index.cfm?fuseaction=viewRelease&id=6695&d=5>, accessed 25 March 2010.

There was some recognition that there were not enough jobs on the island but employees were encouraged to keep up a strong work ethic which they can take to other places. It is becoming increasingly recognised that with certificates, experience and references people can get jobs anywhere.

When the 99-year township lease was signed in September 2007, 25 new houses were built by Sitzler and others by BIHA. These homes were built before SIHIP and landscaping was included in the construction.

Territory Housing has a presence on Bathurst and Melville Islands, mostly in relation to tenancy matters. There are two rent scales for houses depending on the house. Alliance representatives were unsure how many houses are or will be transferred to Territory Housing, but they understood there were 22 names on the list to buy houses in Nguui.

A program of home ownership was underway. Houses are being bought from Territory Housing in addition to through IBA's HOIL program introduced during the Northern Territory Intervention.<sup>90</sup>

### **Refurbished house (pre-review)**

The house was originally built in 1982 and was 80 square metres, however, when refurbished will be 120 square metres. It had some health hardware fixed in two earlier rounds of Fixing Housing for Better Health (FHBH) programs.<sup>91</sup> The SIHIP job was to take out the asbestos, resheet walls in the kitchen and bathroom, upgrade electrical wiring, install ramps for wheelchair access, new bathroom and kitchen, painting, and floor tiling.

Refurbished houses are handed back to Territory Housing. The Alliance representative said they aim to hand back refurbished houses in 24 working days.

### **House to be refurbished (post-review)**

After the SIHIP review, refurbishments are to restore the house's functionality and therefore there will be no painting or other cosmetic work like resurfacing living area floors. CTC members were told that the emphasis needs to be on value for money and the refurbishments should extend the life of the house.

Refurbishments included upgraded plumbing and electricity and refurbishment of wet areas of kitchens and bathrooms. When decisions are made about what should be

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<sup>90</sup> For more information on HOIL and the IBA see the chapter 4. The Northern Territory Emergency Response (NTER) is also known as the Northern Territory Intervention.

<sup>91</sup> Fixing Housing for Better Health (FHBH) is a program of small-scale repair and maintenance of health and safety facilities in remote Indigenous community houses. The idea behind the projects is to improve the living environment by improving basic functionality of houses and is based on an approach developed by Healthhabitat in the 1980s. The Australian Government funded a number of FHBH projects from 2001 and the program is currently funded until June 2011 through the Department of Families, Housing Community Services and Indigenous Affairs (FaHCSIA). See: FaHCSIA, *Fixing Housing for Better Health*, <http://fahcsia.gov.au/sa/indigenous/progserv/housing/pages/FixingHousesforBetterHealth>, accessed 6 April 2010; FaHCSIA, *Evaluation of Fixing Houses for Better Health Projects 2,3, and 4*, Occasional Paper No.14, SGS Economics & Planning in conjunction with Tallegalla Consultants Pty Ltd, 2006, <http://fahcsia.gov.au/about/publicationsarticles/research/occaional/Documents/op14/op14pdf>, accessed 6 April 2010.

done in a refurbishment, the idea is that it will provide value for money and long term functionality, durability and sustainability.

Pre-review the average spent on refurbishments was \$150,000, but post-review it will be \$70,000. Territory Alliance has said to government that \$70,000 is not worth spending as it can't do all that needs to be done for that amount of money.

In Stage 2 refurbishments floor tiling is done only in wet areas. CTC members commented on the floor in the main living area which was pitted and permeable however, was not to be resurfaced. The floor needed to be sealed to provide a healthy living area. It was calculated that this would cost about \$5,000 or \$6,000 to tile. The CTC noted that when houses are handed over to Territory Housing there is \$7,000 per house per year available for spending on repairs and maintenance.

CTC members asked if the refurbished houses will comply with the requirements of the *Residential Tenancies Act*, but Territory Alliance representatives were unsure if this was the case. They said that Stage 2 housing will be cyclone rated 8.

Territory Alliance is trying to change refurbishments and rebuilds in Stage 1 to 2<sup>nd</sup> Stage standard, so that more houses are refurbished to a functional level.

### **New house**

Following consultations with the community, particularly in relation to flooding and wet areas at Nguiu, the Alliance builds new houses on solid sets of pylons raised off the ground with a cement slab. There is a 40 year warranty on floors. The walls are made of modular cement panels, called Rytex, and once the conduits and plumbing are inserted, the wall panels are filled with cement.

Bathurst Island has a no glass policy so the louvres being used in new construction are perspex. A new house costs about \$450,000 without any landscaping.

### **HOIL Houses**

The CTC was able to inspect two types of HOIL homes, finished or in the process of being built. One was the design kit home imported from China which was built slightly elevated from the ground. Its walls appeared to be re-fridgerant panelling finished with render, with small sliding windows. Three had been built at that time.

The other HOIL house design is being built by a Canberra company. CTC members noted that it was extremely hot inside the house with little airflow. It was agreed by the builders that it's not the way houses should be built in the climate. The manager was asked about how much it would cost to build the same house in Darwin. He replied, less than \$300,000 for two bedrooms and less than \$400,000 for three bedrooms. He said there would be a 20-25 per cent reduction in the cost of building in Darwin. He noted that plasterboard and ply was easier to use but wasn't durable over a long period.

### **Public Hearing**

Tiwi Islands Shire Council

The hearing commenced with representatives of the Tiwi Islands Shire Council providing a briefing on the role of the shire and of some of the problems it has with providing local government services.<sup>92</sup>

Mr Alan Hudson, Chief Executive Officer, Tiwi Island Shire Council, said that one of the things that makes the Tiwi Shire unique is that it does not have as many other service providers to deliver a multitude of functions. He said that the shire's turnover is a little over \$20 million, of which \$19 million is contracted through specific purpose grants.

He added that the discretionary (government) funding of \$1.6 million had declined since the previous year's \$2.4 million and is ultimately expected to drop to \$800,000 over the next three years. It is thought the funding was declining because of the smaller size of the population, that the population is not as widely dispersed as other shires' communities and that the Tiwi Islands are not as remote as other shires.<sup>93</sup>

Mr Hudson outlined the Shire's concern with DHLGRS' questioning of a reorganised management structure that was developed to help the Shire to save money. He said that DHLGRS was arguing for another senior financial manager's position which the Shire believes is unnecessary and cannot be sustained on current funding, let alone in future years.<sup>94</sup>

In response to questioning from the CTC about DHLGRS' lack of acceptance of the reorganised management structure that would save \$320,000, Mr Hudson commented that he believed the Shire Council has a poor image with some people in the department which is also illustrated by the commissioning of an independent investigation into the Shire Council.<sup>95</sup>

### **Recommendation 9**

**The CTC recommends that the Northern Territory Government permit shires to develop an organisation structure without requiring approval from the government.**

Using the special purpose grant for the childcare centre at Nguiu as an example, Mr Hudson said that the shire is not getting enough money to cover all administration costs to run the associated programs, but is developing the cases to negotiate fairer administration costs components of special purpose grants.

Our childcare centre at Nguiu receives \$550 000 for its operation and is contributing only \$5000 in administrative costs. That is a negotiable situation for us; to go back to them to do what we have to do to do it properly, and we cannot just arbitrarily go back and say 10, 15 or 25%. We need to go back and say we are prepared to swing wages that represents a proportion of our costs (inaudible). These are the insurances; some of the insurances are bolstered by the requirements specifically to do with child care, so they will need to meet the lion's share of those costs. It really needs to be done properly, and it has not been done; it has not been done within the budget, and it has not been done within our administration. That is what we are doing at the moment, to make sure that all of the grant funding programs which have been funded to run at a surplus, in actual fact should run to meet exactly

<sup>92</sup> See Appendix B for details of the hearing and witnesses.

<sup>93</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.1-3.

<sup>94</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.4-6.

<sup>95</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.7, 10-11, 13.

the costs they are providing, and contribute properly to council's operating costs.<sup>96</sup>

Mr Hudson also described the anticipated loss of \$800,000 in Community Development Employment Projects (CDEP) matching fund at the end of this financial year, which will ultimately mean the loss of about half of the linked 60 full-time jobs.<sup>97</sup>

In addition to decreasing funding, Mr Hudson said that the shire has the added problem of paying rent, under the terms of the township leasing arrangements, of more than \$120,000 each year.<sup>98</sup> He described the problems with lease arrangements organised through the Office of Township Leasing (OTL).

...We are being asked to pay \$1600 a year for vacant blocks of land with the proviso that once we build on them they will be \$3500 per year. Now, that is \$70 a week which has to come out of the rent of each house. And this is only Nguuu.

What we have is, we have a mix of commercial rates of rent, we have some based on unimproved capital value, and then we have some others which are in between and fairly arbitrary. Our discussions with the department have been along the lines that we believe this sets a precedent a lot of the shires will not be very happy with, and if we do not want to set the precedent, and we have been working and talking to them about trying to standardise the approach.

... The anomaly comes in, when we asked them a question, if we are paying commercial rent, does that mean that they are going to pay the insurance and major repairs, and they said no. If they said yes, we will pay the insurance, and they would maintain the buildings, we would be financially better off, but they want to have their cake and eat it too. I think if we were in any other circumstances and we were leasing the building, yes, we would have to pay rent for it, but we would get the same expectations as any other tenant. We would expect the site of maintenance to be undertaken by the landlord, and we would expect the landlord would cover the costs of insuring the building, we would only insure the contents.<sup>99</sup>

Mr Hudson also discussed problems with the IT system the shire is required to use under CouncilBiz arrangements. As raised by other shire representatives in the CTC's initial hearings, the Tiwi Shire Council was concerned about the cost of the IT services and the lack of a helpdesk facility.<sup>100</sup>

The Tiwi Shire Council has a housing maintenance program, some of which is sub-contracted to BIHA, but which also directly employs contractors and a number of young local people in apprenticeships and traineeships.<sup>101</sup>

Mr Maurice Rioli, Director, commented on 'a revolving door of CEOs and finance managers', along with the local government reform that have made it a very difficult time for the Shire Council. He added:

<sup>96</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.6-7.

<sup>97</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.8.

<sup>98</sup> Mr Hudson said that the shire has been advised of that amount in relation to Nguuu only, but are expecting similar rates in other affected communities. LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.9.

<sup>99</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.9.

<sup>100</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.12. See also CTC, *First Report*, February 2010, pp.28-31.

<sup>101</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.14.

We are going to be struggling if we do not work together with the government and other bodies to make sure we have a local government, and we have the funding that can deliver these services. It is something I believe we need to work together as a team and as a unit.<sup>102</sup>

Mr Marius Puruntatameri said that he believed the important thing was that how government departments deal with Indigenous issues had to change.

You will first have to acknowledge that the government has a problem, you have to first acknowledge that, get past that and then, hey, lets consult the Indigenous people on what is needed to be changed ... Now things are starting to happen, which is good, it is optimistic in going forward. That needs to be developed in a positive way, and more of that needs to happen.<sup>103</sup>

He proposed a memorandum of understanding (MOU) or shared responsibility agreement that allows Indigenous communities to control their own affairs and gets away from the 'power play' between the shire and department.<sup>104</sup>

### Tiwi Land Council

Representatives of the Tiwi Land Council spoke to the CTC about the role of the Land Council in relation to SIHIP, local government and *Working Future*. Mr John Hicks, Secretary Tiwi Land Council, said that the land council worked with community local government and through various sub-committees sought responsibility for health and more recently education, establishing the Tiwi Education Board.<sup>105</sup>

He said the landowners want capable and efficient local government because the hopes for their lives on the Tiwi Islands cannot be achieved without effective local government that is properly funded. Members of the Land Council wanted to raise with the CTC their concerns about the funding and support for local government, particularly in relation to roads, communications and infrastructure.<sup>106</sup>

Mr Brian Clancy, Development Risk Manager, said that as a result of the township lease, there are 90 new houses being built in Nguuu, compared to six years prior to the lease, just six houses. With the additional government employee and shire housing, he said there would be a total of about 150 new houses, which will change the town completely. Mr Clancy described a negotiation period of two years, with 48 meetings to agree on the 99-year township lease, signed in September 2007.<sup>107</sup>

The CTC raised concerns about the sub-leasing arrangements and the cost of the market rental being imposed on organisations for sub-leases and asked if the Land Council is involved in the sub-lease discussions. Mr Hicks said the OTL provides regular briefings about how and why the market rates have been established. He said the Land Council was aware that the store has the most significant sub-lease cost of \$450,000 per annum, which is based on its position and revenue opportunities.<sup>108</sup>

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<sup>102</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.15.

<sup>103</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.15-6.

<sup>104</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.17.

<sup>105</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.19-20.

<sup>106</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.20.

<sup>107</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.20.

<sup>108</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.21-3.

Mr Hicks clarified that the land owners in the communities of Milikapati, Pirlangimpi, and Ranku are currently in negotiation with the OTL on township leases. It was noted that the Tiwi people have a long history of being familiar with leasing arrangements having participated in ventures such as forestry, aquaculture and fishing lodges. Land owners are also considering Darwin developers' interest in land development on the south coast of Melville Island. Mr Hicks said that he thought it will depend on what level of infrastructure the government is able to facilitate.<sup>109</sup>

The CTC asked about the progress of developing Tiwi College. Mr Clancy said that the plan to work with the government to establish a Tiwi strategic education board that would cover all Tiwi schools was proceeding, and that the government was very supportive. He added that the Catholic Education office is more wary, but that it was progressing and it is hoped to have it finalised by the end of the year.<sup>110</sup>

The CTC asked for the Land Council's views of the strategies under *Working Future* and in particular about homelands or outstations. Mr Robert Tipungwuti asked about the funding of outstations and specifically raised the example of Ranku which receives inadequate funding to provide essential services like power and water for a full year. The Shire Council has spent the last of the funding for Ranku on fuel, however could not continue to fund the outstation as the shire has done in the past, because of its own reduced funding.<sup>111</sup>

It was explained that this was an example of the Shire's financial problems but also because the proportion of the total outstation funding distributed to the Tiwi Islands has not changed in over 10 years. The effect for Nguuu is that once the fuel runs out at Ranku and there is no power, people will move to Nguuu. As the additional housing has not been built, there will be increased pressure to house over 100 people in Nguuu. The CTC noted that there is a problem with adequate funding for the Shire which needs to be sorted out to ensure it can fulfil its responsibilities.

CTC member and Member for Arafura, Ms Marion Scrymgour, contacted the Indigenous Essential Services group at the PWC to follow up on previous efforts to fix the water and power issues at Ranku.<sup>112</sup>

Mr Marius Puruntatameri, Tiwi Education Board and past Chairman of the Land Council, asked the CTC why Ranku was still considered an outstation when there are 200 people registered as living there. He added that Nguuu is expanding but there must be some way to assess when outstations should become communities. The CTC undertook to follow up when an outstation becomes a community and the responsibility for delivery of power to outstations.<sup>113</sup>

Mr Puruntatameri raised with the CTC his idea to amalgamate all the local organisations on the Tiwi Islands into one body, or a one-stop-shop, that government departments can deal with. CTC members agreed that more information was needed about the idea and that they would need to be assured that there was popular support for the idea and that it could be shown that such an organisation would improve things.<sup>114</sup>

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<sup>109</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.22-4.

<sup>110</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.24-5.

<sup>111</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.26-30.

<sup>112</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.26-30.

<sup>113</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.28-30.

<sup>114</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.31.

### BIHA

The CTC wanted to understand how the various groups' involvement in housing in Nguiu worked on the ground and sought information on BIHA's role. Mr Ian Ritchie, the newly appointed Manager of BIHA said that the housing association is a Tiwi business controlled by an executive committee and he was employed as a manager to run the association. The Association gets its income from housing maintenance contracts (from the Shire) and some new house and renovation construction (from Territory Alliance, Tiwi Enterprises and IBA).

BIHA employs 10 Tiwi people as trade assistants, casual labourers, carpenters and a carpenter supervisor and about 14 contractors who all work in Nguiu. All funding for BIHA comes from contracts and it does not receive any government grants.<sup>115</sup>

In response to CTC questions, Mr Ritchie said he thought things would work better if all work goes to the Shire Council which then distributes work to available contractors and BIHA. He said the way it is at the moment there are times BIHA is asked to do work that has already been done. BIHA has recently received occupational health and safety accreditation so that it can now tender for work over \$3.5 million.<sup>116</sup>

The CTC asked about BIHA's capacity to perhaps build a display house for sale as one way to increase housing options in Nguiu. Mr Ritchie said that he had thought about it as he has worked in the sector in Queensland. He added though that he knew what people are used to paying in rent in Nguiu and what prices they would have to pay for a private house, so was unsure how much interest there would be in buying display houses.<sup>117</sup>

### DHLGRS

Mr Matthew Fagan, Executive Director, Service Delivery Coordination Unit (SDCU) in DHLGRS, spoke to the CTC about the role of the SDCU in implementing *Working Future* and the Remote Services Delivery National Partnership Agreement.<sup>118</sup> As part of its role in *Working Future*, the unit provides secretariat and research functions for the Northern Territory Coordinator-General for Remote Services. The unit also coordinates leasing on Aboriginal land and manages the leasing of Northern Territory Government infrastructure and participates in township leasing and section 19 site-specific leasing.<sup>119</sup>

The CTC asked about the risk of leaving Aboriginal people behind because of the size of the changes in government policies, especially in *Working Future*. Mr Fagan said that while he agreed that changes had not been well implemented over the past few years, he believed the development of local implementation plans for each Territory growth town and remote service delivery site will help to keep people informed.

One of the central purposes of the local implementation plan is to draw together all the bits in the puzzle into an agreement with government that local people own, and by which local people can hold government accountable. So it is to draw in all parts of service delivery - in this way SIHIP is part of the housing 'building block' of the plan. Local government is part of the planning process, remote policing is part of it. All the work going on around community engagement in terms of

<sup>115</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.32-4.

<sup>116</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.34-5.

<sup>117</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.37.

<sup>118</sup> See the CTC's *First Report*, pp.4, 10-2, for more information on the link between the National Partnership Agreement and *Working Future*.

<sup>119</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.39.

community safety and alcohol management planning is part of it. It is a reality there are literally hundreds of existing plans that have been run by individual agencies with communities that are sitting on shelves gathering dust because either they have not been done in full consultation with the communities or, once they have been done, have not been implemented in consultation with the community. That is what we are trying to address.<sup>120</sup>

Mr Fagan said that in Nguiu a community reference group was being established and was expected to meet for the first time later in February. Each of the growth towns will have a community reference group which are modelled on the local governments' local board process.<sup>121</sup>

The municipal and essential services audit is part of a process of baseline mapping of education, health, justice and municipal and essential services that FaHCSIA has contracted a private company to conduct. The information from the audit will be collated in partnership between the SDCU and FaHCSIA and used to inform each local implementation plan.<sup>122</sup>

The CTC asked about what was to be used as the comparator for the services and standards need to be developed in growth towns. Mr Fagan said that the Northern Territory Government negotiated with FaHCSIA to add a range of national standards to the comparators previously identified by FaHCSIA.

In terms of things like power, water, sewerage and roads, it is a fair thing to look at comparatives in other remote communities - as I said, for want of a better term non-Indigenous remote communities - and look at the standard that exists there and the standard that currently exists in many of our remote towns. Essentially, a road is a road and we should be able to maintain certain standards.<sup>123</sup>

The CTC raised the frustration being expressed in some remote communities with seemingly unending audits and lack of actual change. Mr Fagan said that while he understood people's concerns, his unit's role is to build an evidence base to allow local implementation plans to determine how to get from the baseline to the agreed standard. It was planned to have the baseline mapping completed in April this year and information will be publicly available.<sup>124</sup>

Mr Fagan said the local implementation plans are to be agreed between, at the very least, the Australian and Northern Territory Governments and relevant shire. Local governments' involvement is integral to reaching agreed local implementation plans. What is being asked for is community place-based planning and service delivery, rather than as in the past, government departments determining a program and delivering it.<sup>125</sup>

The CTC raised some of the shires' issues with funding discussed at this and earlier meetings and asked Mr Fagan about the role of local government in growth towns. One of the roles of the SDCU is to improve how services are being delivered and if there any issues that are blocking achieving that the unit will take up the matter. Mr Fagan said that the unit has been asked by both Coordinators General to address the issue of local government funding. He added:

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<sup>120</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.40.

<sup>121</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.40.

<sup>122</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.41.

<sup>123</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.41-2.

<sup>124</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.42-3.

<sup>125</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.44.

I think a Local Implementation Plan, signed off by the Federal Government and the Territory Government, is an excellent vehicle for the shires to put that view around their funding and have it addressed in one form or another, and we would be happy to help them pursue that.<sup>126</sup>

Mr Fagan said he agreed with the view expressed by one shire that local government has been left out of the national partnership agreements and implementation plans, which is contrary to the rhetoric about a single government interface. The unit has tried to involve shire councils and involve people in baseline mapping. The Local Government Association of the Northern Territory (LGANT) is on the remote services delivery board of management in addition to a representative of the Chief Executives. Mr Fagan acknowledged the process has improved since first started.<sup>127</sup>

Mr Fagan said FaHCSIA and the SDCU have moved to joint management arrangements for the role of Government Business Managers in communities, however they are still employed by FaHCSIA.<sup>128</sup>

## Findings

### SIHIP

As discussed in its first report, the CTC is particularly concerned about the limited cost rationale applied following the SIHIP review to refurbishing houses to a functional level. At Nguiu members saw first hand the affect of this policy in one house where it will mean it not being returned to a healthy living standard. To rely on \$7,000 per house annual funding paid to shires for housing maintenance to remedy such a glaring flaw as a permeable floor surface in a 'refurbished' house is unacceptable. It is also believed to be outside the parameters for the housing maintenance funding to shires.

The CTC has previously recommended that refurbishments should be allowed to be delivered to the originally promised standard. The Council believes the post SIHIP review standard of housing refurbishment will continue to embarrass Governments because they are below the promised standard.

### **Recommendation 10**

**The CTC recommends that refurbishment of housing include all work to return houses to functional houses that allow for healthy living, including the ability to keep houses clean.**

### Local government funding

The CTC shares the Tiwi Islands Shire Council and other Tiwi Islands' organisations' concerns about the decreasing local government funding for the shire council to deliver its services. It notes the comments made by Mr Fagan in relation to the role of Territory growth towns' local implementation plans to put local governments in a strong position to seek appropriate funding.

The CTC has already recommended that the Northern Territory Government increases establishment funding that was provided to new shires to take account of the unexpected costs from ShiresBiz. Government's response to that

<sup>126</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.45.

<sup>127</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, pp.46-7.

<sup>128</sup> LANT, CTC, 'Transcript of Proceedings', 2 February 2010, p.47.

recommendation will inform the CTC's responses about the level of local government funding to some shires, including the Tiwi Island Shire Council.

*Working Future*

The CTC will seek a copy of final baseline mapping audit document, due to be completed in April and continue to seek regular updates on progress in the development of and agreement to local implementation plans for the growth towns. It is noted that the next Coordinator-General's report is due within the next few months, which will augment continued briefings from DHLGRS representatives responsible for *Working Future* implementation.

The Tiwi Land Council members raised concerns about outstation funding and asked when and how outstations become communities. The CTC recalls the NT Coordinator-General asking a similar question himself during his briefing of the CTC. Answers to these questions will be further pursued in future hearings and briefings.

## 6. WADEYE

The CTC travelled to Wadeye on 4 February 2010 for site visits of SIHIP construction and the Eni Onshore Gas Plant, and to hold a public hearing to assess first hand what is happening on the ground in the community in relation to the CTC's three priority areas.<sup>129</sup>

CTC members and staff were met by Mr Brian Hughey of New Future Alliance for a site visit of SIHIP construction. The Alliance contract was for 105 new houses and started in October 2009 by stock-piling sufficient materials to see through the wet. Construction work commenced in December and the timeframe was to be completed by December 2011.

The Alliance was also undertaking 77 refurbishments and 28 rebuilds. All their construction is post-SIHIP review and therefore is unaffected by any change in standard. New Future Alliance contracted Thamarrurr Development Corporation (TDC) to build 7 houses and was negotiating for it to build another 50.

New Future Alliance was building about 50/50 tilt-up panel and steel frame houses and possibly some that will be combinations of the two designs. The houses' projected lifetime is about 40 years.

As there is some salt intrusion because Wadeye is close to the coast, houses are built on raised pads. The steel frame houses are cheaper to build with base plates sealed so any interior water cannot initiate rust of the structure.

Refurbishments were explained as being work to make the house functional and made safe, e.g. plumbing and electrical fittings. A rebuild was explained as a total strip out of the existing interior and rebuilding the house.

The Alliance is also undertaking six refurbishments at Palumpa. The Alliance representatives said that each community has its own budget, and the idea was to do as many refurbishments as the budget allows.

### **Steel frame house**

The steel frame houses were built on raised concrete pads, of steel studding 400 cm apart, two noggings, with 10 mm walls of compressed fibre cement panelling which cannot be punched through. Where the walls join, they were double studded and then screwed into the base and top. The houses were 130 square metres, three bedrooms with each bedroom separately lockable. There were two toilets and the yards were to be landscaped. The louvres were aluminium.

Concrete panels were made in the workshop and then lifted and welded into place. Electricity conduits and plumbing are dropped through the panels prior to fixing and no services come through the floor. Using this system a house can be put up in one day.

The Alliance had poured 11 concrete slabs and they were expecting to have 16 poured by the end of the wet. They had two houses finished, a third started and two houses ready in the panel shop which were expected to put up within the following

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<sup>129</sup> The site visit information is taken from notes of the CTC's Secretariat staff. The public hearing information is drawn from the hearing's transcript.

week. Another house was to be built by end of February. By the end of following week they expected to have 16 houses started and were ahead of schedule.<sup>130</sup>

The wet was holding up very little as they did what they could, when they could. The panel workshop was under cover, so they could have panels ready to go. Once the panels were in place they could then work inside the houses.

The Alliance had about 30 workers, 4 supervisors and a couple of engineers in Wadeye. It has an agreement with TDC to build management and supervision capacity with a view to TDC being self-sustaining in two years. TDC were encouraging a very strong work ethic that people need to come to work every day to continue to have jobs.

Trainees were already in place and the Alliance had a trainer employed to work with all employees. Most contractors working on housing were sub-contractors of TDC.

### **Partially completed concrete panel, tilt-up house**

The house was a three-bedroom, tilt-up exterior and steel frame interior. TDC would like to build more of this combination as it will enable building more than the currently agreed 105 houses for the same price. The Alliance is looking at moving to tilt-up frame exterior and steel frame inside.

The house was engineer-certified at the most extreme cyclone rating, however it was unclear if houses in Wadeye are building board approved.

The Alliance representatives said they understood Territory Housing follows a tenancy management process prior to people moving into housing. Tenants are required to pay \$400 bond to Territory Housing before moving into the houses. Territory Housing also undertakes property management checks prior to hand-over.

### **Completed concrete house**

Mr Ryan Fraser, TDC Manager, joined the Council at this house, which TDC constructed.

The walls were 100mm thick walls with cast steel plates on corners and base which were fully welded in place at all plates. There are 22 panels in a house with all panels able to be erected in a day. The ceiling was 75 mm polystyrene enclosed refrigerant panelling. The house had been built for wheelchair access to all rooms.

The houses were built to code, with verandahs on each end and additional awnings on windows they were noticeably cool, with good airflow. It has six star thermal rating. The Alliance intended to extend the partial concrete verandah at the front of the house to full length in future houses.

### **Concrete plant/ panel workshop**

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<sup>130</sup> The February Remote Housing update announced that on 8 February two houses were handed over at Wadeye, one a steel frame and the other a precast concrete, manufactured onsite, and six houses has been refurbished at Palumpa. Australian Government and Northern Territory Government, 'New houses for two families at Wadeye', *Remote Housing NT*, February 2010, [http://www.housing.nt.gov.au/data/assets/pdf\\_file/0007/92437/enews\\_Feb\\_LA.02.03.2010.pdf](http://www.housing.nt.gov.au/data/assets/pdf_file/0007/92437/enews_Feb_LA.02.03.2010.pdf), accessed 15 March 2010.

The concrete plant is a new fully automated system that can be moved to other locations. Enough crushed metal and cement were brought from Darwin prior to the wet and stockpiled to last until the dry. In addition, the Alliance had three cement agitator trucks.

The Alliance representative said that the concrete panel factory has four to six Indigenous employees who are extremely diligent and better at paying close attention to detail than the non-Indigenous workers. Worker safety is heavily encouraged and there was an occupational, health and safety officer worker onsite.

An Alliance representative provided a detailed briefing on the construction of the panels and the Council was able to see the various stages of the panel construction, including completed panels showing where and how plumbing and electrical work is undertaken, when in place.

### **Public Hearing**

Following the Council meeting representatives of Eni for a briefing on the gas project and a tour of the onshore gas plant site near Wadeye, the CTC returned to conduct a public hearing.

#### Northern Land Council

Representatives of the Northern Land Council (NLC) spoke to the CTC about matters related to SIHIP, local government reform and *Working Future*, however most discussion was around township leasing arrangements under *Working Future*.

Mr Kim Hill, Chief Executive Officer NLC, said the NLC committed to facilitate SIHIP leases for housing, under the previous Australian Government, in nine major communities in 2007: Wadeye, Maningrida, Gunbalanya, Millingimbi, Galiwinku, Gapuwiyak, Yirrkala, Numbulwar and Ngukurr. The NLC's processing of these leases has been ahead of schedule, with only two remaining, in Numbulwar and Yirrkala, to finalise in 2010.<sup>131</sup>

On local government reform, Mr Hill said:

...traditional owners have expressed a sense of disempowerment from the roll-out of the shires. This is due to the inherent sense of ownership of the previous community government council ...There is a strong view amongst traditional owners that the shires have assumed significant control over service delivery, which has reduced Aboriginal autonomy...In addition, there were widely held concerns the shires may end up in a position of competing with local Aboriginal organisations for commercial contracts.<sup>132</sup>

He added that the NLC was discussing with LGANT and northern shires, the potential for entering into a MOU to clarify and consolidate the roles of the respective organisations in relation to land tenure, service delivery and community engagement. Shires have begun to talk to the NLC about entering into section 19 land use agreements for roads, parks, ovals and other infrastructure.<sup>133</sup>

On *Working Future*, Mr Hill said that the NLC supports the 20 growth towns in principle, but remains cautious of the effect of the policy on homelands. Mr Hill was

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<sup>131</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.2.

<sup>132</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.3.

<sup>133</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.3.

concerned that despite there being growing evidence of the health benefits of homeland living, which adds weight to their ongoing support, there is little detail about ongoing funding of homelands, or other *Working Future* strategies, like improved transport. Mr Hill provided the example of the cost of bush taxis charging homeland residents up to \$500 to travel about 100 kilometres to Nhulunbuy.<sup>134</sup>

The CTC asked Mr Hill if the NLC has discussed the acquisition of, or a 99-year lease over, the road corridors to governments to enable public access to the roads. Mr Syd Stirling, Senior Policy Officer, said that discussions had taken place over the past 12 months to carry out a social impact study along the length of the central Arnhem road that runs across Aboriginal Land Trust land. Initial findings suggest that traditional owners are not willing to give up ownership of the road corridor across their country, but it may be possible to examine a lease-type arrangement that allows for some control over their countries. The preliminary report has been given to government.<sup>135</sup>

Mr Hill noted that as part of the consultations for SIHIP leases only two traditional owner groups expressed interest in looking at a township lease. The NLC is in discussion with the Australian Government about an offer to communities and traditional owners who do not want to provide township leases to voluntarily extend the Northern Territory Emergency Response (NTER), compulsory five-year leases. Under this offer, the Australian Government would pay compensation to the different traditional owners for communities' extended leases. The Valuer-General was determining what compensation should be paid.<sup>136</sup>

Mr Hill told the CTC that the NLC was undertaking a major review of the process around section 19, particularly economic development opportunities, and will brief the CTC about the new process which was planned to be in place before June. It was hoped that the new process would give increased transparency to someone seeking a lease and increase the uptake of small businesses.<sup>137</sup>

### TDC

Mr Phil Mitchell, Manager Thamarrurr Incorporated, briefed the Council on the TDC, a local commercial company that is owned by the local community and is run as a commercial operation. It supports Thamarrurr Incorporated which is a representative group of all 22 clans in the Thamarrurr region and acts as a conduit between groups and to consult with the right people so that things can happen on the ground.<sup>138</sup>

In response to CTC questions about SIHIP, Mr Mitchell said initially TDC had a positive feeling about the program because 105 houses would be built and people were involved in choosing housing designs through the Housing Reference Group. However, when they were told the chosen plans would cost too much and a smaller design was needed and that a house could be a one-bedroom duplex, people were not happy, because it didn't appear the initial promises and people's expectations for improved housing would be met.<sup>139</sup>

Mr John Berto, Chief Executive Officer, TDC, said there are 12 local Indigenous men working as trade assistants and it was planned that as the program becomes

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<sup>134</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, pp.3-4.

<sup>135</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, pp.4-5.

<sup>136</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.7-9.

<sup>137</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.10.

<sup>138</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.15.

<sup>139</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.15.

established, additional men would be needed. As apprenticeships are too difficult, local people were being trained in Certificate II level in general construction with about four of the ten people trained, in jobs. To go any higher in certificate levels a higher degree of literacy and numeracy is needed that would make it inaccessible for most local people.<sup>140</sup>

The CTC asked Mr Berto, as the sub-contractor on the SIHIP housing, if he thought the cost of construction was about \$450,000. Mr Berto said he thought it must be much lower because the TDC has been established for some time and there is a lot of cost that can be cut by already being in Wadeye.

Mr Brian Hughey, of New Future Alliance, said the object was to spend the whole budget allocation in each location. If there are savings made in one part of the program, they will be returned to the housing program to be spent on another part of the program. Mr Berto said that once the efficiencies start to occur in the production line, he thought the average cost of the houses would be \$350,000.<sup>141</sup> Mr Hughey clarified for the CTC that the additional \$150,000 needs to be spent on infrastructure and deliver services to support the house, and there is also the additional cost of the GST and yard works.<sup>142</sup>

Mr Hughey further clarified that if there is insufficient money within the SIHIP budget which has been allocated already for houses, then the infrastructure money will be sourced from alternative funding. The only infrastructure that would be funded from the SIHIP budget is for infrastructure and services within a house's boundary. Infrastructure like roads, subdivisions and headworks are funded from an alternate source.<sup>143</sup>

Mr Berto and Mr Mitchell agreed the three entities, Thamarrurr Incorporated, TDC and the Victoria Daly Shire Council work well together. Mr Berto described the local resistance to the local government amalgamations, saying that a submission went to government that the community between Wadeye and Daly River made a total of 4600 people and wanted a stand alone shire. This was sought because they are all the same people and all relate to Darwin, not Katherine, where the main shire office now is. He said four of five elected members are in Wadeye. Mr Berto added that the service from the Katherine office is lacking but reiterated that the local shire office service is great.<sup>144</sup>

The CTC asked Mr Berto about traditional owners' sense of disempowerment because of the local government changes and how that is manifested in the communities. Mr Berto said:

This community has a vision, it has long-term, short-term, medium- and long-term plans, it is just that it is not getting the support that it needs from local government and, at times, the land council. That is just the general feel around a lot of places, where land councils struggle for resources themselves, and for them to queue up with the demands of,

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<sup>140</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.17.

<sup>141</sup> The CTC noted that '...the cost of 105 houses at \$350 000 each is \$36.75m, leaving a difference between the original budget of \$48.7m of \$11.95m. If you continue to construct houses at \$350 000 per unit there will be a capacity to build another 34 houses.' LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.19.

<sup>142</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, pp.17-20.

<sup>143</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.19.

<sup>144</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, pp.20-1.

even SIHIP, who are required to obtain a lot of section 19 leases, puts a lot of pressure on the land council too.<sup>145</sup>

Mr Mitchell said that there are a range of priority issues that Thamarrurr Incorporated wants to address and that improving school attendance was one of the major ones being concentrated on. Some of the other issues include:

- Funding support for Thamarrurr Incorporated;
- Road safety measures like a traffic plan, speed bumps etc in the community;
- An upgraded road between Daly River and Wadeye and a sealed road between Wadeye and Palumpa;
- Roads sealed in Wadeye;
- Youth program, school holiday program;
- Income management changes so that people can see the balance on their Basics card; and
- A public bus service.<sup>146</sup>

#### Our Lady of the Sacred Heart School (OLSH)

The CTC commented on the number of school-aged children apparently not in school as the site visits were being undertaken and asked Mr Shayne Kidd, Principal of OLSH what strategies are being tried to get children to school. Mr Kidd said that they have in place attendance vehicles with men from different family groups going to homes to try to get children to school. The men try to let the parents know how important school is, however the reality is that children will actively run away from the buses and parents will call their children back and not put them on the bus.<sup>147</sup>

Mr Chris Pollard, Education Consultant, Indigenous Catholic Community Schools and Deputy Principal at OLSH last year, said that day's attendance figures, of 408 children in primary and secondary and 39 in preschool were very good, given the heavy rain in the morning. He said the official census figure in August last year was 424 in total out of 640 enrolments.<sup>148</sup>

The CTC asked if there were any plans to think about enforcing the truancy provisions of the *Education Act* to encourage parents to send children. Mr Pollard said it has been discussed but it remains unclear what would work in the community and queried how effective issuing a fine to parents who don't have disposable income would be. Mr Kidd said from experience of working in another community that sometimes families have an attitude that people only go to school because that is what the 'whitefella' teacher says. He thought that fining parents reinforces that attitude.<sup>149</sup>

<sup>145</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.22.

<sup>146</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, pp.23-4.

<sup>147</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.26. This has also been recently raised in the media: L. Hall, 'Parents 'stopping kids going to school' at Wadeye', *The Weekend Australian*, 13 March 2010, <http://www.theaustralian.com.au/news/nation/parents-stopping-kids-going-to-school-at-wadeye>, accessed 16 March 2010.

<sup>148</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.26. A recent report says that in 2009, 890 children in the Wadeye region were of school age; in 2008, 874 were enrolled at school of whom two-thirds were regular attendees; 240 attended intermittently and 122 attended 151 days out of a total of 189 school days: J. Taylor, *Demography as Destiny: Schooling, Work and Aboriginal Population Change at Wadeye*, Centre for Aboriginal Economic Policy Research Working Paper 64/2010, pp.12,28-9, <http://www.anu.edu.au/caepr>, accessed 26 March 2010.

<sup>149</sup> LANT, CTC, 'Transcript of Proceedings', 4 February 2010, p.26. The Australian Government has recently suspended welfare payments of parents of children not attending school. Wadeye is included in the government's trial for linking welfare payments to school enrolment and attendance: D. Harrison, 'First welfare penalties for truancy', *Sydney Morning Herald*, 29 March 2010,

## Findings

### SIHIP

The CTC notes Mr Berto's assessment that it will cost TDC less than the anticipated \$450,000 to build the three bedroom houses and also Mr Hughey's comments about the additional costs that need to be considered. However, there appears there will be some level of savings due to using an already established, local building company. The CTC therefore expects to see an increase in the either the number of houses built and/ or the houses refurbished.

### Working Future

A number of comments made by the NLC and TDC are relevant to the implementation of *Working Future*. In addition, the ongoing concerns about school attendance at Wadeye, has implications for the broader priorities inherent in the Government's strategies.

Comment was received that traditional owners were feeling disempowered by the changes to local government. This, together with repeated comments about the perceived lack of involvement of shires in *Working Future* and national partnership agreements that include their responsibilities, need to be addressed.

Other issues raised during this hearing that the CTC will inquire into in future hearings include:

- The continued lack of information about outstations funding and responsibility for essential services;
- Progress in negotiating publicly-accessible land tenure for road corridors;
- Township leasing arrangements and the impact of the slowness of this, if not agreed; and
- Progress in agreeing on alternate leasing arrangements, at the moment the extended 5-year compulsory leases.

As part of its work program for the next few months, the CTC is planning to speak again to a number of shires and as stated earlier, will continue to monitor coordinator-generals' reports for *Working Future* and associated NPA progress.

## 7. GROOTE EYLANDT

CTC members travelled to Groote Eylandt on the morning of 10 March 2010 for two days of community tours, site visits and hearings at Angurugu, Umbakumba and a hearing at Alyangula. Due to a failure of the For the Record (FTR) recording system, it was not possible to produce a transcript of the hearings on Groote Eylandt. For this reason, this chapter provides information drawn from the CTC staff's handwritten notes.<sup>150</sup>

Since the CTC's Groote Eylandt visit the Australian and Northern Territory Housing Ministers jointly announced that Earth Connect's SIHIP operations would cease. Territory Alliance has been appointed to undertake the remaining Earth Connect contract work.<sup>151</sup>

### Angurugu

At Angurugu, Mr Andrew Schroth and Mr Brendan Ostwald of Earth Connect Alliance took the Council on a tour of SIHIP houses. The Council inspected a partially completed, three-bedroom, pre-SIHIP review house, a partially completed block-work duplex and a refurbished house nearing completion.

As a house designed and scope of works agreed prior to the SIHIP review changes in August 2009, the three bedroom house had large, 'multi-purpose' rooms, in a slightly elevated style that is preferred by the Alyangula community. The house was one of 18 houses to be built on Groote Eylandt and was expected to be ready for hand-over in May.

In response to CTC questions about laminated timber floor joists, Mr Schroth said that a bad batch had been identified, examined and replaced by the manufacturers at no cost. The joists were chosen instead of hardwood which was not available within the required timeframe.

The 'Little Children are Sacred' report<sup>152</sup> recommendation for consideration of the concept of cluster housing has been incorporated into the designs of houses. The houses looked at by the CTC at Angurugu had two toilets with one outside that people can use without necessarily having to access a house's interior.

Three block-work duplexes (counted as six houses) were under construction. The concrete floors were supplied and laid by local contractors, Aminmarrinja Enterprises, and the blocks made in Darwin and delivered by barge to Angurugu. The duplexes had two toilets and two showers in each house and were all wheel-chair accessible.

The house undergoing refurbishment was an elevated three bedroom house which was having all new plumbing fitted, electrical work checked and made safe and a new bathroom and kitchen. The house was newly painted internally which was

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<sup>150</sup> The Council's visit to Angurugu and Umbakumba was partially featured in the ABC's *Stateline* program on 12 March 2010. Australian Broadcasting Commission (ABC), *Stateline*, 12 March 2010, <http://www.abc.net.au/news/video/2010/03/12/2844779.htm>, accessed 15 March 2010.

<sup>151</sup> Northern Territory Government, 'New SIHIP arrangements on Groote Eylandt', *Media Release*, 18 March 2010, <http://newsroom.nt.gov.au/index.cfm?fuseaction=viewRelease&id=6683&d=5>, accessed 18 March 2010.

<sup>152</sup> NTG, *Ampe Akelyernemane Meke Mekarle "Little Children are Sacred"*, Report of the Board of Inquiry into the Protection of Aboriginal Children from Sexual Abuse, 2007, [http://www.inquirysaac.nt.gov.au/pdf/bipacsa\\_final\\_report.pdf](http://www.inquirysaac.nt.gov.au/pdf/bipacsa_final_report.pdf), accessed 29 March 2010.

undertaken by local Indigenous workers employed through Aminmarrinja and paid at hourly rates.

Following the site visit, the CTC conducted a public hearing where Mr Gordon Walsh, the Shire Services Manager and Mr Jabani Lalara, Angurugu Community Liaison Officer for East Arnhem Shire spoke about a range of local government matters. Some of these included:

- Local government services – the shire is slowly improving services but it needs additional funding to keep providing all the agency services expected and needed.
- Housing - the shire office needs a person to undertake housing, which it is currently running with fortnightly visits from Territory Housing.
- CDEP - 10 people remain on 'grandfather' provisions under CDEP and 130 people have moved to real jobs.
- Roads – The Groote Eylandt Mining Company (GEMCO) care for the highway, the shire looks after community roads and the Northern Territory Government has responsibility for interconnecting roads. There are ongoing problems identifying network roads and who has responsibility. There is talk about partnering with GEMCO to care for local roads. The Angurugu to Umbakumba road is to be sealed.
- Local government advisory board – Mr Lalara is a member of the Board who said that the Anandilyakwa Land Council (ALC) and the board provide advice to the shire.
- Night patrol – the community safety plan is an overall plan for community well-being, rather than just the usual functions of a night patrol.
- Rubbish removal – this is being achieved through persistence, targeting particular areas and ongoing education.
- SIHIP reference group – the housing reference group advised on all housing work in Angurugu.

The CTC Chairman, Mr Gerry Wood, congratulated the Angurugu community on the improvements made and the changed atmosphere in the community. Mr Lalara said that he believed it was due to people now having jobs and the community being 'dry'.

However, he said marijuana use or 'gunja' was still a significant problem, but the community was encouraging employment and the need to pass tests to continue to work, as an incentive to stop substance use. People are also encouraged to work and stay at work or they do not get a house.

When asked about interest in home ownership, Mr Lalara said it was something for the future as people weren't sure about buying houses. He had concerns for people paying off loans and about what happens if people want to live elsewhere. Although wages are better, not everyone can think about a loan. He agreed that it is a choice for people.

Mr Lalara said that a lot of people living at Angurugu are from other places like Nhulunbuy, Numbulwar and Ngukurr. He said he is a traditional owner on the mainland and is with the Northern Land Council, but is a custodian at Angurugu. He raised concerns about the signing of the Regional Partnership Agreement (RPA) by the correct traditional owners at Angurugu.<sup>153</sup>

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<sup>153</sup> The Groote Eylandt Regional Partnership Agreement Stage 2 (RPA) is an expansion of an earlier agreement signed in May 2008 between the Commonwealth, the Northern Territory Government and the Anindilyakwa Land Council. The RPA Stage 2 is between the three parties of the first agreement, in

## Umbakumba

Mr Andrew Schroth and Mr Brendan Ostwald (Earth Connect Alliance) showed the Council the new subdivision prepared for six new houses. Headworks were also being planned for the next subdivision on adjacent land. CTC members viewed a block-work house which was one of six, pre-review agreed houses. All of the houses were to have yardworks, including fences, landscaping, driveways and bin enclosures.

The houses had concrete ground-level slabs constructed by Aminmarrinja and block-work walls with perspex louvres and crim-safe-type screening. The community wanted exterior cooking facilities and the agreed design had two outdoor cooking facilities, in addition to an internal kitchen. The inspected house had three large bedrooms and verandah spaces on two sides. Mr Schroth said the house was 200 square metres.

The house was noticeably cool which was explained as being the result of the siting of the house, use of louvres and the ceiling material, Bondor, which is re Fridgeration panelling.

After the site visit, the CTC held a public hearing at the shire office where local issues were discussed with community representatives.<sup>154</sup>

People were asked about the three CTC priority areas of SIHIP, local government and *Working Future* and discussion ranged over local government services, community safety, education, employment and housing. Mr Royston Prasad, the Government Business Manager (GBM), provided details of his role in community development and in passing on messages about what the community wants of governments. He said he had been in Umbakumba for eight months and was to go to Tennant Creek in the next couple of weeks.

Under the RPA, Umbakumba is a growth town. Progress with the action areas in the RPA were described as:

- Teacher housing is being constructed;
- A new clinic is being built;
- The road to Angurugu is to be sealed;
- SIHIP housing construction is underway with workers getting certificate training which will mean they will be able to work in housing maintenance in the future; and
- There is increased student attendance at the school which will help to see more teachers come to Umbakumba.

On local government, people told the CTC that they think the East Arnhem Shire works well as it involves all people on the local advisory board and that everyone has

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addition to the East Arnhem Shire Council and GEMCO and was signed on 10 November 2009. Much of the Stage 1 agreement remains in effect and is incorporated in the Stage 2 agreement. The RPA is consistent with the Northern Territory's Bilateral Implementation Plan for the National Partnership Agreement on Remote Service Delivery, and provides the implementation framework for remote service delivery in Angurugu and Umbakumba ('priority' communities under the NPA). Schedule B of the RPA sets out Stage 2 projects and Schedule C sets out how SIHIP will be implemented at Groote Eylandt and Bickerton Island. For more information see Agreements, Treaties and Negotiated Settlements Project, *Groote Eylandt Regional Partnership Agreement (NPA)*,

<http://www.atns.net.au/agreement.asp?EntityID=4617>, accessed 4 March 2010, and Anindilyakwa Land Council, *Ayakwa*, November 2009 Issue 02, <http://www.anindilyakwa.com.au/publications.html>, accessed 4 March 2010.

<sup>154</sup> See Appendix B for details of the hearing and witnesses.

to agree. The Shire's elected members include one member from Umbakumba and two from Angurugu and there are nine people on the local government advisory board. Some of discussion points at the hearing included:

- Local government services – no services get enough funding.
- Night patrol – is now more a community policing role and it also helps young men returning from jail to adjust back into the community.
- Housing - a valuation has been done following the first application to buy a house;
- SIHIP – all of the community had a say in the SIHIP houses and they have been told the number of houses to be built. There are currently about 60 houses with 5 to 14 people in each house. The siting of lots was been done through the ALC and town planning;
- Education – this is a big priority, about 120 children are enrolled at the school with about 100 turning up daily. The women encourage attendance by driving around the community with a bus to pick up children. Children who attend school receive a pass to the sport and recreation facilities that operate from 2.30 to 6.30 each afternoon;
- Employment – this is a growth area with 180 people registered for work at the Groote Eylandt Bickerton Island Enterprises (GEBIE) Job Shop. There are concerns about what happens when SIHIP finishes and there are less jobs. The reality is the community needs housing as part of creating employment because for those with criminal records most jobs are closed to them. The community shop and building or maintenance work are the few jobs that those with criminal records can do.

After the completion of the public hearing the CTC and staff travelled by road to Alyangula where they stayed overnight.

### **Alyangula**

The hearing commenced with the CTC hearing from representatives of the ALC.<sup>155</sup> Discussion centred on the strategies and decision to make Groote Eylandt 'dry', the negotiation of the RPA Stage 2 and education. Mr Amagula, Chairman, said that it had taken more than three years to deal with the 'grog' problem, but now only mining employees are allowed to drink alcohol. He described the ALC's motivation in the RPA and associated strategies as an investment for the future and their children and that the ALC wants to concentrate on the future. Discussion points included:

- The GEMCO lease is for another 15 years. The ALC has talked and thought a lot about life after GEMCO as it is the economical mainstay of Groote Eylandt. The ALC has started a future fund, but GEMCO's leaving would leave a big gap.
- There are more than 60 projects under the RPA and the ALC is holding the government accountable for the promises made. There are meetings four times a year and they have to report on progress.
- A combination of funding from the Department of Education Employment and Workplace Relations (DEEWR) and GEBIE undertook an education review which delivered a report, 'New Responsibilities New Future', and the establishment of an education taskforce.
- There is a lot of work that needs to be done to develop tourism. Currently the ALC has contracted Metro Hotels to run the Dugong Resort. It is recognised

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<sup>155</sup> See Appendix B for the details of the hearing and witnesses.

that while the resort is full at the moment with government workers, Groote Eylandt's isolation and the cost of getting there are problems. They were discussing with Vincent Aviation the idea of developing weekend packages to the resort.

- There is no petrol sniffing as all fuel is Opel, but there is a significant 'gunja' problem with one estimation of 60 per cent of people aged over 16 using it.<sup>156</sup> The 'no grog' policy is very strictly enforced by GEMCO and others. There is a lot of liaison with Police about marijuana. The ALC want Police in Angurugu and Umbakumba and it has been agreed to have temporary Police stations with 4 shifts a week at Angurugu and 3 at Umbakumba. The ALC also wanted the Police to use sniffer dogs more in the communities.
- There are 12 women of 26 people on the land council and these and other women in the communities were driving change.
- There are a number of strategies being talked about to improve enrolments at schools and also there had been discussion with Centrelink about possible sanctions for not sending children to school.

Mr Preece, Chief Executive Officer, ALC, said the ALC was dismayed with the original rollout of SIHIP and that was why Schedule C was included in the RPA to 'lock-in' the ALC's relationship in Stage 2 SIHIP. He believes it is now working better and stressed that there is a lot of capacity on Groote Eylandt with people wanting to be involved and local building teams used. The ALC has ideas for the next 54 houses and wanted greater involvement through GEBIE as a sub-contractor and to become an alliance partner.

Mr Dean Niesler, Manager, GEBIE Workshop, explained that there were initial problems with SIHIP scoping which caused a lot of uncertainty, but that has now been worked through and the scoping is much more professional and can be trusted. He said there is a continuing issue with nowhere for people to go while their house is renovated as there are only two transition houses. This means only two houses can be refurbished at a time. There are 18 houses to be refurbished at Angurugu.

After a short break, the CTC re-commenced the hearing with Mr Andrew Schroth (Earth Connect) participating. Mr Schroth outlined Earth Connect's role and contract to build 26 new houses (6 in Umbakumba, 2 in Milyakburra and 18 in Angurugu), 25 rebuilds and 50 refurbishments. The Alliance was also working through existing houses and determining needs as it was planned to do as many refurbishments as funding allowed. As part of the post-review SIHIP changes and the RPA, Earth Connect was negotiating for the contract for 54 houses to be built as part of a sub-alliance with the ALC.

Mr Schroth said design and quality test assurances identified the problem with the laminated timber floor joists which were replaced and the reason it occurred rectified. This all occurred with no cost to the Alliance or governments. There is a life long 'fit for purpose' warranty on the product which will be provided to the Northern Territory Government as part of the housing handover. The quality testing process means that any construction issues are identified and rectified.

All construction materials are brought to Groote Eylandt by Perkins' barge which means there is 30 per cent extra cost to get materials to Groote Eylandt.

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<sup>156</sup> A recent newspaper article describes marijuana use on Groote as an 'epidemic'. N. Rothwell, 'Groote a study in self control', *The Australian*, 3 April 2010, <http://www.theaustralian.com.au/news/features/groote-a-study-in-self-control/story-e6frg6z6-1225848389828>, accessed 6 April 2010.

Construction uses local sand and gravel, but cement is \$1,000 a metre compared to \$200 a metre in Darwin.

Responding to questions about the price of pre-review houses visited, Mr Schroth said the prices were commercial-in-confidence. Mr Schroth was asked to provide Earth Connect's contract price for Stage 1.

Mr Schroth agreed it was fair to say that what was a refurbishment is now a rebuild and refurbishments are just restoring functionality. One of the other differences with post-review houses is that they will be smaller, with houses expected to be within the range of 130 to 180 square metres, whereas pre-review houses were 200 square metres and over.

Earth Connect Alliance had about 23 per cent local Indigenous employment (of a total workforce of 60) which was a combination of Earth Connect, GEBIE and Aminmarrinja employees. Earth Connect had begun employing six or seven Indigenous employees itself. The idea was to build capacity in local Indigenous enterprises and to sub-contract work to them.

## Findings

### Working Future

The CTC was impressed with the steps trying to be taken through the RPA to address issues in relation to school attendance, local employment, roads and tackling substance abuse. It wonders if the RPA's implementation is, in effect, a local implementation plan under *Working Future*. If this is so, it means Angurugu and Umbakumba may be the first growth towns to have a local implementation plan.

The CTC notes the ALC Deputy Chairman's reported concerns about slow progress and quality of SIHIP construction and the impact of that on maintaining community support for the 99-year lease and RPA.<sup>157</sup>

### SIHIP

The CTC has a number of concerns about the termination of Earth Connect's contract, due to what the CTC understands was governments' belief there were flaws in Earth Connect's systems. The CTC is concerned that there was a desire to shed alliances from the delivery of SIHIP construction. The CTC considers this adds to its already expressed concerns about the alliance model delivering no better outcomes than previous construction models.

The CTC visited Groote Eylandt to inform itself about SIHIP construction progress and was confronted by several issues. Prior to the visit, there were several suggestions that Earth Connect Alliance had delivered substandard work. Whilst the CTC do not have building expertise, it was satisfied that the work appeared to be of an acceptable standard. The CTC notes that where there was a requirement for remedial work, Earth Connect had done more than would be considered reasonable to address minor issues.

The major concern about the laminated floor joists was that they were made of a laminate product that had failed at the point of manufacture. The joists have a 40-year manufacturer's guarantee and therefore it is clear that the manufacturer has accepted liability for the product. The failure of the product was beyond the control of Earth Connect.

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<sup>157</sup> Rothwell, 'Groote a study in self control'.

While investigating what has occurred, it became clear that Earth Connect was under time pressures driven by the Australian and Northern Territory Governments. The CTC is mindful that the delays were caused by the demands of both Governments which meant the program was delivered late and at great cost, and were therefore not the responsibility of Earth Connect.

The CTC is concerned that replacing Earth Connect will further delay housing construction and refurbishments and exacerbate overcrowding and associated issues on Groote Eylandt.

**Recommendation 11**

**The CTC recommends that both Governments publicly acknowledge their shortcomings in implementing SIHIP.**

**Recommendation 12**

**In the interests of transparency and accountability, the CTC recommends both Governments establish independent building supervision and certification as part of SIHIP works.**

**Recommendation 13**

**The CTC recommends that the Northern Territory Government provide a report detailing monies paid to Earth Connect and work undertaken up to the termination of its contract.**

**Recommendation 14**

**The CTC recommends that detailed costs for the remainder of the work allocated to Earth Connect be provided to ensure Territory Alliance has sufficient funds to complete this work.**

## APPENDICES

**APPENDIX A****COUNCIL OF TERRITORY CO-OPERATION****TERMS OF REFERENCE**

- (1) That the Legislative Assembly establish a Sessional Committee to be known as 'The Council of Territory Co-Operation';

**Purpose of the committee**

- (1) That the committee facilitate:
- (a) greater levels of collaboration in the governance of the Northern Territory;
  - (b) enhance parliamentary democracy by providing a strong role for members of the Legislative Assembly who are not members of the executive government, particularly on matters of common concern;
  - (c) expand involvement in important Northern Territory initiatives and projects;
  - (d) provide new avenues for Territorians to have input through the Legislative Assembly into the government of the Northern Territory; and
  - (e) provide a road map for tackling some specific issues currently facing the Territory.
- (2) The committee consist of up to six members including two government members, two opposition members and at least one independent member to be appointed by a subsequent resolution and that unless otherwise ordered, Mr Wood be appointed Chairman of the committee.

**Duties of the committee**

- (3) That the committee inquire into, consider, make recommendations and report to the Assembly from time to time on the following matters of public importance:
- (a) the strategic indigenous housing and infrastructure program (SIHIP);
  - (b) local government reform;
  - (c) the planning scheme and the establishment of Weddell;
  - (d) a working future (including homelands policy);
  - (e) any other matter of public importance referred to it by the Legislative Assembly; and

- (f) any matter of public importance concerned with the administration of matters of which ministers of the Territory have executive authority pursuant to the provisions of the *Northern Territory (Self-Government) Act* and Regulations (Commonwealth).
- (4) That the provisions of paragraph (4) have effect notwithstanding the terms of reference of other Assembly committees.
- (5) That the committee determine appropriate timeframes and work plans and the priority for consideration of matters referred to it;
- (6) That, notwithstanding paragraph (4) above, the committee report to the assembly as soon as possible after 30 June each year on its activities during the preceding financial year;
- (7) That in the event of an equality of voting, the member chairing the committee shall have a casting vote;
- (8) That the committee have power to appoint subcommittees and to refer to any such subcommittee any matter which the committee is empowered to examine.
- (9) That three members of the committee constitute a quorum of the committee and two members of a subcommittee constitute a quorum of the subcommittee.
- (10) That the committee or any subcommittee have power to send for persons, papers and records, to adjourn from place to place, to meet and transact business in public or private session and to sit during any adjournment of the Assembly.
- (11) That the committee shall be empowered to print from day to day such papers and evidence as may be ordered by it and, unless otherwise ordered by the committee, a daily *Hansard* shall be published of such proceedings of the committee as take place in public.
- (12) That the committee have leave to report from time to time and any member of the committee has power to add a protest or dissent to any report.
- (13) That any report tabled by the committee which recommends action by the government, shall within three months from the date of tabling of such report generate an information paper in response to the report and that the Assembly has the capacity to take note of the response.
- (14) That unless otherwise ordered by the committee, all documents received by the committee during its inquiry shall remain in the custody of the Assembly provided that, on the application of a department or person, any document, if not likely to be further required, may, in the Speaker's discretion, be returned to the department or person from whom it was obtained.
- (15) That members of the public and representatives of the news media may attend and report any public sessions of the committee, unless otherwise ordered by the committee.

- (16) That the committee may authorise the broadcasting of public hearings of the committee under such rules as the Speaker considers appropriate.
- (17) That the committee shall be provided with all necessary staff, facilities and resources and shall be empowered, with the approval of the Speaker, to appoint persons with specialist knowledge for the purposes of the committee.
- (18) That the committee be empowered to consider the minutes of proceedings, evidence taken and records of committees established in previous Assemblies; and
- (19) That the foregoing provisions of this resolution, so far as they are inconsistent with Standing Orders, have effect notwithstanding anything contained in the Standing Orders.

**APPENDIX B****COUNCIL OF TERRITORY CO-OPERATION****LIST OF PUBLIC HEARINGS, BRIEFINGS AND WITNESSES****Darwin****Thursday 28 January 2010****Power and Water Corporation**

Mr Andrew Macrides, Managing Director  
Mr John Tarca, Manager Gas Supply  
Mr Gerald White, Chief Financial Officer  
Mr Kelvin Strange, General Counsel and Company Secretary  
Mr Mike Knowles, General Manager Strategy and Corporate Affairs  
Mr Ian Pratt, General Manager Generation

**Northern Territory Police**

Mr Grahame Kelly, Assistant Commissioner for Operations Service  
Mr Peter Gordon, Acting Commander in Charge Strategic Planning Command  
Mr Richard Mu, Strategic Planning Command

**Department of Justice**

Mr Greg Shanahan, Chief Executive Officer  
Mr Stephen Jackson, Director Research and Statistics

**Northern Territory Government**

Mr Bob Beadman, NT Coordinator-General for Remote Services

**Nguiu****Tuesday 2 February 2010****Tiwi Island Shire Council**

Mr Alan Hudson, Chief Executive Officer  
Mr Henry Dunn, Elected Member  
Mr Alan Hughes  
Mr Maurice Rioli, Director  
Mr Marius Puruntatameri, Elected Member

**Tiwi Land Council**

Mr John Hicks, Chief Executive and Secretary  
Mr Robert Tipungwuti, Chairman  
Mr Murruwiupi Gurrupuwu, Deputy Chair  
Mr Walter Kerinauia, Manager  
Mr Andrew Tipungwuti, Manager  
Mr Brian Clancy, Development Risk Manager  
Mr Cyril Kalippa OAM  
Mr Matthew Wonaeamirri  
Mr Walter Kerinauia Junior  
Mr Marius Puruntatameri, Tiwi Education Board Chair

**Bathurst Island Housing Association (BIHA)**

Mr Ian Ritchie, Manager

**Department of Housing, Local Government and Regional Services (DHLGRS)**

Mr Matthew Fagan, Executive Director Service Delivery Coordination Unit

**Wadeye****Thursday 4 February 2010****Northern Land Council**

Mr Kim Hill, Chief Executive Officer

Mr Ron Levy, Principal Legal Officer

Mr Syd Stirling, Senior Policy Officer

Ms Shanti Reilly, Solicitor

Mr Steven Shepherd, General Manager Corporation Services

Mr Patrick Briston, Field Officer Darwin/ Daly office

Mr Guy McLeod, Media Officer

**Thamarrurr Incorporated**

Mr John Berto, Chief Executive Officer

Mr Phil Mitchell, Manager

Mr Thaddeus Dartinga, Chairman

Mr Martin Mullumbuk

Mr Francis Kohumboort

**Our Lady of the Sacred Heart Thamarrurr Catholic School**

Mr Shayne Kidd, Principal

Mr Chris Pollard, Education Consultant Indigenous Catholic Community Schools

**Darwin****Wednesday 24 February 2010****Ingkerrke Outstations Resource Services**

**(This was a briefing without a publicly available transcript)**

Mr Scott McConnell

**Darwin****Wednesday 3 March 2010****Power and Water Corporation**

**(This was a closed briefing; evidence was given *in camera*)**

Mr Andrew Macrides, Managing Director

Mr Charles Staples, Gas Project Manager

**NT Gas**

Mr Stephen Ohi, Director NT Gas and Group Manager APA Group

Ms Wendy Oldham, General Manager  
Mr Kevin Stephens, Ward Keller, Legal Counsel NT Gas

**Inquiry into the Child Protection System**

Dr Howard Bath, Co-Chair  
Ms Kathleen Chong-Fong, Executive Officer

**Department of Housing, Local Government and Regional Services (DHLGRS)**

**(This was a closed briefing; evidence was given *in camera*)**

Mr Ken Davies, Chief Executive

**Angurugu**

**Wednesday 10 March 2010**

**East Arnhem Shire Council**

Mr Gordon Walsh, Shire Services Manager  
Mr Jabani Lalara, Community Liaison Officer  
Mr Jonathon Nunggunajarr, Local Board Member

**Umbakumba**

**Wednesday 10 March 2010**

**East Arnhem Shire Council**

Mr Kamahl Wilson, Shire Services Manager  
Mr Nesman Bara, Housing Manager  
Ms Danielle Wilson

**Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)**

Mr Royston Prasad, Government Business Manager

**Groote Eylandt Bickerton Island Enterprises (GEBIE)**

Ms Nadia Sinhovich, GEBIE Job Shop

**Alyangula**

**Thursday 11 March 2010**

**Anindilyakwa Land Council**

Mr Walter Amagula, Chairman  
Mr Richard Preece, Chief Executive  
Mr Joaz Wurramarra, Board Member and Liaison Officer

**GEBIE**

Mr Dean Niesler, Workshop Manager

**Earth Connect Alliance**

Mr Andrew Schroth, General Manager

**Darwin**

**Monday 22 March 2010**

**(This was a closed hearing; evidence was given *in camera*)**

**Department of Housing, Local Government and Regional Services (DHLGRS)**

Mr Andrew Kirkman, Executive Director SIHIP

**Australian Government Department of Families, Housing, Community Services  
and Indigenous Affairs (FaHCSIA)**

Mr Ian Boyson, Executive Director, NT Housing

**APPENDIX C**

**COUNCIL OF TERRITORY CO-OPERATION**  
**EXPENDITURE TO 31 MARCH 2010**

	<b>Actual Expenditure \$</b>
Total Salaries	48,815*
Accommodation	1,626
Communications	9,332
Consumables/ General Expenses	28
Document Production	87
Entertainment/ Hospitality	2,627
Information Technology Charges	2,969
IT Hardware and Software Expenses	9
Marketing and Promotion	5,621
Motor Vehicle Expenses	987
Official Duty Fares	6,003
Office Requisites & Stationery	73
Other Equipment Expenses	1,999
Training and Study Expenses	1,351
Travelling Allowance	248
Total Operational Expenses	32,961
<b>Total Salaries and Operational Expenses</b>	<b>81,776</b>
Committee Members Travel	21,592
<b>TOTAL EXPENSES</b>	<b>103,368</b>

\*NOTE: The total salaries figure includes \$21,000 to employ casual Hansard transcription staff up to 4 February 2010.

## APPENDIX D

## TABLED PAPERS AND QUESTIONS ON NOTICE

## REGISTER OF TABLED PAPERS

Number	Title	Tabled by
<b>Tabled:</b>	<b><i>Darwin 28 January 2010</i></b>	
TP8/1	Statement from Power and Water Corporation	Mr Andrew Macrides, Manager Director, Power and Water Corporation
TP8/2	Unique Offences Within a Reported Incident, Offences Against the Person, NT, Extract from <i>NT Police, Fire and Emergency Services Annual Report 2007-2008</i> , page 109.	Mr Stephen Jackson, Director Research and Statistics, Department of Justice
TP8/3	Unique Offences Within a Reported Incident, Offences Against the Person, NT, Extract from <i>NT Police, Fire and Emergency Services Annual Report 2007-2008</i> , page 126.	Mr Stephen Jackson, Director Research and Statistics, Department of Justice
TP8/4	Offences Committed Upon Victims Within a Reported Incident, Offences Against the Person, NT, Extract from <i>NT Police, Fire and Emergency Services Annual Report 2007-2008</i> , page 110.	Mr Stephen Jackson, Director Research and Statistics, Department of Justice
TP8/5	Domestic Violence Related Assaults, PROMIS extract 20091101.	Assistant Commissioner Graham Kelly, Operations Service, NT Police
<b>Tabled:</b>	<b><i>Nguiu 2 February 2010</i></b>	
TP9/1	Territory Alliance – New Housing Designs – All Top End Packages	Mr Alan McGill, Manager, Territory Alliance
TP9/2	Income Statement by Action Year Ending – 31 December 2009	Mr Alan Hudson, Chief Executive Officer, Tiwi Islands Shire Council
TP9/3	CT Alliance Assurance and Consulting Services – Attachment A Tiwi Island Shire Council Investigation into Administration Issues Final Report 2, December 2009	Mr Alan Hudson, Chief Executive Officer, Tiwi Islands Shire Council
<b>Tabled:</b>	<b><i>Wadeye 4 February 2010</i></b>	
TP10/1	<i>Northern Land Council Annual Report 2008-2009</i>	Mr Kim Hill, Chief Executive Officer, Northern Land Council
TP10/2	Thamarrurr Community Issues – a strategic plan will be developed around these issues and presented to the Government as a matter of priority	Mr Phil Mitchell, Manager, Thamarrurr Development Corporation
TP10/3	Thamarrurr Development Corporation Portfolio	Mr Phil Mitchell, Manager, Thamarrurr Development Corporation
<b>Tabled:</b>	<b><i>Darwin 3 March 2010</i></b>	

TP14/1	Weddell Power Station – Gas Supply Incident 23 November 2009	Ms Wendy Oldham, General Manager, NT Gas
TP14/2	Inquiry into the Child Protection System, in the Northern Territory 2010, Board of Inquiry	Dr Howard Bath, Inquiry Co-Chair
TP14/3	Inquiry into the Child Protection System, in the Northern Territory 2010, Making Submissions to the Inquiry	Dr Howard Bath, Inquiry Co-Chair
<b>Tabled:</b>	<b><i>Alyangula 11 March 2010</i></b>	
TP17/1	Regional Partnership Agreement Stage 2	Mr Walter Amagula, Chair, Anindilyakwa Land Council
TP17/2	Regional Partnership Agreement Stage 2 – Information Paper	Mr Walter Amagula, Chair, Anindilyakwa Land Council

**REGISTER OF QUESTIONS ON NOTICE**

<b>Date</b>	<b>Witness</b>	<b>Information to be provided</b>	<b>Number</b>	<b>Response date</b>
<b>28.01.10 Darwin</b>	Mr Andrew Macrides, Power and Water Corporation (PWC)	What are all the service arrangements which PWC have to supply the 72 Indigenous communities in the NT?	IP8/1/1	To be part of a separate briefing yet to be scheduled
	Assistant Commissioner Graham Kelly, NT Police	Please provide the results of the information given to Police from the latest AC Nielson survey on perceptions on safety.	IP8/2/1	18.02.10
		What is the number of domestic violence related cases in the last 4 years (raw data)?	IP8/2/2	18.02.10
		What is the number of family violence victims in the last 4 years (raw data)?	IP8/2/3	18.02.10
		Please provide a copy of the DUMA annual report on the prison.	IP8/2/4	18.02.10
<b>02.02.10 Nguiu</b>	Mr Ian Ritchie, Bathurst Island Housing Association (BIHA)	Advise the cost and style of houses built by BIHA.	IP9/3/1	Reminder sent 10.02.10
	Mr Matthew Fagan, Executive Director, Service Delivery Coordination Unit (SDCU)	Provide a matrix of services the SDCU provides.	IP9/4/1	22.02.10
<b>04.02.10 Wadeye</b>	Mr Shayne Kidd, Principal, Our Lady of the Sacred Heart	Number of enrolments currently and in 2009 and average number attending in 2009.	IP10/3/1	11.02.10
<b>03.03.10 Darwin</b>	Ms Wendy Oldham, General Manager NT Gas	A comparison of off-specification and specification gas.	IP14/2/1	09.04.10
		When and what advice was given to PWC.	IP14/2/2	09.04.10
<b>11.03.10 Alyangula</b>	Mr Richard Preece, Anindilyakwa Land Council	To ascertain what information can be provided from the minutes of the RPA establishment meeting and advise.	IP17/1/1	
<b>22.03.10 Darwin</b>	Mr Andrew Kirkman, Executive Director SIHIP	What has been spent by the Earth Connect Alliance to date?	IP18/1/1	22.03.10
		What work has been completed to date?	IP18/1/2	22.03.10
		What is the total budget and housing targets?	IP18/1/3	22.03.10
		Provide an updated matrix of SIHIP	IP18/1/4	22.04.10