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Budget 2017–18 – Challenges

Mr HIGGINS to TREASURER

It will take a generation or more to pay the massive \$5.5bn debt that will be accumulated by 2020–21. By the end of this term of government total borrowings will exceed revenues by more than \$1.5bn, meaning we will be broke. What is your plan to save the Territory from the looming budget black hole that you have created? If conditions worsen, how will you possibly be able to rescue the Territory when the cupboard is bare and the Manison Mastercard is over its limit?

ANSWER

Madam Speaker, Budget 2017–18 could not be any clearer about how we plan to manage the challenges ahead. We will support and create jobs for Territorians today, tomorrow and into the future. This is a job-creating budget. It responds to the challenges facing Territorians. We know we have a slowing economy, and we are dealing with population growth and the issues associated with that.

We hear from businesses every day about challenges. We have heard from key industry groups about their concerns. Today the Leader of the Opposition expressed his concerns about the slowing economy and the issues facing businesses and jobs. We are doing exactly what Territorians have asked us to do, which is to invest in jobs, support jobs and, most importantly, create and grow jobs for the future. That is what Budget 2017–18 is all about.

Facing the financial challenges we have now—the slowing economy, population growth, the GST cut—we could have gone about resolving them two different ways. We could have taken an axe to the budget and slashed thousands of jobs and services to Territorians, killed business confidence and sent the economy backwards; or we could choose to invest in the future of the Northern Territory by creating jobs and growing the economy, which is what we are doing in Budget 2017.

We have a record infrastructure spend. We are investing in job-creating infrastructure. We are investing in infrastructure that will open more opportunities for economic development in the Northern Territory. Look at the roads and transport infrastructure budget; \$733m will assist major private investment and help provide better transport routes across the Northern Territory. This money will open up better access to key projects, communities and areas of the Northern Territory.

This budget is about investing in and supporting jobs, as well as investing in the right infrastructure that will further grow and create jobs in the Northern Territory. It is the right thing to do right now. This is about building a better future for the Northern Territory. The best way to manage the economic challenges is to grow and create jobs for the future.

Budget 2017–18 – Jobs

Mrs FINOCCHIARO to CHIEF MINISTER

By 2020–21 our interest repayments per year will hit \$393.2m. That is at least two Palmerston hospitals every year. The Manison Mastercard bill will cost Territorians \$1.1m every day. Net debt will burden every man, woman and child in the Northern Territory to the tune of \$22 449, blowing out to \$30 000 when our credit rating is downgraded.

Where is your plan to pay off the debt, and how long will Territorians have to wait until the government is back in the black?

ANSWER

Madam Speaker, today the CLP have outlined their plan for Territorians. Their plan is to cut jobs. It is clear from the budget we have delivered that we are intent on creating jobs for Territorians. We are investing in job-creating infrastructure, while at the same time applying historic levels of constraint to recurrent spending at 0.1%.

The CLP's plan is to cut jobs for Territorians. Obviously, since the brutalisation they received at the election, they have not been talking or listening to Territorians, which is a shame. We need an opposition which will genuinely engage with Territorians. The evidence and statistics show that the Territory and Territorians are hurting. We are in difficult economic times. If you have a conversation with Territorians, people and businesses who are doing it tough, you will hear the personal stories behind those numbers.

You will hear about Territorians who are looking for a job to pay for the roof over their head and put food on their table.

The CLP is ignoring the evidence, data and stories of real Territorians and choosing a plan to cut jobs in the Territory. We said, as a government, we will put Territorians first. That is what we have done. We recognise the economic challenges the Territory faces now, and we will create jobs for Territorians against a long-term plan to diversify and broaden the economic base in the Northern Territory—for Darwin, Alice Springs, Tennant Creek, Katherine and remote regions. It is a plan for all Territorians because we are a government for all Territorians.

This is the work that was not done last term. Over four years the CLP did not put in a plan for now. They did not do the hard work early on, despite knowing what would happen at this time of the economic cycle. They did not do the hard yards. They left it to this government and this budget to do the hard work for Territorians, to put them first and create jobs for them.

You failed the test. You broke the trust of Territorians and spent too much time arguing amongst yourselves. There is a cost to chaos and Territorians have been paying for it.

What we have done is put Territorians first in this budget and invest in what we know, through the extensive economic summits process we had across the Territory, will create jobs for Territorians in all parts of the Territory. We will put Territorians first.

Mrs FINOCCHIARO: A point of order, Madam Speaker! Standing Order 110: relevance. It was a very specific question: where is this Chief Minister's plan to pay back these unprecedented levels of debt?

Mr GUNNER: Madam Speaker, it is very clear in the budget paper that there is a declining deficit. We are in conversation with the federal government right now about the GST. It has done a review into the GST. The CLP want to ignore this, but the budget papers show the clear impact of the GST cuts on the Territory budget.

We are creating jobs in the Northern Territory. We have a plan to create jobs and the CLP has a plan to cut them.

Madam SPEAKER: Chief Minister, your time has expired.

Budget 2017–18 – Challenges

Mr HIGGINS to TREASURER

In 2020–21 the Territory's borrowings are projected to reach approximately \$7.5bn, with revenue stagnating at around \$6bn. If the Northern Territory was in business it would be insolvent. How can Territorians have trust that your government knows what it is doing? How will you plug the massive budget black hole?

ANSWER

Madam Speaker, this is a budget that is stepping up to support Territorians at a time when they need it. We are facing some very unprecedented conditions. We have never seen a GST cut of this magnitude; that has a deep impact on the Territory budget. We have constrained government recurrent expenditure to the point that it is at its lowest of all time, at 0.1%. That will be a tough challenge for the public sector going forward, but it is important to show the right internal discipline going forward, given these financial challenges.

We have made sure we are investing in as much job-creating infrastructure as possible in this budget because this is what it is all about; how do you support Territorians when things are tough, the economy is slowing and the population is going backwards? What is the plan to go forward to further grow the economy and create jobs? You invest in that job-creating infrastructure. That is what we are doing. We are opening up more economic development opportunities and looking to attract more private sector investment in the Northern Territory.

As I have said before, had it not been for this unprecedented GST cut we would have been on a pathway to returning the budget to surplus. We have done the heavy lifting and displayed the discipline needed in government, but we are also there to support jobs at a time when they are most needed in the Northern

Territory. We have had some very strong feedback with regard to our investments and decisions in the budget.

We will grow and build the economy. We have been working with Territorians and key sectors, some of our best business brains in the Territory, through our economic summits—plotting forward the path for the Northern Territory. We have some fantastic projects on the horizon for the Northern Territory, both publicly and privately funded. There is some great potential.

To reach our full potential in the Northern Territory and make the most of every opportunity, we have to be geared up with a skilled workforce. If there are no jobs then we lose those people interstate, and then we are not ready for the big opportunities that will come to the Northern Territory; it will happen. We are here to support Territorians and jobs at a time when it is most needed. We are here to ensure the Territory is poised for the economic opportunities ahead. That is exactly what Budget 2017–18 delivers.

Budget 2017–18 – Jobs

Mrs FINOCCHIARO to CHIEF MINISTER

Chief Minister, your budget leaves Territorians with \$1m a day in interest repayments; you cannot hide from that. How many nurses, teachers and police could your government have recruited if not for your \$1m a day interest repayments? Tell Territorians how many jobs will not be created because of your deficit.

ANSWER

Madam Speaker, that is an incredible question. I will start with the 120 extra police we are employing that the CLP did not. The CLP went to the 2012 election promising 120 extra police and broke its promise to Territorians, which is quite extraordinary. We have put in place in the budget a four-year recruitment plan for those police. It was a broken promise from the CLP.

I thank the Deputy Leader of the Opposition for an opportunity to remind Territorians of the broken promises of the CLP. At one stage they took 500 teachers and staff out of education; we are putting those teachers back into the classrooms. Read the budget. We are honouring our promises to Territorians about police and teachers.

We have put in significant fixes to youth justice with 52 new youth justice officers. We are providing for Territorians and providing the services they need. We are honouring our promises to Territorians.

In this budget you will see us keep faith with Territorians, something that did not happen in the last four years of the CLP. They have not learned their lesson. They come into this Chamber, sittings after sittings, saying, 'Why won't you break your promises to Territorians? We think you should scrap your fracking moratorium and break your promises.' They have not yet learned their lesson.

We have a duty to keep our promises to Territorians and in this budget you will see that duty honoured—the 120 extra police officers and the money for teachers. We are honouring our promises to Territorians and investing in the services that keep them here.

A statistic you do not hear the CLP talk about—they want to pretend it does not exist—is the 0.3% population growth, which was an underpinning factor behind the \$2bn GST cut over four years. It is -0.3% for the year coming up, and 0.3% for the year after that. We have a significant issue when it comes to population in the Northern Territory.

We have said, as a Cabinet, we cannot make the cuts the CLP made to the services that look after Territorians. We cannot drive Territorians out of the Territory. The CLP wants to turn the lights off for a couple of years; 'Everyone just go away. In a couple of years when a big project comes up we will turn the lights back on. Maybe we will reopen the hospital.'

We do not agree with the CLP's plan to cut jobs in the Northern Territory or to turn the lights off. We have confidence in the Territory, in Territorians and in our bright future, and we will keep investing in them and putting them first. We utterly reject the CLP's plan to cut jobs and services in the NT and further damage our population. It runs a greater risk of losing more GST.

Madam SPEAKER: Chief Minister, your time has expired.

Budget 2017–18 – GST Revenue

Mr HIGGINS to TREASURER

You have continually claimed that this year's GST shortfall will be \$385m, a figure you used to get to your \$2bn. Page 55 of Budget Paper No 2 states:

In 2017–18, the Territory is expected to receive \$2909 million in GST revenue, a \$274 million decrease from the estimate ...

Given that the figure specified in your own budget paper matches the Commonwealth Grants Commission update report—and you are not only claiming shortfalls—who is telling the truth? Are you seriously unaware or just blatantly misleading Territorians? How can anyone trust your figures?

ANSWER

Madam Speaker, I thank the Leader of the Opposition for his question. It is a \$2bn cut. We looked through our mid-year report and you could see where the forecasts were tracking. Then we had the devastating news about relativity, and we saw it reduce from 5.3 to 4.7—and the devastating impact that would have on the Territory budget.

Forecasting is part of a normal budget process because you have to understand what money is coming in and what money is going out. We have lost around \$444m for 2018–19, \$549m for 2019–20 and \$581m for 2020–21. That was where our projected forecasts were going. That is a \$2bn loss to the Northern Territory going forward, and that is devastating to the Territory budget.

We have some challenges ahead in regard to the GST and the HFE review of the Productivity Commission into horizontal fiscal equalisation. I have some mixed feelings about that. On one hand I see an opportunity to work with the Productivity Commission and see what has happened in this situation—to see such a huge and dramatic fall when the Northern Territory was penalised in our relativity assessment in areas where we have the highest disadvantage in the country, which is what HFE is all about, raising those services so that all Australians have access to good levels of services.

We were penalised in the areas of remote education, health and housing. It is a complicated formula. We see an opportunity to work through that in the future. Big southern jurisdictions will try to strip money from the Northern Territory. We will fight and do everything we can to ensure that with HFE, and the processes around it, we get our fair share. It is critical that we do.

In the meantime we will continue to grow jobs and the economy, and to look at our own sources of revenue and how we can improve it. We never want to see ourselves in this situation again. This has had a deep and dramatic impact on the Northern Territory. We will work through this difficult period to further grow the Northern Territory.

Budget 2017–18 – Jobs

Mrs FINOCCHIARO to CHIEF MINISTER

Chief Minister, your budget claimed that government is sustaining 14 000 jobs by spending \$1.75bn in infrastructure works in 2017–18. Are you able to table the economic modelling and the basis to show how you work this number out?

ANSWER

It is more than that. This budget creates over 14 000 jobs in infrastructure and supports over 20 000 public servants in jobs, and more than that again, it supports people in the private sector and the NGO sector through our support of peak bodies like NTCOSS and others. This budget supports more than 14 000 jobs. It supports over 20 000 public servants and a significant number of hard-working Territorians in organisations like NTCOSS.

Grants also support service delivery organisations. This is a very important budget for jobs, and the CLP seems to have this puzzling view that investing in infrastructure does not create jobs. It does. It creates jobs in infrastructure and jobs through the multiplier effect as well. That is why we had such a strong focus on the infrastructure budget—\$1.75bn, a record amount in infrastructure—while at the same time

recognising the pressures we were under, from the GST cuts, to restrain the recurrent side of the spend to an historic restraint of 0.1%. It is about internal discipline and how we manage the budget on the recurrent spend while making sure we invest in infrastructure to create jobs for Territorians.

At the last sittings the CLP asked how many jobs had been created to date. The money we invested in the first part of government, before this budget, created or supported around 8000 jobs. This budget will create or support 14 000 in the infrastructure program, plus 20 000 public sector jobs, plus all those jobs that we create and support through the non-government grant sectors. Then you have the multipliers about what you are investing in. That was really important.

The purpose of the economic summit process working hand-in-hand with sectors across the Territory, up and down the track, was to make sure we were investing in things that we could say with confidence would unlock private sector investment. For example, the Tennant Creek common user facility for processing gold, a genuine job-creating idea that came from the summit process. Another example is the inland port in Katherine, the agribusiness hub.

It is not just about what our infrastructure program directly delivers. Investing in those things that we know will support and create broader private sector investment is part of our plan, done in consultation with the private sector. It was the most extensive consultation, I would say, that has been done in the Territory outside of elections—to make sure that we were creating jobs well beyond the 14 000, the 20 000 and what we create in the whole non-government sector. This is how you create jobs for Territorians, and I thank the Treasurer for the work she has done.

SUPPLEMENTARY QUESTION Budget 2017–18 – Jobs

Mrs FINOCCHIARO to CHIEF MINISTER

Since the Chief Minister did not answer my question, I will ask it again. Will you table the economic modelling which shows your infrastructure budget will create 14 000 jobs, or does it simply not exist? If you do not know the answer you can take it on notice.

ANSWER

Madam Speaker, I am happy to go one step further and provide people from my office, the departments, experienced private sector operators and people within the public sector to brief the opposition. It is in the budget books. Treasury has done the work. I will not just share it; I will brief you on it so you understand why infrastructure creates jobs.

I am more than happy to provide a briefing with the experts of the department. I will even get you in touch with people in the private sector who understand how this works so you know exactly how the 14 000 works. Treasury does not put the number in the budget unless it stacks up. There is a formula behind it. We are happy not just to provide it but to brief you on it and make sure you understand how investing in infrastructure creates jobs for Territorians.

I am more than happy to provide that briefing to the CLP. I think they need it since their plan right now is to cut jobs in the Territory. Maybe if they understood why infrastructure creates jobs they would change their plan.

Parks and Wildlife Sentence Appeal

Mr WOOD to MINISTER for ENVIRONMENT and NATURAL RESOURCES

Recently there was a case before the court regarding the seizure of 1300 animal parts. Your CEO is quoted in the *NT News* as saying:

We take these matters seriously, and will ensure that offenders are brought to justice.

In March the offender was given a suspended sentence which, according to the *NT News*:

... was described as “disappointing” by wildlife investigators, who are considering the possibility of an appeal.

Will you appeal?

ANSWER

Madam Speaker, this is really important. What we have seen sends a clear message that we value our parks and wildlife in the Northern Territory, and you will not get away with these types of offences and inappropriate behaviour. You will be caught. I commend Parks and Wildlife staff and Northern Territory Police for their swift action. I think we can all agree the extent of what we saw in that matter was horrific.

Sentencing is a matter for the courts. The appeal of a criminal matter or sentence rests with the Director of Public Prosecutions, and we are seeking advice on appealing. We will keep you updated on that, but it makes it difficult for me to comment further.

I commend those who work really hard to uphold that legislation every day and protect our wildlife and parks. We do not stand for that kind of behaviour or kind of offences in the Northern Territory. I will seek further advice and keep you up to date.

Independent Industry Advocate

Mr MILLS to CHIEF MINISTER

I have asked this question in each parliamentary session. It is in regard an update on improving the procurements system to ensure greater Buy Local outcomes. Yesterday an advocacy position was announced with a \$200 000 allocation. Will this position be located within government or within the ICN?

ANSWER

Madam Speaker, I thank the Member for Blain for his question. He has been very supportive of a more open, transparent and tough approach to Buy Local.

Stage one was extending 30% across all procurement. The direction the Treasurer has given to BWC, TGN and Jacana is to follow Buy Local principles, requiring NGOs and community groups receiving capital grants to abide by Buy Local principles as well. We have discussed this first stage before.

The second stage was changing 'value for money' to 'value for Territory' to drive the cultural change. That will lead to a big change—not just about the cheapest tender but having a real look at what delivers the best value for the Northern Territory.

This builds on what the Member for Blain is asking about. Stage one and two are good ways to strengthen the Buy Local plans and improve how we do business as a government. I believe, for the private sector to have confidence in how this works and for the public sector to know we have scrutiny, there will be an independent industry advocate. They will not be sitting with the ICN. They will be getting secretary support from the department. They will be independent; they can ask for audits and interrogate the public sector.

It is important they do not become owned by industry either. They are meant to be independent and have the ability to interrogate what government is doing. They will be on a board. There will be, essentially, three boards that will have different dealings with procurement. The advocate will be on the board with industry and with departments about the advice we get on procurement; however, the advocate will be independent and have those auditing powers.

The other thing we are doing, and this was a good question from industry—they see the \$200 000 and they get worried as to how can you operate under \$200 000. That is not the operational side of it. The advocate will have the capacity, like the Auditor-General does, to be able to invoice out those audits. It is not constrained by an operational budget; they will be able to work with departments, and when they need to look at something they can do so. There will be an invoice attached to that, just like how the Auditor-General works. We are going down a path of making sure there is independent oversight of what government does.

To answer the question as to whether it should sit with the ICN or not, I understand there are people in industry who would support that, but we think it should be independent so they have the capacity to investigate government.

Budget 2017–18 – Central Australia

Mrs LAMBLEY to TREASURER

In your budget you made some interesting decisions on projects you deferred in November. You cut the Maryvale Road from \$11.5m to \$5m, the Alcoota fossil project from \$4m to \$1.5m and the Alice Springs hospital storm rectification works from \$11.5m to \$3m. You also pushed back the iconic Indigenous art gallery and cultural centre to 2020.

Treasurer, what is in this budget for Central Australia apart from a youth detention centre, a women's shelter and an accommodation centre for kids on bail? What can Centralians get excited about?

ANSWER

There is strong investment in Central Australia in the budget, as there should be. It is a wonderful part of the Northern Territory with people who have pioneered the history of the NT, grown Central Australia and supported the region. They deserve investment and support.

We have some great projects in Alice Springs. We will be investing \$20m for the revitalisation of Alice Springs over this term. There will be work happening there, such as the fantastic Alcoota megafauna exhibition in the mall to help boost tourism experiences.

The women's shelter is being redeveloped. Sport and recreation facilities are being upgraded, including lights going up at Albrecht Oval, which will be fabulous. That is one of the most beautiful ovals in the Northern Territory and one of the greatest places to observe sport. There will be some great work happening there. We have investment going into all the schools through the \$300 000 upgrades. We will be investing in roads throughout the region.

The Plenty Highway investment is \$31.25m. There are about \$20m of works going into the Alice Springs hospital. There is the National Partnership Agreement on Remote Indigenous Housing and our \$1.1bn housing program. There is about \$53m worth of investment across Central Australia. There is no doubt that there is a great amount of work happening there.

We have further work happening at Acacia special needs school, continuing into this year as well. There is a range of infrastructure work happening to support people; however, it is not just about infrastructure. It is also about good services. One thing I am particularly pleased with is that we have managed to give some long-term ongoing support to the visitor park and Stuart Lodge, important places for short-term accommodation, to take the pressure off the town camps around Alice Springs.

We have a raft of work happening to support schools, with increased school budgets to support more staff.

Alice Springs is very important. We are committed to Alice Springs and Central Australia and the development there. We have some very strong advocates in this parliament who are always working to represent the best interests of Central Australia, and we look forward to continuing to work with you as well.

Madam SPEAKER: Minister, your time has expired.

Nhulunbuy – Cost of Living

Mr GUYULA to CHIEF MINISTER

Chief Minister, over the last few days your government has spoken about lowering the cost of living for people in Darwin. Even though Nhulunbuy is a private town the people who live there are part of the Northern Territory and pay taxes. Could you advise how the government is looking after this town as the mining operations wind down, especially given the high prices in rent, high council rates that are more than double Darwin's rates, high airfares, difficult road access and general remoteness?

ANSWER

Madam Speaker, I thank the member for the question. In regard to council rates, as someone who pays council rates myself, we always argue that all council rates are too high, but that is not something we set.

When it comes to housing in Nhulunbuy township there has been—and we are working with developing East Arnhem Land around this—a group of houses established to encourage business investment to create diversification, reduce reliance on the mine and try to create private sector investment. We, as a government, are looking at how we can better support housing in the region. The Minister for Housing has been speaking in recent days about what we are doing in Housing throughout the Territory, including near your country.

We have an investment in widening the seal at Milingimbi airstrip. The minister has been in consultation with local women at Galiwinku as we have an investment for a safe house there.

We are also working on—this goes back to the very start of your question about cost of living in remote areas of the Territory—reforming the pensioner concession scheme for seniors. People have gone to gaol over this scheme. In tightening it up we can have an opportunity to look at the fairness of the scheme. People remotely were not getting the same level of access to it, so how can we tighten the scheme up but also make it fairer in its distribution or access?

Money has been allocated in the budget for that and it will be worked on between now and 1 January. We are very much aware that remote seniors have not been getting the same access to that scheme. Those are some of the things we are working on when it comes to addressing the cost of living; I think that is an important one.

We are very aware of the importance of Nhulunbuy to the Northern Territory. We are working with the mine, and your—we will work with anybody to make sure we are addressing issues there. From the point of view of my department we have a very good person in place speaking with the private sector about investments, and there are some good ones emerging that we are trying to nurture and work with.

We are in their hands, to a degree, with what we can say on those projects when they are ready, but there are some very good, positive projects happening in your region that we are more than happy to work with you on.

Local Government Councils – Incorporation of Excluded Areas

Mr WOOD to MINISTER for ESSENTIAL SERVICES

For many years across many governments there have been areas of the NT permitted to be excluded from paying any local government rates because they are not part of the local government councils. These areas border Litchfield, Coomalie, Belyuen and Wagait councils. Minister, when will the government make a decision over the incorporation of these areas into local government?

ANSWER

Madam Speaker, I thank the member for the question—a passionate advocate for local government across the Northern Territory for many years. Since late 2014 a local government authority advisory group comprising of representatives for Belyuen, Coomalie and Wagait councils, the Local Government Association of the Northern Territory and the Department of Housing and Community Development have been discussing opportunities for collaboration across councils and possible future government arrangements.

Neighbouring stakeholders, including the Dundee Progress Association, have attended those meetings as observers. In late 2015, at the request of stakeholders, all decisions about local government arrangements for the Cox Peninsula, Coomalie and surrounding areas were temporarily placed on hold, pending the settlement of the Kenbi Land Claim.

Following settlement of the Kenbi claim in April 2016, the advisory group members agreed to engage consultants to develop a report with options for future local government, including recommendations on financial and representation matters.

The consultants' report was provided to advisory group members in December 2016, and members have discussed the recommendations with their respective councils. It is expected that the consultants' report, together with the advisory group's responses and recommendations, will be formally submitted to me, the minister responsible for local government, by mid-2017, once each of the participating councils has agreed on the response.

Councils are driving the discussions, and I have been privileged to be part of those discussions. I look forward to reviewing your report recommendations and the council members responses in terms of advising a minister.

It is important to take this time to promote the local government elections this year. There is a great need to have people enrolled and participating in local government elections. As local members we have an opportunity to spread that message, get young people involved and make sure they participate in this critical level of governance within the Northern Territory and across Australia.

It will be a matter that will come before this government. Make sure you promote the local government elections. If you want to take it to the next level, start to look at individuals and community members who you think would be great representatives. Get them to stand up for their community and their council and be counted.

Budget 2017–18 – Growing the Economy

Mrs LAMBLEY to TREASURER

In a couple years' time, thanks to your record debt, Territorians will be paying over \$1m per day in interest repayments. How could your government better spend \$1m per day, rather than in interest repayments? What is your vision for the \$1m per day that you decided we will spend on interest repayments? What else could you spend it on?

ANSWER

Madam Speaker, we have to look at the situation now and what alternatives there are to our budget decisions. We have made clear decisions in this budget to support and create jobs when they are most needed to grow our economy. They are the swift and decisive actions we have taken in this budget with the \$1.75bn infrastructure spend.

We have taken this approach in stark contrast to what we could have done. We could have cut jobs and services. We could have raised revenues and costs through the roof. We could have scrapped first home owner programs, driven people out of the Northern Territory or not given them incentive to stay.

There are rafts of measures you could take to approach the situation we are dealing with; however, we have taken an approach to invest in the future of the Northern Territory, jobs, children and our community. We believe this is the best approach going forward. Ultimately this is what will help us pay down that debt. We will be fiscally responsible and disciplined over this term of government to make sure we keep a close eye on recurrent expenditure and make wise investments into job-creating infrastructure in the Northern Territory.

Growing our economy, jobs, capacity, private investment and industries in the Northern Territory will be the best way to pay down debt, move forward and create more opportunities for people. That is what I want to see over this term of government. I want to ensure that at the end of this term of government the books are on a pathway to balance and we are tackling the issues ...

Mrs LAMBLEY: A point of order, Madam Speaker! Standing Order 110: relevance. The Treasurer has decided to answer the question, but she is not answering the question. How else could you spend that \$1m per day that you have decided the Territory will spend on interest repayments?

Madam SPEAKER: Thank you, Member for Araluen. Treasurer, you have the call.

Mr PAECH: A point of order, Madam Speaker! Standing Order 109. The Member for Araluen is asking the Treasurer for a personal opinion on how she will spend that money.

Madam SPEAKER: No, it is not a point of order, Member for Namatjira. Please sit down.

Ms MANISON: I am very comfortable with this question because I think I am answering it. I am saying we are in a position in which I see investment as a priority for government, and government money is going to creating jobs and growing the economy. That is what we are doing. This is the strategy and approach we are taking. This is the way we will move the Northern Territory forward. It will not only help grow the economy but will tackle better services and levels of disadvantage.

We need to generate more revenue to be able to pay down that debt and those opportunities going forward. We will be disciplined and we will stay at it over this term of government.

Belyuen Community Government Council

Mr WOOD to MINISTER for ESSENTIAL SERVICES

Exactly 10 years ago the Belyuen council was sacked and replaced by a manager. The council still does not have an elected council. When will Belyuen council have new elections? Is the present arrangement of having a manager in place for 10 years against the *Local Government Act*, specifically section 226 which deals with election after dismissal of members?,

ANSWER

Madam Speaker, I thank the Member for Nelson for a good question and for his advocacy of local government.

The Belyuen community government council is in official management and, as you know better than me, it has been for 10 years.

This is a great opportunity to thank Bill Stuchbery for his service and great work. I met with him this week. He was the official manager of the Belyuen community government council since the start of official management. We thank Bill for his great efforts and diligence.

Mr Stuchbery took on a role which he expected to finish much sooner than it did. I extend my thanks on behalf of the Northern Territory Government for his service to the residents of Belyuen. Mr Stuchbery has resigned effective 30 April 2017. A replacement official manager has been appointed by the Department of Housing and Community Development to guide the council back to normal governance arrangements, and it is the government's intention to have Belyuen participate in the local government general election on 26 August 2017.

I am hearing good vibrations about that from the community, a place I went to visit and talk to residents. It is time for Belyuen to be brought back out of official management and reconstituted as a council, and this is being progressed. I am taking interest in that.

It is probably a good time to talk about the upcoming election. I have asked people in the know, including Bill Stuchbery, is Belyuen ready? Are there people in Belyuen who want to stand up and represent their community and get that council back on track? I am hearing positive responses; yes there are.

It is something we now need to amplify across the Northern Territory because Belyuen will complement that very important local government working group on the Cox Peninsula. Your previous question drew a response about those groups working together, which will be undertaken in the next term of local government from 2017 to 2021.

It is important that we promote this message. We will be debating that this evening. It is even more important because it has had an extended term. There are new elections, and we want to see great renewal. This evening I will be able to tell the Leader of the Opposition about the good job-creating programs this government has for the new local government councils.

Madam SPEAKER: Minister, your time has expired.

Budget 2017–18 – Central Arnhem Highway

Mr GUYULA to MINISTER for INFRASTRUCTURE, PLANNING AND LOGISTICS

Last year's budget allocated \$16m over two years to fill and seal the road between Ramingining and the Central Arnhem Highway. Has this money been used or is it accounted for in your budget announced yesterday? Will your government's budget include upgrades to the Central Arnhem Highway?

ANSWER

Madam Speaker, I understand that we have some funding for the Ramingining Road, but I have not been able to find the location in my papers. I will get you an answer.

With regard to the Central Arnhem Highway, we do not have any specific money beyond the allocated \$0.5m for maintenance, which will happen. We also have work happening there at the moment. Graders are there at the moment. The Central Arnhem Highway will also feature in the 10-year infrastructure plan. It is a road that I have mentioned in meetings with federal counterparts. I have heard from you and others about the importance of the Central Arnhem Highway. We have a very extensive road network, a lot of which is unsealed.

I will get back to you, Member for Nhulunbuy, with information on that road and access to Ramingining. The Central Arnhem Highway will feature in the 10-year infrastructure plan. We want to see more of it sealed over time to make it more accessible, particularly for people going in and out of your electorate. We know that if you have a family, the cost of coming into Darwin for a while—you have very limited options. For some families getting on the plane is not affordable.

Getting on the road is one way they can get back into town. It is a very important road servicing the region. I will get you more details with regard to the Ramingining question as soon as possible today. You have raised the Central Arnhem Highway with me; it is on the radar. You will see it in the 10-year infrastructure plan. There is much more work to do there, like many of the roads in the Territory.

Budget 2017–18 – Public Sector Jobs

Mr HIGGINS to CHIEF MINISTER

Madam Speaker, page 15 of Budget Paper No 2 states:

Other saving measures include:

... a reduction in the efficiency dividend discount for frontline agencies ...

Will you now tell Territorians how many frontline public servants will lose their jobs in this attempt to make up for your government's frenzied spending?

ANSWER

Madam Speaker, I want to address this rumour head on: zero, none, nada and nil. We are putting additional people in this space, with 120 extra police officers and extra teachers. We have constrained government spending. We have looked at wage parameters, CPIs and efficiency dividends. We have done some significant things to restrain government spending. We have changes to attrition, but just because the CLP sacked teachers and broke its promise about more police does not mean that is what we will do.

We will keep our promises to Territorians. We are doing what we said we would do. We are putting on the extra teachers, and we are honouring our promise of 120 police officers, the broken promise from the CLP. We have provided additional youth justice officers. We are doing what it takes to provide services to Territorians. The CLP look at a government and they just make the assumption, 'This is what we would do', and therefore they think we are doing it.

The CLP has one plan and that is to cut jobs in the NT. They want to cut job-creating infrastructure and public service jobs. They simply want to cut jobs. It is not just a hypothetical statement; this is not theory. We actually saw this in practice. The budget the CLP delivered when they sacked certain public servants, where we saw the first big, deep cuts—they put up power prices by 30%. That was the policy formula from the CLP. When they see someone down on the ground and hurting they kick them in the guts.

Mrs FINOCCHIARO: A point of order, Madam Speaker! Standing Order 110: relevance. Fess up to Territorians, Chief Minister. How many frontline public servants will lose their job in your budget?

Madam SPEAKER: That is not a point of order, please sit down.

Mr GUNNER: If the CLP were administering medicine they would not give it with some honey, but they would pour some kerosene on it. They want you to feel it burn on the way down. These mob, the CLP, want to hurt Territorians. I do not know why. Why would you get into public life if your sole agenda is, 'How can I hurt Territorians?'

They do not believe the statistics and the evidence that the economy is struggling right now. They are not speaking to real Territorians and hearing the personal stories of people who are hurting right now. They want to get stuck in harder. 'How can we cut more jobs? How can we lift up revenue? How can we cut services?' They only want to do one thing, and I do not know why, but they want to hurt Territorians.

The CLP have a plan to cut jobs. From our budget it is clear that we are investing in jobs for Territorians, putting them first. The CLP, for some reason, want to work out every possible way they can hurt Territorians. You vote for Labor, we will put you first; you vote for the CLP, they will put you last.

Budget 2017–18 – Public Sector Jobs

Mrs FINOCCHIARO to TREASURER

Page 12 of Budget Paper No 2 shows you have set down \$217m in savings and contingency in the 2017–18 Budget. This is to be achieved by, and I quote for the benefit of the Chief Minister, who has not read the budget, 'Agencies not filling vacant positions'. It is clear, Treasurer, that frontline public servants will not have their contracts renewed. Will you be accountable and tell Territorians how many public service positions will be cut by 'not filling vacancies'?

ANSWER

Madam Speaker, we have had to make some very tough decisions in this budget. We have constrained recurrent growth within the public sector and it has come with some very long, hard, considered thinking from the chief executives about where they can achieve savings. We said to them, in asking each agency to look for savings, that they have to be responsible savings. We want to see measures that ensure we do not compromise frontline service delivery, so no sackings or forced redundancies.

We said to look at things such as natural attrition and ways in which we can constrain growth, which we are doing through our very responsible wages policy of limiting that to 2.5% going forward. We have constrained expenditure in those agencies. They were expecting 1.5% growth this year and 2.5% next year, and that has been taken back to zero and 1.5%.

We are doing this responsibly and respectfully, and we are making sure we do not compromise critical frontline services to Territorians. They had to make some hard decisions and look at where they could reign in spending. They have had to make decisions about waste or duplication, if there are areas that are not achieving results or if they have too many executives. They have had to look at those types of positions and how they realign their agency.

There has been a lot of work done. The challenge for me is making sure we keep a constant eye on the performance of the agencies against the saving targets and measures. That will take a constant eye on the ball and constant feedback. It is something I am committed to keeping an eye on.

Those are the parameters in which we have delivered those savings measures. They are tough. It will be tough for those agencies but it is important to do.

Mrs FINOCCHIARO: A point of order, Madam Speaker! Standing Order 110: relevance. I asked the Treasurer a very direct question. How many public service positions will be cut by not filling vacancies?

Madam SPEAKER: No, it is not a point of order. Treasurer, you have the call.

Ms MANISON: One thing I have spoken to media about in the past has been those savings. In part of it there was about \$11m identified through natural attrition. That would equate to a few—\$100 000 per position would equate to about 110 public service jobs. It will be tough. We have asked the public service to do some heavy lifting. It is important, given our financial situation, that we do not see recurrent expenditure in the public sector blowing out. That is the responsible thing to do.

It also ensures that we can free up as much funding as possible to go into areas of infrastructure to create and grow jobs, investment and industry for the Northern Territory. They are not easy decisions, but I am adamant that it is the right decision. It is important that the public sector does its fair share of the heavy lifting as part of these tough financial realities we now live in.

Ms FYLES (Leader of Government Business): Madam Speaker, I ask that further questions be placed on the Written Question Paper.