

The Estimates Committee convened at 8.03 am.

MINISTER FYLES' PORTFOLIOS

DEPARTMENT OF THE ATTORNEY-GENERAL AND JUSTICE

Madam CHAIR: Good morning, Attorney-General and Minister for Justice. I welcome you this morning and invite you to introduce the officials accompanying you.

Ms FYLES: Would it be now that I give a short opening statement as well, or just introduce people?

Madam CHAIR: Just introduce your staff.

Ms FYLES: I am joined by Mr Greg Shanahan, who is the Chief Executive Officer of the Department of the Attorney-General and Justice; Ms Meredith Day, the Deputy Chief Executive Officer; Jacqueline Dowling, the Chief Finance Officer; Jenni Daniel-Yee, the Director Legal Policy; and Ros Chenoweth, Director Crimes Victims Unit.

Madam CHAIR: I now invite you to make a brief opening statement. I will then call for questions from the committee on both your opening statement and the annual report.

Ms FYLES: I have introduced the staff accompanying me. There are other staff—directors—available to join us at the table if it is their area within the annual report.

The Department of the Attorney-General and Justice holds responsibility for a number of independent statutory offices. It would be appreciated if the committee lets us know who they would like to ask questions of to provide scrutiny. They have blocked their diaries. They are in Darwin and are able to attend Parliament House. In the interests of being conscious of their very busy diaries—they are available, but it will take about half an hour for them to get here. If you could indicate at the end of my opening statement if there are any of those you would like to attend we can arrange that.

The Department of the Attorney-General and Justice was formed following the machinery of government changes on 31 August 2016. The department comprises the former Department of the Attorney-General and Justice, excluding the Domestic Violence Directorate; the Family Responsibility Program; NT Correctional Services, excluding the youth justice and associated support staff; NT WorkSafe; and licencing, excluding the alcohol policy unit.

The Department of the Attorney-General and Justice has a diverse focus which encompasses delivering legal services to government, providing support to victims of crime, and administering a strong and responsive justice system. In addition the department provides community safety through correctional interventions, regulates workplace health and safety, and administers the Territory's licensing regime to gaming, liquor, racing, and consumer and trading activities.

Reflecting on the year that was, it was rewarding to see such dedication and commitment over the period of the department progressing many of the government's key priorities administrative reforms. I sincerely thank all the staff who have provided that support. The department has successfully progressed the Banned Drinker Register, which is in operation in partnership with the Department of Health. It is a huge body of work that has so far rolled out smoothly.

They commenced work on the Aboriginal Justice Agreement and the justice reform framework—again, a huge body of work involving consultation right across the Territory. I thank those staff for their dedication. They opened the new Supreme Court in Alice Springs and worked tirelessly to support the Royal Commission into the Protection and Detention of Children in the Northern Territory. We saw the commission's final report handed down just a few weeks ago.

They progressed major legislative reforms such as many pieces of legislation—huge pieces, such as the independent commission against corruption, which is one of the most scrutinised bills in the Northern Territory's history. The department has driven that and provided advice.

The functions and activity of the department is recorded in the Department of the Attorney-General and Justice's annual report in accordance with section 28 of the *Public Sector Employment and Management Act* and section 12 of the *Financial Management Act*. In relation to the financial performance of the department, comparative years are not available as the new department was only established during the reporting period.

Finally, additional annual reports tabled by the department are those required to meet statutory obligations of legislation administered by the department. There is a large number of reports for the Department of the Attorney-General and Justice. Sometimes they do not quite sit with us, but we have the legislative administration responsibility.

Please note, reports 10 and 11 are required each financial year to be provided by the Police Commissioner to the Attorney-General, who is responsible for the relevant legislation under which police exercise certain powers, namely the *Surveillance Devices Act* and in drug detection areas under the *Misuse of Drugs Act*.

I welcome the opportunity for questions from all the committee members and thank you for allowing us to appear today.

Report No 1 – Department of the Attorney-General and Justice 2017 Report

Madam CHAIR: Thank you very much, Attorney-General. I will now open it up to the committee. Does the committee have any questions in regards to the Department of the Attorney-General and Justice's annual report?

Mr GUYULA: Yes. Attorney-General, the Chief Minister suggested I ask this question today. The government reports use phrases like, 'working with community in partnership', 'collaboration' and 'empowering the community'. I want to know what you mean by empowering the community. I know what I think this is about, but I want to see if it matches up with the department.

Is this about giving authority back to Yolngu leaders to implement Yolngu law? I do not just mean through bush courts; I mean that our leaders are not able to implement the governance of our community. If they were empowered to do so, we could teach discipline and assist people to fix damage that has been done instead of being locked up. We can organise to have people work through it and repair the damage they have done.

I do not want to see people taken away by the law, I want them given to us so we can rehabilitate them through Yolngu law's senior elders. Senior elders know their system of justice, ceremonies and the way to rehabilitate our people. Is this what you mean by empowerment?

Ms FYLES: Thank you, Member for Nhulunbuy. We came to government with a very strong commitment around involving community and letting community have leadership across the spectrum—education and health, and I think justice is no different.

We are developing the Aboriginal Justice Agreement. I will specifically answer some elements of your question.

The Northern Territory Government, with the Aboriginal Justice Agreement, has set up the Aboriginal Justice Unit. We acknowledge the very high rates of disadvantage in Aboriginal people and, in turn, those high rates of incarceration of Aboriginal people.

That unit is developing strategies to address the high levels of incarceration and assist in the reduction in reoffending of Aboriginal people. There are a number of bodies of work. That group is out consulting; they have visited about 26 communities across the Northern Territory. They are going back for a second round of consultation. It is not simply turning up, talking and listening. It is in depth—going back to make sure the consultation they have done is genuinely what people want.

You asked some specific questions in relation to law. As you would be aware, in 2006 the Commonwealth enacted the *Crimes Amendment (Bail and Sentencing) Act*, which introduced sections qualifying the matters to which the court must have regard in sentencing for Commonwealth offences, which directed the court not to take into account any forms of customary law or cultural practices. And further, in 2007 the Commonwealth extended the prohibition against taking into account customary law or cultural practices in respect to sentences or bails for crimes of the Northern Territory. That occurred on 17 August 2007 as part of the *Northern Territory National Emergency Response Act 2007*, which was later continued under the *Stronger Futures in the Northern Territory (Consequential and Transitional Provisions) Act* in 2012.

The then Commonwealth Attorney-General stated that that it ensures all Australians will be equally treated under the law and that criminal behaviour cannot be excused or justified by customary practice or customary law.

It is in the Commonwealth act—we want to work with communities. We want that leadership to have a voice. People must understand that when they do the wrong thing, when they break the law, the consequences must be understood—and that they are not being incarcerated through a lack of understanding, and they understand the pathways. We need to uphold community safety.

Does that answer your question?

Mr GUYULA: That is all, thank you.

Madam CHAIR: I want to acknowledge that I had missed my acknowledgement of country.

I would like to acknowledge that we gathered this morning on the land of the Larrakia people and I pay my respects to elders past, present and emerging.

Also, Attorney-General, you asked us to consider which of the commissioners we might have questions for today—to give the heads up. I am just checking with the committee if there are any.

Ms NELSON: Yes, I have a couple of questions.

Madam CHAIR: For which commissioners? We will be asking questions of Director-General of Licensing, Commissioner for Information and Public Interest Disclosures, and the Consumer Affairs Commissioner. Are there any other commissioners requiring to appear this morning?

Mrs LAMBLEY: As an independent member of this parliament we do not have any assistance. I have not read the Attorney-General's annual report. I do not mean that in any way to diminish the work you do, but I do not have any questions because I physically did not have the time to read the report and to prepare any. I apologise, but I am constrained by my position.

I do not think the other independent members have questions that I am aware of, apart from Yingiya.

Madam CHAIR: Thank you very much, Member for Araluen.

Does the committee have any other questions?

Mr PAECH: Attorney-General, I am happy to be directed to another portfolio area if it is not applicable here. On 21 August this year you waived fees for two important pieces of identification, being drivers' licences and birth certificates.

I want to get an indication of how that process has been to date and if there has been an increase in those two forms of identification being rolled out, and further to that, what the campaign for that process has been in regional and remote parts of the Northern Territory where identification is difficult to obtain.

Ms FYLES: We initially provided six months of free birth certificates to help Territorians be BDR-ready, which was based on the Banned Drinker Register. We know that, particularly for Aboriginal people, getting a birth certificate—if that does not happen, later on it can provide a lack of ability to get further identification, such as a driver's licence. It was based around the Banned Drinker Register, making sure people had the opportunity to have identification to purchase alcohol, as we know is the law in the Territory now.

The six-month time frame was in case people are not able to access one of our regional or urban centres to get that documentation. We will be looking at that uptake and, more broadly in the Aboriginal Justice Agreement, ensuring we have pathways for Aboriginal Territorians to get their identification—is that a barrier, do we put barriers in place? You get your paperwork from health professionals when you are born and you then have to take that to Births, Deaths and Marriages—can we do something better and is that a factor later on that people have a lack of identification, therefore they are not getting a driver's licence and are they ending up on charges?

We will certainly do the work. I will see if my officials have anything further to add to that.

Mr SHANAHAN: The other thing we have been looking at, and it has come out of the consultations under the Aboriginal Justice Agreement—trying to link up with the court circuit so people from BDM, which is Births, Deaths and Marriages, can go out to the relevant communities and provide their services online. The Public Trustees are also looking at whether they can extend that sort of service—taking the service to the communities.

Mr PAECH: I want to clarify—the agency of Attorney-General has been evaluating from 21 August to date—if there has been an increase in this service, given that it is now free. Secondary to that, to date there is no remote presence around identification.

Ms FYLES: I understand it has been significant to date, and I think you have raised an important question. The chief executive has provided further detail around how we intend to get further out in to the Territory and provide people with this important documentation. We will look at the impacts. Yes, it is a small cost to government in providing that for free, but the benefit in the long run to Territorians will evaluate that. We just had the figures, but technology is not working with us. I am happy to provide that in a second.

Mr PAECH: I am happy to come back to that throughout the session.

Ms FYLES: It has gone from 2000 to 7000, roughly.

Mr PAECH: Thank you.

Ms UIBO: I understand that there will be a trial on Groote Eylandt for the very purpose of getting birth certificates to people on Groote Eylandt on 23 and 24 January. I am wondering how widespread that trial will go across the Territory and if you will be revisiting communities you have already visited in the trial?

Ms FYLES: As part of that trial we have already been to Oenpelli. Coming to Groote, which is in your electorate, and travelling further with the court circuit to get that information out to people—it is important to get identification for parents to do that when their child is born. If you have missed out there is an opportunity to get that very important document.

To update members—they went to Jabiru and Oenpelli. In Jabiru 22 birth certificates and change of names were completed, but in Oenpelli there were 72 birth certificates, 12 changes of names, one fixing of an error and some additional information to certificates.

It highlights to us, as a government, the importance of giving people the evidence and documents they need to participate in community and life.

When you have a new baby, even when you live in an urban centre, the last thing on your mind is to get that birth certificate. You always do it for the first child. The second misses out and so on. It is important. That added burden, if you are then travelling back home—you might not even come into town. We are looking at that, and I am happy to work across both my agencies of Health and Justice on how we can ensure Territorians get that document.

The exact figures of the year to date—in 2016 it was 2682, and this year is 7085. It was a significant increase.

Ms NELSON: You have done better than the Australian Electoral Commission.

Madam CHAIR: Any further questions?

Ms NELSON: Yes, Madam Chair. You mentioned the Aboriginal Justice Unit, and I noted that the annual report spoke about it also. Could you tell us a little bit more about the Aboriginal Justice Unit? What exactly is it doing, and why set it up?

Ms FYLES: As I touched on in some of my previous answers, the Northern Territory has significantly high levels of disadvantage and overrepresentation of Aboriginal Territorians in our justice system. The Aboriginal Justice Unit is being set up to drive an Aboriginal Justice Agreement across the Northern Territory.

That will identify the issues that lead to those statistics, provide Aboriginal people with services that support human rights and individual and community resilience. It will also provide a framework for government agencies and NGOs that Aboriginal communities can work in partnership with to address those complex issues that we see in the current levels of disadvantage of Aboriginal people to ensure that agencies do not work in isolation in the delivery of projects and programs.

For example, in reducing that rate of incarceration, Justice and corrections have a role to play, as do Police, Education and other agencies. We are making sure we are not working in isolation, but that the community sees us as the Northern Territory Government, not different entities. We need to make sure we deliver services and work across that.

The unit was created last financial year to drive the development of that agreement. The six-member team has been consulting across the Territory. Their work began at the very end of the 2016–17 financial year and was officially launched in NAIDOC Week in July this year, and it will go forward across the 2017–18 year.

As well as consulting there has been a reference committee established to advise the development of a governance framework for the agreement. Sixteen reference committee members have been selected from 17 peak body organisations, community organisations and local government. Other members can be included on an as-needed basis.

The reference committee has also met. It will work with the secretariat and the Aboriginal Justice Unit to really drive this. It is looking at establishing a model to provide options for the role of traditional leadership into the court system, local decision-making, development and management process for implementing and monitoring and evaluating the implementation of an agreement.

It is not lessening the consequences if people do the wrong thing; it is making sure we have meaningful consequence and that communities are a part of that. We can drive those long-term changes because in the last 10 years we have doubled our prison population in the Territory, and when you have the statistic—I am not sure what the latest figure is, but it is very high, the Indigenous representation.

Ms NELSON: As part of the Aboriginal Justice Unit and Aboriginal Justice Agreement, are there provisions to get some of that translated into other languages?

Ms FYLES: When they go out to community to consult, they take interpreters. As I said, they are going back for second visits, so it is meaningful consultation, not just ticking that box and saying, ‘We visited that community for a few hours’. It is genuinely hearing what that community wants. That will then guide the work of government agencies going forward. Language is a factor—the information is not there for people to understand. We are working through all those issues so we can have systems in place that make our justice system stronger and work for all Territorians.

Ms NELSON: You mentioned that it will go on through the 2017–18 year as well. Is there an actual deadline? When do you foresee implementing that in full?

Ms FYLES: I will ask Greg Shanahan to answer that.

Mr SHANAHAN: The consultations so far have been in the northern end of the Territory. After the end of January they will consult in the southern region, and that will take place until about the middle of the year.

The aim is to have a draft agreement by the end of the year, but because it is an agreement and two parties are involved we cannot say it will be done by that date.

Ms NELSON: Just to clarify, the end of this year?

Mr SHANAHAN: No, 2018. The consultations in the southern region from the end of January to the middle of the year, then the work will start on drafting the agreement. One of the key issues is identifying which group we have the agreement with. That is one of the issues the reference group is having input to. Because it is an agreement we cannot say a date.

Ms NELSON: Is there a particular model anywhere else that you are basing this on?

Mr SHANAHAN: No. There are agreements in other jurisdictions which we have had a look at. We have visited those jurisdictions and asked what has worked and what has not, but the likelihood is we will have a hybrid of those as well as some additional things that are more relevant to our situation.

Ms NELSON: I have a couple of questions on the domestic violence court, if I may.

There has been talk—and in your annual report you noted, and this is the wording, ‘the department’s innovative model for a specialist DV court in Alice Springs’. Can you elaborate a little on what that model involves?

Ms FYLES: I was in Alice Springs recently and met with the staff who are implementing that. I thank them for their time. I was also joined by the Minister for Territory Families, who has the lead with that portfolio under the government’s ministerial responsibilities. The budget was \$3m in 2017–18, so that is not reflected in the annual report we are scrutinising today. That is to physically refurbish the court facilities.

We are trialling it in Alice Springs. There are, sadly, very high rates of domestic violence in that community. We are trialling it there, and then, if we believe it is beneficial, we will look at what to do with it from there. It is about the physical facilities and maximising the safety and comfort of victims, as well as increasing the capacity of victims and defendants to participate in proceedings without the victim feeling unsafe and intimidated by the court system or the defendant or defendant's family.

It is also about providing training to Local Court judges so they are aware of how they can make the processes during the proceedings work. There will be a domestic violence coordinator, which is a specialist senior court officer, to coordinate the processes and external services. It is engaging non-government organisations and external services in court proceedings.

There is money in this year's budget for the physical infrastructure. We need to keep victims and offenders separated and make that process comfortable for those victims. It is implementing measures that will achieve that. Does that answer your question?

Ms NELSON: A little bit. Does that mean they will build new facilities?

Ms FYLES: I will get the deputy chief executive to explain that detail.

Ms DAY: The facility will be a refurbishment of the existing Alice Springs court. With the establishment of the new Supreme Court building in Alice Springs there is an opportunity to vastly improve the utilisation of that space. That work is well under way. There is a reference committee for that, involving the court users and the key people in Alice Springs who are engaged in the plans—and the architect.

Ms NELSON: I know you are still going through consultations and development, but will this model also include visiting regional ...

Ms DAY: At this stage there is a lot of work being done in relation to the model. It started with a workshop in Alice Springs in 2016. It is one of those things that has developed slowly, carefully, and is now at a reasonably advanced stage of working with judges and the staff in Alice Springs.

At this stage it will be based in Alice Springs, but we are hoping that when we get the Alice Springs court functioning it will grow out into some of our regional circuits as well. At this stage, one of the key things about the specialist approach to DV through the court is providing those services, the engagement with services so that victims can get the assistance they need.

Improving the court process, making it faster and more efficient as the Attorney-General has described, but also having the service engagement in the court is a key feature.

Ms NELSON: A specialist DV court will be based in Alice Springs, but you will be—I am just thinking about women in Katherine that have to go through the DV ...

Ms FYLES: Member for Katherine, absolutely. I know you have—we all have care, but you have a particular passion in this space. We are using Alice Springs as a trial, so what can we do? We do not want to make these changes Territory-wide and then work out there was a better way of doing things.

As the deputy chief executive was explaining, we are putting a lot of effort into this model in Alice Springs. Sadly, that is reflected by the very high statistics Territory-wide, but particularly in that community. We are aiming for the designs—there will be some physical infrastructure changes that will be complete. The design will be done by the end of this year, construction early next year, with the facilities ready to operate in the second half of 2018. They are the physical changes.

There is far more work that has begun. Once that has been in place and we have reflected upon it, I will be speaking with the Minister for Territory Families and the community about how this trial—what can we do? Do we want to extend it? Are there elements that are working that would be worthwhile in other communities? We are conscious of your community of Katherine, particularly being another small community.

We are using this as the trial to refine what we are doing.

Mr PAECH: While we are talking about domestic violence, particularly in Alice Springs, I want to ask a question about the National Partnership Agreement on Legal Assistance Services. Is that in the right area?

Ms FYLES: It is Commonwealth funding.

Mr PAECH: Yes, but you auspice this funding. Is that correct?

Ms FYLES: I will ask Greg to answer.

Mr SHANAHAN: Under the national partnership agreement, we get funding for NT Legal Aid and for the Community Legal Services, but not for NAAJA and CAALAS. That is a direct funding ...

Mr PAECH: Okay. You get it for the Community Legal Services, though?

Mr SHANAHAN: Yes.

Mr PAECH: Given Alice Springs has some of the highest rates of domestic violence and family-related violence, can you help me understand—I am unclear how the funds are distributed. Is that on a needs base amongst the community organisations?

Mr SHANAHAN: When I say community legal aid organisations—not all of them. A lot of them are directly funded by the Commonwealth. The ones we deal with are Darwin Community Legal Service. The Indigenous legal services, are specifically Commonwealth funded.

Mr PAECH: So the non-Indigenous ...

Mr SHANAHAN: The non-Indigenous—yes, we fund them. They used to be funded by the Commonwealth and then they were given to us. We pretty much act as a post box, sending the money through. But there is an obligation under that to identify areas of need and review that over—I think it is every year.

Every year they do a service plan, so all the legal aid groups get together and talk about what the priorities should be. On the basis of that we make suggestions about where the money should be spent. You tend to find they are quite territorial. They want to maintain their own base, so it is really difficult to move people. They tend to identify issues, but they would rather deal with them in their own right, so the best you can do is coordinate their services to deal with issues, as opposed to rearranging the funding and giving it all to one body. It is a really difficult space to play in.

Ms NELSON: I will follow on with that question. This federal government has been atrocious with its funding cuts to community legal services, especially for the Northern Territory. Could you tell me how the NT is affected? What has been the impact?

Ms FYLES: There were plans to cut funding, but I understand thanks to strong lobbying of those organisations—I lobbied the Commonwealth federal Senator for the Northern Territory, Nigel Scullion—the funding was extended. I am not sure of the exact amount because it was funded directly to those organisations. We lobbied that there should be no cuts; they were important services that were provided. It went quite close to the time frame of the funding, from memory. The federal government continued the funding, I think until July next year, but I am not certain on that.

Mr MILLS: Madam Chair, I have a question. My question relates to Victims of Crime NT. I understand that with Victims of Crime NT there have been discussions about a review or a consideration of additional support so it can extend its support to victims of crime to the legal system and further follow-up of counselling. What is the status of that request for support and review of its services?

Ms FYLES: Regarding Victims of Crime, there was a review carried out. It is important to provide the history in answering the question, and I will hand to the policy unit director in a minute.

There was a review carried out under the previous government. I am not sure of the exact time. I think it was 2013–14; I do not have the exact time frame. That was not acted upon and is therefore out of date now. There was a body of work done that was not implemented.

We are focused on putting the victims of crime first and have put in place a number of initiatives. I will ask the policy director to answer your question and then I am happy to provide further information if needed.

Ms DANIEL-YEE: This review is on our agenda and some work has started, but with other priorities it has not progressed as far as we had hoped this year. But it certainly will be in 2018.

Mr MILLS: Thank you. In quite recent conversations with Victims of Crime NT, I got the clear impression it has requested—and it says it is an active request for addition support for victims of crime through the legal

system or follow-up that is under consideration. I got the impression that perhaps there are two things that we are referring to. One is a comprehensive review and the other is a very specific request.

Ms FYLES: I will ask Greg to answer that.

Mr SHANAHAN: Member for Blain, there have been some discussion. There was some money from the Safe at Home Program—which was implemented by the former government—which was not fully expended. There have been some discussions about repurposing that and whether there could be some more support given to victims of crime.

At the moment, our crime victims' support unit deals with assaults and offences against the person. There is a gap in the system—which we have been looking at—for victims of property crime. Going hand in hand with that, there is funding for victim-offender conferencing, which the Jesuits have funding for through Territory Families. Part of that is a requirement to give support to the victim when they attend those conferences. That is the area we have been talking about regarding repurposing some of that funding to provide additional support ...

Mr MILLS: Where is that? If it is under consideration—I had my meeting with Victims of Crime in perhaps July or August. I followed up recently to see how that was going and they said it was still on track. What is the status of the consideration of that repurposing, given the language about concern for victims?

Mr SHANAHAN: My understanding is that I have cleared it, but it is still in the negotiation phase, is it? Sorry, Ros will answer that.

Ms CHENOWETH: I think we are in the final stages of coming up with a framework for it, talking to Territory Families and working with them in that space. We are looking at getting a group together to oversee that project. I am still waiting for final approval.

Mr MILLS: From where?

Ms CHENOWETH: It is in the system in the form of a memo and it is being considered by the finance department.

Mr MILLS: What amount of money are we talking about here?

Ms CHENOWETH: It is around \$230 000 to \$250 000.

Mr MILLS: And this is a repurposed allocation. Does that then relate to or is separate from the other matter you referred to, Attorney-General, about a more comprehensive review of Victims of Crime NT?

Ms FYLES: Correct.

Mr MILLS: What is the scope of that review and what are the terms of reference of that review?

Ms FYLES: It was the *Victims of Crime Assistance Act* review in 2013 so that work was done—Victims of Crime and stakeholders made submissions to that review to the previous government but the report was never made public. It seemed to sit, so we are looking at that.

The body of work is out of date now. It is not relevant as it goes back nearly five years. We are creating a victims' charter, making sure victims come first in policy and practice.

Mr MILLS: That has been referred to this year on a few occasions, a charter. I assume that, from what you have said, that document which was never made public is now not current. Can it be made public now?

Ms CHENOWETH: Are you talking about the document of the charter or the review?

Mr MILLS: The review that was done historic—I got the backstory about how long it has taken and that it is no longer relevant. The two are connected but I am interested in this no-longer-relevant body of work. Is it now able to be made public?

Mr SHANAHAN: I will have to have a look. I cannot see why not but I will need to check that.

Mr MILLS: I would appreciate that.

Mr SHANAHAN: There are protocols between governments and I am not sure what status it is.

Mr MILLS: I understand.

Ms FYLES: I am comfortable if you need it.

Mr MILLS: Okay, have a look at it. I am sure there are elements of it that are relevant to your current body of work related to an assessment of Victims of Crime NT and how you will be supporting them going forward. There are two things: the repurposing of \$250 000 or whatever ...

Ms FYLES: There are more than two things; there are a number of things.

Mr MILLS: I am referring to two things. One is the repurposing that I understood was quite well advanced, so I waited until they were able to give me advice that they had progressed on that front. The charter for victims is another matter related to your review, I assume. What is the time frame on that?

Ms CHENOWETH: There is a very old victims' charter that is not really relevant. That has been reviewed by the Crime Victims Advisory Committee, and that was under a referenced from the Attorney-General. It was recently finalised. There was a consultation with stakeholders through that committee. The committee is chaired by Judge Sue Oliver of the Local Court. There was a consultation process on that and a final report was recently put up to the Attorney-General with a suggestion for a new charter which is being considered.

Mr MILLS: Were Victims of Crime NT represented on that group?

Ms CHENOWETH: Yes, they are on the Crime Victims Advisory Committee and they undertook some community consultation through the show circuit earlier this year on the draft charter and the changes.

Mr MILLS: Who is on that advisory group?

Ms CHENOWETH: The advisory committee—I am not sure at that time—but a subcommittee was formed to develop it with Judge Oliver; me, as an ex officio member of that committee; and one of the representatives of the committee of the Attorney-General and Justice, who was a lawyer for SFNT.

Other members have been representatives from CatholicCare NT which undertakes—this is on the general committee—the counselling service under the *Victims of Crime Assistance Act*. There is also a legal representative, which is currently vacant and will be reappointed to. It used to be Ms Peggy Cheong. We will now appoint a new member after she resigned.

There is a representative from corrections and one from Territory Families.

Mr MILLS: Is there a general community member?

Ms CHENOWETH: We have a representative from the Central Australian Women's Legal Service. We also have Ms Betty Herbert who is from, I think, Ali Curung. She is an ACPO there.

Ms UIBO: She is from Angurugu, on Groote Eylandt.

Ms CHENOWETH: Sorry.

Mr MILLS: That advisory committee reports to whom?

Ms CHENOWETH: Directly to the Attorney.

Mr MILLS: What was the last report from that committee?

Ms CHENOWETH: The victims' charter.

Mr MILLS: What is the time frame? When will that be brought to land?

Ms FYLES: It is a big body of work and it ties in with a number of other elements. I hope to see it in the first half of next year that we conclude that consultation.

Mr MILLS: Is there an additional request from Victims of Crime NT for support, rather than just the repurposing of an amount that has not been used? Is there a more contemporary request for additional support for victims of crime?

Ms CHENOWETH: I am not aware of any. They are currently funded for core services, for the Safe at Home Program, which includes the security upgrade program, and a remote program. They have asked for the repurposing of that amount to be allocated. I am not aware of any additional requests for funding at the moment.

Ms FYLES: I met with them a couple of weeks ago. Time does fly when you are having fun, so it could be longer. There was nothing specific put to me. I am certainly always happy to meet and consider.

Mr MILLS: Thank you. What about for a victim of crime—a number of them come to mind. Is there an immediate response? Police do a good job, and Victims of Crime, with a follow-up call. I thought there was a request for further ongoing support for a victim of crime? So there is the first flush of support, and the offer of assistance from Victims of Crime, being a follow-up phone call. I understood from conversations with them that there is a desire for a deeper reach, a follow-up well after the event. Have those conversations come to you?

Ms CHENOWETH: In general conversation we have talked about focusing, in future agreements, on looking at through-care and the repurposed funding they are talking about, which is recommending two extra positions. One is in Alice Springs and one is in Darwin. Part of that will free them up to be able to provide more through-care to victims, particularly through that youth offender conferencing process.

Mr MILLS: I understood from my conversation with them—I held back out of respect for the negotiations they were having with you, Attorney-General. I thought that that was more advanced than it appears to be.

It is a request for and a conversation about additional support through the court system so victims of crime would have not only support from officers who are under significant pressure, but there would be capacity to draw up volunteers who could be provided with training and support through the court system.

Ms FYLES: Perhaps you are talking through the Witness Assistance Service?

Mr MILLS: Yes.

Ms FYLES: That is the Director of Public Prosecutions. When I met with them we talked about support for victims, but nothing specific has come to me as yet.

Mr MILLS: We will both be rushing back to have a follow-up conversation. My colleague here has given an explanation as to why we are not able to follow through some of these things because of our limited capacity. Nonetheless, these matters articulated the need to provide more robust support for those going to court who are victims of crime. There seems to be a fair bit of support for the offender.

Ms FYLES: The Witness Assistance Service is provided through the court process. We are talking in more general terms about what support people need. I met with them two or three weeks ago and we had good conversations about services, the victims' charter, and what helps people when they are a victim of crime. The government is continuing to work in this space.

Mr MILLS: I have another line of questioning that relate to comments that have been made back and forth about the number of people in our prison system and the needs of our community. As a long-serving local member in the same electorate since 1999—I wish I could give you the data to show this, but it appears to me that today we are finding it harder to provide support to the seniors and those who request the mowing of lawns and so on.

We have a great big prison that is completely full and less capacity to look after the vulnerable in our community with support programs. That is bewildering, and the community is left with a question mark over whether there is a need for justice to be seen to be done—for those in the system to make amends. That is healing for the community but appears to be more difficult than ever. Why is that?

Ms FYLES: In my community I see the benefit of the community support work program, and this government is committed to it. One of the first things I did as a minister was direct that the program not be cut. It was set up for cuts under the CLP government.

You had some time away from the Chamber, and in that time the previous government cut the funding to that program. The program currently assists 702 pensioners: around 400 in the Darwin and Palmerston area; 240 in the Alice Springs area; and 40 in the Barkly area. It is complicated—the previous government cut the funding for the program and we reinstated it ...

Mr MILLS: Yes, I got that.

Ms FYLES: It also relies on the prisoners having an open rating, so we cannot put the community at risk. Yes, we have hundreds of prisoners, and we want them to participate in meaningful activities where they can learn new skills but also give back to the community. You would know from talking to pensioners and those who cannot look after their gardens in your community—and I speak to mine—that they see the meaning of the program. Not only do they get tasks done around the garden, but they feel that the prisoners are giving back a bit.

We need the work teams, staff in correctional services—they also need the safety rating as a prisoner to do that work. It is not as straightforward in regard to allowing everybody—people participate in tasks within the walls of the prison, whereas others with that classification are able to go outside the prison.

Mr MILLS: I understand it is complicated. I have some understanding of how it works. What was the number you stated?

Ms FYLES: We are currently assisting 700 pensioners.

Mr MILLS: How does that number compare with two years ago?

Ms FYLES: I think the numbers are fairly stable, but there was a cut in the budget and we reversed that so that you did not see any drop off. We came into government in August and we would have had to start dropping people off that program, but we said that we wanted the funding there. I answered questions on this in the House to the Member for Drysdale that it is an important program, we do not want to see cuts in that.

The numbers—I would be happy to get the specific figures year-on-year for you.

Mr MILLS: Thank you, I would appreciate that.

Ms FYLES: But we have certainly committed to the program.

Madam CHAIR: Thank you, Attorney-General. We will take that as a question on notice.

Question on Notice No 6.1

Madam CHAIR: Member for Blain, can I get you to repeat that question for the record?

Mr MILLS: What is the current level of funding for community support programs through corrections?

Madam CHAIR: Thank you. That question has been allocated the number 6.1.

Ms FYLES: The Commissioner of Corrections is here, did you want him to come to the table and see if there is any additional information?

Mr MILLS: We will see. Thank you, minister.

Ms FYLES: I can further add, the waiting list for that has reduced significantly. There has been a lot of work done in terms of electorate offices auditing that, making sure people are still wanting to receive the service. When we go into the current period of time, particularly in the Top End, it gets tricky because in the Dry Season people can perhaps get that service every six to eight weeks, whereas in the Wet there is a shorter time frame.

Mr MILLS: I will have to phone my electorate officer, because that is certainly not the story coming from Blain. We are turning people away, so there is no point in being on this list.

Ms FYLES: The waiting list is closed in one sense, but certainly it is a program I see the value of and I think it is important to keep people in their own homes. I have provided that additional funding so that we did not have those cuts—and looking at ways we can provide the service to more people, but again, making sure we do not put community safety at risk with the classification of prisoner.

Mr MILLS: Unfortunately, my response is anecdotal, but I have never had such a waiting list and never been in a situation where we have had to turn so many away. Given that there are so many in the system, as we refer to, I would have thought it would be useful for corrections to be able to make use of this. But I am left still with all the talk about 'being absolutely committed' with having greater numbers in the system. Why do we have such a waiting list?

Ms FYLES: As I said, it is not just straightforward in terms of the funding. There is classification of prisoners, and the chief executive will provide further comment that might help you, Member for Blain.

Mr SHANAHAN: Thanks, Member for Blain. The waiting list has been closed, but the actual waiting list we have is reducing, so there might be some capacity to open it up again, because you have been turning people away, because there have been no additional people added to the waiting list. They will still have to get in the queue.

The other thing is, with the classification of prisoners, I understand the commissioner is actually working with the Prison Officers' Association to have a new level of low classification to free up more prisoners to help in this space. There are a few things happening behind the scenes to try to improve that service.

Mr MILLS: Could you be specific about what those few things are?

Mr SHANAHAN: The classification of prisoners is one.

Ms FYLES: It is a complex issue and we cannot put community safety at risk, so I think ...

Mr MILLS: I appreciate that, and I note many of those in the system are there for traffic offences and the like. I have been quite keen on promoting this in our community. I think it is a very useful mechanism. I know there are complications, but it does not quite match saying that we have—even yesterday we heard about traffic offences, how many of them are in the system and that we do not like them being incarcerated.

The complications of being absolutely committed—okay, there are reclassifications, what else is going on at the moment? Is there additional funding going to corrections to provide extra personnel to be able to support such work programs?

Mr SHANAHAN: The funding that was reinstated was the one that came back.

Mr MILLS: So, is that reinstated to a previous level or is it increased?

Ms FYLES: It was reinstated to the previous level ...

Mr MILLS: If you were absolutely committed, would that not increase?

Ms NELSON: I think the reclassification will make a bigger difference than ...

Mr MILLS: We will see about that.

Ms NELSON: I am just clarifying that it is ...

Mr MILLS: I have been around for quite some time.

Ms NELSON: I do not doubt that.

Mr MILLS: One of the issues is the capacity of corrections to support the extra work programs. Classification or no classification, it is the actual manpower to support prisoners working in the community—it is one of the key issues.

Ms FYLES: The previous government cut \$500 000 from the program, I understand. So we reinstated half a million dollars to the program in this budget. With the additional work corrections is taking on board, in terms of looking at the classifications of prisoners and are there more prisoners available to do the work—

remembering community safety is an absolute priority. These people are in the community, working in the homes of people who are potentially more vulnerable.

Mr MILLS: I understand all of that.

Ms FYLES: If we can provide those additional prisoner resources safely then the commitment is there from this government. There is half a million dollars in our budget this year, and I would be happy to take forward further budget expenditure if it can be matched. We agree this is a valuable program.

Mr MILLS: It is very valuable.

Ms FYLES: Not only is it pensioner and seniors, but also community facilities and the childcare centres.

Mr MILLS: It is, without doubt, a valuable program. If the reclassification shows there are many more prisoners that can be moved to assist in the community, will there be sufficient resources in corrections to support those additional numbers?

Ms FYLES: We would need to work through that, but I see the strong value in this program for the community and would take it forward.

Answer to Question on Notice No 6.1

Mr MILLS: What is the current allocation in corrections to support the current cohort that are in these community work programs?

Ms FYLES: There is \$1.9m for community support work programs. That includes the reinstatement of \$500 000, which was cut.

Mr MILLS: I got that.

Ms FYLES: You were not here, Member for Blain, so I just wanted to make sure you did not miss it.

Mr MILLS: That is good. ‘That was a nasty last government, but we have done the good thing.’

Ms FYLES: They were very nasty to you, were they not?

Mr MILLS: Yes, I have the scars to bear.

Ms FYLES: This is something I have spoken to the Chief Minister about. Your views are similarly echoed around the Territory. It is a valuable program from Central Australia to the Top End. If we can provide these pathways for prisoners safely then we are willing to support it.

Mr MILLS: Maybe if I could talk to corrections then?

Ms FYLES: Of course.

Mr MILLS: Because I am interested in the view of corrections in regard to increasing capacity to support these programs. Are they for it, against it or ambivalent?

Madam CHAIR: Attorney-General, I just want to add one question before we change over to corrections.

The program and the way it works at the moment is valuable. I have contacted your office a number of times in regard to the seniors and pensioners in my electorate. The safety of prisoners is vital. I am curious about the level of support provided to prisoners who are working in the community support work program. Is this a voluntary capacity? Do they get a choice of whether they stay indoors at the prison all day or whether they go out and help to clear out rubbish in preparation for a cyclone or mow lawns? I would just like some more information about that.

Ms FYLES: Of course. Commissioner Mark Payne is about to join us at the table, so in terms of getting into those specifics, he can provide that detail.

Madam CHAIR: Member for Blain, did you want to ask some questions?

Mr MILLS: Mr Payne, I am not just speaking as the Member for Blain, as this goes across all electorates, but our community really appreciates the support they receive through corrections when prisoners assist. It is really difficult when we have to say the demand is so great that you cannot go on the waiting list. Some of those are really in need, and there is a lack of community support broadly, so volunteer organisations and so on. So, it is a great asset.

What is the view of corrections regarding this program and how useful is it for your project of correcting those who are in the system, as it is corrections? How useful is it to have these community service programs?

Mr PAYNE: They are very useful. Within corrections it is very important for prisoners to give back to the community. Part of the community support work program does exactly that—prisoners get a sense of giving back to the community.

It is also extremely important for us to make sure, as much as possible, that prisoners do not come back into the system through reoffending. We have a very strong program logic that we take prisoners through. It is about education to get vocational training that gets them into voluntary work and then into paid work. That is just one of the factors that can reduce the risk of reoffending.

Community support work parties are an integral part of that. It gives prisoners—some of whom who have never worked before and some who have but have not been in organised employment of this nature—a sense of a very strong work ethic. We like to see moving prisoners out of the community work parties into other forms of employment. It is a staged progress to volunteer, then to fully paid employment.

Our ability to provide more and more resources to the support parties—there are six operating out of Darwin and five out of Alice Springs. They not only deal with providing services to pensioners—as my minister has said, it is in the vicinity of 700 pensioners currently. Other important things they do include a raft of other valuable community service support work in support of councils, community groups, clubs et cetera. That work is spread around.

I will talk to the issue of what we call the low-two rating. We have had discussions with the Prison Officers' Association. There is an agreement that a low-two prisoner can work off-site whilst under supervision. But, as my minister has said, it is extremely important that in many of these roles with support work parties in the community are open classification prisoners.

I will qualify with you. You made a very valid point that among the average 1600 people in custody across the Northern Territory—an important thing to note is that, at that time, the open classification prisoner number only in the vicinity of 321, as my figures show.

You are talking about open classification prisoners who have moved to just about going out of prison and are ready to integrate into society. We have a sense that we can get more prisoners into the community work parties et cetera by using the L2 prisoners escorted under guard to do so much of the other community work. Then we can direct more towards pensioners, providing to them in the community. That is the plan.

Mr MILLS: Okay. Thank you. Mr Payne, there is open and L2. Is there an L1?

Mr PAYNE: Yes, there is.

Mr MILLS: What is L1? Is that better or worse? I do not quite know ...

Mr PAYNE: The L1 classification is the first of low, as you come out of medium. Those are generally prisoners who engage in work, and they can engage in work outside the wire, so many of those you will find in our horticulture area and in other areas around the prison. They are actually within the confines of the prison; whereas, L2s are those we are looking to do a number of our projects that are under supervision of correctional staff. It will alleviate the burden that is currently on the open classification prisoners.

Mr MILLS: Okay. That is very useful. So, 321 open class—how many in L1?

Mr PAYNE: In the total low class at the moment there are 480 prisoners. This was at 30 June. We had 480 low and 321 open class prisoners. Between low and open, it represented more than 50% of our population. If you are asking for a low twos at the moment we only entered in to the low two classification in discussions in May, just before the annual report came out. I did not bring before you today the L2 figures, but I can get

those figures for you. In fact, someone is probably getting them right now and will page them through to my phone.

Mr MILLS: This is very interesting. If there are 321 open class and they are able to be utilised and at least maintain that level of service—there are potentially 480 others that could join these programs with the appropriate funding?

Mr° PAYNE: A portion of those 480, yes. What we see is that we can use some of the L2 classification prisoners under escort or under guard due to a raft of other things that free up open rated prisoners.

Mr MILLS: I assume, if we have \$1.9m being spent to support the open class, we need another \$2m to support doubling that?

Mr° PAYNE: Yes and no in that regard. Many of the other areas that have the capacity for prisoners to work it are already a funded area that L2 prisoners or low open prisoners are engaged in. We also have a number of initiatives that we can better use L2 prisoners in that are not, let us say, working in the community—if I could go back. Almost every open prisoner who is working is subject of a general leave permit. That means to say for all intents and purposes they are released from custody on a special permit.

In terms of public safety, we have to make sure with any prisoner who is under those circumstances that there is a minimal level of risk to the public. That is why we engage only low prisoners in those roles.

Mr MILLS: Anecdotally, I used to be a school principal, and one of the parents informed me of this program—we had some significant work to be done for the middle school, and we had prisoners come to the school. That was a most valuable experience for the middle school boys. Initially they came in, the prisoners over in the corner doing the work, but it did not take very long before prisoners started talking to the young boys. The messages that were run to those boys were valuable. They were explaining why they were there and, in a sense, ‘Do not go down the same path I have gone down’.

That was a very powerful experience for those boys and I thought it was really useful for the prisoners to be able to share in that way. They ended up playing football during the recess breaks but there was a lovely exchange there. I see tremendous value in this program and I am sure other local members would provide whatever support they can to government to provide additional capacity for those prisoners to be used in such a productive way, both for the community and for the prisoners.

Ms FYLES: We welcome those words, Member for Blain. You can image the headlines if I sent prisoners in to schools, but when people have that understanding it is far more—these are people that have done the wrong thing. They are deemed safe in a classification sense and there is obviously always an element of risk, but the risk is low and they can provide back to the community. We are committed to this program. They provide so much more than just that simple task of tidying yards. We look forward to future conversations in this area.

Mr MILLS: The numbers—if that is not a question on notice—are open L1 and L2.

Question on Notice No 6.2

Mr MILLS: How many L1s and L2s are there?

Madam° CHAIR: Attorney-General, I will list the Member for Blain’s question as 6.2.

Ms FYLES: Madam Chair, I think you had a question in terms of how these services roll out and the provision—I am sure the commissioner would be happy if you remind him to answer that.

Madam° CHAIR: There are many people in my electorate of Karama who are able to access the community support work program, getting requests at least once a week. It is a very helpful program. My question goes towards the support that is provided to the prisoners. Is this an option for them to participate in the work programs as opposed to staying in prison? Is there any remuneration for their time and effort? Is there any skills-based training so that they can enter that field upon release? What is the basis behind the actual program?

Mr°PAYNE: I think it is important as described that the community support work program is part of a larger model. Yes, prisoners are selected on the basis that they reach a security classification that allows them to do it. If you are to be selected to work in the CSWP, you have to reach an open classification at this stage, although we are looking toward other avenues for the L2s, as I have discussed.

In many regards, your opportunities to engage in work, whether it is community support work, party, volunteer or paid work in the community will often depend on the levels of skills and experience you have developed either in prison or bringing into prison. Very often people gravitate to those roles; they put up their hand and would like to be selected for those particular areas. This is orchestrated through a raft of good folks within the facilities, who are the prison support teams that work with the prisoners in terms of their programs they need to undertake, education they should be undertaking and the employment opportunities for them.

For us, the key is to ensure that by the time a prisoner finds their way back into the community, they have the right level of education and work skills that they can become gainfully employed. We see it is one of the things that can greatly reduce the risk of them reoffending.

Our prisoners are paid at a number of different levels. If you are in fully paid work in the community, you get the same wage as an individual who works in the community, which is an agreement we have with the employers. There is, of course, an employment wage within the prison itself, it is much lower if you are working in the wire and working as a cleaner or what have you. Those in the community support work parties are paid a wage that goes to their use within the system. If you want to know exactly what that wage is, I can let you know.

Madam CHAIR: I will organise a briefing. Thank you very much. Are there any further questions?

Mr MILLS: I have a follow up question, Mr Payne. Thank you for your really interesting feedback on this matter. I am interested in the industrial issues; are there any industrial concerns amongst prison officers with regard to this program and their support for it or otherwise.

Mr PAYNE: The anecdotal feedback I get from prison officers is that they fully support the program. In negotiating the L2 rating, prison officers remained extremely concerned to ensure there are no cutting of edges and that community safety is in any way compromised by having a prisoner working out in the public who should not be or who should otherwise be escorted.

These arrangements we have resolved and worked through the unions. For the L2s the issue was, yes, as long as they are under escort. Opens are on a general leave permit, they are not subject to incarceration at that time.

Ms FYLES: Further to that, Member for Blain, in terms of correctional industries and the services they provide to the broader community, stepping away from this—I was on a committee that did a lot of work in this space looking at correctional industries. There is an industry reference group that makes sure we are not putting in place services that are in competition to the private sector.

The prison officers are very supportive. When there was the lack of support from the previous government the Prison Officers Association volunteered some time on a Saturday, off duty, to cut some of the lawns of pensioners and seniors who were not able to get onto the program. My conversations with the association show they are strong supporters as long, as it is done through the correct parameters.

Mr PAECH: Madam Chair, I have a question while we are talking all things corrections. What is the fee that a working prisoner pays back to the correctional institution when they are working?

Ms FYLES: I will ask the commissioner to respond.

Mr PAYNE: There is a contribution if you are in full-time employment that goes back in terms of your board and lodgings; there is a payment in that regard. We also ask prisoners who are working to pay back fines as a percentage, and victims of crime.

In total these things amount to about 35% of the amount they earn. The rest goes into savings. There are some very good anecdotal stories about prisoners who have been in paid employment who have a good start when they get out of prison—not only a job, but they have money in the bank.

Mr PAECH: It is 35% of their earnings?

Mr PAYNE: There is a percentage. I can get you those figures. In fact, I probably have them in the brief.

Mr PAECH: I just wanted to understand that there is a contribution made to Victims of Crime.

Mr PAYNE: There is, absolutely. Of everything they earn, 5% goes back to Victims of Crime.

Madam CHAIR: Could you please elaborate on that—how that 5% back to Victims of Crime is actually administered?

Mr PAYNE: We manage a trust account for each prisoner in terms of all of their money. When they are working what happens is when the wages come in and are disbursed into the account, the Victims of Crime amounts are taken out and through another trust are sent on to the Victims of Crime. Annually we provide quite a considerable amount to Victims of Crime Northern Territory.

Madam CHAIR: Are there any further questions?

Ms NELSON: I have one question. It has nothing to do with corrections.

I have a question about the *Anti-Discrimination Act*—if I could get an update on how the review is going.

Ms FYLES: The Territory is a vibrant, multicultural community. I think we have very forward-looking views here in the Territory. It is important that our laws, our legislation, matches that. The *Anti-Discrimination Act* has not been reviewed since 1993, nearly a quarter of a century ago. We certainly need to bring that legislation into a modern territory. It refers to things such as a sheltered persons' workshop—guide dogs are legally protected but other assistance dogs are not. It is a big body of work.

What we have done is release a discussion paper. We are consulting with community. Consultation was due to close next week, but we have extended that to the end of January. That is from many stakeholder groups I have met. I have met with the bishop, leaders within our religious organisations, NTCOSS, Rainbow Territory, right across the spectrum. They all felt that more time would be beneficial. They have been consulting within their organisations, and they had questions which we have been providing. As I said, I have met those organisations.

I commend the department as it has done an excellent job in public hearings across the Territory. Additional hearings were requested in the rural area. It is certainly a big body of work. We need to get it right, so we have extended that consultation so those groups can formally make their submissions by the end of January. Then we will begin the legislative process of reform. I assume that would include the Social Policy Scrutiny Committee when the time comes.

We are reviewing the entire act. It was not recommended to make amendments to the act. It is a rewrite, a big body of work. That consultation extension was at the request of the community and we have provided it. We will continue to work through that.

Ms NELSON: Thank you. The rest of my questions will be for the commissioner and the Anti-Discrimination Commissioner.

Madam CHAIR: Are there any further questions on the Attorney-General and Justice's annual report?

Answer to Question on Notice No 6.2

Ms FYLES: Madam Chair, just before we go on, I have the answer to a question on notice.

The open is 271; L1 is 585; and L2 is 119. That is as of midnight on 28 November, which was yesterday.

Ms FYLES: There is one other point we have been talking about. The prisoner participating in industry or work parties must be physically able to do so. That is where you may see some slippage. I hope that answers your question.

Mr MILLS: Yes, very good, thank you.

Mr PAYNE: I also have the figures with respect to the amounts of monies that are paid. I have the big-end numbers for the members.

For the 2016–17 financial year, board paid by prisoners is \$787 658; for Victims of Crime it is \$119 717; and for Fines Recovery \$130 878. Those are significant numbers.

Mr PAECH: How often are they reviewed regarding the percentage taken for Victims of Crime or Fines Recovery, from the salaries?

Victims of Crime—that was negotiated in 2013. At the time, the Victims of Crime Board came to the then commissioner and said, ‘What can we do around this?’ It was about that time the Sentenced to a Job program and the paid employment was really kicking off.

It was established at 5% at the time. Periodically, there is discussion with Victims of Crime, but because figures have grown from 2012–13, before there was a contribution it was \$22 586, so it has grown incrementally over the years, and it is sitting at \$119 000 now. That is almost \$100 000 more over a growth period of four years.

Ms FYLES: They would be paying back their fine, so that is set by legislation.

Mr PAECH: Is there any discussion or plan for the future to revisit that 5% or increase the amount?

Ms FYLES: We continually meet with Victims of Crime, and we would be happy to consider that in terms of broader factors.

Madam CHAIR: If there are no further questions that concludes consideration of report number one.

Report No 2 – Director-General Licensing 2017 Report

Madam CHAIR: The committee will now move on to consider report number two, Director-General Licensing. Are there any questions?

Ms NELSON: I have a couple.

Ms FYLES: Just to let the committee know, I introduce Ms Anna McGill, the Director Regulatory Systems and Operations, from Licensing. The Director-General is unavailable to attend as she is not in Darwin today, but Anna is here to assist in answering the committee’s questions.

Madam CHAIR: Thank you, Attorney-General, and welcome, Anna.

Ms NELSON: I have a question about the Community Benefit Fund.

Ms FYLES: That is not the right report. That is number five, but this is the annual report for Director-General of Licensing. Did you have any questions on that?

Ms NELSON: I wanted to ask about the Banned Drinker Register.

Ms FYLES: That is right.

Ms NELSON: Can you give us an update on the roll-out of the Banned Drinker Register? It has been in place since September. I know how it is working in Katherine, but overall ...

Ms FYLES: It has been a huge body of work to roll out the Banned Drinker Register across the Northern Territory. The Department of Justice, through Licensing, has been responsible for the implementation of physical scanners, the IT and databases in premises. It has been a huge effort and I thank the team—a small team, but they have implemented that well. There are times of frustration, but I believe provisions have been put in place for different situations. It seems to have gone fairly smoothly.

The infrastructure and equipment was audited and tested with licensees in the first half of the year, and that stepped up. We had a staged roll-out in Nhulunbuy, where there was already a restriction measure in place. We rolled it out there first to see how the technology was working and then Territory-wide from 1 September.

We are still working on the mobile solution. We have a pilot program we are using in the drive-through outlets. We want to improve that capacity. For some small businesses the scanner is quite compact, but it still takes up valuable counter space. It rolled out well.

I can get some figures for you in the health part of my response.

Ms NELSON: I have some questions to do with the health side.

Ms FYLES: I think there has been over one million scans Territory-wide through September, October and November. That just highlights the huge amount of alcohol sold in our community. Most Territorians do the right thing and drink responsibly, but it still causes so much harm in our community.

Ms NELSON: Is there a scheduled review of the BDR throughout this?

Ms FYLES: We are continually reviewing it and working with operators if they come up with difficulties. There were some difficulties in the early day with certain licences. In terms of the physical operation, which is the responsibility of Licensing, continually looking at that—I will ask Anna to provide further comment.

Ms McGILL: Our compliance officers are continuing to work with licensed venues to ensure any issues that arise with the technical system are addressed quickly and efficiently, and dealing with any issues that arise in that respect. To add on to what the minister said, as of 31 October there has been 1 366 322 scans, of which there was 1137 sales refused as a result of the BDR system.

Ms NELSON: What about populating the list? How is that system going?

Ms FYLES: To place people on the BDR there are four pathways: court orders; police referrals; health-type referrals; and self-referrals. Those questions are better asked in the Health portfolio, if that is okay.

Ms NELSON: Yes, definitely. I do not have any more questions for the licensing part, but I would like to go back to corrections.

Report No 1 – Department of the Attorney-General and Justice 2017 Report

Madam CHAIR: We will re-open the Attorney-General and Justice's report, and we will close off the Licensing report.

Ms NELSON: I would like to ask the commissioner a question if he is still here.

Ms FYLES: He has gone already, Member for Katherine, but I am happy to take the question.

Ms NELSON: Thank you. Earlier this year I had the opportunity to address the Elders Visiting Program conference, and I wanted to get an update on that. Where are we at with that? Is it being rolled out throughout the Territory?

Ms FYLES: Thank you, Member for Katherine. I may have spoken at the same meeting. I have spoken at a couple of elders visiting forums. The Elders Visiting Program was launched more than 12 years ago as a measure to try to address the high rates of Aboriginal offending and reoffending. On average 84% of the Northern Territory prison population is Aboriginal, compared to around 38% of our population.

This program complies with the Royal Commission into Aboriginal Deaths in Custody recommendation 172, that Aboriginal prisoners should be entitled to receive periodic visits from representatives of Aboriginal organisations, including legal services. In 2016–17 there were 30 male and 30 female elders participating in the program from a range of communities. The program expanded in 2014 with regional forums into Barkly, central, Katherine east and west, and the Salt Water Gulf.

During the 2016–17 financial year elders met with more than 645 prisoners during scheduled visits, as well as attended key events such as the NAIDOC Week celebrations. Elders advised staff on cultural and community issues that may be impacting a prisoner's behaviour or ability to address their offending or reoffending behaviour. The program provides a structured and vital role assisting offenders with their reintegration back into community and provides an important link between Aboriginal prisoners and the Northern Territory Correctional Services.

Elders also provide support to offenders and their legal teams when a circuit court is being facilitated in their communities. Participating elders are actively engaged in Darwin-based cultural awareness training delivered to our correctional staff and provision to support and raise the profile of the program and to build a greater cultural competency within Correctional Services.

It is certainly a very important program considering the high percentage of Aboriginal inmates in the Northern Territory and addressing that key finding of the Aboriginal deaths in custody.

I am not sure if you had any more questions specifically.

Ms NELSON: Not specifically about that. It is just more of a statement that Aboriginal people make up 34% of the Northern Territory population, so I think these sorts of programs are great. I am wondering as well, will this make up part of the Aboriginal Justice Agreement? Is there a thought into that?

Ms FYLES: In terms of Aboriginal prisoners, absolutely. They have been sentenced to prison by a court to understand the consequences of their behaviour and the impact that has on an individual and our broader community. But at the same time we need to recognise that, in terms of their reintegration and remediation that they need to have that cultural competency.

In terms of the Aboriginal Justice Agreement, the work of the elders would be incorporated in that. It is certainly far broader than just the prison-specific, which is what the Elders Visiting Program is.

Ms NELSON: What about transportation in regards to the Elders Visiting Program as well?

Ms FYLES: That is part of the program's budget we cover. Obviously it is a little easier in Darwin, having elders from this region, and likewise in Central Australia if they are close to Alice Springs. But yes, acknowledging that some of these elders need to travel, we provide for that. And we provide support to the elders through those forums, which is what you attended earlier this year.

Ms NELSON: Yes. I have some more questions, Madam Chair, in regards to corrections.

On page 44 of the corrections annual report I noted that there is a target of gender equity and diversity. Has NT Correctional Services achieved its target of 9.9% Aboriginal employees?

Ms FYLES: The short answer is yes, they have. I am just getting some more information to give you more detail.

I am advised that it is 10.7%, so the department has exceeded the target rate allocated by the NT Government Indigenous Employment and Career Development Strategy. The department has implemented a number of measures, including a special measures plan that supports increasing Aboriginal employment and a special measures plan for legal graduate positions; employ law cadets under the Indigenous cadetship scheme; participate in a variety of early career Aboriginal programs; a mentoring program for early career participants, which is primarily Aboriginal employees; cultural training for all employees; and supporting flexible work arrangements.

These numbers only indicate those employees who self-identify in the human resources system as being Aboriginal and/or Torres Strait Islander decent.

Ms NELSON: Is the retention rate just as high?

Ms FYLES: I do not have that break down, but obviously the department has a number of measures in place to support Aboriginal and Torres Strait Islander to be part of the team within corrections and, more broadly, the Department of the Attorney-General and Justice.

Ms NELSON: Thank you. In the section in the annual report about escapes and absconds, it was noted that Alice Springs Correctional Centre has a much higher number of escapees than the Darwin Correctional Centre; although, Alice Springs Correction Centre houses fewer prisoners. Could you elaborate on why there is such a difference?

Ms FYLES: I will get some further information to help answer the question, Member for Katherine. I will be one moment.

Ms NELSON: Thank you.

Ms FYLES: In Alice Springs in 2016-17—I understand from the information that is provided before me—there were eight escapes, seven of which were absconds and one an escape under escort. None of those involved prisoners who were within the secure perimeter of the prison, or behind the wire, as it is more commonly referred to.

Ms NELSON: This would have been the low-risk ...

Ms FYLES: Yes. In the cottages is my understanding.

They have also ensured that escort training ensures best practice techniques for corrections officers in holding and positioning the prisoner under escort and the appropriate use of restraint devices if needed.

There was also a review of the low-security cottages in Alice Springs, which provided these recommendations: CCTV cameras, making sure of night shifts and things like that. They are being addressed—motion sensor activated lights. That is the breakdown of the figures. But none were behind the fence, so to speak, in the prison. They were in those lower-security cottages. It is an important part of a prisoner's reintegration that they step down in those classifications. But once they abscond, they are not placed in a cottage.

Ms NELSON: Can you please also explain what makes a prisoner eligible or ineligible to participate in some of the programs while they are in prison, such as education and work programs? I know the classification has something to do with it.

Ms FYLES: Correctional Services works hard to engage as many prisoners in education and training as possible. However, there are some barriers still in place that stop people, particularly in relation to VET courses, such as language barriers—English as a second language or third, fourth or fifth; limited literacy and numeracy and their prior education and employment experience before they come into a correctional program.

To overcome this, Correctional Services has entered a service level agreement with Batchelor Institute, as the main provider of the VET courses. That has been a positive step in engaging prisoners in education and trying to improve literacy and numeracy rates.

Also, we ensure prisoners on shorter sentences are provided with the option of continuing education post-release and developing an education and training history to improve their employment and training options post-release. In addition to the VET courses, there is a number of non-accredited courses that prisoners take part in—foundational literacy and numeracy; life skills; and specific drink, drug and driver education programs.

Madam CHAIR: Any further questions?

Ms NELSON: I have. It is about Parole Board. Is it the right time to ask?

Ms FYLES: I think it has its own annual report. Sorry, Parole Board was not on the list we were provided with prior. But it is under AGD, so we are happy if you want to ask your question.

Ms NELSON: How many cases has the Parole Board reviewed in 2016–17?

Ms FYLES: (inaudible).

Ms NELSON: Also, how many times did it meet?

Ms FYLES: Member for Katherine, your question was the number of scheduled meetings?

Ms NELSON: Yes.

Ms FYLES: They were scheduled and budgeted for 28, and 28 took place.

Ms NELSON: And how many cases did they review during the year?

Ms FYLES: As per page 72 of the annual report, 938 cases were presented before them.

Ms NELSON: That is huge. I have one more question, and that is about the COMMIT trial. Since the introduction of the COMMIT trial, how many individuals have been subjected to the sanctions regime?

Ms FYLES: Do you mean COMMIT in relation to parole, the legislation that passed the Assembly in August?

Ms NELSON: Yes.

Ms FYLES: The trial related to suspended sentences. There are 50 individuals currently participating in the COMMIT program and 79 have participated. In terms of the parole, I do not have those figures. I know it was gazetted for use of the Parole Board, so it will be up to the board's discretion to use it. I am happy to provide—I am guessing the figures would flow through in next year's annual report.

Ms NELSON: I will definitely be following that. I was really pleased when the legislation passed. I definitely support it.

Ms FYLES: We have seen a decline in prisoners taking parole, they are preferring to serve out their full sentence and then there is no pathway for support, so parole provides that reintegration into community. It is early days, but we passed the legislation, gazetted it, and now it is there for the Parole Board to use.

Madam CHAIR: Does the committee have any further questions on the Department of the Attorney-General and Justice's annual report? That concludes consideration of report one.

The committee has already considered report two, Director-General Licensing.

Report No 3 – Commissioner for Information and Public Interest Disclosures 2017 Report

Ms FYLES: I introduce Brenda Monaghan, who has just joined me at the table.

Madam°CHAIR: We will now proceed to review report three, Commissioner for Information and Public Interest Disclosures. Are there any questions from the committee in regard to this report?

Ms NELSON: The first question I want to ask about is the ICAC because we have just passed the legislation. I note that it is coming in and you will be involved in that transition. Can you give us an update on where you are on the transition? I know it has just passed.

Ms°MONAGHAN: Obviously the legislation has passed. The decision was made by government at an earlier stage that our staff of the Commissioner for Public Interest Disclosures will become part of the ICAC. In the background we are doing the tasks we need to do in order to make sure the staff and our files—any files that are uncompleted—will be transferred across to that new body. We are simply making sure the background work is done to be ready for the new commissioner when the new commissioner is appointed.

Clearly, that is when a number of decisions will be made by that person. It would be inappropriate for us to pre-empt what decisions the commissioner might make about the facilities or the guidelines the commissioner might want. All those details are left for the commissioner.

In the background my staff are preparing notes, getting ready, making sure that they are ready to brief the new commissioner so the commissioner comes on board fully briefed from our perspective. That is as much as I can say on the matter. If you have any further questions I am happy to help or refer the matter to others.

Ms NELSON: I think that answered my question. I was wanting to get an update on the systems you already have in place—ensuring there is smooth transition for that.

Ms°MONAGHAN: My staff are very interested and are excited by the new changes. I know they are all invested in doing everything they can to make sure it is a smooth transition.

Ms NELSON: What type of training does the Commissioner for Public Interest Disclosures provide? Will there be additional training for the introduction of the ICAC for your staff?

Ms°MONAGHAN: I am sure there will be intense training of the staff. Although, in the bones of the system much is the same. There is a lot more. It is a much more comprehensive piece of legislation that impacts a much wider group of public officers and others.

Although the staff have been following the changes we have already received a training session from the senior policy officer who was involved in preparing the legislation. We have already had one workshop and that will continue. We will do everything we can to make sure the staff are ready. Once the commissioner is appointed I am sure that is when the hard work and the training will really begin.

Madam CHAIR: Just following on from the Member for Katherine's question, at the moment does your office and staff provide training to the public?

Ms MONAGHAN: Yes, we do.

Madam CHAIR: Could you talk to us a little bit about that type of training?

Ms MONAGHAN: We have a training package online, which was developed when we opened the office. It has been highly successful.

It is simply an online, simple, question-and-answer package that people can look at. We note the number of people who do that training. It comes through on our figures.

We also happily provide training normally to various public bodies which ask for the training. I have also attended with various different groups at community events when they have asked for information. It is community awareness. We also have a table various community public events with our staff there to make sure we can answer questions. We involve ourselves in those sorts of matters. A lot of information is available at those events such as newsletters et cetera.

We are very interested in community education and training.

Madam CHAIR: Thank you very much.

Are there any further questions for the commissioner?

Thank you very much for that.

Ms MONAGHAN: Thank you.

Madam CHAIR: That concludes consideration of report three.

The committee will now move on to consideration of report four, Community Benefit Fund.

Report No 4 – Community Benefit Fund 2017 Report

Ms FYLES: Madam Chair, I have Annette Gillanders, who is the Chair of the Community Benefit Fund. Anna McGill also provides policy support. They have both joined me to help answer the committee's questions.

Madam CHAIR: Thank you very much. Does the committee have any questions in regard to report four, Community Benefit Fund?

Ms NELSON: I love the Community Benefit Fund. Katherine certainly loves it. I wanted to ask a couple of questions about the way the funding allocations are made, and the decisions on who gets what, or which region gets what.

I understand right now it is a regional thing. Is that right?

Ms FYLES: I met with the Community Benefit Fund Committee recently. The program is currently under review. It is not that we want to try to use the funds elsewhere. There are issues in terms of the time allocation and the resources of the committee members, and making sure we appropriately tie it in with that and appropriately provide the funds. Is there provision for smaller amounts that are more routine in terms of the committee's work, the board's work? Do they focus on some of the bigger projects?

There was an increase in the funding to the CBF. I also felt that sometimes we are funding programs and paying for positions and then when that grant finishes we are leaving potentially a hole in funding.

Just looking at all those aspects—that work has been presented to me and I am just finalising that. I hope to have to have the next grant round out early in the new year. It is important that for such a large fund we have an up-to-date and easy-to-understand framework that includes accountability in governance. Previously with the CBF, if you could stick a sticker on it, it was the type of item you could apply for—a projector or a trailer. Those physical items.

There is fantastic work being done through the CBF, so we want to make sure it meets the needs of communities. We went to the election with a strong commitment to working with non-government organisations, providing them with certainty and funding. We are looking at the aspects of the program. It has by no means been critical of any individual or organisations in the past. It is an opportune time to rework that.

Ms NELSON: But there is a moratorium on it right now.

Ms FYLES: Applications and works that have been accepted are going through the grant process. There is one round waiting to be released. We held off the November round while we did this work, but we will not be using the money for anything else. It will be available.

I am hopeful that early in the new year we will release the new program and people can apply for it. We want to see it out the door fairly quickly—acknowledging these community organisations—but it is February before they are back on board in meetings. There would be an application that would close off—looking at the fact there is a lot of paperwork involved, which is required for good governance. This is money that has gone from the taxpayer to the Northern Territory Government. We want those protections in place, but we also want a simple scheme that is easy to use but has the right governance around it.

Ms NELSON: To make sure I have a good understanding of it—you are doing a review, and part of that is to look at who is eligible to apply?

Ms FYLES: Correct. There are a number of festivals in the Territory that are not eligible—could we extend that scope. How do we see the release of these funds into the community? Are there better pathways?

We value the work of the CBF under the Chair, and we want their feedback. But when I met with them—are we tying them up with quite small grants in the scheme of things? How can we have those protections in place and have the opportunity for the community to access the funds with appropriate governance.

Mr PAECH: What is the balance of the Community Benefit Fund?

Ms FYLES: I have a figure from 30 June, but I think Annette has a more up-to-date figure. The closing balance is \$3.6m, and \$10.4m had been expended.

Mr PAECH: What is the highest grant you can apply for in the Community Benefit Fund?

Ms FYLES: It is \$200 000.

Mr PAECH: Every round, is there a maximum that is released? Once we reach \$10m, so we say, ‘No more’?

Ms FYLES: Correct.

Ms NELSON: But that is annual?

Ms FYLES: Yes.

Mr PAECH: What percentage of the revenue coming in through gaming and licensing is put into that account?

Ms FYLES: The revenue from the Community Benefit Fund levy is around \$11m per year. There is a very small number of grants that are returned—\$52 000. As you can see, those figures are all broken down in the annual report.

Payments are broken down into the gambling grants, research grants, community organisation grants, major community grants, the (inaudible) grants program, and vehicle gifts and long-term loans. They are the various parts of the CBF.

Mr PAECH: Would it be a fair assessment to say that every round there are more applications than can be funded?

Ms GILLANDERS: Not exactly, because there have been times when we have been able to completely exhaust that amount and it is always our target to be able to do that. The committee gives recommendations

to the minister, and we look at where the funding has the most community impact. We are looking for its ability to be able to reach a wider group of people.

When we are making our recommendations and evaluations, we look for that really wide reach. Hypothetically, a playground can have a bigger reach because of the amount of users. Whereas when someone may apply for maybe a tree removal, it will not necessarily have that amount.

We go for where we can get the most amount of reach, and once we have done that we go for the other ones that will fit into that funding. At all times, we are trying to allocate all the money we can.

Mr PAECH: I understand that is obviously a difficult task itself. I do not want to pre-empt anything, because I understand there is a review in place. But particular organisations or communities that make a certain amount of money already are excluded. Am I correct in that assessment?

Ms FYLES: I am happy for Anna to answer the question.

Ms McGill: There are a set of guidelines that apply to the different rounds of grant funding that are applicable. There are certain types of organisations which are for-profit organisations which are excluded from those guidelines and being able to apply. There is a limitation currently under the guidelines in that respect, particularly for the small grants program and the major grants programs.

There is also some exclusion for the municipal councils being able to apply for those grants under the current guidelines.

Ms FYLES: It is a very popular program across the Northern Territory and we want to make sure it works for community, providing for what are often essential components to delivering services.

Mr PAECH: Is there any form of evaluation after a project has been funded to look at the economic benefit that has been delivered through that investment?

Ms FYLES: Can you repeat your question, sorry?

Mr PAECH: Once a project has been funded, is there a way we are able to measure the economic benefit to the local community to make sure it is a worthwhile initiative and it may be carried out in other places?

Ms FYLES: Absolutely. It is part of the process and I will let Annette provide more.

Ms GILLANDERS: Yes. Upon the acquittal, the recipient needs to provide how they have acquitted the funding and how it has had an impact at a community level. The cover of the annual report depicts one of the successful projects that has come through, and that was in Tennant Creek.

We find that it has extraordinary impact into the community. It is able to create employment on the opportunity because of the projects that are coming up from it.

It is really worthwhile. It does need some more direction, which is what the review is doing, which we welcome.

Mr PAECH: Wonderful.

Madam CHAIR: Can I just add to that? There are two parts to my question. You mentioned there was consideration in regards to the reach of a project. For example, a playground going into my electorate of Karama might not have as great a benefit to my community as it would going into one of Selena's remote communities. So the measure of the impact there—also, consideration of the breakdown regionally by each centre. Enough money going into Darwin and Katherine out of the fund—that is a consideration that is given as well, I would guess, for the allocation of CBF funds?

Ms GILLANDERS: Very much so. The committee has 17 members, and we need those 17 members because it brings great intel to the committee. It means we have a representative from the regions and funding allocated to those regions as well. It allows us to evaluate your playground for your region exactly the same way as Selena's.

We look at the regions. The members on the committee who come from those regions bring great information for us because the committee pre-reads the applications and will come together and say, 'I am thinking this,

but I really need to know a little more about this. Can I ask the person from Tennant Creek? It has a lot of fairness, I believe. Our recommendations are always as fair as they can possibly be.

Madam CHAIR: One more question, I promise. The feedback process to those who perhaps do not meet the guidelines or might need an extra bit of support to make sure they have sold the benefit of their project correctly when they are applying—does that come directly from the committee as well?

Ms GILLANDERS: No, it is not our role to do that, though there is a suggestion that we will take it up to the minister.

One of the things we really emphasise is buying locally. We look for that enormously. In fact, we have also adjusted one of the forms that says, 'Have you sought this locally?' In some cases, while we are making a decision, an application may look really good but because of the person who has made the application—and perhaps they are new to the Territory and may not know, and are using suppliers they usually use. We will ask one of the support staff to say to them, 'Can you provide a local quote?'

We put a lot of emphasis into the funds actually staying in the Territory so that for every \$1 spent you are getting a \$4 return for it.

Madam CHAIR: Are there any further questions in regard to the Community Benefit Fund report?

Ms FYLES: In closing, Madam Chair, I take the opportunity to thank the chair and all the members. It is a wonderful program. We are reviewing it so it delivers more for Territorians. There have been some incorrect allegations made, and I want to put those to bed. I am currently writing to past applicants to the program to express that we are looking at how we can make it work better in the program, respecting taxpayer dollars and the governance that is needed around that, but having it so these NGOs and community groups—which are doing great work—can access these funds.

I thank everyone involved for their support with the program.

Madam CHAIR: Thank you very much, Attorney-General. Thank you Annette.

Report No 5 – Community Justice Centre 2017 Report

Madam CHAIR: The committee will now move on to consider report five, Community Justice Centre.

Ms NELSON: No questions on that one.

Madam CHAIR: The committee has no questions in regard to report number five, Attorney-General.

Report No 6 – Electricity Safety Regulator 2017 Report

Madam CHAIR: We will now move on to consider report six, Electricity Safety Regulator. Does the committee have any questions?

Ms NELSON: I do.

Mr PAECH: I think someone is coming up, Member for Katherine.

Madam CHAIR: Thank you. I am mindful of the time, so we might take a quick five-minute break ...

Ms FYLES: Should we answer these questions and then take a break?

Ms NELSON: I have one question.

Madam CHAIR: One question, sure.

Ms NELSON: There is a significant increase in the inspections and site visits during 2016–17 compared to the 2015–16 year. I am wondering if you could elaborate on that and provide some context behind that increase?

Ms FYLES: Member for Katherine, I want to introduce Stephen Gelding, who is Executive Director of NT WorkSafe. I will initially answer your question and then hand it to Steve.

In 2015–16 NT WorkSafe carried out 900 inspections and site visits with 40 auditing inspections that were carried out by TechSafe, an independent electrical inspection company. I will hand to Steve, the Executive Director to provide further detail.

Mr GELDING: We had a position vacant in Alice Springs for a significant period of time, so there are already the six positions, including a principal inspector—like a team leader—and they are based in Darwin. We were travelling to Alice Springs, Katherine and other parts of the Territory. That is when we engaged TechSafe to do compliance work. Electrical contractors self-regulate. They issue a certificate of compliance when they have completed the work. We do audits on those certificates of compliance because they send us a copy.

What we did with TechSafe to get out of the problem of the lack of—the position in Alice Springs was to bring them in to undertake compliance inspections for us. If there was an issue, they were not authorised to enforce compliance, but they were certainly technically capable of examining the work and reporting to us if there were any issues. That is the reason.

Ms NELSON: So, you have TechSafe.

Mr GELDING: We brought them in, they are a company we contract.

Ms NELSON: I see, outsourced.

Ms FYLES: An independent electrical inspection company.

Mr GELDING: Yes. We have not used them since March. It was very cost effective. It cost around—the last one we did in March, and only one individual came up. He did 30 inspections of certificates of compliance in a week and it cost around \$6500. We cannot do it year-in-year out, but it was very cost effective.

Ms FYLES: To provide further explanation, Member for Katherine, there is increasing interest in renewable energies and it meant that there is a significantly different way in which electricity is generating in the Territory. And I understand that is the main reason for those inspections and site visits around the installation of solar for homes and business. That is the reason behind that.

Mr GELDING: Yes. We filled the position in Alice Springs and engaged another one when someone retired. They are both authorised to inspect solar installations and, as the minister said, there is a significant increase in domestic solar installations. That also contributed to the increase in inspections.

Ms NELSON: Thank you.

Madam CHAIR: Are there any further questions in regard to this report?

That concludes consideration of report six, Electricity Safety Regulator.

Report No 7 – NT Civil and Administrative Tribunal 2017 Report

Madam CHAIR: The committee will now move on to consider report seven, NT Civil and Administrative Tribunal. Does the committee have any questions?

That concludes consideration of report seven.

Report No 8 – NT Police: Misuse of Drugs 2017 Report Report No 9 – NT Police: Surveillance Devices 2017 Report

Madam CHAIR: I note that while the reports under the Misuse of Drugs and the Surveillance Devices Act are made to the Attorney-General, questions regarding reports eight and nine were answered by the Minister for Police, Fire and Emergency Services yesterday.

As such, we will now break for five minutes and the committee will return to consider report 10, Director of Public Prosecutions.

The committee suspended.

Report No 10 – Director of Public Prosecutions 2017 Report

Madam CHAIR: Welcome back, everyone. We left off getting ready to review report 10, Director of Public Prosecutions. Does the committee have any questions in relation to this report?

That concludes consideration of report 10.

Ms FYLES: Can I just thank the staff. They have obviously provided their time to the committee. I know the committee is limited in its capacity and time to ask questions. We thank the staff of all the agencies that have come to support us.

Madam CHAIR: Thank you very much.

Report No 11 – Anti-Discrimination Commission NT 2017 Report

Madam CHAIR: The committee will now move on to consider report 11, Anti-Discrimination Commission NT. Does the committee have any questions on this report?

Ms NELSON: Madam Chair, I have a few questions.

Ms FYLES: Sally Sievers, the Anti-Discrimination Commissioner, is joining us at the table.

Ms NELSON: I note that there is an Anti-Discrimination review in process right now and it has been extended. Can you give us an update on where we are with that review and the reason for the extension? I know that the Attorney-General responded earlier, but I was wondering if we could get some feedback from the commissioner.

Ms FYLES: The Anti-Discrimination Commission is an independent body. As I explained, it was just about making sure people had adequate time to not only partake in that consultation but also put their information forward for that review. I did advise the office, but it was a decision I made to extend the consultation.

Ms NELSON: Thank you.

The review is long overdue. It has been 20 years since there has been a review of the anti-discrimination laws. I want to put some things on the public record because there are a lot of misconceptions and misunderstanding in the public in regards to the anti-discrimination legislation review, and I want to get some clarification on record for the public to understand it.

I am very supportive of this review. Like I said, it is very long overdue. Societal expectations have changed significantly over the last 20 years, and I think our *Anti-Discrimination Act* needs to catch up to those changes. I was wondering if we can get some context behind that and what prompted the review.

Ms SIEVERS: When I am speaking to people about it, Member for Katherine, what I say is actually similar to the minister. It is 25 years old, and as you say, it is incredibly timely for it to be reviewed.

There are three key reasons that I promote it being updated. One is about the modernisation of the language, particularly in relation to disability, which is our biggest area of complaint. Disability in the workplace is the biggest area for all commissions around Australia and for the Commonwealth.

Actually updating that language, taking out handicapped references and sheltered (inaudible) references—making sure that dogs like Laddie who work for HPA out at Henbury—are covered and included.

Also dealing with the issues under the *Sex Discrimination Act*—actually updating the definition of sexuality. Ours is really old, so it does not include intersex. We interpret it to include transgender—but making it really clear that it includes gender diversity and sexual orientation, using current language around those. That is a Commonwealth requirement since 2014 to do that.

We have identified gaps. In the four years that I have been in the position—also just talking to one of the earlier commissioners yesterday, every commissioner has said we need vilification legislation. Clearly, this is me speaking as a stakeholder and not speaking for the government, so that is really clear that demarcation. This is my view as a stakeholder in this. Vilification has continuously come up as something that is required

to be addressed in the Northern Territory community. Particularly in the multicultural and Aboriginal community we need those powers.

There are also other gaps that we have seen as we have decided cases. In this current climate in relation to sexual harassment—sexual harassment is really limited just to the public areas and so we have had cases I have decided—basically it stops at the work place and we cannot find that link in to other areas. There are also cases where the bar staff are sexually harassed by the customers. There are a number of areas where there have been gaps over the year in relation to us being able to adequately cover areas.

Then there are issues which are massive in the Northern Territory and for them to be covered, like domestic violence, homelessness and socioeconomic status—coming up with attributes which address some of the major social issues in the Northern Territory. They are the three areas that I say this reform will go to addressing.

Ms NELSON: Could you also provide a brief explanation what the priority and primary function of the Anti-Discrimination Commission is?

Ms°SIEVERS: Under the act there are three objectives. The first is the recognition and promotion of equality of opportunity in the Northern Territory community, which is the public advocacy role and the public information that we provide.

The second is the elimination of discrimination on the various attributes that are set out under the act. At the moment there are 16 of those in the public areas that we cover like work, education, accommodation, insurance so that is about that elimination. That is our complaint resolution focus, but also our education and training focus.

The third objective, which surprised me when I started this work, is actually the elimination of sexual harassment, which is really clear from the media we have had recently in Australia and overseas. We have still got a long way to go.

Ms NELSON: Can you explain, to put on record, what do you mean by attribute?

Ms°SIEVERS: Under the act there are various vulnerabilities that people might have to be discriminated against. In relation to the attributes they include sex, race, disability, union status, religious belief, breastfeeding, parental status all those sorts of things. We are looking to extend that in to domestic violence, accommodation status and also socioeconomic status.

Ms NELSON: With the discussion paper that is out there as part of this revue, what steps has the commission taken to consult with the community?

Ms°SIEVERS: Largely, in relation to the bigger public meetings, that has been very much handled by the Attorney-General and Justice's policy division, but we have actually held lots of meetings with who we think are the key stakeholders—people who use our legislation all the time.

I had a three-day visit to Alice Springs a couple of weeks ago and saw between 70 and 80 people, just talking through the reforms, from women lawyers at the pub on Wednesday night, to CAAFLU—Phynea Clarke's mob in Alice Springs—to calls to legal groups, sitting at the multicultural centre, to attending a participants forum at MHACA—which was actually the best consultation, they came up with the best ideas for the stories about why we should have the various new attributes.

Ms NELSON: Is it fair to say consultation has been really broad, open and people know it is happening?

Ms SIEVERS: There are different components of it. My office is doing the stakeholder consultation for groups we know are vulnerable to discrimination and who use our services. The wider consultation has been in the ambit of the Attorney-General and Justice.

Ms FYLES: To further expand on that, the reason for the extension was that people were interested and engaged. They are coming in with very different points of view. But we want to have those conversations, and that is why we have extended that. People have initially looked at it thinking they would provide responses relatively easily. It has involved further conversations with people they are associated with and they want to make sure we get that—it has been open for consultation since September, but it is a 25-year change.

It is important to take that extra time—we considered December and January, and the stakeholders indicated that that would be good for them. Some of their daily demands allow for that to take place.

Mrs LAMBLEY: The police are the only Northern Territory public servants that have a mandatory retirement age. Is that something that has been raised with you—age discrimination?

Ms SIEVERS: Yes, it has been raised with us by the police union, but how anti-discrimination legislation works in the Northern Territory is, if a discriminatory piece of conduct is included in legislation we cannot consider it. While publicly we can advocate for its reconsideration, a police officer would not be successful in having their complaint accepted if they put in a complaint on that basis, because there is a statutory basis for that discrimination.

When we met with the police union they raised that.

Mrs LAMBLEY: Your job does not include trying to reform government legislation?

Ms SIEVERS: Yes, we do. Because we are a tiny agency—there are only six of us—we actually pick and choose the issue. A big organisation like the police union has a much stronger advocacy arm, but we can provide them with advice. The act says that legislation is supposed to come through our office for consideration of whether it offends anti-discrimination principles before they are passed.

Ms NELSON: Can you outline the major complaints received?

Ms SIEVERS: The annual report is really clear in prioritising where they are. The number one area is disability discrimination at work, and the subset of disability discrimination at work is mental health. This is the emerging trend across Australia.

I am trying to find the next in line.

Ms NELSON: You mentioned mental health; is that listed as a disability?

Ms SIEVERS: It sits under the definition of what is called ‘impairment’ in the act.

Ms NELSON: If that all ties in with the NDIS roll-out and some of the criteria they will put in place, do you look at that as well?

Ms SIEVERS: In relation to NDIS—we go to those forums, particularly in the role we have as a community visitor. I attended what were called ‘zero tolerance’ forums for NDIS participants in Katherine regarding abuse. It is about keeping an eye on what would benefit the disability community.

As I said, we are a tiny agency, and being actively involved in all those things we keep our ear to the ground on what is happening.

Ms NELSON: The other thing I noted in your annual report is that the number of sessions that were delivered have more than double what was budgeted for. Can you explain that?

Ms SIEVERS: We do not have an in-house trainer position. That was the first decision I made as the Anti-Discrimination Commissioner. I had to lose a position and that was the position I lost. The decision was made that we would try every type of mechanism to make sure we could still continue to provide training to the public. At one point it was outsourced to the Western Australian Equal Opportunity Commission. They would fly in and do our public program.

With our public program, there is actually someone driving to Katherine right now to deliver our public program. We have two contracted trainers who organise all the training—it is paid training. Then, their fees are taken out of that. That limits us to how much training we can deliver.

Last year was a biggish years because the public service bought a product off us called unconscious bias training and we delivered that to a big swathe of Northern Territory public servants.

Ms NELSON: One quick question. This is more for the benefit of putting it on the public record because it really irks me when I hear this public commentary. For my understanding and that of the general public, can you define ‘vilification’?

Ms SIEVERS: That is a hard one.

Ms NELSON: It is not about political correctness.

Ms SIEVERS: No, no. In relation to vilification, what has been suggested under the discussion paper is that we adopt the provisions of sections 18C and 18D of the *Racial Discrimination Act* because we know those sections have been judicially decided. They say it is in the public sphere—it has to be public conduct—and on the basis of your race or ethnicity. I do not have the definition in front of me, but the words which are used in that act are ‘offend’, ‘insult’, ‘humiliate’ or ‘intimidate’. But what the case law has said is that they are really serious matters; it is not mere trifles. The case law is quite decided on it.

The current Chief Justice of the High Court of Australia is the leading decision in what that phrase actually means. It is the same as the exemption which exists under section 18D—which is for academic work or artistic work such as cartoons—that the exemption is really clearly defined as well. Your cartoon can be as offensive as you like if it, in fact, fits under the fair and reasonable artistic exemptions of the act.

What we are saying—obviously, I do not know where the government will and on this—is that to avoid ongoing litigation, use 18C and 18D. It has been publicly debated since 2014—what it means and where it goes. If we use that, we know what those phrases actually mean.

Ms NELSON: We are not looking to put cartoonists out of a job.

Ms SIEVERS: Not at all. What we are looking to do is include our multicultural and Aboriginal communities fully in the community and for them not to be silenced by offensive material on Facebook, or called out on the street or on the bus or in other places. It is giving a voice to groups which are incredibly vulnerable.

Ms NELSON: To dispel a rumour, we are not looking to change the law so that we cannot call someone a mum or a dad? Those terms will still be allowed to be used?

Ms SIEVERS: Yes. The language to be used in the legislation is actually

Ms NELSON: This is what I am hearing, so I am asking.

Ms SIEVERS: It is about inclusive language. If we define phrases really narrowly, like ‘man’ and ‘woman’ it means they are fixed in what that definition means at that time. The practice across Australia in parliamentary drafting now is not to define those phrases and to have those phrases used inclusively to include as many people as possible. It is the same as the definition of ‘carer’, so it involves everyone who cares, not just people who are in biological relationships to the people they are caring for.

Ms FYLES: Member for Katherine, the government has made it very clear, and I reiterate it, that any vilification provisions would come with clear exemptions for free and fair speech, especially for artists and commentators. That is something Sally mentioned and it is important to reiterate that comment.

Ms NELSON: Thank you. I appreciate the clarification.

Madam CHAIR: Are there any further questions in relation to this report? That concludes consideration of report 11. Thank you for your time today, Sally.

Ms SIEVERS: Thank you.

Report No 12 – Workers Rehabilitation and Compensation Advisory Council 2017 Report

Madam CHAIR: The committee will now call for questions on report 12, Workers Rehabilitation and Compensation Advisory Council. Welcome back to the table, Steve, thanks for your time. Does the committee have any questions in relation to report 12?

Ms NELSON: Yes, I have one question, Madam Chair. What role does the Workers Rehabilitation and Compensation Advisory Council actually play in the review of the *Return to Work Act*?

Ms FYLES: To clarify, Steve Gelding, the Executive Director of NT WorkSafe, has again joined us. I will seek some clarification for you.

Ms NELSON: Thank you.

Ms FYLES: The council met five times during 2016–17 and discussed a range of matters relating to workers' compensation. They did not have direct involvement in the working group that formed the recommendations for the changes to the *Return to Work Act*; however, proposed recommendations were provided to the council for their consideration. I hope that helps clarify for you.

Ms NELSON: It does a bit.

Ms FYLES: I met with the council a couple of months ago.

Ms NELSON: I have one more question, I was wondering if you can provide an update on the remote works health and safety program?

Mr GELDING: That is in the Work Health Authority annual report. Can we wait until then or should we do it now?

Ms NELSON: I have pre-empted, sorry.

Ms FYLES: Do you want me to wait?

Madam CHAIR: We will wait until get to it. Are there any further questions in relation to report 12? That concludes consideration of report 12. Thank you for your time, Steve. We will see you soon.

Report No 13 – Children's Commissioner NT 2017 Report

Madam CHAIR: The committee will now consider report 13, Children's Commissioner NT. Attorney-General, would you like to introduce the officials accompanying you for this session?

Ms FYLES: Yes. Colleen Gwynne, the Children's Commissioner has joined me to help answer questions.

Madam CHAIR: Thank you and welcome, Colleen. Does the committee have any questions in regard to the Children's Commissioner NT annual report?

Ms NELSON: I have one question for the commissioner. I read an ABC article about some comments you had made; you called for action on some unacceptable abuse in care. I was just wondering, one of the comments you made is that you did not think there was anything more to be gained by continuing to examine the issues and that the issues are well known. I am wondering if you can tell us from the Children's Commissioner's Office what the office has done in regards to ...

Ms GWYNNE: Okay, you are just talking about abuse in care reports?

Ms NELSON: Yes.

Ms GWYNNE: I guess in our last reporting period we found about 10% of those in care were subjected to some sort of abuse. That has been the general percentage over the past few years, but this year we also found other reports that were not reported to us as per the act. That was about another 10 reports, which was obviously a concern to my office. We have begun discussions with the department about how that could have occurred and it may be better explained by the minister in another session.

I think it is a governance issue, particularly around how the process is undertaken within the department to pick up on those reports and then subsequently report them through to my office. There are a whole range of issues that we believe are contributing to it, including the proper screening and training of foster carers and the ongoing support they receive.

I think I also said in that interview that I could not imagine a more challenging role than being a carer to young people who are exhibiting really complex behaviours and have really high needs.

Ms NELSON: Thank you. I just wanted to put this on public record more than anything, so that the general public has an understanding of the differences between the two, can you explain briefly what the Children's Commissioner's Office is? What is your mandate and what do you do?

Ms GWYNNE: My office has six separate functions. There were seven, with the secretariat for the NT Child Deaths Review and Prevention Committee. My role is to represent the rights and interests of vulnerable

children. There is a definition of vulnerable children—basically, it includes the children and young people who are in the child protection your youth justice system or suffering mental health disabilities.

As you can imagine, the Northern Territory percentages are very high in that area. My role is to investigate complaints in relation to services provided to those children. We also have a big role in education, community awareness and educating the community on who these children are. You will see in the media, there are not many days that there is not a story about youth offending or disadvantaged kids and those matters that impact on our community, which are very real.

My role is to give the community an understanding, a snapshot, of the needs of these young people and why their behaviours are such. In terms of the disadvantage they often experience, particularly around neglect, overcrowding in houses, subjected to continual violence—the drug and alcohol abuse we see in the Territory is far too common and young people are subjected to that almost on a daily basis.

That is an area I have placed much more focus on, as opposed to undertaking quite complex and long investigations. We are trying to provide better education and understanding to the community that this is a whole-of-community issue. It is not up to just government or one department and if we continue to take that approach we will probably not solve a lot of the issues.

I have been trying to paint a picture that the issues are complex. There is no short-term solutions, these are long-term solutions. A minimum of 10 years to turn some of the trends around. But everyone in this room, plus everyone in our community has to understand and contribute.

I guess that has really been my approach. If I continue to go and throw the problems on the table, it is not taking us any further in terms of what we need to do in a collaborative coordinated approach to change outcomes for young people.

Ms NELSON: Thank you, commissioner. Thank you for everything.

Madam CHAIR: Are there any further questions for the commissioner?

That concludes consideration of report 13. Thank you for your time today, Colleen.

Report No 14 – NT Child Deaths Review and Prevention Committee Report 2017 Report

Madam CHAIR: The committee will now consider report 14, NT Child Deaths Review and Prevention Committee. Welcome back, Colleen.

Does the committee have any questions in regard to report 14? That concludes consideration of report 14. Thank you again.

Report No 15 – Commissioner of Consumer Affairs 2017 Report

Madam CHAIR: The committee will now consider report 15, Commissioner of Consumer Affairs. Attorney-General, could you please introduce the accompanying officials with you today.

Ms FYLES: The Deputy Commissioner for Northern Territory Consumer Affairs, Sandra Otto, is joining us at the table. The commissioner passes on his apologies.

Madam CHAIR: Thank you very much, Attorney-General. Welcome, Sandra.

Are there any questions from the committee in regards to report 15?

Ms NELSON: I have one question.

Madam CHAIR: Member for Katherine.

Ms NELSON: Thank you, Madam Chair. I just have a quick question. I do not know if this is the right time to ask, but it is about the MyFuel legislation and the website, which is—it is shame the Member for Nelson is not here to hear this one.

I was just wondering if you could give us a bit more detail on MyFuel and how it helps Territorians.

Ms OTTO: Good morning, Member for Katherine. The aim of the website and the app is to drive fuel prices down so people can see where the cheapest fuel is. Today there is a 10c difference between the cheapest fuel price in Darwin and the highest. The whole idea is for people to look at that, check the cheapest one and go there to buy their fuel.

Ms NELSON: How does MyFuel NT actually help, for example, a remote community where there is one petrol station? What is the benefit in regard to that?

Ms OTTO: In remote areas people can look at the app, see how much it is, calculate their budget and decide if they will go for a longer trip or shorter trip.

Ms NELSON: It may not have a direct impact that minute, but overall ...

Ms OTTO: Overall people should be able to plan how much money they need to put aside for fuel.

Ms NELSON: In general, it helps to put a bit of pressure on the fuel companies.

Ms OTTO: It should, if people are going to the cheapest place. Around the urban areas they should see their volumes going down if they are charging a higher price.

Madam CHAIR: Are there any more questions?

Ms NELSON: I have one more question in relation to Consumer Affairs in relation to Aboriginal Territorians. Can you tell us how your office is engaging with the Indigenous population?

Ms OTTO: In the last year we have released eight Aboriginal consumer advice videos throughout the Territory. They have been broadcast on Aboriginal Broadcasting Australia TV site. There is a lot of coverage there. We are finding that most views are from Aboriginal people, which is what we are aiming for.

One of our officers has been going to a significant number of communities recently. He has been recognised as being on those videos, which is the aim of this. They know where to call us for information or advice.

Madam CHAIR: Are there any further questions? That concludes the committee's consideration of report 15. Thank you for your time today.

Report No 16 – Work Health Authority 2017 Report

Madam CHAIR: The committee will now proceed to report 16, Work Health Authority. Does the committee have any questions in relation to this report?

That concludes consideration of report 16.

Report No 17 – Legal Aid Commission NT 2017 Report

Madam CHAIR: The committee will now proceed to consider report 17, Legal Aid Commission NT. Does the committee have any questions in relation to this report?

That concludes consideration of report 17.

I note that questions regarding report 18, Health and Community Services Complaints Commission, will be answered by the Minister for Health later today.

That concludes consideration of all reports relating to the Department of the Attorney-General and Justice. On behalf of the committee, I thank the officers who provided advice to the Attorney-General today.

The committee will now move on to consider the Department of Health after a short break to change staff.

The committee suspended.

DEPARTMENT OF HEALTH

Madam°CHAIR: Minister, I welcome you in your capacity as the Minister for Health. I invite you to introduce the officials accompanying you.

Ms FYLES: I have with me Catherine Stoddart, Chief Executive Officer Department of Health; Nick Good, Chief Financial Officer; Sue Korner, Chief Operating Officer for Central Australian Health Service; Michael Kalimnios, Chief Operating Officer Top End Health Services; and Maggie Jamieson.

We will provide an update of people as they change through so that Hansard knows who is speaking.

Madam°CHAIR: Would you like to make an opening statement regarding the Department of Health?

Ms FYLES: Thank you, Madam Chair. I would like to take a moment to go through some of the key elements of the annual report, including NT health, structure, governance, priorities, delivery on election commitments and infrastructure status and overall performance in 2016–17.

Over the last 12 months the Department of Health has a significant journey to consolidate the transformation of the health system. Since the *Health Services Act 2014* commenced on 1 July 2014, establishing the Top End Health Service and the Central Australian Health Service. The year 2016–17 saw the transfer of the oral health, hearing and cancer screening service delivery functions from the Department of Health to health services, and this was the last major transfer of service delivery functions, enabling the Department of Health to focus on its system manager role of governance, strategic policy development, regulatory frameworks and functions and delivery of corporate support services.

A key principle of the restructure was to ensure that major operational service delivery and decision-making occurred at a health service level while cross-program synergies could be maximised to leverage better outcomes for Territorians. Two health services are best placed to ensure that the decisions made about service delivery and responsive to the needs of their respective local communities.

On 19 May I announced the changes to the governance model of the NTs public health system. These changes were made to ensure the most cost effective and accountable governance model to suit the particular needs of the Northern Territory. It was noted when the frameworks were set up and when those agreements were agreed to back in 2011 that the Northern Territory certainly has a unique context.

The Top End and Central Australian Health Services boards were dissolved. I thank those board members for all their work. A service administrator was appointed under each health service as a transitional arrangement until the final governance model is agreed to and implemented.

The service administrator for Central Australia is Dr Patricia Miller AO, and the service administrator for the Top End is Mr Paul Tyrrell AO. The service administrators were selected based on their extensive leadership and executive experience and will have the functions and powers of the Health Service Board for the term of their appointment.

The revised governance arrangements also included the establishment of a health advisory committee for each health service and a new clinic senate. The health advisory committees will promote and facilitate community consultation and engagement as well as provide advocacy and advice on the issues affecting the health and wellbeing, along with the cultural values of the community.

The clinical senate will provide high-level expert advice, information and recommendations to support the clinical decision-making of the Northern Territory Health system.

On 16 November I was pleased to announce the appointments to the Central Australian and Top End Health Service advisory committees and the clinical senate. Planning is well under way for the first meetings of the health advisory committees, and the clinical senate is scheduled to meet this Friday 1 December. I am looking forward to meeting the clinical senate members.

There was notable advancement of priorities in 2016–17. The Palmerston Regional Hospital project commenced its operational commissioning, and the Top End Health Service is developing service delivery models and workforce strategies aligning with infrastructure development and construction works. I am very pleased to update the committee and the broader community that the hospital is anticipated to open mid-2018.

Strategic information management accomplishments included Wi-Fi and infrastructure upgrades in all Northern Territory health service sites, the implementation of the National Telehealth Connection Service, a deployment of new hospital billing system and detailed implementation planning, and procurement of e-credentialing system for improved employee screening and practitioner credentialing.

The department progressed the next stage of the transition to the National Disability Insurance Scheme with the roll-out in the Barkly commencing on 1 July 2016, followed by East Arnhem and Darwin supported accommodation on 1 January, as you will be well aware, Madam Chair.

Work continued along with the Australian Government and all states and territories to develop the addendum to the National Health Reform Agreement revised public hospitals arrangement. This includes changes to the public hospital funding arrangement with 6.5% cap in growth for Commonwealth funding and a bilateral agreement for coordinated care and pricing and funding changes for sentinel events and hospital acquired complications.

We achieved the implementation of the *Guardianship of Adults Act 2016* and creation of the independent statutory Office of the Public Guardian which reports directly to me as minister.

Both the Top End essential Australian health services made real progress against their priorities in 2016–17. Key developments for the Top End Health Service include:

- the commencement of specialist neurosurgical services RDH in March 2017 as well as planning for cardiothoracic surgical services
- the redevelopment of the Gove District Hospital emergency department was progressed as part of the Australian Government health and hospital program of works
- coordinated care was enhanced with progress on the integration of the maternity services as well as the integration of renal services
- implementing the improvement of patient flow and elective surgery access project achieved excellent results

The Central Australian Health Service also progressed coordinated care and priorities with the completed co-location of primary healthcare and hospital services in Tennant Creek. Other achievements include the establishment of the Central Australian Health Services renal strategy group; and the formal review of the Healthy Under 5 Kids program.

The Core Clinical Systems Renewal Program will create a Territory-wide, single integrated client-centric electronic records system

In June 2017, the highly complex procurement process was completed, driven by significant clinical import, which is clearly vital to its success

Substantial work was made in implementing the government's election commitments; master planning for all our hospital and health infrastructure; the importance of strategic asset planning to determine the necessary maintenance; refurbishment, expansion, replacement and/or disposal of our hospital and health needs to back up health service delivery requirements in a cost-effective manner cannot be underestimated.

Our framework for the NT Health Strategic Infrastructure Plan has been developed to address these objectives. The provision of the multistorey car park at Royal Darwin Hospital construction has commenced and is progressing efficiently. That is estimated to be completed in August next year.

The Department of Health partnered in policy with the NT Aboriginal Health Forum to progress the election commitments around transitioning remote primary healthcare services to Aboriginal community control.

The Banned Drinker Register, which was implemented in conjunction with the Department of the Attorney-General and Justice included incentivised therapeutic support options and a new role for the BDR Registrar to replace the tribunal system of the previous BDR.

The review into alcohol policies and legislation was handed to me by the chair of the expert panel and I was pleased to release that report. Government has signalled in-principle support for implementation for all but

one of the 20 recommendations and we are now working through the implementation or what the implementation would mean on those in-principle support recommendations.

Government has provided in-principle support for implementing a floor price on alcohol products to prevent alcohol-related harms and continues to lobby the federal government for a volumetric tax. I have already undertaken those conversations with the federal minister. A moratorium has been enacted on all new takeaway licences, including greenfield sites. An alcohol review implementation team is being established in the Department of the Chief Minister, but I will still be the lead minister.

I welcome the opposition's bipartisan support about putting place long-term measures to tackle the abuse of alcohol or the problem that alcohol abusers place on the Territory.

Significant work has been done in the government's commitment to halve deaths by suicide over the next 10 years. We are working with other key stakeholders in this space.

There has also been significant work in early childhood, including the Yellow Book, of which we provide an updated version for families. The Nurse-Family Partnership program is also something we continue to focus on.

Finally, there have been significant infrastructure improvements to our health facility assets across the Northern Territory. I was pleased to open the new paediatrics ward with the federal minister. We acknowledge the contribution of the Commonwealth. I also thank previous minister for their lobbying to see these important infrastructure upgrades. Likewise, the \$18m PET/CT scanner cyclotron project was achieved. That is progressing well. As well, there was a commitment from the Northern Territory Government for \$5m for chemotherapy chair expansion.

More recently, we announced in our budget, for renal dialysis, the replacement of the Nightcliff renal unit, as well as our renal framework going forward. It is significant work.

Financial performance is something that I, as minister, have continued to focus on. Obviously, we deliver services in a very unique context, in very remote locations at times, to chronically ill people. It is a balance between making sure we have those services available—but are also conscious of the taxpayer dollars and funding levels available. I am working with Catherine, the not-so-new chief executive officer, to make sure we deliver services that Territorians expect, being conscious of a very challenging financial environment for the Northern Territory.

Madam Chair, I have provided a lot of detail, but a lot happened. I will keep my comments shorts, as I know there will be numerous questions from the committee. I thank all staff who have provided support for me today.

Report No 19 – Department of Health 2017 Report

Madam CHAIR: Thank you, minister. I will now open it up for committee members to ask questions on both your opening statement and the Department of Health's annual report in general.

Mrs LAMBLEY: Thank you all for being here today. I am looking at the Auditor-General's report from March 2017 which relates to the 2016-17 financial year. In this report, the Auditor-General looked at contract management for aeromedical retrieval services and the ambulance services. They are the two biggest contracts within Health?

Ms FYLES: Yes.

Mrs LAMBLEY: The Auditor-General did an analysis of both those contracts and made some findings. You are familiar with all this?

Ms FYLES: Yes.

Mrs LAMBLEY: The conclusion she came to—and there are pages of analysis—was there were some shortcomings within the contract management framework and plans. Some as yet have not been fully implemented and there remain opportunities to improve the monitoring and management of these contractual agreements. Given that they are two of the biggest in the whole of government, could you start by talking about the ambulance services, how that contract is travelling, any changes or improvements that have been made to how that is being managed, please?

Ms FYLES: Of course. The government has a strong partnership with the non-government organisations that provide services, particularly in emergency care. We have reviews under way, specifically with St John Ambulance. They have a five-year contract in the Northern Territory for ambulance services, noting that they have provided ambulance services for well over 20 years.

The review is looking at how we can deliver that service for Territorians as a government, and also working with the organisation, how those services can be delivered.

Mrs LAMBLEY: What is this review, sorry?

Ms FYLES: This is following on from the Auditor-General's report, the August 2017 report you were referring to, we have undertaken. I assumed that you were speaking of that.

We have a review in place. Dr Neale Fong is conducting that review. It is into emergency transport care, focused on St John Ambulance, but also incorporating the other bodies and the finalisation of that report is imminent. I might ask Catherine Stoddart to provide further.

Ms STODDART: We have two elements going. In response to the March 2017 Auditor-General's report, a process of performance management was put in place with St John Ambulance around contract review and consultation with both St John and some of the stakeholders. That process continues as we start to refine the KPIs and ensure that we get value for money as a public service.

Secondly we have a review of the St John Ambulance medical retrieval model of care that is being undertaken by Dr Neale Fong, who has experience in this area. He is talking to all the stakeholders, including those that use medical retrieval in terms of road transport and also some of the air transport to look at what will be the best model for the Northern Territory into the future.

Mrs LAMBLEY: In terms of the specific recommendations made by the Auditor-General, page 32, have these been addressed? For example, the first one 'improve the analysis and comparison of monthly actual expenditure to budgeted projected expenditure and document explanations as to the cause of identified variance'. These are specific recommendations. Have these all been addressed and effectively ticked off?

Ms STODDART: The performance meetings that are monthly with St John Ambulance go into that level of detail so we have a standard dashboard of reporting that is around contract management, each of the KPIs as part of the response to the Auditor-General's report—and also for us to ensure we have strong contract management.

Mrs LAMBLEY: In terms of CareFlight, the aeromedical retrieval contract, these recommendations were pertaining to that contract too. Is that correct? Within the Auditor-General's report she makes the same recommendations to both the ambulance service and the aeromedical retrieval service. Those recommendations are about contract management of both those big contracts.

Ms STODDART: The CareFlight contract is actually managed by Top End Health Service.

Ms FYLES: My understanding is yes, they are implementing. I will ask Michael Kalimnios to provide further comment.

Mr KALIMNIOS: Yes, we have a pretty comprehensive process where we have addressed those recommendations from the internal management perspective in terms of how we utilise CareFlight. With CareFlight itself, we have a formal quarterly contract meeting with the CareFlight senior executive group, including the chair of their board and obviously the local management, to talk about performance of the CareFlight contract from a service perspective and a financial perspective.

We are also just about to commence the formal five-year review of the CareFlight contract. It is a 10-year contract. It allowed for a review of performance formally at that five-year point so that is at the point.

We are out to tender at the moment for people to assist in that review in terms of various aspects of it—commercial aspects, service aspects, the model et cetera. That will commence sometime in January.

There has been a big focus as you say—it is a big part of our budget and a big cost, so there has been a really big focus on us to manage and understand the costs of that.

Part of the challenge with CareFlight links into the overall challenge with the health service in that our services and demand for services are increasing, so the kinds of responses from CareFlight have had to change with that. We are taking the opportunity with this contract review to really make sure that the models that were originally developed within the Aboriginal contract are now reflective of the service we require. There will obviously be recommendations that come out of that, potentially about how we might amend the contract in a mutual sense, to ensure it better reflects the needs of the service.

Mrs LAMBLEY: With the CareFlight contract, pertaining to the 2016–17 financial year, have there been any financial blowouts or unanticipated costs?

Mr KALIMNIOS: There are some cost pressures with the CareFlight contract, and it is mainly around the issues to do with use of rotary-wing aircraft. When the contract was originally struck, it was based on a fixed-wing response because that was the need at the time.

As our services have matured and we have become more integrated and tried to make sure we are responding in a more timely way, the use of a helicopter has become a better option in many senses. The contract does not cater well for that and there are potential penalties by using rotary-wing in the current structure.

One of the things we will have a big focus on in terms of this mid-term review is how we construct the contract better to make it more efficient for us and to bring that more into the mainstream model so it fits in with our funding envelope.

That has been an issue of demand and service requirement changes. There is a really strong interface with the work the minister mentioned around what Neale Fong has been doing with ambulance services and road. The approach we are trying to adopt to the Top End is how to make all those transport services work much better together in an integrated way, rather than having a road transport service and a medical service and contracts with those—how do we make sure those two things link.

Part of our review process with CareFlight will also be including St Johns to ensure those things are part of one transport service rather than two individual service providers.

Ms FYLES: Just to update you, Member for Araluen, all the Auditor-General's recommendations have been implemented.

Mrs LAMBLEY: Is it true that the use of helicopters for aeromedical retrieval is not particularly efficient, that it is very expensive?

Mr KALIMNIOS: It depends on the circumstances in which they are used. For short retrievals they are probably the most efficient way, and it is about access. Obviously, we have a lot of communities that, during particular times of the year, cannot be accessed by fixed-wing and use of a helicopter would be much more effective in being able to retrieve people.

If you do a straight comparison between the cost of fixed-wing versus the cost of helicopter, fixed wing is generally more efficient, but fixed-wing limits what areas you can access. If you are talking about short haul recoveries—that is probably not the right term—a helicopter is much more efficient and effective in that.

I think the comparison we need to work through is, where we are using helicopter, whether road transport would be more effective. But that is part of that innovation discussion about which mode we need to use.

Mrs LAMBLEY: So you are at the halfway mark with the aeromedical contract. At what point do you start planning for the next contract? I remember for that contract in 2011 it took years, did it not? It was a hideously long process.

Mr KALIMNIOS: Yes. In some ways this mid-term review is about preparation for the next contract, which is five years away. In terms of formal ramp-up, we would be working very closely with the procurement group in the Department of Health and we would probably start that process two years out from when the actual contract is ready to be renewed.

It does take a lot of time, effort and planning, and the aeromedical contract is a complicated and fairly sophisticated contract which has a big financial impact for us. That early planning is essential and one of the lessons we learned in previous Auditor-Generals' reviews of CareFlight, and aeromedical generally, is that planning is essential in ensuring we get the right outcome.

Mrs LAMBLEY: You said there had been some unanticipated costs in that contract. What are we talking about? How much money in the 2016–17 financial year?

Mr KALIMNIOS: In 2016–17 we managed within the budget. In 2017–18 there are some cost pressures that are starting to identify themselves. Part of that is also because not just the contract per se, as the Minister mentioned we have had a big focus on improving our elective surgery outcomes, for example. Part of that has been delivering elective surgery closer to home and utilising our theatres right across the Top End in a much more effective way. We have utilised patient transport and retrieval in a different way. That has impacted on transport costs—some of that will be CareFlight.

We are still anticipating, particularly with this review, that within this financial year we will manage within budget; that is our intent. What we are picking up now is where those cost pressures are starting to manifest. We are early enough in the year—and given the processes we have been putting in place on the review, we are confident we will be able to manage those more effectively.

The big issue for us in the Top End regarding this year's budget outcome is the increase in demand. CareFlight, aeromedical retrieval and road transport are all part of that demand management pressure. Our job is making sure we are managing the contract as efficiently as we can. If demand issues cause pressures that is a different perspective, but our focus is on making sure the contract is managed efficiently and effectively.

Mrs LAMBLEY: Speaking of demand, with zero population growth what is the increase in demand for Top End Health Services?

Mr KALIMNIOS: It is a challenging question. In health generally, as most people would know, the impact on demand and health systems in relation to population growth is not particularly strong. In the Territory we have a huge burden of disease that exists across the Territory. As we improve access to our health service and access, there will naturally be a demand increase because we are able to see more patients.

We introduced these services, and there were many in demand that were not being met before. There are a lot of broader socioeconomic—which others will talk to more effectively than I can. As population decreases and economic circumstances become tougher, impact on health services go up because of a series of social determinant issues.

We have not been able to identify specifically—for example, access through our ED—and issue that is driving that. Flu season has an impact, but that has not been the biggest issue; it seems to be a general increase in presentations to the ED and hospice.

Mrs LAMBLEY: What is the increase?

Mr KALIMNIOS: For us this year, just in the Top End, we have experienced—this is just admissions and separations—about a 10% increase year on year. It is quite significant for us. That will then convert to an acuity—as many people know, there is one pressure to do with the number of people presenting to hospital, and the other pressure is how sick they are, which has an impact on how long they stay and the kind of resources that increase.

We anticipate at this stage in the Top End, in regard to the acuity of those patients, we will have about a 6% to 7%—maybe even 8%—increase. It is a significant impact on us. We have a heap of strategies we are managing with that. At the moment pressure is challenging from a resource point of view.

Mrs LAMBLEY: For the Central Australian Health Services, what has been the increase in demand there?

Ms KORNER: Like the Top End, we have had an experience in the number of people attending and presenting to the emergency department—roughly it has been about a 2% increase per year since 2012. At the moment we are experiencing about an 8% increase, or 395 patients more per month than in 2012—for the same reasons Michael stated. You cannot put your finger on exactly why.

When we look at the work we are doing in the primary healthcare sector—we are much stronger now in terms of our recalls and all those systems. We are identifying more people. We are finding that 27% of all our presentations to the emergency department require admission. Also because of the unprecedented demand increase we are also finding that sometimes we are experiencing delays in emergency department before they can be admitted.

Mrs LAMBLEY: On the media recently your Director of Medical Service, Sam Goodwin, was talking about a 15% increase in demand for emergency services and he attributed that mainly to flu and meningococcal. Is that accurate?

Ms FYLES: That would have been for a specific month, perhaps.

Mrs LAMBLEY: No, that was for the year, he said—over the past 12 months. That was probably about six weeks ago on radio.

Ms°KORNER: That is correct in terms of flu and meningococcal—the W strain. We have had a number of people admitted for that. Fortunately we have been able to commence treatments fairly rapidly and with good outcomes for all of the people. However, when you are sitting on about 102% occupancy, it does test our ability.

Mrs LAMBLEY: I am interested in alcohol-related injury and illness presentations through your emergency departments. What have you seen during the last 12 to 18 months? Even Katherine and Tennant Creek. I think that is of interest to everyone in the Northern Territory what is presenting in our emergency departments in terms of alcohol.

Ms°KORNER: There has been a slight increase. It does not stand out as an extreme reason for people being admitted. Most of the presentations that we are getting a really about people who are very, very ill, not necessarily related to alcohol and trauma.

Mrs LAMBLEY: Do you keep a record of when alcohol is a factor in a presentation in the emergency departments? You do not do that at the moment?

Ms FYLES: That is something that we are looking to implement, Member for Araluen. The BDR will have an element of that and then the review has handed down some further recommendations.

Ms°STODDART: In relation to alcohol-related attendance at emergency departments, it is quite a difficult indicator to pick up the single events. Somebody may attend for another issue—trauma, for example—and it is not always captured if it is an alcohol-related injury. The information that we regularly provide and which will form part of the evaluation is related to where the primary reason for attendance is alcohol.

Mrs LAMBLEY: It does not really give a clear indicator? These things evolve.

Ms FYLES: That was one of the recommendations—looking at the Cardiff model in the review of alcohol policies and legislation.

Mr GUYULA: Minister, from the Department of Health report I note the high rates of admission for dialysis on page nine. I would like to ask the question I asked in Question Time about remote renal health services. In Question Time last week, you mentioned Galiwinku, Millingimbi, Ramingining, Yirrkala, and Nhulunbuy providing dialysis services. How many patients receive ongoing renal treatment in these facilities? How many of these sites have renal nurses attached to them?

Ms FYLES: Over 700 people in the Northern Territory require renal replacement therapy to sustain life. That is expected to grow to more than 1000 by 2023. As I stated in the House, there are a number of self-care facilities in East Arnhem, either in renal-ready rooms or attached to a clinic or demountable buildings located in a community.

Communities where facilities are available include Millingimbi, Ramingining, Umbakumba, Galiwinku, Angurugu, Yirrkala and Gove. Western Desert provides services in Central Australia, but your questions was specifically was about your electorate.

On 20 October, I launched the NT Renal Services Strategy, which is building on the framework that was in place for the previous five years, which sets out future directions for renal services. It is a major focus for Top End Health Services, the NT renal strategy and the Top End Health Service renal integration program—I met the staff who are implementing that a couple of weeks ago.

I have some figures here. Do you mind saying again the communities which you wanted specific ...

Mr GUYULA: Say that again.

Ms FYLES: You had some specific elements which I know I have not answered yet.

Mr GUYULA: About the communities?

Ms FYLES: Yes. If you do not mind reading the second part of your question. Sorry.

Mr GUYULA: Providing dialysis services. Do you want me to read the question again?

Ms FYLES: Yes, that would wonderful, thank you.

Mr GUYULA: I note the high rates of admission for dialysis on page nine. I will again ask a question I asked in Question Time about remote renal health services. In Question Time last week, you mentioned Galiwinku, for Milingimbi, Ramingining, Yirrkala and Nhulunbuy providing dialysis services. How many patients receive ongoing renal treatment in these facilities? How many of these sites have renal nurses attached to them?

Ms FYLES: There are a number that are self-care. People generally will come into Darwin to receive their initial treatment. There is a program at the Nightcliff Renal Unit where they can learn to provide self-care in the additional space there. They can access it after hours and learn self-care. We can accommodate a number of chairs in these facilities. There may not be a chair there presently, but there is the capacity to place one or two chairs there for self-care.

In terms of the specific number of patients, I do not have that before me but am happy to take that on notice for you. Obviously, there are some people who are receiving treatment in Darwin and identify Darwin as their home address. You would know they are from one of your communities, perhaps, so it is not always clear-cut. We are conscious of that and working towards providing more services in community. I met with Sarah from Purple House yesterday, so I am very conscious of not only the day-to-day impact on families and individuals, but also the across-government services that benefit those having care.

I am happy to take that question on notice, Madam Chair.

Madam CHAIR: Member for Nhulunbuy, could I get you to succinctly ask the part of the question you would like the minister to get back to you on as a question on notice?

Mr GUYULA: The same question, you mean?

Madam CHAIR: Yes, it was in relation to the number of people receiving dialysis.

Mr GUYULA: The number of people receiving dialysis.

Ms FYLES: The member's question was the number of people receiving dialysis in the communities he spoke about. I think we got the list of communities.

I can say, for example, one chair can dialyse four patients at a time. So, most of the rooms or spaces are able to have one or two chairs. Two chairs can provide treatment to eight patients, because, obviously, they come in at different times of the day. I understand that Michael Kalimnios has a little more information. But we are happy to take that on notice.

Madam CHAIR: Sure, I will record it for Hansard.

Question on Notice No 6.3

Madam CHAIR: Member for Nhulunbuy, please repeat your question.

Mr GUYULA: I note the high rates of admission for dialysis on page nine. I will ask the question I asked in Question Time again about remote renal health services. In Question Time last week you mentioned Galiwinku, Milingimbi, Ramingining, Yirrkala and Nhulunbuy providing dialysis services. How many patients received ongoing renal treatment in these facilities, and how many of these sites have renal nurses attached to them?

Madam CHAIR: I allocate the question the number 6.3.

Answer to Question on Notice No 6.3

Mr KALIMNIOS: These are numbers just for East Arnhem, people using self-care renal-ready rooms. We have capacity, as the minister mentioned, in Milngimbi, Ramingining, Gove hospital, Umbakumba, Galiwinku, Angurugu and Yirrkala.

In regard to people using the renal-ready rooms for self-care, we have one person in Gove, one in Galiwinku, one in Angurugu with another interested, and two in Yirrkala.

We have an ongoing partnership developing with Miwatj in northeast Arnhem to continue to develop the self-care capacity. That is an ongoing focus for us in the next six months or so to assist in getting full utilisation of the chairs we have. As the minister said, there is capacity in most of our clinics to provide self-care, and we are working with Miwatj to enable that to happen. The majority of those self-care areas are nurse assisted, and nurse assistance will depend on the capacity and confidence of the individual in terms of managing their renal care.

Madam CHAIR: Member for Nhulunbuy, does that answer your questions?

Mr GUYULA: Yes.

Mr GUYULA: In relation to the two renal-ready rooms that have been budgeted for, how many renal nurses will be provided to those communities?

Ms FYLES: There are a couple of variations. Sometimes it is a self-care option, providing people with the skills and their families with the skills to support them. When those chairs are placed, it depends if it is one or two chairs, we will provide the nursing resources to support them. It would be dependent on those factors.

Mr GUYULA: Could you outline what funding and programs are available for targeted education programs for remote communities about how to manage diabetes through healthy living, and how to avoid dialysis through health management?

Ms FYLES: We have to care for people who are acutely sick now, but we also want to put long-term plans in place to stop people from ending up needing care. It comes back to when women are pregnant, working with them and their families so we can see healthier babies born—lifting the birth weight rate and in turn their neutrophils—and working with families when children are young to set them up. I will hand over to the CE to provide further detail on the second part of your question.

Ms STODDART: Can I get you to repeat the second part of your question?

Mr GUYULA: The last part—how to avoid dialysis through health management?

Ms STODDART: The focus for part of our renal strategy is around early intervention, so early childhood and maternity education. That is part of the training that exists through the Australian Nurse-Family Partnership Program that we are rolling out across the Territory.

That includes management of diabetes because we do not want children to be getting it at an early age and it then having an impact.

We also have developed a renal strategy which has a range of public health and education strategies attached to it. They are currently being developed as part of that process for people later, not quite so young.

We also have a youth and childhood strategy that has been developed and that will also include lifestyle factors that may influence whether or not you get diabetes and potentially renal disease.

Mr GUYULA: I notice that the Top End strategic objectives include ensuring equitable access to healthcare services.

I would like to outline an issue that has been flagged to the department previously for an update. People on homelands are often subject to difficult emergency patient retrieval processes. For example, Yolngu residing in the Laynhpa area may require an ambulance, but this can place enormous pressure on Gove hospital to have an ambulance out of the town for a long period of time.

Furthermore I understand that if people drive into town in their own vehicles, funds should be available to the patient for reimbursement of travel, but for some reason this has not been happening.

Is the department aware of these problems or have changes already been made to address systems failures regarding patient travel and safety in the homelands?

Ms FYLES: Thank you, Member for Nhulunbuy, for your very important question. For remote communities that do not have access to ambulance services that are available in larger towns and communities, there are obviously processes in place to provide emergency care. Remote primary healthcare centres that operate during business hours can provide nurse-led care during and after hours and on weekends.

In the case of emergencies, remote primary healthcare centres are equipped with vehicles to respond to patients, but there are—as you will be well aware—no remote primary healthcare clinics in the Laynhapuy homelands. In this situation Laynhapuy homelands health is funded from various sources to deliver health services for the remote homeland communities in East Arnhem. However, that does not extend to weekends and after hours.

I have talked you through the process previously around what people should do if they need to access care. Emergency evacuation can be difficult at times as the two air strips do not have air strip lighting which limits their use to daylight hours. At times, as you have stated, they have inaccessible roads for St John Ambulance.

Senior staff from Top End Health Services, CareFlight and St John have been working on the most effective methods to manage these after-hours emergencies. It is certainly, in a broader sense for other members of the committee, part of the Fong review looking at the integration of emergency care and who is best to provide it.

Further action will take place. We are well aware of it and senior staff are continuing to work on that.

I am not sure if Michael or the chief executive want to add anything further.

Ms STODDART: The only comment I would make is that as a result of the Fong review, which will go to the integration of some of our road transport options and our aeromedical options, we would look at how we address some of the difficulties in areas that are hard to reach.

Mr GUYULA: I note your output group Community Treatment and Extended Care. The outcome that is identified is 'strengthen capacity of individuals, families and communities to improve and protect their health and wellbeing'.

I have mentioned this before. There are many Yolngu leaders who want to use homelands to create rehabilitation centres for family members who have drug and alcohol issues, including VSA issues. I see this as the only way forward to create a lasting effect and actually achieve the outcome that has been identified. Could you advise if the department is pursuing this as a pathway for remote people?

Ms FYLES: Thank you for your question. Ongoing concern—particularly in your community and the communities within your electorate. All Territorians deserve to live in safe, vibrant communities. Volatile substance abuse prevention provides for prevention, early intervention and treatment, and the community is absolutely essential to that in providing a framework.

Obviously, we have had the ongoing issues avgas. The Department of the Chief Minister has established a senior, multiagency task force working with Miwatj around that and there has been some measures that have been put in place to block the supply of the substance to community members whilst others are focused on community education and plans.

We also recently—and I do not have the specific figures in front of me—had grants funding available, and I know that some of that went to the East Arnhem region around the—it was \$350 000 that the Department of Health provided to Miwatj for four volatile substance abuse workers, for positions for 12 months. They will be filled by local Yolngu people, and it is intended that they will be embedded within Miwatj, within that social and emotional wellbeing team to provide services to communities including Galiwinku and Gapuwiyak.

The government is focused on addressing all the issues surrounding—providing that funding directly to the community organisations on the ground that are providing those workers. Does that answer your question, Member for Nhulunbuy?

Mr GUYULA: Yes, thank you. No more questions.

Madam CHAIR: We have time for one quick question before our lunch break. Member for Araluen?

Mrs LAMBLEY: The Member for Katherine can ask a question. I will come back after lunch.

Ms NELSON: I have a quick question while we are talking about renal strategies. My dad was on dialysis, but he made the decision to actually do peritoneal dialysis. I am just wondering if the NT Department of Health is—what strategies do you have in place in regards to the different options available? It might seem that it is a bit more conducive to people who live in community or homelands to do peritoneal—and cost effective as well?

Ms STODDART: The decision about whether or not people use peritoneal dialysis versus haemodialysis is predominantly a clinical decision and it relates to patient choice—that is one element—access to services is another, and also the level of disease process. Our clinicians give that option and have a range of strategies around providing peritoneal dialysis in communities, so it is available.

Ms NELSON: There is education out there and ...

Ms STODDART: There is, and that is targeted to the individual who has the renal disease and the stage of their renal disease. Often people progress from peritoneal dialysis to haemodialysis, then they choose to stay at peritoneal dialysis. That is a patient choice issue ultimately, but we provide the support for that.

Madam CHAIR: Thank you very much for that, minister and staff. We will now break for lunch until 12.30 pm, when we will continue our review of the Department of Health's annual report.

The committee suspended.

Madam CHAIR: Welcome back, Minister for Health. Before our lunch break the committee was considering report number 19 for the Department of Health. I understand we would resume with a question regarding renal issues from the Member for Arnhem.

Ms UIBO: We talked about renal before the break. In the annual report, on page 54, the Top End Health Services performance in 2016–17, number four, renal services integration, is a priority. There are a few key elements in that small paragraph in regard to governance structures, models of care, strengthening of home therapies and recruitment of additional staff to provide support of comprehensive care. My questions are in relation to those couple of elements. If you could, please explain to the committee what the new governance structures are.

Ms FYLES: Madam Deputy Chair, I know you are very passionate about this issue, not just from our community but your family's experience.

It is a key priority in the Renal Services Strategy 2017–2022, which I launched at Pirlangimpi. Most people in this room have heard, but we found our sixth hospital—the Pirlangimpi hospital—opened in 1971. I asked the department to update all briefs to reflect that. On a more serious note, it was wonderful to be there and to meet families that are separated because one family member is receiving renal services in Darwin and the rest of the family is at home on community.

We have \$1.4m in the budget for two new renal-ready rooms. We have announced the location as Pirlangimpi for one of those and I provided information previously about those other locations that already have renal rooms, or existing capacity with clinics. I would assume there would be another one for Central Australia, which is just being finalised.

We also in budget announced \$9.7m for the development of a new renal unit in the Top End at the Nightcliff location.

It is disappointing and sad that the need for renal services continues to grow from the current 700 Territorians accessing dialysis, projected up to 1000 by 2023.

Not only are we providing those services for people who are acutely unwell, but also through that strategy aiming to reduce the risk factors leading to end-stage kidney disease, maximising early intervention for people with kidney disease to keep them healthy and support consumer participation with a culturally-inclusive workforce which is particularly important in this space.

Top End Health Services have a service integration framework which is integrating renal services across the primary and hospital care settings and this work includes the development of new governance structures, new models of care, strengthening those home therapies and recruitment of additional staff to support the provision of comprehensive care.

The government has strong plans across this area to support Territorians.

Madam CHAIR: Thank you, minister. What are the government structures?

Ms FYLES: I might hand to the chief executive or Michael Kalimnios from Top End Health Services to talk through those changes in governance structures.

Mr KALIMNIOS: The governance structure changes are about trying to ensure that there are management structures that are not service specific but renal specific. In terms of how the previous structure worked, you would have the Director of Renal Services, for example, in RDH who would report through a management structure within RDH. You would have renal services provided in communities that would report through primary healthcare centres, and in that management structure you would have people in East Arnhem or Katherine—there would be renal services being provided in those facilities that would report through their management structures.

This was about changing the governance and the management so that we had an identified Director of Renal Services across the Top End. Their role is responsible for ensuring there is a consistent framework for managing renal and making sure the services provided in each of those specific areas are linked.

That phrase we like to use—putting the patient at the centre of what we do—is about ensuring that the patient's journey through their renal experience, whatever that might be, is a linked one. It is not about providing services in Katherine or services in RDH it is about ensuring that, whatever we do, it is clear about how that management process links across all those entities.

The other bit of that is, as you would understand, that a renal patient also has a lot of comorbidities, things like cardiac disease and a whole series of issues around diet and physical wellbeing. How those services are provided, where they are often provided from other specialists or other areas, it is important that they are also linked in to that management process.

It is again making sure that, with the Director of Renal Services, those functions and services are provided in a coordinated way so that, again, the patient is not experiences disconnect as they move through the system. They are actually getting the services they need when they need them, in the right place at the right time—that old quality mantra.

That is essentially what the change of governance has been. For us that has been in place now since the beginning of the financial year, so it is relatively new. We spent about two years designing and planning what that would look like. We are still going through some teething problems about how that all works, how it connects in with budget responsibility, for example, as well as service responsibility, and there are some complexities around that.

To date, that change of governance process seems to be working really well and will continue to develop as we develop that integrated service approach which very much supports the overall renal plan the minister talked about recently launching. That will help us again refine and embed that in what we need to do.

Ms UIBO: Thank you. There is one Director of Renal Services?

Mr KALIMNIOS: The way we structured it is in Top End Health Service. We tend to adopt a co-director model. There is a Director of Renal Services, who is a senior nurse, but she also has a medical officer who sits across Central Australia and Top End Health Services who is the medical co-director of renal.

Whilst the primary, day-to-day heavy lifting—if I could use that term—is done by that director position, it is supported by a senior identified medical officer, who holds that role as renal medical director.

Madam CHAIR: Thank you. Minister, I am really interested to pick apart what some of the statements are in this particular section in regard to renal. What are the new models of care that have been offered?

Ms FYLES: I will ask Michael to continue.

Mr KALIMNIOS: In terms of our models of care, what we are really talking about there is not, in the procedural sense, a different type of care; it is about that linking issue, making sure that the services are provided, or a patient sees the service as one service and not a series of multiple services. The model of care change—again, what I referred to before—is making sure there is connectivity and coordination. In a really simplistic sense—a number of you would have seen this in previous guides—it is just a coordinated care approach.

There is an ability to ensure that, as patient, again you are accessing the right type of service in the right place at the right time. That is what it is really about. Our models are moving away from—again looking at an RDH centric provision of service, or a Katherine centric, to a renal service model—which means that, effectively, the services themselves, in terms of where they are delivered, are just part of a broader integrated Top End model.

Ms FYLES: To further add to that, Member for Arnhem, it is like a hub and spoke model. The coordinated clinical care is there for the patient. Whether they are getting that in Royal Darwin, Palmerston or Nightcliff or in one of the remote locations—and it is based on best practice from around the world.

Ms UIBO: Also, you talk about strengthening home therapies. What does that entail, and how has that been done?

Ms STODDART: That goes to the previous question, which was around providing the opportunity for people to have self-care in their own community, where feasible, and where they feel confident about providing—or if a family member feels confident about supporting someone to have haemodialysis in particular.

There is opportunity for peritoneal dialysis, should that be feasible, within a home environment, or in some cases that is with assistant support, such as exists in Western Desert. Because there is a range of strategies that we need to have in place—it also goes to the longer-term questions around supporting people at the end of their life when they make choices. And that whole integration is about what we can do in community, in people's homes, where it is feasible.

Ms UIBO: Thank you and that leads to my next question. How many Territorians are currently undertaking renal home care?

Ms FYLES: I am not sure if we have the actual specific figure. We have got the locations and the number of chairs available. I do not think we have it with us now. I am happy to take that on notice.

Ms UIBO: Yep, thank you. And as the Deputy Chair I will have to ask myself to repeat the question ...

Ms FYLES: Sorry, Deputy Chair. Central Australian Health Services have 175 clients on dialysis.

Ms UIBO: Is that home care?

Ms FYLES: No, I will take the question on notice and get the breakdown.

Ms UIBO: I am just interested in the home care number.

Question on Notice No 6.4

Madam CHAIR: Thank you. Could I get you to repeat your question for the record?

Ms UIBO: How many Territorians are undertaking renal home care?

Madam CHAIR: We will allocate that question on notice 6.4.

Ms UIBO: Madam Chair, I have one more question for the minister and her departmental staff. Can you provide the committee with the actual number of additional staff that have added to support the provision of comprehensive care in the Territory, as per the annual reports on page 54?

Ms FYLES: Again, I will take that question on notice and provide it back to the committee.

Question on Notice No 6.5

Madam CHAIR: Member for Arnhem, can I get you to repeat your question for the record please?

Ms UIBO: Minister, can you please provide the committee with the actual number of additional staff added for support provision of comprehensive care?

Madam CHAIR: Thank you.

Ms FYLES: Thank you. We will endeavour to get that before the end of the session. But we are certain we will provide that.

Madam CHAIR: Excellent. We will allocate that question on notice the number 6.5.

Madam CHAIR: Are there any further questions in relation to the Department of Health's annual report? Member for Araluen.

Mrs LAMBLEY: I am just reading through some of your election commitments in health before the August 2016 election. One thing you stated in this document, which was about health—Healthy Strong Communities, a Territory Labor position paper—was your commitment to the master planning process for all Territory hospitals. Can you update the hearing on what is happening there?

Ms FYLES: Thank you, Member for Araluen. I know that as a former minister you would interested in this. It is really important that we plan health infrastructure into the future. We have some great assets that historically we have gained and that we need to plan in to the future to make sure we have that level of care and those health infrastructure assets are provided for.

I am (inaudible) by the Territory government that we lobby the Commonwealth government in an approach that has evidence behind it. It is work that I have been undertaking with the department looking at infrastructure in a primary healthcare facility and also across our hospital campuses.

We are looking at Royal Darwin Hospital. Obviously, it has seen significant investment and upgrade, particularly over the last decade by numerous government's and numerous ministers and by different funding buckets. Looking at that—do we have a masterplan facility there that links together that provides for staff that work there and also patient care—that is one aspect.

As we know, many of our health services buildings were built in the 1970s, 1980s and 1990s. Particularly now in the Territory, we have a challenging high demand for health services. We have people living longer and we have a greater burden of disease. In terms of planning and infrastructure, our commitment was looking at prioritising infrastructure, planning and investment over the next 15 years, and to look at what funding we would need to achieve to meet that core health infrastructure, and to develop plans so we have an asset management policy—development and policies to guide that strategic infrastructure management process.

Asset strategic planning—looking at the total asset management plans, NT health infrastructure and reporting tools that identify and prioritise all our assets across the board, and asset life cycle information—looking at the life span of the facilities we have.

The projects are being undertaken in three main stages. Stage one of the project, which is being completed right now, is looking at what existing building assets we have and what maintenance requirements we require to those to support the delivery of existing health services. Some of the key deliverables on that include the total asset management plans and the interim NT health infrastructure plan. Then there is stage two and three of that. I can provide some detail specifically on who has been engaged to work on those plans.

Mrs LAMBLEY: This is for the Royal Darwin Hospital?

Ms FYLES: It is Royal Darwin and across the Territory—all health infrastructure.

Mrs LAMBLEY: I do not necessarily need to know who is involved. You are saying that you are just about to complete stage one of the master planning process?

Ms FYLES: Perhaps I could ask the chief executive.

Ms°STODDART: Stage one of the process was actually about getting an understanding of the condition of infrastructure assets. That included the larger hospitals as well as smaller sites.

Stage two moves on, undertaking clinical service planning to align with the asset plan, because the clinical service planning is fundamental in determining what type of services we want to provide in those assets. You have to align the two of them. It has been done in all other jurisdictions where the clinical service plan aligns with the asset plan. It is time we did that so we can actually understand our clinical services as well as our infrastructure. When the clinical services plan has been completed that will then determine, effectively, the master plan. They run in parallel, but we need the clinic service plan as part of this whole process.

Mrs LAMBLEY: What sort or time frames are you talking about?

Ms°STODDART: The tender for phase two has gone out and should commence in early 2018.

Mrs LAMBLEY: How long will that take?

Ms°STODDART: Three months. That will require at the end of it some consultation around the types of decisions around clinical services and then the infrastructure that associates with that.

Mrs LAMBLEY: Then stage three?

Ms STODDART: Stage three is determining the infrastructure that is required so we can plan for the next 15 years in terms of level of detail and the forward planning for our capital investment.

Ms FYLES: With the infrastructure we have—what are the clinical needs going forward and then how do we intertwine those.

Mrs LAMBLEY: At what point do we have the master plan? What sort of time frame are we talking about?

Ms STODDART: It will be in the 2018–19 financial year. The exact date I do not know.

Mrs LAMBLEY: And that will be for all Territory hospital infrastructure, is that correct?

Ms STODDART: That is right.

Mrs LAMBLEY: Across the five hospitals?

Ms STODDART: Yes. And clinics.

Mrs LAMBLEY: Another of your election commitments is looking at FASD. I am wondering what progress you have made there.

Ms FYLES: As you referred to the document—Territory Labor made an election commitment to develop a whole-of-government framework around foetal alcohol spectrum disorder that includes universal and targeted strategies to address this issue. It is a growing issue.

Part of this work is undertaking an audit of the Legislative Assembly's Select Committee on Action to Prevent Foetal Alcohol Spectrum Disorder—the Preventable Disability—which I am sure you are familiar with. That committee's report looked at that body of work and audited it, so to speak. That audit is complete and all NTG agencies have provided information that has been collated—looking at existing services—and potential service gaps have been identified.

The Department of Health provides allied health; early childhood intervention services for clients based on presentation, including services for clients with symptoms consistent with FASD. Individual client management for those diagnosed or suspecting that they will be diagnosed are being implemented by

primary healthcare workers. Additionally, antenatal alcohol screening remains a standard component of midwifery care.

At a national level, the Australian Government has released the Australian Guide to the diagnosis of Foetal Alcohol Spectrum Disorder. That tool is a relatively new one. It provides guidelines to diagnose FASD. It is currently being trialled by multidisciplinary teams in the NT. During August the Australian Government held national consultations to inform the development of the national FASD strategy, which will be 2018 through to 2028. The NT Department of Health will work with other NTG agencies to develop a coordinated response to this national strategy.

That allows for our culturally diverse and unique remote service delivery. Additionally, the review of alcohol policies and legislation, which we just saw handed down, also considered the issues relating to the prevention of FASD. The department has commenced development of a whole-of-government strategy. A working group will be established with a focus on developing a framework and implementing strategies to reduce the risk and, therefore, the incidence and impact of FASD on Territorians.

Mrs LAMBLEY: The federal government announced funding recently which has gone to Telethon Kids Institute to initiate what seems to be the first specialised FASD service in the Northern Territory. I understand that funding has gone to Central Australian Aboriginal Congress.

Ms FYLES: Yes, it has gone to Alice Springs.

Mrs LAMBLEY: Is the Northern Territory Government party to that at all?

Ms FYLES: The funding went to Newcastle in New South Wales, and to Alice Springs through Congress. We are a stakeholder as part of that project.

Mrs LAMBLEY: What does that mean? What is our involvement?

Ms STODDART: Our involvement will be as one of the partners in the collaboration; however, we were not part of the funding round. It was not available to government agencies. It was to go to non-government organisations and universities as a partnership. But we have worked very closely with Congress in this area, so we have mechanisms by which we can engage and influence some of the decision-making around it.

Mrs LAMBLEY: I know there is a lot of interest in Alice Springs to establish specialised services for FASD. Certain organisations have their own plans and I am sure you have been made aware of them. What are you going to back? You describe general health services that include FASD as a part of their services. There is an opportunity to really run with this in the Northern Territory because of our high number of people with FASD. Is your government going to show some leadership in this area?

Ms FYLES: Absolutely, the alcohol and other drugs directory as well as the Office of Disability are working collaboratively on the development of the government strategy to implement. It is important we have gone back and done that body of work, looking at that select committee that had done a huge amount of work and the implementation of how that would be rolled out.

Mrs LAMBLEY: Time is ticking though, is it not? That report came out two years ago?

Ms FYLES: Absolutely, and we committed to looking at the work that had been done, so that audit has taken place and we are now implementing the recommendations through those agencies and the interagency group.

Mrs LAMBLEY: Okay. In the first set of questions I asked—can I put a set of questions on notice that were not answered around alcohol-related presentations at the hospital emergency departments? Can I get the figures for those?

Madam CHAIR: Sure.

Ms FYLES: Did we take the question on notice?

Mrs LAMBLEY: No, we did not record it.

Question on Notice No 6.6

Mrs LAMBLEY: The figures for alcohol-related presentations at emergency departments in Alice Springs, Darwin, Katherine, Tennant Creek and even Nhulunbuy would be useful. Thank you

Madam CHAIR: The question has been appointed the number 6.6.

Madam CHAIR: Is there another question you wish to place on notice?

Mrs LAMBLEY: No, not on notice.

Madam CHAIR: Please proceed.

Mrs LAMBLEY: The decision to abolish the department of disability services—I know you made a lot of changes when you came to government. Since then I have not heard a lot about disability services at all, even very little about the NDIS roll-out in the Northern Territory. I am not sure if that is because of my independence and lack of networks or whether there has not been much happening. Could you update me on that?

Ms FYLES: Absolutely, we did not dissolve or demolish the department of disabilities. Through the machinery of government changes we narrowed down the ministries from more than 30—I cannot remember, so please correct me if I am wrong—down to—as you know the minister takes responsibility for certain acts, so as the Minister for Health I have the responsibility—previously you might have been the Minister for Health, Alcohol Policy and Disability; it just has that one title.

We have not diminished the Office of Disability; it still sits within the Department of Health. It was just the machinery of government changes in terms of titles.

I have been working closely with the disability sector, particularly through this period of change. The NDIS has a real opportunity to maximise the social and economic participation of people with a disability in their communities across the Territory. There is a staged roll-out Australia-wide and the Territory has been part of that. From 1 July 2016 we saw Barkly which was then followed by East Arnhem and Darwin urban supported accommodation from 1 January, rolling on to the NDIS. There the eligible participants and Top End, remote, Katherine and supported accommodation from Alice Springs have been phasing in to the NDIS from 1 July this year. From next year the rest of Darwin and Central Australia clients will roll into the NDIS.

We acknowledge in the Territory's context that there will always be a role for government and the Office of Disability both in terms of service provision for people who have a gap in being eligible for the NDIS, either because of pre-diagnosis or they do not meet the NDIS, but still have a level of disability.

I have the department representatives here and are happy to provide you with more detail. It was just that machinery of government change in terms of titles. I am the minister responsible for disability services in the Territory.

Ms STODDART: The other aspect of this is the Office of Disability has been working quite hard with the Commonwealth to ensure the unique needs of the Northern Territory are met. The Office of Disability was able to secure \$6.8m to look at some community development programs to build our capability in community participation.

Also, we are working with the Department of Trade, Business and Innovation to look at where we can build economic opportunities, particularly for Aboriginal communities that may want to be part of the NDIS program.

We have been recognised nationally for setting up the national quality and safeguarding framework, which is a framework by which we can have some assurance that our clients who transition to the NDIS are getting the best level of care. We continue to work with the Commonwealth on that.

Ms FYLES: Recently, for example, we had \$2m for innovation grants which are available to look at innovative projects across the Territory to support local providers to increase jobs, but also increase services. There is

lots of work occurring in that space. I would be happy to provide you with further information here, with specific questions, or a briefing offline.

Mrs LAMBLEY: Thank you. In Alice Springs, the palliative care centre—I cannot remember its Indigenous name; it will take a while to remember. It seems to be taking quite a while to get up and running. Is there a problem?

Ms FYLES: Member for Araluen, I know you are passionate about this project. You and the local community in Alice Springs made it quite clear to me in my very early days of being a minister that they wanted to see a standalone facility for palliative care. They did not believe it was the type of facility that could be multipurpose. I acknowledge that. Through the representations that were made to me, we delivered on that.

The construction, which you would be more familiar with than I am, is under way. I will ask Sue to provide a more detailed update. We put those plans in place for a standalone facility for palliative care.

Ms KORNER: The palliative care—I am trying to think of the name of it, too. It is called Mara ...

Mr PAECH: If I saw it I could read it—Mara something.

Ms FYLES: Yes, for the \$6.3m ...

Ms NELSON: Do not feel bad if Chansey cannot pronounce it.

Ms KORNER: It will be complete in November this year. We should have ...

Ms FYLES: Three days to go.

Member for Araluen, the information before us is November—clearly, that is a couple of days' time. I expect completion would be in December and we would see it operational by February next year. I am happy to let you and the community know if that date changes. It is on track and it is an exciting facility. You would have been to the Darwin facility. The team out there do an amazing job. To be able to offer that same level of care to people in Central Australia is important. We share equal passion in that space.

Mrs LAMBLEY: How many new staff will it employ?

Ms KORNER: I am trying to think. We are going through a recruitment drive at the moment. We have the consultant who will be responsible for the care. It is mostly nursing staff we will have to find. Overall, I understand it is about 12 nursing staff who will be part of that.

Mrs LAMBLEY: Twelve new staff—new positions, are they?

Ms KORNER: I do not believe they are all new. It will also be the team that is already in place that is supplemented up to 12.

Mrs LAMBLEY: I would like to know how many new positions. I am happy to put it on notice, if that is acceptable.

Madam CHAIR: Yes.

Question on Notice No 6.7

Mrs LAMBLEY: How many new positions will be created at the palliative care hospice?

Madam CHAIR: Minister, we will place that question on notice, and the number is 6.7.

Mr PAECH: Can I ask a follow-on from the Member for Araluen. What will happen to the current palliative care unit located in the main premises?

Ms KORNER: The palliative care unit is a large bedroom at the end of a busy medical ward. That will revert to be part of the ward. It is certainly not an ideal location for that particular service. It is in a very noisy, busy area.

It will become another bedroom in that particular area.

Mr PAECH: It will go back to being all standard, medical west?

Ms KORNER: Yes.

Mrs LAMBLEY: How many patients will it take? What is the capacity?

Ms KORNER: The new palliative care unit will take up to 10 patients in that facility.

Mrs LAMBLEY: Asbestos.

Ms FYLES: We did not think you would go there ...

Mrs LAMBLEY: It is a big concern for our community, knowing there was a contamination earlier this year. Do you know where the asbestos is in and throughout the hospital?

Ms FYLES: In terms of asbestos I will provide some opening comments and then ask Ms Stoddart and Ms Korner to provide additional information.

Asbestos is a legacy issue across the Northern Territory. It was commonly used in buildings until the late 1980s and early 1990s. A lot of the Territory's infrastructure was delivered in the 1970s and 1980s, so it is certainly there.

Government buildings have an asbestos management register so people are aware of where the asbestos is located. We know that it is relatively okay until it becomes disturbed through whatever means. We had a concerning situation in Alice Springs, in the pathology building, which was closed on 12 September.

We put in place a number of measures and Central Australian Health Service relocated the services and went into great detail. WorkSafe was involved in that incident and I have been kept up to date.

Ms STODDART: We will provide a written response. There may be some further details there.

In September as mentioned we did choose to close the pathology building and relocate it. Following what is called respirable fibre monitoring, which was conducted both internally and externally, it was found to be at a level that was less than the clinically required level—I am trying to find the wording. As a result there was found to be minimal risk of the asbestos exposure at that time to anybody who had been working in that area. The occupational exposure level—that was the phrase I was after.

We took the precaution of making sure our staff and patients were moved. Based on the anecdotal evidence at the time it is not probable that the level of asbestos contained represented beyond that level. We have been cautious and counselled our staff and those patients that we were in contact with at that time.

Ms FYLES: Member for Araluen, did you get that we responded to written question 128? We had provided a number of details for you. I am not sure if you got those.

Mrs LAMBLEY: I did receive them. I cannot remember exactly what it said. Just for people listening who do not go into the Legislative Assembly website and read the answers to written questions, I think it is important to clarify exactly where in the Alice Springs Hospital there is asbestos.

Are you saying it is pretty much everywhere because the building was built in the 1970s? You prefaced your answer in that way. Is that what you are saying? That the whole building has asbestos in it.

Ms FYLES: We answered 32 questions that you provided to me as minister, updating people around the asbestos particularly in the pathology building. I would ask Adam Walding from Infrastructure—every government building has an asbestos register so people know where it is and what the plans are. Adam can provide ...

Mrs LAMBLEY: I would like to know where in Alice Springs Hospital it is. Some buildings are older than others, so there will be some differences.

Mr WALDING: We have asbestos registers for each of the buildings down there. The asbestos is located in different areas within buildings, particularly in the soffits around the outside the buildings, it could be in the air conditioning ducts, the mastic that seals the air conditioning ducts together. These are some of the locations it can be, so each area is different.

The asbestos register identifies the prime locations. When we go in and do works, we go through and do what we call a destructive test. That is when we go and test all the additional spots to make sure it is asbestos free. The asbestos registers identify the general locations of where it is. I could not tell you exactly every single spot, but the asbestos registers do. That is to give some indication to tradespeople or anyone working in that space where the asbestos could be.

That feeds back into—in the asbestos registers, either it is confirmed with another test or it is identified as possible. Where you are unsure, you always treat it as asbestos, per the National Code of Practice for workplaces managing asbestos.

All of those locations—it is part of the asbestos management plan and the asbestos register. Combined, it is a management process to identify exactly where it is and how you should work with it on the way through.

Does that answer your question?

Ms FYLES: And further, Member for Araluen, there has been a lot of remediation work that has taken place at the Alice Springs campus, and it is all under that national legislation.

Mrs LAMBLEY: Is it fair to say that apart from the more recent add-ons, for example the emergency department, the rest of the hospital has asbestos throughout.

Mr WALDING: Contained within the facility, yes.

It is not just there, it is the majority of our buildings. Most of our buildings are pre-1984, I think it is.

Mrs LAMBLEY: Hospital building or all buildings?

Mr WALDING: All buildings. It is any building in the Territory, or across Australia, because that is when the asbestos ceased to be a product. We have asbestos registers for all of our buildings and we have clearance certificates, if necessary, for the ones we have taken all the asbestos out already.

Mrs LAMBLEY: What exactly occurred to elicit this asbestos contamination in the pathology building? What happened to make it an asbestos contaminated area?

Mr WALDING: We were doing some works to replace the air conditioning for the facility. As they were doing their inspections and the initial investigations per the asbestos management plan, they identified there was additional asbestos enclosed within the roof space. When they identified that, with further testing and review, we identified that there was potential of risk to the occupants of the building. At that point was when we identified to close the building and take the staff out.

It was part of that normal process of managing on the way through.

Mrs LAMBLEY: Was that asbestos on the register?

Mr WALDING: In the roof space ...

Mrs LAMBLEY: Asbestos that was packed or whatever you call it.

Mr WALDING: We found asbestos that was on the register, enclosed within the actual roof space. Generally that enclosure in the roof space is not always inspected, purely for access and economies of scale. Again, that is where the asbestos management comes into place, which says you should do all this destructive testing on the way through to find it.

When we did that process, that is when we found it. We identified there was a potential issue and we shut the building in the interests of safety.

Mrs LAMBLEY: Okay. Just from a broader prospective—while I was Health minister I did not come across this, so unlucky for you, Natasha Fyles, that you have this issue. It was never even brought to my attention. But, from a broader perspective, looking forward and looking at the infrastructure master plan for hospitals in the Northern Territory, surely there must be some plan to move away from these old, asbestos-ridden hospitals to modern facilities where this just cannot happen into the future. I know we are talking huge amounts of money, but that has to be a plan.

Ms FYLES: In terms of asbestos we absolutely comply with Territory and federal legislation in registers, making people are aware of where it is and how they have to operate if they are working in those spaces.

Asbestos, until it is moved or touched, is relatively harmless to people but we are conscious that it is right through buildings in the Territory, as we have talked about numerous times here. That infrastructure plan on health in the Territory is a really important document that will outlive my political cycle and yours. It is a really good opportunity to set up the Territory so that we can use taxpayer dollars wisely—which are shrinking—and make sure we make the right decisions on the best clinical care for Territorians.

It also makes sure that when we are building on these campuses we put in services that work together, provide staff that work at those facilities and for patient care, obviously. It is certainly a big body of work, and it is not just the asbestos that will drive that, it will be the age of the building and the clinical care that is delivered.

Member for Araluen, you would know, far more than me, having worked in hospital, practices have changed and the way care is delivered is different. We need to have infrastructure that matches that.

Generally asbestos links to the age of a building and that is what we are identifying—and putting in those plans in place for future governments.

Mrs LAMBLEY: But would you agree, that it would be a major consideration in the master planning for hospitals over the next 10 to 15 years—to move out of these buildings that could potentially, like what occurred in September, cause health issues for staff and patients.

Ms FYLES: Member for Araluen, the major consideration is the age of buildings and whether they are fit for purpose, and that has a number of factors that drive into it.

Mrs LAMBLEY: Not asbestos? No consideration? Not a major consideration?

Ms FYLES: It is one of them; the age, the fit for purpose—certainly.

Mrs LAMBLEY: It is one of them. Okay, that is good enough for me.

Mr PAECH: Can I just ask a question following on considering were we are talking about Alice Springs? Health minister, is there any work—and, while Mr Walding is before us, I understand Darwin is receiving a multistorey car park, but have there been ongoing discussions for Alice Springs? Because it is very limited in its car parking capacity.

Ms FYLES: Yes, we have worked with the local council—Damien Ryan is the mayor there—on the impact of the hospital; its location, fairly close to the town centre in Alice Springs; and working through future provision of services and what they would be. But there have been no specifics around a multistorey car park at this stage.

Mrs LAMBLEY: Which leads me onto a question about the car parking working group—is that what it is called? There is no plan for a multistorey car park for Alice Springs. Given the lack of space and the storage of car parks—the hospital does not provide enough car parks now under the council's formula or requirements. What is the car parking committee doing to address car parking? It is a huge issue. I hear about it regularly when I go to the supermarket; people tell me about the parking issues at the hospital.

Ms FYLES: Member for Araluen, the Alice Springs town council has met with the executive around this issue—I will let Sue speak—but there are currently 734 designated car parks with an additional 78 council provided car parks. I will let Sue provide that detail from her point.

Ms KORNER: The car parking at Alice Springs Hospital is—at the moment we would be utilising about 75% of the car parking spaces available. But it is compounded by the fact that with the work that we are doing in

terms of fire electrification et cetera—the contractors actually take quite large chunks of car parking out of commission while they are working.

It has an impact, but at the moment there is adequate—in terms of how we can make more car parking spaces available for short-term visits. It is looking at rearranging some of the utilisation. We have a large number of parking spaces available for our staff, but they underutilise that area because it is not right where they want to work, which is what the whole group is doing.

When we met with the Alice Springs town council they did not put to us that there was X number of parking spaces they would like us to have, just in the way we utilised it and where to exit the hospital campus from and how it disrupts the traffic flow. They are the issues we are working through.

Mrs LAMBLEY: I have been going in and out of the Alice Springs hospital for many years now and I do not remember there ever not being contractors at the hospital. That is almost a given, is it not? It goes on and on—the redevelopment, maintenance and changes.

I guess as the local member of parliament for that area I would like to see dramatic improvements to parking, and I think most Alice Springs residents would; it is a real issue. I am very pleased to hear you are fixing up the Royal Darwin Hospital car park.

Ms FYLES: I was going to say, do you want to talk about RDH parking?

Mrs LAMBLEY: I am not going there.

Ms FYLES: Bring back fond memories?

Mrs LAMBLEY: I do not have any questions on that issue.

Ms FYLES: Funny, that.

Mrs LAMBLEY: It would be great if you could turn your attention to our car park in Alice Springs.

Ms FYLES: Absolutely. As Sue said, it is about looking at the needs of staff, patients and visitors—can we make changes with existing resources to the flow through of those resources, acknowledging it is not fun going to hospital and it can add to that level of frustration. Through that working group we are looking at the opportunities there.

Mrs LAMBLEY: Staff have spoken to me about how they feel unsafe. Some of those car parks are in very dark, dodgy areas of the precinct and beyond. I am sure you are right across the challenges of providing more and better car parking.

The Palmerston hospital, in terms of the Royal Darwin Hospital—what services will be moved from Royal Darwin Hospital and placed at Palmerston hospital, a clear move?

Ms FYLES: The Palmerston Regional Hospital will be the first new public hospital built in many decades since the Royal Darwin Hospital was opened. Answering your question as to what services will be provided there, Royal Darwin Hospital will remain the Top End's primary tertiary hospital, but the extra inpatient and surgery capacity at Palmerston Regional Hospital will help reduce the bed block we experience at Royal Darwin Hospital.

The hospital is progressing very well, it should be completed—from an infrastructure perspective—by around March next year and then Health will take over the facility and go through a very detailed commissioning phase. It is expected that during July the facility will open a staged approach for Health services.

We are looking at providing geriatric and rehabilitation services as well as many other services that will assist the residents of Palmerston and the rural area, but every service provided needs to be clinically appropriate. That is a very important point.

For example, in the delivery of maternity services there will be a staged approach. Initially, women will be able to have pre and post antenatal maternal care at Palmerston but they will still deliver at the Royal Darwin Hospital. The second stage of that would be that they will deliver at the Royal Darwin Hospital but be able to transfer, instead of after four hours, from delivery suite on to the ward at RDH. If they live in Palmerston and

clinically mum and bub are okay they could transfer to Palmerston to be closer to home and family while they recuperate. Then the third and final phase would be that we would offer birthing services at Palmerston.

Mrs LAMBLEY: Will there be a reduction of birthing, antenatal and post-natal services at Royal Darwin Hospital with the event of the services in Palmerston—is that what you are saying?

Ms FYLES: We are doing the clinical planning and the first phase of that, the first wave of recruitment—there has been detailed clinical planning taking place and that first recruitment phase we saw advertised just a couple of weeks ago—I will hand to Catherine Stoddart to provide a little more detail around that.

Mrs LAMBLEY: I am interested in what is moving from RDH to Palmerston.

Ms°STODDART: Mike can probably give you more detail than I can. However, in relation to maternity services there are only so many births. It is growing, but some of the services will be able to transition to Palmerston—some of the antenatal care and post-natal care—which frees up opportunities for women to utilise, for example, the birthing service and integrated maternity service that exists at Royal Darwin Hospital, so it is a real opportunity for women.

We are looking to move some of our services such as the constant care ward, which long stay patients who are not necessarily in the most appropriate facility at the moment at Royal Darwin—and the services at Palmerston hospital are much more appropriate. They have rehabilitation services and things like the hydrotherapy pool, which will be much more useful to that group of patients. Those services will move. Some of the day surgery will move because there is an opportunity to use low acuity day surgery at Palmerston and free up beds at Royal Darwin. One would hope it will relieve some of the pressure on Royal Darwin Hospital in relation to demand from next year.

Ms FYLES: Also, Member for Araluen, some antenatal services are currently provided at Palmerston. They would shift across to the hospital. There are some currently being provided out of Coconut Grove, so it is making sure that we provide services closer to home for people—more convenient so they engage in that medical care.

Mrs LAMBLEY: There is nothing that is moving completely from RDH?

Ms FYLES: I will let Michael provide more detail.

Mr°KALIMNIOS: The only service that is actually moving from RDH to Palmerston is the complete services rehab and geriatric medicine. That will now be provided from Palmerston. It does not mean there will not be a short-term rehab capacity at RDH, because there will need to be, but effectively the major part of the service will be at Palmerston. In fact, it will be an expanded service. In terms of bed capacity we currently have something like 12 beds—we will be expanding, almost doubling that.

Mrs LAMBLEY: The whole rehab unit at RDH up the back in the shed, they are moving to Palmerston? They must be deliriously happy.

Mr°KALIMNIOS: The other services, as the minister and the chief executive said—there will be a blending of services currently provided at RDH that are more appropriate to be put at Palmerston. The simplest example of that would be elective surgery. Obviously, RDH is our major trauma emergency surgical service, and a lot of our beds in RDH are blocked up necessarily by people presenting as emergency surgical cases. If we can stream some of our elective surgery, particularly the lower acuity stuff, maybe the cat twos and cat threes, it gives us a capacity to manage the same cohort of patients over two sites and much more effectively. For the rest of the services it is not quite like all the services will be moved. It will actually be almost like an extension or expansion of existing services.

The key thing for Palmerston for people to note is that it is not being created as an independent hospital. It is an integrated campus with RDH. It is about how you run the services over the two campuses rather than what is here and what is there. Palmerston, as the minister indicated, is a level three hospital, so it is a lower acuity than RDH.

RDH will still be the tertiary hospital where the really complex difficult cases go to. Palmerston is about that lower level of acuity, and the kinds of patients that will flow there will be of that standard for both surgery and medicine.

Mrs LAMBLEY: How much will the fit-out cost?

Mr KALIMNIOS: In terms of the fit-out of the hospital—the equipment—approximately \$30m. That includes the whole ICT kit and caboodle and all that stuff, which is separate from the actual construction of the hospital.

Ms FYLES: We have provided allocation of \$36m over two years to procuring furniture, fittings, equipment and ICT over the next six to nine months. There are different elements we are doing already. And \$5m has been brought forward into the 2017–18 budget for staffing and other start-up and test costs, looking at that from April, May, June next year when the facility will be handed to Health, but it will be in that commissioning phase.

Mr PAECH: A question from the Member for Nelson is, once it is completed will it remain the official hospital—titled the Palmerston hospital?

Ms FYLES: It will continue to be called the Palmerston Regional Hospital. Naming was important. If we were to change the name, we would have had to do so a few months ago because a lot of the signage and things like that are already going in. They did a detailed consultation going back a couple of years and that was the name. It highlights the location and that it is to serve the people of Palmerston and the rural area. Obviously, for different wards and streets, names can be suggested and go through the Place Names Committee.

Mrs LAMBLEY: Staffing for Palmerston hospital was always predicted to be a big challenge, particularly for specialists and doctors. What is the state of play there at the moment? Have you started ...

Ms FYLES: Yes, we have started the first wave of recruitment for nursing staff. If people visit the Palmerston Regional Hospital website, there is a link to staffing. There are people who are keen to work in a new facility, perhaps a little closer to home for them. It is important that we get that clinical care right. We will need the allocation of staffing to provide those services to patients. I will ask Catherine or Michael to provide further detail.

Ms STODDART: In order to ensure we have the right clinical staff in medical, nursing and allied health, there have been streams of work in place, in particular medical clinicians working on recruitment and supporting the recruitment drive for different elements. Of course, as it is a campus and not a separate site, that allows the opportunity for clinicians to work across both sites, particularly mobile clinicians like doctors, not nurses so much.

We have a recruitment opportunity that is happening at the moment. We will see—and Michael can discuss this further—a range of staff from Royal Darwin Hospital who are keen to move as well. Because of Royal Darwin Hospital's larger size, it has the capacity to backfill and provide some of the infrastructure support so that the impact is lessened.

Mr KALIMNIOS: To further build on that, there are four categories of staff we are recruiting to Palmerston—medical, nursing, allied health and admin ...

Mrs LAMBLEY: How many? If you could throw that in.

Mr KALIMNIOS: In a full-blown facility operating all beds and predicted services, which as you know, is a staged approach, it will get up to something like 450 or 500 staff. In terms of what we are aiming for in the initial staging, it is about half of that. Some of those staff will be moved across—for example, we talked about rehab and GEM—from RDH. So, they are not all new staff.

These are general figures. In additional new staff we are probably looking at a couple of hundred. In the task ...

Ms FYLES: The figure we are focused on is 300 new staff.

Mr KALIMNIOS: Yes. In the chunking of staff, the biggest staff risk for us in terms of opening was always going to be the emergency department and special skills for that. A process has been in place for several months for bringing people on in our ED in RDH—medical and nursing staff—to ensure that service will open. That is fairly well covered. There is an ongoing, well-planned recruitment and training process to open that service.

Again, as the minister and CE mentioned, we are out to a broader market at this stage, particularly for nursing. For Palmerston, because we have adopted this integrated campus model, our senior medical staff will rotate across the campuses. Recruiting specialist medical staff—particularly areas like medicine and surgery—is

not such a big deal because we will be using the same medical cohort, but we need the nursing staff to provide the support—because they will be truly additional.

In medical, the focus for us is on the registrar/junior doctor level. We are now gearing up for the intake, which is at the end of this year, for the next round of junior doctors—to ensure we are recruiting enough people in that round so we have enough time to train and bring them up to speed. They will form the basis of the on-site workforce. That looks pretty good.

The only area we need to ramp up is allied health. That is not a significant part of the workforce, but given we will be enhancing GEM and rehab services, that requires an allied health component. We are going through some specific channels in allied health to identify what resources we need and how we can source them. It is probably our biggest risk, if you want to put it in those terms, but we are comfortable that we have good processes in place and will be able to open the doors of Palmerston hospital on time and deliver what we need to.

Mrs LAMBLEY: We depend heavily on agency workers in our health system. What percentage of our staff are employed in an agency at the moment, in RDH, for example?

Ms FYLES: The question is, what percentage of current Royal Darwin Hospital staff are agency? It would vary each day in each shift. I will see what we have.

Mrs LAMBLEY: Maybe in 2016–17, for example.

Ms FYLES: We have it; we will just find it.

Mrs LAMBLEY: I am also interested in the operational costs for running the hospital when it is fully commissioned. Are they in the budget already? What is the estimated cost of running the Palmerston hospital in 2020?

Mr KALIMNIOS: Fully operational, the estimated cost in terms of—I need to be clear; are you talking about NTG contribution or just the cost of running?

Mrs LAMBLEY: Just the full cost of running.

Mr KALIMNIOS: When you take into account Commonwealth contribution and NT contribution, own-source revenue and all that stuff, we are talking about \$70m per year to operate Palmerston.

There are some efficiencies we will gain over the next two or three years because when we open Palmerston it will be done in a staged way. There are some inefficiencies in ramping up and establishing the services properly. Those inefficiencies will disappear over time. The challenge with estimating a full operating cost at this stage is that it is based on projected activity numbers. Depending on how activity numbers change over the next three or four years, not necessarily in bed capacity but acuity, it may cost more.

That is what we are budgeting and planning for at this stage, and we will work through that over the coming period.

Ms FYLES: There are Commonwealth contributions included in that.

We might need to take the question on actual agency numbers on notice, if that is okay.

Mrs LAMBLEY: Out of interest, has there been more of a demand for agency workers in the last 12 months, for example? Are you noticing an increase?

Ms STODDART: The demand for agency workers directly related to our overall activity demand—there is a direct correlation on occasions where we have increases in overtime in particular, if we are not able to access agency staff. We have also undertaken a different contracting arrangement with our agency so we can get some consistency and meet the standards that we would expect of our agency staff.

Over the last few months we have seen that start to plateau as we manage the demands slightly differently, perhaps in an improved way, but we will get those figures for you.

Mrs LAMBLEY: How much more expensive is an agency worker, percentage wise? Is it 20% on top of your ...

Ms STODDART: It varies significantly, given that Michael and Sue generally have to organise that.

Mr KALIMNIOS: From Top End's point of view, it can vary anywhere between 30% and 40% more expensive. Supporting what the CE just said in regard to demand and usage this year, I think I can speak for Central Australia—there has been a focused effort in the Top End and Central Australia to try to reduce use of agency and look at permanent workforce recruitment, use of casual pool staff and creating capacity with permanent nursing bank-type arrangements to reduce the reliance on those staff.

We saw that impact at the beginning of the year; however, it goes back to the issue of demand. Over the last two or three months, because of the demand issues, we have had an issue with the drain on available agencies, and agencies have run out of staff to provide us. We have had to revert to other options, like increased use of overtime.

The overall use of agency in a system sense has been reducing but that demand pressure has put us back into a position where we have had to rely heavily on agency. That is taking its toll.

Mrs LAMBLEY: When demand increases substantially with the commissioning of the hospital it will be a huge challenge to staff Palmerston hospital.

Mr KALIMNIOS: What we are trying to do is to plan to recruit enough staff within that permanent category. This is not just full-time permanent staff but part-time permanent staff so we can develop flexibility to enable us to deal with peaks and troughs.

It is fair to say and time will tell that what has happened in the last two or three months across the Territory, certainly in Top End which I can speak to, has been extraordinary.

Whether that continues and we have a series of strategies to try to manage that will be a determining factor in how we move forward. Our staffing models are based on being able to staff Palmerston safely and do that in a sustainable way.

Ms FYLES: It is much harder to recruit for intermittent demand.

The other thing that we have done considerable work on—there was a period where the casual pool of NTG nurses was not in place, so the department had to use either full-time, part-time or agency nurses. We have said that, looking at the cost of agency, there should be a casual pool from within NTG.

People go through different stages in their life and at times want to work on a casual basis, so we have put in place every effort from an HR perspective to have those pathways for people in our community who want to work in our hospitals.

Madam CHAIR: Member for Araluen, I just wanted to check whether there is a question on notice you wanted me to take from the minister.

Mrs LAMBLEY: No, thank you. That is fine.

Madam CHAIR: Thank you.

Mrs LAMBLEY: When you said 'quite extraordinary' in terms of the increase in demand over the last two to three months ...

Mr KALIMNIOS: Would you like me to explain what I meant by that?

Mrs LAMBLEY: That would be great. I am intrigued by that.

Mr KALIMNIOS: We have had a record level of activity across, particularly, our acute services. As I mentioned before, for Top End, if you compare this time to last year you will see we have a 10.23% increase in admissions or separations at RDH. It has just been an extraordinarily busy time.

If you look at things like the amount of time people are waiting in ED, which is a critical indicator for us—we had more people waiting longer in ED than we have ever had before.

Mrs LAMBLEY: To what do you attribute the extraordinary demand?

Mr KALIMNIOS: As I mentioned before, there is no specific issue we can put our hand on to say it is driving it. We are just seeing more people turn up. There are the normal seasonal factors—when there is flu around, that kind of thing. There is not one issue that we can identify that is driving demand. That has been consistent across Top End and Central Australia.

For us in a planning sense, we cannot identify anything from a seasonal or a long-time perspective. We are hoping this will turn off. There are longer-term factors, for example renal, which does have an impact on what we do.

Ms FYLES: We have seen, across Central Australia and Top End, huge demand. When you talk to clinicians we have been asking why, and if there is something we can do. Is there something we are missing? Is it the flu? Clinically there is nothing that stands out.

Is it a trajectory or is it seasonal, and will it plateau or decline?

Mrs LAMBLEY: It is a mystery.

Ms FYLES: It has been a very busy time.

Mrs LAMBLEY: There has to be a reason, though. The department is full of experts. Surely you can find the reason for some trends?

Ms STODDART: We evaluate this regularly and we have mechanisms by which we assess it. As Michael mentioned there is no specific aspect.

We have a very vulnerable community and even with a slight reduction in population that tends to be the healthy population. We have quite an unwell population compared to the rest of the country. As we improve access to services for people, by default you end up with people attending—supply drives demand to some extent, and we want people to access services.

We will continue to do the analysis which we regularly do on this.

Mrs LAMBLEY: I have no more questions. Thank you for your generosity.

Madam CHAIR: Thank you. I note that we have less than 15 minutes left. I wanted to check with the committee if there were any further questions on this annual report.

Ms NELSON: I have a few questions, Madam Chair.

My first question is to do with the CT scanner procurement for Katherine hospital. We have been waiting for a while, so I was wondering if I can get an update on that.

Ms FYLES: I might ask Michael. I was in Katherine and visited the hospital just a few weeks ago. I cannot recollect, sorry.

Mr KALIMNIOS: It is progressing, there have been some issues around procurement processes, which are being resolved. My understanding is that if they have not been resolved already they are pretty close to that and then we will get the tender out, and hopefully that issue will be resolved fairly shortly in the new year.

Ms FYLES: I think the tender will go out in the next month. That is the advice I have received.

Ms NELSON: Next month. That is good news.

Ms FYLES: You are welcome.

Ms NELSON: My other question is—I know we are looking at the previous government's budget and scrutinising the forward estimates from that budget, but I have to say I was a bit shocked to see that we are \$40m over budget in the Department of Health. I was wondering if you could elaborate on that. Was it an underestimation by the previous government? Or were there things unforeseen?

Ms FYLES: There are a number of factors. We have just been talking about how busy our hospitals and primary health services are. There are three main factors. It is something that has been growing year on year and being a department that provides operational frontline services, we cannot just simply close ED and say we are full.

It is balancing that within. We inherited cost pressures. There is depreciation of land and building assets, so that adds to the bottom line. There is growth within disability services. There are certain elements you can pinpoint it to, we certainly did inherit a large proportion of the deficit, around \$62m.

In clarifying that, it is a frontline service agency and we have seen growth on services, extreme demand, and the delivery of our services in some of the remotest parts of the world—it all adds up.

I will ask Catherine to provide further explanation.

Ms NELSON: Those considerations will obviously be provided for in the next—yes.

Ms STODDART: I will speak to a bit of it, but I might as the chief financial officer, who is always handy, to speak to levels of detail.

We have three areas that predominantly, over the last 12 months, have been significant for us. As mentioned, one of those was depreciation. The other one is the transition of disability to the NDIS. We have an increasing burden of forensic and secure care for our disabled and mental health clients and we are seeing that as an increased burden.

We would expect some of that—not the forensic element, but the NDIS will see some reduction in our requirements. The third one is demand.

As we have to manage that, we are building it into our budget, our own forecasting, as you would expect. But some of these things are unprecedented. As Michael mentioned, we are having to estimate both the rationale for the demand and then what we think our projections will be into the future.

Ms FYLES: To go back in time, in 2013–14 the net deficit was \$12m. That grew out to \$49m in 2014–15, which was—and there is obviously a breakdown between the department in the Top End and Central Australia, and then that grew out to \$62m in 2015–16.

Those are the year-on-year figures. But I will hand to Nick.

Mr GOOD: Providing slightly more information—obviously, we have the three entities and to get the overall position you need to add up all three. As the minister has indicated, we have had a deficit which has increased from \$12m in 2013–14 to \$62m, and then slightly more than that in 2016–17.

As far as the 2016–17 year is concerned, are three main drivers of that. Depreciation is a major factor in it and that is a non-cash item so it means we do not get funding for depreciation. Therefore, as a result, there will always be a deficit as a result of that.

We have spoken about the disabilities services. There is delay in the roll-out of the NDIS, which means that we are looking after people for slightly longer than we intended before these are taken up by the NDIS in meeting the cost of them—looking after these people.

As has been mentioned by everyone, particularly in recently times—not in recent months, but going back a year or more—we have seen compounding growth in the presentation of patients through the emergency department, and obviously these people work their way through the health system, driving up our costs at all levels of the system. And that has really been a significant factor in TEHS and CAHS, and basically driving their spending above what was originally budgeted.

Ms NELSON: Thank you, I appreciate the response. I am trying to paint a picture for people as well. We have emerging issues that come up all the time in health and particularly in—if I put it in a Katherine context. We have the NDIS roll-out obviously affecting the regional areas—PFAS and the health concerns there, particularly to do with mental health provision. I just wanted to put that into context when people look at the annual report and they see that there is a huge blowout—this is it. And funding cuts from the federal government certainly compounds it as well. So thank you very much for the clarification.

I have one more question, if I may. This is do with the terminations. This year our government passed the RU486 legislation. I just wanted to ask about the provision of, or access to, RU486 in regional hospitals, in particular Katherine District Hospital, and what we are doing. What is the department doing to make it so that we are able to provide that service in Katherine?

Ms FYLES: The Legislative Assembly passed legislation for medical termination of pregnancy, allowing a medical termination rather than a surgical termination to take place. I think that that was a body of work that a number of members of parliament had progressed over a number of years, and I acknowledge all involved.

In terms of the implementation, we now have legislation that allows for a termination of pregnancy to be performed away from a hospital in a medical setting. Some of the information provided to me from 1 July to 30 September—there was 229 terminations with 70% performed as an early medical termination.

There are obviously very strict guidelines for the use of the medical termination within two hours of a hospital that has a gynaecology service. But we have extended the patient travel to ensure that it is available to remote women and women from the regions to be able to stay in suitable accommodation and access the scheme.

Family Planning NT is contracted by Top End Health Services to provide the service for low complexity, early termination in Darwin and Palmerston. Complex and surgical services remain at the Royal Darwin Hospital. A number of Darwin and Palmerston general practice clinics have commenced offering the service. In Katherine, the Aboriginal Medical Services are considering developing services, and other general practitioners have expressed an interest but not yet announced commencement dates. Katherine patients would come to Darwin with the assistance of patient assisted travel.

We will be reviewing the clinical guidelines in the next 12 months to see how they have been implemented in a Northern Territory context. Family Planning NT is providing that service to women. I think they have looked at whether they do any outreach into Katherine, but it is about making sure that we are providing the best clinical care to women and following those strict guidelines.

I am of the understanding that there are some negotiations in the Katherine region specifically, but we need to make sure that the care of the woman is the focus, as is seeing a number of women being able to access that important health service. We wanted the legislation—and so many women fought and people fought for that.

Ms NELSON: I appreciate that. I also want to put on the public record that we passed the legislation this year, but rolling it out slowly is the best course of action in regard to this.

I have one more question; it is to do with PFAS. In 2015 the federal senate referred the matter to the Foreign Affairs, Defence and Trade References Committee for inquiry to do with contamination in Defence Force sites. This is when it all came about with the PFAS contaminated Defence Force sites as we have in Katherine.

Was the NT Government considered in that inquiry?

Ms FYLES: I am sorry, I do not have that detail in front of me. I can ask Xavier to provide more information.

Mr SCHOEBBEN: No, the NT was not involved in 2015. It is safe to say that in 2015 we went straight to develop national guidelines because Australia did not have any, so (inaudible).

Ms NELSON: I wanted that on record to paint the picture of when the NT Government was made aware of the issue. It paints a clear picture of how quickly we have responded and the efforts we have made in this short time frame.

I was first briefed about it in October 2016, and that is when we first sat down to talk about it. A lot of work has been done by the department. It is obviously an ongoing issue. What strategies do we have in place to continue—it will obviously continue, but as it emerges and more information comes up ...

Mr SCHOEBBEN: There are a number of national and local committees that have been formed to deal with this. As you would be aware, there are 23 sites being investigated by the Australian Government Department of Defence. There are also other national agencies, including Airservices Australia, which are also looking at their sites, as well as us and the NTEPA, and all EPAs across Australia.

It started in Fiskville, Victoria, at the Country Fire Authority training facility. We then had the incident in Williamtown in New South Wales and in Oakey, Queensland. We have three Defence sites under review at the moment in the Territory. We also have a number of local sites which will be subject to investigation. Part of that will be a desktop study, and part of it will be each agency reviewing the use of firefighting foams or other chemicals that may contain PFAS at those sites, and then appropriate action will be taken.

Ms NELSON: Thank you. That is it for me.

Madam CHAIR: Thank you, minister, and to all of your accompanying staff for joining us in the hearings today.

The committee will now have a short break before we review the annual reports for the Department of Housing and Community Development.

The committee suspended.

MINISTER MCCARTHY'S PORTFOLIOS

HOUSING AND COMMUNITY DEVELOPMENT

Madam CHAIR: Welcome, minister. I invite you to introduce the officials accompanying you for the hearing this afternoon.

Mr McCARTHY: Thank you, Madam Chair. I would like to introduce the public officials from the Department of Housing and Community Development who are attending the committee proceedings with me today: Mr Jamie Chalker, the Chief Executive; Mr Jim Bamber, the Deputy Chief Executive Officer; Ms Karen Elligett, the Executive Director of Corporate Services; Mr Dwayne McInnes, Senior Executive Officer Remote Program Delivery Office; and Mr Ken Tinkham, Chief Financial Officer.

There are also other officers who are joining us from the Department of Housing and Community Development at the estimates hearing, and no doubt, other members of the team will be taking a great interest in all the offices across the Northern Territory as we are a big and collegial team. I have a brief opening statement, if you would allow me to continue.

Madam CHAIR: Sure. Thank you.

Mr McCARTHY: I am proud to talk about the Department of Housing and Community Development's 2016-17 annual report, which is a great document that not only provides the relevant financial information on the work of the department, but also outlines and presents a collection of positive stories on the many achievements of staff over the past 12 months.

As you would be aware, the Department of Housing and Community Development was established as part of the machinery of government changes after the August 2016 election. The department provides key services to Territorians in the areas of housing, local government and community development. It provides accommodation pathways and housing options from short-term and crisis accommodation through to home ownership, and has several other services and operations to manage.

The department is working with Territorians to develop towns, regions and communities through respectful engagement and local decision-making. The department also provides essential services to homelands, outstations and town camps. It promotes Aboriginal languages providing interpreting and translating services for 100 different Aboriginal languages and dialects, as well as a further 63 international languages.

The many experienced and dedicated staff of the department are also committed to supporting the development of strong regions and communities through a successful local government sector.

The department administers grant funding for a range of homelessness support services across the Northern Territory, in 2016–17, \$22.6m was provided to 18 non-government organisations for more than 50 services to support Territorians who were homeless or at risk of homelessness.

The department also supports Territorians who without the ability to access social housing would be at risk of homelessness by actively providing and managing dwellings for low socioeconomic residents.

On the area of remote housing, I am very proud to talk about the Northern Territory government's fast-tracked \$10m in the Room to Breathe program to 2016–17 in order to commence works on extra living spaces in 21 remote communities. The Room to Breathe program is part of the \$1.1bn remote housing investment package—our community, our future and our homes.

The department continues to deliver new and upgraded housing under the National Partnership on Remote Housing and the Remote Australia Strategies.

On the community development side of the department is a range of programs and services for homelands, outstations and town camps, and an interpreter and translator service to overcome language barriers.

Annual grant funding is provided to assist the delivery of municipal and essential services in homelands and town camps and to assist with housing maintenance where there are no public housing subleases.

The Aboriginal Interpreter Service remains one of the largest employers of Aboriginal people in Australia, with about 335 registered interpreters delivering services across the Northern Territory, as well as the cross-border regions of the APY lands in South Australia and the Ngaanyatjarra lands in Western Australia.

In the important area of local government, the department delivers community development support to 17 councils across the Northern Territory, including nine regional councils, five municipal councils and three shire councils. A highlight of the 2016–17 year was the department's work in preparing for the local government general elections, which were held in August 2017. The department's engagement work resulted in nominations for every position which was declared vacant.

There is still much to be done and the demands to deliver the Northern Territory government's program in 2017–18 is even greater. I congratulate the department and its staff across the Northern Territory for their hard work and commitment during 2016–17.

Thank you to the committee for the opportunity to address it today. I now welcome any questions you may have regarding the Department of Housing and Community Development's 2016–17 annual report.

Madam CHAIR: Thank you very much, minister. On that note, I will open it up to the Estimates Committee for any questions relating to the minister's opening statement or the annual report for Housing and Community Development.

Mr MILLS: Thank you, minister and the panel. Though it says Terry Mills there, I am asking these questions on behalf of Mr Wood, who very much would like to be here and will endeavour to be here. He may appear shortly.

The first question relates to a pre-election commitment by Labor to fix that system whereby an Indigenous worker being employed in a community has access to government housing. We would be well aware of the back story of seeing those who may be working in Wadeye—I remember seeing it years ago—in the school but did not have access to adequate housing. But those who were employed outside had good housing.

The question from Mr Wood is, how many Northern Territory Government employees are housed in government housing in remote communities? Of these, what is the breakdown between local residents employed by the Northern Territory Government and employees who have been moved into the community in order to work there—police, teachers, medical staff et cetera?

Mr McCARTHY: We can provide those figures. The statistical analysis is ongoing in relation to the implementation of this new policy.

As the Minister for Housing and Community Development, I am especially proud of Labor's policy to finally crack this nut. Going back 39 years, I was living in a silver bullet. After a day's work at the local school, I went home to a silver bullet caravan and the assistant teacher went home to a humpy on the banks of the beautiful Frew River. It was from that day I saw this disparity and the need for equity in this space. It has taken a while, but I am especially proud of Michael Gunner's Labor government to take this issue on and form policy.

But you will understand, with a new policy, we are starting off with a base of zero stock. So, the analysis around those numbers—and I will ask the department officials to see what we have here for you today—is ongoing, as well as the policy determinations between the Office of the Commissioner for Public Employment and the CEOs of each relevant agency.

We know that this will be challenging. We will be able to show you numbers of existing non-Indigenous employees that have been moved into community, and we will have numbers on Indigenous employees that we hope to transition through this policy.

I think for Mr Wood, it would be important for him to understand that it is not always about building new houses; it is about looking at innovation, especially innovation for the non-Indigenous employees who transition through these communities, sometimes in rapid succession. To be able to utilise then the existing stock in that remote town, that remote community—to provide housing for a government employee who is showing great commitment to their community. It really needs to be looked at in terms of innovation.

You would also need to be aware that there already local government employees who are support in terms of their housing. They exist in public housing and have various supports to them for that housing and in terms of their position in the community. That is managed by each agency.

I will ask the CE, Mr Chalker, if he would like to respond with some numbers for Mr Wood.

Mr MILLS: Numbers would be good, thank you.

Mr CHALKER: What I can speak to is the number of government employee houses we currently have, which is 1370 that we have been managing. The complexity of the direct tenancies are interlinked, because we do not have direct tenancy management for every government employee house. That is across multiple departments and relevant to their management.

The process we have in respect of the election commitment is the provision of additional government employee housing to create that local availability, clearly linked to being able to impact positively on reducing overcrowding.

Part of the policy work that is in play that we have had to do with a joint approach through the Office of the Commissioner of Public Employment is to develop a policy that identifies the classifications and the appropriateness across all 73 communities that we are currently in, plus the other areas where government employee housing is ongoing.

We can take the actual breakdown of employees as it relates to local and those who are recruited from elsewhere and actually come and move to the localities on notice to give you that breakdown as best we can.

Mr McCARTHY: Madam Chair, if I could just put on the public record for Mr Mills, this policy commenced on 1 July 2017 with a budget appropriation of \$20m each year. I think with a significant commitment by the Labor government to this policy directive and being able to look at innovation, a better housing mix to suit non-Indigenous government employees—travel in and out of the community and local community government employees that will be entitled to housing. That is a good start and good commitment. We will have a lot more information the Estimates Committee and for parliament as we move forward.

Mr MILLS: Thank you, minister. I am interesting in your use of the term 'innovation'. What is possible in the space you describe as innovation?

Mr McCARTHY: Sure, that is a really good question. If you travel through the electorate with me alone, let us just focus on the area I am privileged to represent ...

Mr MILLS: It would be Mr Wood who would travel with you.

Mr McCARTHY: You are welcome, too, Member for Blain.

Mr MILLS: Well, I will talk to Mr Wood about that.

Mr McCARTHY: What I would immediately focus on is the housing mix. Often we have single officers in three-bedroom houses or two-bedroom houses. These houses are often your traditional core-fill block or traditional built form in a community. We need to start to factor in innovation around housing mix.

What we are looking at is the principles of better land use. Land, you would appreciate, is at a premium. Serviced land is at a premium. We are looking at where we can innovate into duplexes, triplexes and are also looking at passive security principles where you can place teachers and nurses, for instance, together on the same lot of land.

We are looking at dwellings that not only suit them in terms of their profession and their capacity in the community but also the opportunity of transitioning those employees into purpose-built form that delivers the appropriate housing mix that will free up the more traditional built form for the local families and recruits.

I can give you lots of examples across the Barkly and beyond. It is an area that is being embraced in the bush, particularly by the community.

I have also tested this with the unions and a lot of government officers in the electorate I represent, and beyond, in the lead-up to the last election when we were designing this policy. There was very little resistance to it.

When you advocate for the position of local recruits, a housing entitlement and a better housing mix—the vast majority of the people I have researched agree with the policy and support it.

Mr MILLS: Thank you. I am sure Mr Wood will be very pleased with your response.

This is a question related to social housing. The majority of tenants occupying urban public housing dwellings are single households—44%. The vast majority of clients in urban areas who are on the public housing waiting list are from single households—62%. How is the department managing its housing stock to be able to meet the needs of single-person households? For example, are larger houses being sold in order to fund the purchase or development of smaller housing units?

Mr McCARTHY: A good question. One of the major challenges that I have learned about coming into this role is the ageing stock in urban public housing. Whilst we are not focusing on the demolition of big houses, we have strict criteria around assessment for the demolition of assets that are beyond economic repair.

A good thing for the Northern Territory is that associated with those ageing assets is generally large land areas—large blocks where we can innovate.

Once again, we are looking very closely at housing mix. Mr Chalker or Mr Bamber will be called on ...

Mr BAMBER: You are right, we do have a waiting list consisting of a demand for one and two bedrooms. We also have a plethora of older three-bedroom dwellings. A lot of them are pre-cyclone. We have an urban asset renewal strategy where we are looking at the dwellings that are beyond economic recovery—a lot of them with three bedrooms, often on bigger blocks. We are looking at demolishing those older non-economic dwellings and replacing them with smaller units and complexes. It has been part of our program. We have a five-year program to do just that.

Mr MILLS: I am just channelling Mr Wood now. He would be very interested in the rezoning issues around putting additional dwellings on blocks in urban areas. He may turn up and I will alert him to this and he may ask questions on that line.

There are a number of questions here. I do not want to keep plugging on with Mr Wood's questions. There may be other questions. I can come back. I am worried he will turn up and there will be no questions for him to ask.

Ms NELSON: I know we just talked about social housing headleasing. Has it made a difference to the waiting list, for people who are on the waiting list for public housing?

Mr McCARTHY: Thank you, Member for Katherine. You have given us an opportunity to talk about social headleasing. It is one of our policy parameters that is designed to address the waiting lists and provide a better housing mix.

Our current policy, under Michael Gunner's Labor government, is now the opportunity to create 200 new social headleases. It is also a significant stimulus to the economy. I am sure the construction sector is welcoming—we put out the expression of interest, and we have lots of proponents bringing ideas forward.

To give a bit more detail on that policy and how it is working and will progress the public housing opportunities in the Northern Territory, I will flick the ball to Mr Bamber.

Mr BAMBER: With regard to social headleasing, the department has limited funds to conduct a major asset renewal strategy ...

Ms NELSON: Sorry to interrupt. Maybe we could take a step back and you could explain briefly what social headleasing is.

Mr BAMBER: Social headleasing is similar to the Defence housing model, but instead of us building an asset, owning it and maintaining it over a 30 or 40-year life, we will go to market and look for someone to

lease an asset to us. The premise is that we will lease it for six or 10 years. At the end we return the asset to the investor, and then we take on other leases.

It is a way of getting additional social housing into the market so we can address a waiting list without going through an expensive building program of our own. It must be undertaken by other jurisdictions as well.

The other benefit is that it provides stimulus for the building industry because we are looking for new buildings we can tailor to the requirements of our waiting list tenants.

Mr PAECH: So it is private headleasing.

Mr BAMBER: In essence, yes. It is called social headleasing because it is for social housing purposes.

Mr PAECH: But the formula is private headleasing.

Mr BAMBER: Yes. Similar to the Defence housing model.

Ms NELSON: To be run on principle, is it like community housing alliances? You will be renting them out—the department of Housing pays a certain percentage and the tenant pays the remainder?

Mr BAMBER: No, community housing is slightly different. That is where you provide, either by title or under management a swathe of dwellings to a community housing provider. They then run those dwellings. Effectively, they have carriage of those dwellings; they are the landlord. They can then go to the Commonwealth and get a 30% top-up on Commonwealth rent assistance, which as a government department we cannot. They can also bring their wraparound services to bear on the tenants in those dwellings.

Effectively, they are managing those tenants and buildings for a period of anywhere between six and 20 years. That is something the other jurisdictions have gotten into. We have only just started in the last couple of years. Social headleasing is where instead of us owning, repairing and replacing the asset, we will get a private headlease. Then the complex is ours and we will lease them to our tenants.

The difference is community housing provides a model where they have those houses to run and maintain, and they have the tenants as their own tenants. It is still addressing the same waiting list.

Mr PAECH: How does that affect the position of liability given that damages incurred by tenants—you are the leaseholder for that asset. If a tenant chooses not to pay and is evicted, ultimately the department will bear the responsibility of having to fund the repairs. It is then no longer a series of assets the government has in its housing stock.

Mr BAMBER: We are responsible regardless of whether we own the asset or sublease it.

Mr PAECH: In a private headleasing sense, it is different to building and owning and it belonging in our budget books. The model you are talking about—we become liable for something where we cannot leverage the asset because we do not own it.

Mr°BAMBER: Correct but what you are offsetting there is the need for a major capital program to raise the equivalent number of houses. It is a decision you take. If you do not have the capital to build the number of assets that you need or to renew the number of assets you have then you undertake this headleasing approach—your original question was, how does it impact the waiting list? It means that we can address the waiting list that much faster—waiting for assets to be renewed.

Ms NELSON: Thank you for being generous. I am really interested in social headleasing. In areas like Katherine, for example, where we do not have as many houses available as you do in more populated urban areas, how will that work in regional towns like Katherine?

Mr°BAMBER: The approach that we have taken—we are actually funded under the five-year housing strategy for 250 headleases. We already have 60 of them under lease and we have them occupied. There are another 200 leases worth of budget that is available to us, and we have gone out with a request for responses to the industry, looking for investors or landlords who would like to offer their dwellings or complexes to us, for us to run them as social headleases. We invited that Territory-wide. We have responses Territory-wide, unfortunately except in Tennant Creek. We have responses Territory-wide for investors or owners offering up their complexes for us to use. We are going through that assessment right now.

We also have some asset renewal of our own going on in Katherine. For example, in August 2016 we had six one-bedroom complexes in Acacia, and six-by-two on Martin. We have already turned off 6 Neal Place, which is a four-bedroom complex, and 5 Casuarina Drive—we just occupied that. We are still doing our own urban asset renewal in all the regions, but we are complementing it with these 250 social headleases so we can address the waiting list much more quickly.

Ms NELSON: In Katherine we have a large number of public housing assets that are over 30 years of age. A lot of them are coming to the end of their life term, but there is not a lot of funding put in or committed to replacing those, so is that where you are going with this social housing?

Mr°BAMBER: The social headleasing is to get us through a period of asset renewal. While we are going through our own urban asset renewal—demolishing, rebuilding—we are also getting these 250 additional leases to get us through that time period while we are going through an urban asset renewal.

We had \$20.2m available to us for the urban strategy, so that is the amount of money we have available to do urban asset renewal. We just have to make the best we can with that money over that five-year period, and the social headleases are to get us through that time period.

Madam°CHAIR: I want to interject and welcome Paul Kirby, the Member for Port Darwin, joining us today. Please continue, Member for Katherine.

Ms NELSON: You have just brought something up that I wanted to ask about. Minister McCarthy and I have had some discussions about this previously and a couple of them have been heated on my part. It is to do with the classification—Katherine classified as urban, regional, remote and rural. In housing it is considered to be urban. Can you explain that in really simple language for me to understand?

Mr°BAMBER: It is probably historical because the NT Government was not brought in to managing the remote community housing until 2008–09. So up until then it was all urban, if you like, plus industry housing, plus government employee housing. Then from 2008–09 about 4600 remote dwellings were brought in to management by the department, by the NT Government, at the behest of the Australian Government.

There is urban, which is all of the regional centres—Darwin, Palmerston, Katherine, Tennant Creek, Alice Springs°...

Ms NELSON: Palmerston is considered a regional centre?

Mr°BAMBER: No, urban. They are all urban. All the urban ones are—all the regional towns if you like, including Darwin, Palmerston et cetera. Remote is the 73 remote communities, and then you have the 285 town camp dwellings in Alice Springs and Tennant Creek. Then we have 550 odd industry housing, which is primarily in the urban areas and regional centres, but it can be in a remote community also. They are utilised by the NGO sector. Then there is the government employee housing.

Does that explain it? Urban really applies to any minor regional—I am getting a note here.

Mr McCARTHY: Member for Katherine, I can also add to that. We cannot ignore the funding streams from the Australian Government, which is so important, but I acknowledge the Labor government's commitment of \$1.1bn over 10 years into remote housing.

Essentially, that investment needs to be tripled, if not quadrupled, by the Commonwealth. We are eagerly awaiting a decision on its next 10-year commitment. But it is specifically to address the need.

Ms NELSON: Yes, absolutely.

Mr McCARTHY: The concept is to normalise the housing model across the Northern Territory, improve the assets and management so all Territorians will benefit from the outcomes of good housing for health. When we look at the remote program and the need, we have identified in the remote housing in the Northern Territory that we have more than half the need in the nation. We still have enormous challenges in the number of stock, let alone the asset improvement of existing stock and the management of stock.

This policy has various layers in its implementation. At the end of the day, when we start to improve the remote housing, we will see a corresponding release of the pressure valve on our regional housing and regional centres. It is a smart policy and challenging for us as Territorians, because we have a 10-year

parameter. This will be a long haul. It is the marathon, not the sprint. We are very confident that this is heading in the right direction.

Ms NELSON: I appreciate your patience with me and your indulgence in getting some of these things clarified so I can understand a bit better. I am really stubborn, as some of you would know. I have in my mind the traditional urban is Parap ...

Mr PAECH: Katherine.

Ms NELSON: No, it is not Katherine. Katherine is not urban! That is how I see it, so I guess it is hard for me to understand that concept. But I do get it now.

Mr PAECH: I will take you to Docker River—that is remote.

Ms NELSON: I am not saying Katherine is remote. To me, it is regional.

Madam CHAIR: I will pass to the Member for Araluen, who actually has a question for the minister.

Mrs LAMBLEY: Minister, the probity auditing into town camp contracts was announced in February 2017 and you have received the report—according to this annual report—since 19 May 2017. We still have not seen it. It is a big report of 16 000 pages. Could you provide us information on how many recommendations there are and the nature of the recommendations? Could you explain to the many thousands of people who live on the town camps why they are still waiting to see this report?

Mr McCARTHY: Member for Araluen, to clarify, we are talking about the town camp review?

Mrs LAMBLEY: Yes, that is right.

Mr McCARTHY: It was initiated under the previous administration and was, essentially, one of the outcomes of the Public Accounts Committee that you are involved with as well.

Essentially, it is an extensive, comprehensive, independent review of all 43 town camps in the Northern Territory. As we know, it was commissioned by Deloitte and the report is now finalised. You are right; it is extensive. It is 16 000 pages in volume. From government's perspective, this is the most comprehensive review of town camps undertaken to date, which includes a status report on over 700 houses, municipal, electrical, water and sewerage infrastructure.

The report is an independent review of the situation facing town camps. The findings and recommendations need to be carefully considered by government. My commitment to government was to make sure the department processed this extensive report formatted into a proper and appropriate Cabinet submission and that is where it sits. I have taken that to Cabinet.

Cabinet has been smart and supportive. We have taken the pragmatic position that we need to work through this methodically because the areas for consideration by Cabinet relate to the key findings, and we can start with housing standards. We are also looking to explore the transient visitor issues. Outcomes in terms of addressing transient visitors and visitor management are obviously about visitor accommodation.

Road and stormwater infrastructure is substantial in this report. Water networks are another example and essential services in relation to water, sewerage networks and electrical infrastructure. Most importantly, the governance of town camps—as there is a myriad of land use principles and governance principles that really need to be addressed.

The social issues are also mentioned in the review as well as the restrictive legislation, and that will be a very important part of government's work in looking at the legislation that governs these living areas and how we take it forward. Also part of the review was the Jabiru town camp, for instance, which will need important deliberations. It is with Cabinet, a major body of work—and Cabinet is now stepping through that so I can then tell Territorians about the methodical approach that this Labor government is taking with the appropriate fiscal commitments to deliver on that.

I think it is important for Territorians to understand that historically the Commonwealth created the town camp concept, they created the town camp living area and it is another major body of work we are preparing to present to the Commonwealth because the Territory cannot do this on its own.

Mrs LAMBLEY: When did you receive the report?

Mr McCARTHY: The date I received the report—I do not have that in front of me. Mr Chalker might have a chronology on—let us go back to the date the department received the report and then ...

Mrs LAMBLEY: Which is you, presumably?

Mr McCARTHY: Absolutely. You would be aware that there is a lot of work that has gone on to prepare this for Cabinet.

Mrs LAMBLEY: A lot of what you describe is not particularly new, is it? We know what the social problems are. The intervention came in and did a lot of work around trying to improve things on the town camps.

What is new from my perspective is what is apparently in the report, from what you have just said—addressing the governance issues. I do not think that has not been reformed ever, or no great attempts have been made. That is one of the recommendations to reform, I take it?

Mr McCARTHY: Member for Araluen, with respect, what you have just said is the type of anecdotal approaches to town camps in the Northern Territory, 43 ...

Mrs LAMBLEY: I am trying to extract information from you, minister, and you are not telling me anything I do not know. I want to know what is in the report, and people want to know what is in the report.

Mr McCARTHY: I can go through those areas again. It is a Cabinet document now so I cannot give you Cabinet information.

Mrs LAMBLEY: We will just leave it then.

Mr McCARTHY: Those anecdotal statements are essentially where the Territory has been; this comprehensive report around 43 town camps itemises—we have house by house.

I think in terms of the new learnings, you will be quite interested in the infrastructure, then we get to the governance and the land tenure. There are a host of components—very specific information. I have also said on a number of occasions that there are also components of very personal information because there are interviews conducted with town camp residents. They will remain so in the interest of the privacy of those people.

Essentially, this is now spelling out the roadmap of significant needs, significant infrastructure investment, significant legislative change, and that is what the Northern Territory Cabinet is now working through.

Mrs LAMBLEY: Okay. If we are not find out any more about what is in that report, can we go back to the actual independent review into town camps, done by the Public Accounts Committee in 2016?

Mr McCARTHY: Sure.

Mrs LAMBLEY: I chaired that committee so I remember it well. That was quite a rushed effort, but there were a number of recommendations and key issues pulled out of that. How has that been used within the department to improve the lives of people on town camps?

Mr CHALKER: Member for Araluen, my understanding is, clearly, one of the most primary initiatives that arose out of the Public Accounts Committee inquiry was the commissioning of that report. I think the minister has touched on the significance of that report and the body of work that has gone through that took a significant period of time.

Internally, we have maintained our provision of municipal and essential services funding to town camps, as we have service provision to property tenancy management and repairs and maintenance. Of course, I think all eyes are really in respect of what the town camp review will ultimately be able to provide as a pathway once Cabinet has considered that and given us some clarity to then engage.

As the minister touches on the Australian Government, the clear linkage of the history—which I am sure you are aware of with the town camps—is very much the Australian Government domain. That was what saw them created and where they are today. We know there is significant disparity between the infrastructure in

place in a number of them—indeed the road furniture is very distinctly different in different localities and different town camps.

What we have been trying to do is ensure that we are providing adequate funding to maintain a quality of life there and also the service provisions through those property tenancy management.

Mrs LAMBLEY: That particular report concentrated on tenancy management and the maintenance contracts, remember? It was quite focused on whether or not they were working particularly well, in terms of the experience of the town campers.

Mr CHALKER: With the funding that was allocated for the 2016–17 financial year—obviously we have had those contracts in place there. Again, not all 43 town camps are under the same type of tenancy arrangements, so we have continued to try to provide that through the homelands funding program where they work with those relevant town camps.

We had the allocation—I think the town camp review is what all eyes are on in, ultimately, identifying what the ongoing quantum will be required for the future funding arrangements, particularly property tenancy management and repairs and maintenance. But, as was highlighted from the housing infrastructure, it is evident that there will be requirement for an investment to bring a number of those homes back up to a suitable standard that would meet a tenancy management arrangement.

Mrs LAMBLEY: In the Attorney-General's November 2016 report, she looked at contract management of housing stock. And are you familiar with that report?

Mr McCARTHY: Can I just clarify, the Auditor-General's report, Member for Araluen.

Mrs LAMBLEY: The Auditor-General's report November 2016 ...

Mr McCARTHY: You quoted the Attorney-General's report.

Mrs LAMBLEY: Sorry, my apologies. It was the Auditor-General's report. There is a section on contract management of housing stock and she makes some key findings and some recommendations. Are you familiar with those?

Mr McCARTHY: Not specifically.

Mrs LAMBLEY: And I am just wondering, were these followed up? Were these part of any particular piece of work undertaken by the department of Housing?

Mr BAMBER: We worked with the Auditor-General on that independent review, and we took on board the recommendations. We had interviews with the Auditor General, and then we applied the recommendations to our contract management, our tenancy and property management.

Mrs LAMBLEY: Okay, and what sort of changes were made?

Mr BAMBER: There was an increased focus on—there was a renewal of the contracts, which gave us opportunity to set, from the outside of the contract, our requirements for our property and our tenancy managers to undertake the required services under the new contract.

We also conducted some improvement within the business itself, improving our business systems, training and our own processes between the department and the contractors. It was one of the findings from the PAC and from the Auditor-General.

We continue to very closely monitor key performance indicators around those contracts for town camp housing and our other housing as well.

We have been going through a process of improvement arising from various reviews into town camp housing, remote housing and urban housing. The department has been on an improvement.

Mr McCARTHY: I would like to add, from a minister's perspective, that I am especially proud of the department and their cultural shift, led by Mr Chalker. We are not now totally focusing on assets, but we are focusing on people and Territorians.

Mrs LAMBLEY: In terms of the Alice Springs town camp contracts that there were problems with from 2015, which were reviewed by the Auditor-General during the specified period we are looking at, that is, 2016–17—and then the subsequent contract in 2017. There were mistakes made—different minister, different CEO in 2015.

I asked the Auditor-General yesterday—I do not know whether you heard—a specific question about what interaction she had with the department of Housing in terms of fixing up the procurement process. There were distinct problems in the execution of the procurement process with that particular contract.

I am wondering what happened within the department of Housing after that first analysis by the Auditor-General came back with a fairly bleak assessment of what happened. There were many mistakes made, many breaches of the *Procurement Act*. What happened internally and what has improved since?

There were mistakes again in the 2017 contract, not nearly to the extent of 2015. I think it is important that people, particularly those living on town camps who were affected by this, the businesses that were affected—Zodiac and the Central Australian Affordable Housing Company, and everyone else involved. We have all been embroiled in this drama that has played out to some extent in the media.

What happened internally? This is your opportunity to explain what happened.

Mr CHALKER: I am very pleased to be able to speak in respect of what occurred from those steps. To put it in context, there was media commentary that was not limited to the media. There were clear concerns that related to the original contract.

Upon my commencement in the agency that was brought to my attention. Through that process I determined that the most effective way to assist with the reform that I was looking to do through the agency was to commission that independent probity audit.

Within that I made a number of key terms of reference to address those, particularly to ensure that there was no external interference, and equally to identify if there was any misconduct. The last part of the terms of reference I clearly asked that if there were any adverse findings for some guidance towards as to what further steps I could take.

The recommendations that came out of that audit did identify that there was a significant number of non-compliance issues. The contract management of that particular process clearly could have and should have been done better.

What we looked at—and through my discussions with the independent probity auditor I wanted to understand what engagement had occurred. In the audit report itself it references the fact that he undertook face-to-face interviews with relevant personnel involved in that process.

Not only was he able to review all of our holdings from a physical document sense and electronic sense, but he was able to seek context from those relevant people in respect of what he had identified through that.

As I said, he made no reference to identifying misconduct. Clearly, there was non-compliance. The number of recommendations he provided articulated not only some poor practice in respect of the execution of contract management—in essence, leading to clarity around the fact we may have needed to improve training, for example—but also some of our structural process and not adhering to process. That also indicated a lack of understanding and training in that area.

When I was looking at that report in its totality, given that there was no misconduct identified that would direct me towards undertaking disciplinary action—because if I undertook disciplinary action I would need evidence to do that. A person is afforded natural justice ...

Mrs LAMBLEY: Can I stop you there. Was that a stipulation of the brief of the audit, to identify misconduct?

Mr CHALKER: Yes. I can read out the terms of reference.

Mrs LAMBLEY: The Auditor-General wrote a piece about how it was not her role to determine breaches of discipline or conduct. But for the auditor it was, is that right? To identify misconduct?

Mr CHALKER: Yes. The decision to go towards the independent probity audit—I sought the advice of the Solicitor for the Northern Territory to inform me in respect of what I could ultimately do to initiate the inquiry.

The terms of reference were to establish the facts and time line relating to that tender; understand the reasons behind the decisions that were made and by whom; determine if the tender assessment and award process was managed in accordance with the Northern Territory Procurement Directions; determine if there is any evidence of improper conduct or external interference in the tender assessment process; and provide a report in relation to the matters outlined above to determine the appropriateness of any further action that may be undertaken by this department.

I then met with the auditor at the conclusion of that to try to make an assessment on which direction to go. I now ask the Chief Procurement Officer, Michael Leonard, to inform you of all the steps we have taken following my assessment of this and the directions I provided within the agency.

Mrs LAMBLEY: This is from 2015 and 2017, or just 2015?

Mr CHALKER: After the conclusion of receiving the independent probity audit.

Mr LEONARD: Since that probity audit was conducted we have been doing a series of internal improvements in a lot of our procurement processes. They come down to three key areas: one is our governance structures; one was in terms of our internal processes and how we manage our procurement; and the third one is around the capability of our people involved in delivering procurement and contract management.

One of the most significant changes we made after we received the probity audit was to do an organisational restructure. Previously the role of Chief Procurement Officer was attached to one of the divisions responsible for the delivery of some significant contracts within our department. One of the first things we did was the organisational restructure to create greater independence in the CPO role. That position now comes under our corporate services area and our role is to provide independent advice and assurance to the chief executive and our board.

The other thing was to review our internal processes. A lot of the issues identified in the probity audit and the Auditor-General's report were procedural issues that came back to lack of understanding of procurement planning and the roles and responsibilities of people involved in the assessment process. Over the last few months we have been reviewing those processes and putting greater clarity around how people conduct themselves. We have reintroduced tender assessment plans to lay out the procedural requirements for conducting tender assessments, what the probity and confidentiality requirements are.

A lot of it came back to planning and lack of understanding of the processes, so we have been emphasising that.

We are also trying to more proactively engage with the business units that are responsible for the contracts up front. Typical procurement practices might take six months to run from one end to another until the contract is awarded. We are trying to engage with them at the start of the process to make sure we have satisfied all the compliance, issued FTOs, conducted thorough planning, allowed sufficient time for things to go out to market, and allowed transition periods for new contractors to come in. We are getting much greater emphasis on the planning aspects behind the procurements.

In terms of the capability, the other thing we have done is identified procurement, and contract management is one of the critical skills areas for our department. We do a very large amount of procurement and contract management, so it is one of the critical skills areas we have been focusing on. All of the procurement team in our centralised procurement area have gone through a process this year where we have invested heavily in getting them proper procurement qualifications, Cert IV and Diploma qualifications so they have the foundation skills and knowledge they need to be able to manage those functions.

We have also made sure that people in the business units doing the procurements understand the processes involved. We have had about 50 people who have done training on specification development to make sure documentation has been clearly described when things go out to market.

We have recently started doing some compulsory procurement awareness training for all staff in the department so they have an understanding about what the procurement requirements are, the relevant thresholds of where they go to get advice and assistance with managing procurements from the outset. That will continue on into next year.

We are also doing some tender assessment panel training. We will do more intensive training with our panel chairs, who will be involved in chairing some of the more significant procurement contracts we have coming up.

This year is an exceptional year for us in terms of the procurement of contracts, 2017–18 particularly, because a lot of our contracts expire on 30 June next year in line with funding agreements, so we are going through a big curve. We are also in the process of doing some more strategic planning to make sure we have the right processes and capacity in place to meet those additional demands as we start to get closer to that 30 June time frame.

Madam CHAIR: Thank you, Michael. I just want to interject at that stage to welcome Gerry Wood, the Member for Nelson, to proceedings.

Mr WOOD: Thank you. Sorry I am late. Family first, today.

Mr McCARTHY: You have already had some questions, Mr Wood, and I hope you are satisfied with the answers.

Mr WOOD: I will have to read them in *Hansard*; they do not come on the radio.

Mrs LAMBLEY: My final question on this is—the breaches, or anomalies, within the processes we used to allocate those contracts in 2015 and 2017 have had an impact on two businesses, Zodiac and the Central Australian Affordable Housing Company.

Has any effort been made to acknowledge the pressure it has put these businesses under? The possible damage to their reputation that this has caused—those two businesses and the people who live in the Alice Springs town camps are the real victims in all of this. It has all been a shemozzle, really. We can fight it out, sort it out and have these sorts of gatherings, but it is the people on the ground whom I think have been affected. Has there been any response to them by the department?

Mr CHALKER: There has. I have personally met with the CEOs of CAAH and Zodiac following this process. In respect of the awarding of the more recent contract, I want to put forward some of the reasons behind the three non-compliance issues in the last contract.

The first one was a time frame. We made a decision—I did not want to extend the previous contract because it had been subjected to so much attention. We engaged with those we understood would be looking to be part of our future contract awarding to let them know that we were looking to shorten that process. The reason we were doing that was to try to give some clarity and finalisation of that to allow the fresh contract to be awarded in a sterile corridor.

The sterile corridor was part of the second finding, where I had to take some steps to ensure that nobody, even with the smallest role, had any involvement with the awarding of the most recent contract. It was a step taken deliberately to ensure it was a sterile corridor.

The third was that there was a document referred to that should have required a compliance check in respects of how contemporary it was. We provided that advice back to the Auditor-General following her assessment of that.

We acknowledge that, but that was the intent behind those. We have engaged with both of those companies.

Zodiac is still working as a contractor in other areas where it is providing those services. We maintain that constant engagement, particularly through the Alice Springs office under the stewardship of Len Griffiths, as equally as we do with CAAH.

It pleases me to provide advice to you that the minister received an email from the CEO of CAAH that acknowledged how far the agency has moved. Our approach and mindset is to engage with people and placing people as a priority over assets and infrastructure. I would like to give you great confidence that we have made significant changes. We are engaging with our key stakeholders and trying to turn what is a difficult operating environment for many people. The team we have with us today has become very aware of the lessons from the original town camp award. We are taking every step we reasonably can to ensure that we do not adversely impact people in that way again.

Madam CHAIR: Are there any further questions from the committee?

Mr WOOD: Minister, I might be all over the place here, coming a bit late. I also tried to follow the annual report. One of the disadvantages is that it usually has the CEO's highlights, then the highlights, then the

achievements and next year's priorities. Sometimes they trip over one another. When I am following the report, sometimes I go a few more pages on and find the same issue. It is a bit hard to keep a nice, fluid line of questioning, but I will do my best.

I will start on homelessness and intervention, which is important. Could you explain the program? Do you believe that antisocial behaviour seen in the Darwin CBD and elsewhere is due to homelessness or a migration of people from homelands to the big city? How do you see the homelessness issue?

Mr McCARTHY: Member for Nelson, as the minister and a person who is dedicated to learning about the portfolio work I have the responsibility for, I have looked at the national perspective of homelessness. I have been very privileged to attended ministerial council meetings and work with colleagues in other jurisdictions. I am very cognisant of the fact that in the Northern Territory we have the highest rate of homelessness in the nation.

From my and the department's research, when we cross-checked this nationally, we cannot get away from the fact that it is overcrowding in the Northern Territory that significantly adds to our homeless numbers. We are talking about overcrowding in the remote areas, which causes movement of people. There is lots of mobility.

You may be interested that the department is conducting an analysis through a consultancy at the moment of rough sleepers in the greater Darwin area. I am interested in those findings. They are working closely with those important stakeholders that operate in the field.

We have no doubt that there is a lot of movement between the remote areas and the regions because of overcrowding. That creates some of the problems within the urban areas. We are working on a suite of homelessness initiatives. I have tried to influence the policy thinking within the department that with rough sleepers, the mobility within the communities is an issue we have to address because it puts enormous pressure on our urban public housing tenants as well.

I have gone to the length of going on patrol with Public Housing Safety Officers and I have seen it firsthand in the suburbs. They advise me the majority of our work in managing those challenges in urban public housing is about visitor management. I have seen it firsthand, quite emotionally, where literally families are crying out for Public Housing Safety Officers to help them manage this issue in their home that has been created by visitors and unacceptable antisocial behaviour.

I am not a believer so much of the urban drift. I am a believer of the high mobility factor we now deal with in the Northern Territory. I live in an area—here is a story—where I was literally bogged for three days and three nights on a road before an old miner came along and saved me by pulling the motor car out of the bog. That road, in 2010, had a traffic data study of 60 cars a day. That is a remote road. This mobility factor is incredible now.

However, if we link that to the pressures of overcrowding and other pressures in the remote areas—I am trying to influence the department's thinking about dealing with this mobility factor, which leads us into a suite of homelessness initiatives, particularly our homelessness innovation fund, and to look at how we can support visitors to our regional centres—the visitor accommodation concept like in Ampere Mwerre in Alice Springs for instance. That is where I sit in terms of my position and directive within the department.

Mr WOOD: Minister, we have had this issue for a long time. I had said it in parliament occasionally that at Salvatores—if you want to get a good cross section of what the CBD is like after 7 pm, you will get it there. The other night there was a Tiwi talking to me, a couple of months ago there were people from Kununurra who came in to visit and had no money.

We have organisations like Larrakia Nation—did some of those groups at one stage have funding to analyse where these people had come from, and do we not have reports basically saying in previous times why these people come to Darwin and what the issues are? I do not want to reinvent the wheel—you are talking about a homelessness intervention—but have reports been done in the past which identify the reasons people come to town?

Mr McCARTHY: Member for Nelson, I will go out on a limb here and say of course; I am sure there are. I do not bring any to the table at the moment, but this issue has to be analysed in terms of some very contemporary changes in our society, the Banned Drinker Register was one, point of sale restrictions for alcohol was another.

When the Banned Drinker Register was scrapped we entered the bloodiest year in the Northern Territory, 2013, of assaults against a person. The previous administration then applied point of sale restrictions. I am all over the public record debating and saying to be careful because our problem drinkers from the regions will move to the greater Darwin area, where alcohol is so accessible.

That was the case over four years and it got to unacceptable levels of antisocial behaviour and challenges for the residents and citizens and left serious deficits for problem drinkers and their needs. These contemporary issues cannot be ignored and now the Chief Minister is leading a policy directive to look at how we can address the rough sleepers, itinerants and mobility factor of people who are abusing alcohol.

I acknowledge the residents of the greater Darwin region for embracing the BDR as a very important tool to start that management. The Chief Minister is very focused on the support of these homeless people and the return to country.

I will give you a quick story about the Tiwis. When I explored this and many other electorates—I talked to the Tiwis about this and they said they want their people home, the problem drinkers with addictions who are really suffering. They want them home, but they said, ‘Do not send them home in that state; they need to be helped before they come home so we can pick up our responsibility and help support them.’

The Chief is working through that, this department is doing a lot of work in homelessness innovation. I am really looking forward to how those programs fuse to provide the best outcome in addressing these situations you are mentioning.

Mr WOOD: I will give you a practical example. I do not think it is only people in the CBD. People will know I have two Aboriginal communities in my electorate, and for years I have tried to get an inquiry into those communities and it ended up being this—I will probably ask you later—umpteen thousand page report which got bigger than what I expected.

The result is that you have people overcrowding existing houses in those communities to the point that Yilli Rreung has removed the roofs on a number of those houses to make those people go away. There has been an influx of people coming in from outside communities, filling up those houses with lots of people. Social issues come with that and we have come to that stage as well.

To some extent I feel helpless, because what am I supposed to do, as a member of parliament, to try to turn that around and give the people in that community a chance of a peaceful life—the kids can go to school and sleep at night. That is why, from both governments, I have been calling out for years to do something about it.

Could I lead on then and ask if the report into town camps and communities deals with this issue as well?

Mr McCARTHY: Yes. I briefly touched on social issues with a question from the Member for Araluen. In relation to two communities you are quoting, they are town camps that have been identified as part of the 43 across the Northern Territory. And in terms of the visitor issue, you are right; it is across the Northern Territory and our urban areas.

The town camp review will challenge government with opportunities. I am particularly interested in the short-term visitor accommodation options. I honestly believe—I have looked at Apmere Mwerre, as I was there as part of the government that planned and built that—this is one good outcome we could achieve.

Once again, let us factor in the reality. We seriously need the Commonwealth government at the table for this, and that is what the Northern Territory Government is doing in terms of preparing a very sequential, pragmatic approach to addressing each of the areas listed. I believe we could do a lot with managed, short-term visitor accommodation. I come from Tennant Creek and I think it is a great economic stimulus when our regional remote residents come to town.

We see it in Tennant Creek. The most recent full lands council meetings, I thank both of them for the economic stimulus they brought to town. This is a good thing, but need to now factor in how we manage people to make sure their stay, and that their experience is appropriate for them and the local residents, and that we can also maintain that important standard of health and wellbeing while these visits are taking place.

Mr WOOD: Thank you, minister. The only thing I would say about the Aboriginal facility, and I visited it when it first opened, is it is very strictly controlled. I think it is a maximum of two weeks that you can stay there and it is generally for people who are coming in for hospital or some other reasons.

A lot of the people I see are coming in for the long term, because it is either wet or not that far away from the alcohol supplies which, when you look at the two communities, their history was for that very reason. That is why they camped there, because they were close to a pub, especially the Knuckey Lagoon one, and Casey's store was up the road.

Its original use was for people to come home somewhere safely, if they were drunk, to sleep it off. Now there are more permanent communities, in some cases with quite good housing, but unfortunately the social issues are still there with us.

I do not know if the policy you are looking at will have some concrete bits to it. I have heard talk about this for time immemorial. I have seen groups of kids go through these communities and I wonder where they end up because they have been at a total disadvantage and lived opposite suburbs that are first world. We have Johnston in Palmerston, right across from the 15 Mile. There are some good houses there, but there are also some major social issues in those communities.

Will something come that will really make a change, or will we be talking in 10 years' time about homelessness and overcrowding?

Mr McCARTHY: Well, Member for Nelson, you have to have hope. My hope is probably a one-word answer at this stage, although I will add a few to it—it is jobs.

What I have learned with this department is the opportunities in terms of the available economies in the regional and remote areas for housing, local government and community development. Our 10-year plan—and we are hoping and praying the Commonwealth gives us some determination around its commitment sooner than later, because it is imperative we get its commitment to this plan—is around building local capacity.

This gives us the roadmap of empowering local communities to undertake all the layers of the housing sector. I am so over people coming to me and talking about new houses. I am in a really interesting position now in the debate across the Northern Territory—when I push back the economic bread and butter, which is tenancy management and repairs and maintenance.

This department is on the edge of presenting our five-year plans around Room to Breathe and new builds. We add the Commonwealth component to all these layers—we have significant economy. But if people want jobs, if people want to really control the housing sector and improve the housing sector, then it is tenancy management and good cyclical repairs and maintenance, not reactive repairs and maintenance.

Essentially it comes back to jobs. We cannot do it all on our own, but this department has the keys to the kingdom in terms of starting this change, developing the local economies, having people receiving real wages and money churning through these remote towns—and then we can see the NGOs, the private sector and the government infrastructure all feeding their work and their economy in to these. That is when we will see the mobility affect addressed because people with addictions will be the high-support needs clients no matter where we go. They will be very challenging to deal with.

The middle level, if you are not engaged in your own community—if you do not have things to do to feel good about yourself to be able go home and have a story to tell, then there is always the car to jump in to go to the Wauchope Hotel or to go wherever you like.

Mr WOOD: When you said 'keys to the kingdom' I did not know whether I was talking to the Vatican for a minute. The issue—I will take the 15 Mile and Knuckey Lagoon specifically. There is no reason people should not have a job. There is a bus service that goes right past those places all day. There are jobs that people can get, even casual jobs, but we have major social issues and part of the issue that I would like government to look at—I know Yilli Rreung has been talking to Aboriginal Development Foundation Association—is that there is no control. These places are basically—they have people who are leaders, but they have no way of removing people. They have no way of enforcing rules that will make life for the people who live there safer and a lot more pleasant.

I understand the 15 Mile and Knuckey Lagoon may be different to other places, but they are funded mainly by the Commonwealth—but they are in our jurisdiction. What can the government do—not wait for years and years—to give these people a chance to live their lives peacefully and for kids to go to school and sleep at night. No one seems to be doing anything. I have cried out about this for a long time.

I see lots of Aboriginal organisations turn up on an open day and they go away and then life continues on. Nobody seems to want to take the bull by the horns and say, ‘Righto, we have to make a change and (inaudible)’—I suppose I am asking the government, what will you do to make those lives different?

We can talk about jobs. In this case, if you are living in Darwin—and the rural area is close enough to Darwin—you should not have an excuse for having no job, even a part-time job at Coles or Woolies, because you have a bus service that will drop you there every day. What can you do to fix these issues? I am tired of seeing the place not going anywhere.

Mr McCARTHY: Let us deconstruct it once again, Member for Nelson. You have mentioned part of the problem. It will be very difficult to normalise your life in a community living area on the edge of Palmerston if you are experiencing severe overcrowding, a continual mobility factor moving through your community, a continual drain on your resources, a daily challenge of keeping food in the fridge to make your sandwiches to take to work when you get on the bus.

We have assessed this and our policy will not be a short fix. It is a 10-year plan and I am very proud of the ground we have made. In the early works—we can discuss this at this table because the Chief Minister wisely brought forward \$10m worth of work in the early works Room to Breathe program.

We saw 54 local people employed on construction sites, working with construction activity and companies, who did not have a job before that started. It is a drop in the ocean, but the 54 who started are the 54 I shake hands with and congratulate. They are the pioneers of this change.

I make sure I reassure them that this is a long haul. This is a 10-year program. We have to make sure that the 54 continue. As a department we are planning five-year plans and five-year funding agreements to make that happen. We cannot do it on our own. We need a whole-of-agency approach to this.

When the person in Palmerston in the community living area has the pressure valve released they will have an opportunity to have a better life and a better lifestyle that will support those aspirations you were mentioning.

Mr WOOD: I had better get on to a different subject, looking at the time.

What is the difference between the department's five-year urban housing strategy and the previous strategy?

Mr McCARTHY: I will start with a bit of the over-arching policy directive. Essentially—I say with respect—we were running a very traditional system of management focused on assets. It is an extremely challenging job. You should go behind the front counter of our urban public housing offices, meet the people and understand the business from that perspective.

Mr WOOD: Can I do that without a ministerial adviser looking at me?

Mr McCARTHY: I am sure we could arrange a suitable official from the department to accompany you, Member for Nelson.

We are dealing with extremely challenging work. We are dealing with a spectrum of clients from very easy to manage through to very high-support needs.

We have taken that system and the cultural definition around it that Mr Chalker has brought to the department—we need to focus on people, on cultural issues, and not just the asset. We have started to move in that direction.

Associated with that is that government now has applied some significant policy parameters to support our move into something better for our officers as well as the public.

The Member for Katherine asked good questions exploring social headleasing, a new way of doing business in terms of provision of an asset without a major capital injection from government, but with an outcome where we can target people with disabilities, single mums fleeing domestic violence, and people on waiting lists with a better housing mix.

The Chief Minister has very much supported me and promoted the community housing model. We are looking at that transfer of assets to the community housing sector because we know from our research in other

jurisdictions that they can do the job really well with a client focus, not an asset focus. They can manage it, and access significant revenue streams from the Commonwealth that we cannot.

We are looking at redeveloping complexes. The Chief has put up \$10m to get straight out and doing an analysis across the Territory—we all have opportunities in the urban areas for this—around repurposing ageing assets in terms of public housing, creating a better housing mix, creating a better built form and a supportive environment.

These are just a couple of issues. I would like Mr Bamber to respond to you. You will get an expert opinion.

Mr BAMBER: I think the minister has captured most of it. There is shift from an asset focus under the original five-year urban housing strategy to a service focus under the current government. What we had with the five-year urban housing strategy was a focus on upgrading half of the assets over a five-year period, demolishing and rebuilding X number of assets under a \$20m a year capital program, and taking out 250 social headleases over that five-year period to get us through that period we were going through asset renewal.

There was quite an asset focus. Under the leadership of Mr Chalker the focus of the department is on the service and not the asset. The asset is just a means to an end. It is also in keeping with the new Administrative Arrangements, where there is now a cluster of social service agencies—being Police, Education, Health, Territory Families and us—which are working together in a very close arrangement, where we are pulling our resources and knowledge to address need across the Territory. That has made a big change because we have much better collaboration between agencies. There are fewer silos occurring, and there is much more cooperation of working on similar problems.

Mr WOOD: I am interested to see how that works in real life in the sense that I have a public housing waiting list. Minister, you mentioned single mums—a one-bedroom house in Darwin, Casuarina or Palmerston has a waiting list of six to eight years.

Can I expect in this new urban strategy which, I presume, includes a mixture of social headleasing and community housing, that we will see a reduction in those waiting lists?

Ms NELSON: I think that was asked earlier.

Mr BAMBER: I am happy to address it. One of the issues is that the more quickly we address a waiting list the more people will go onto it. You will never get to zero on the waiting list.

Mr WOOD: It has not gone down much.

Mr BAMBER: That is because more and more people are getting onto it.

Ms NELSON: It is like a one for one.

Mr BAMBER: It is, because they see us addressing the waiting list and they would like to get into accommodation provided by the department at substantially reduced rates, so they put themselves on the waiting list.

We are constantly reviewing the waiting list to ensure the people on it are eligible for public social housing.

The major elements of change are that we brought on that social headleasing and we are going for all 250 now, not 50 per year over five years—which was an RFP that we put out this year. We are assessing those returns now. We have returns Territory-wide, except from Tennant Creek. But from everywhere else we have had people come forward to offer their complexes for us to lease and utilise as social headleasing.

We have gone out with an RFP for 750 assets which we transfer to the community housing provider sector in keeping with what the other jurisdictions have been doing for a number of years.

Mr WOOD: With social housing, have you done a cost-benefit analysis? You are obviously using someone else's asset and they will want to be repaid for that. Are you weighing up if it is better to build our own and put people in there?

Mr BAMBER: We went through that exercise. We have an asset renewal program. We renewed 22 dwellings in the 2016–17 year and we have 28 coming through this year. But we only have a \$20m capital program to work with, so we are dealing with a fairly constrained capital program of our own. Going out for social

headleasing is a way of getting additional leases on—we went through a cost analysis of owning as asset over 30 or 40 years versus going through leasing.

Mr WOOD: Is the budget you mentioned—table 16 on page 98; I have to find it. In nearly all those columns the original program and the actual program have quite a stark difference. Public housing—\$29m for the original; \$11m for the actual. Government employee housing—\$27m for the original; \$15m for the actual. Further down there is a bigger figure—that is the total. A classic one is Aboriginal housing and infrastructure—\$263m original; \$69m actual.

Is what you were just saying the reason that has happened, or am I dealing with a totally different reason? You said you had a limited budget. That is not relative to this?

Mr BAMBER: Not directly to this no, but we are dealing with a finite capital program in order to renew 5000 assets over period of time. We cannot renew them all at once, so we renew what we can, with the program that we have, and then we take on social headleasing in order to top up, if you would like, the leases we have available to address a waiting list.

The premise for the transfer of the assets to the community housing sector is that if we do it right way, they will have enough equity where they can take out loans to build assets and additional assets themselves, leveraging their assets that have been transferred.

Mr WOOD: Can I just follow that question—that column there. Can you explain why there is such a difference between the original program and the actual amount spent?

Mr McINNES: The table reflects a difference between program values and cash values. So if you were to make a comparison, in terms of actual expenditure, you would be looking at the 2016-17 final cash budget and comparing that to the actual expenditure column.

The first two columns relate to program levels, and what that program does is basically set the level of program that you have for a specific project. It might be a \$100m program for remote and Indigenous housing. That gives you the authority to commit plans to \$100m, but you might only have a cash budget of \$50m, so you are approved to spend \$50m against the \$100m program.

Mr WOOD: That is the third column?

Mr McINNES: Yes.

Mr WOOD: If you took Aboriginal housing infrastructure under major new works, it would be \$120m, and you spend \$69m, can you tell us why there is a difference?

Mr McINNES: Absolutely, there are a few things in terms of explanations there. One is around a lot of the works being delayed because of weather implications. There are a lot houses that are under way, so that expenditure has not been totally incurred. It could be delayed for that.

Some of it is around planning around land tenure. We have the programs in place, but we have not been able to commence spending against those programs because we do not have the suitable land tenure arrangements in place.

There are various reasons why there are differences between the final cash budget and the actual cash budget.

In terms of the Indigenous housing program, there is a lot of carryover in terms of the works being completed in this financial year, so they were delayed in terms of approvals for the final capital program with the Commonwealth. They are now out of the way and those programs are largely under way, so we are actually seeing expenditure for those programs ramp up in the current year.

Mr WOOD: There is this little explanation down the bottom, but usually the explanations are a bit more detailed than that. I thought that is a fairly big gap.

Mr McCARTHY: Can I just go back—you were not here, but we did explore social headleasing as a solution. Not only is it a solution in terms of what I favour as being able to deliver a better housing mix—to really address waiting lists in terms of the housing mix and the individual needs of clients—but it is also planned as an economic stimulus for the Northern Territory. We really have an opportunity—we are talking now.

As Mr Bamber said, we already have 60 headleases operating across the Northern Territory. We have a plan for another 200. In terms of the construction sector, that will bring back significant revenue to the Treasurer who gives us the opportunity to go back to Cabinet and submit for more funds into our housing and homelessness initiatives.

Mr WOOD: Just a little micro-point there—what is happening with the Narrows land? There were public houses there that were demolished, and it is still sitting there. You wanted a bit of economic stimulus. I think the Winnellie supermarket might be interested to know what will happen to that spot.

Mr BAMBER: That land was sold to a developer. It is really on the developer's schedule for when they choose to develop it.

Mr WOOD: It might be social housing, or is it gone from the ...

Mr BAMBER: Sorry, it was sold outright to the developer to do with it what they will.

Mr WOOD: How many units would have been lost in that? And how are they being replaced? That is obviously part of your public housing package.

Mr BAMBER: In 2016–17 we built another 22 units. Whether they are unit complexes or standalone dwellings, we have 28 that were being completed this year. We have urban asset renewal going on. Those dwellings were at end of life, which is why we sold the complex.

Mr WOOD: And the people who lived there, what happened to them?

Mr BAMBER: They were transferred into other accommodation. The same question came up with Kurringal. They were transferred into other accommodation throughout Darwin.

Mr WOOD: You would not realise how many notes were on my noticeboard—and people came to see me who said Kurringal people had been moved to Coolalinga.

Just on the waiting list, a technical question—the public housing waiting list comes up about twice a year, then it disappears. One of the hardest things in this job is to compare year-in, year-out waiting lists. Can someone tell me why a list of waiting lists cannot be retained in some format on the government website?

I have here estimated wait times for urban public housing are published on nt.gov.au twice a year, 31 December and 30 June. Would it be possible for the website to retain the lists in an archive rather than replace the list each six months? To go and find three, four or five years ago, which we always used to do at estimates—it is still difficult. For the sake of the government it is good to know how you compare with years gone by.

Mr CHALKER: We are certainly happy to look at that.

Could we give some context around the movement that does occur in respect to that waiting list to add further to what Mr Bamber spoke about as far as—when one comes off, invariably there are others to replace.

For the last financial year there were 458 households allocated an urban home off the waiting list, and 528 households were allocated a remote home off the waiting list. Of course, the waiting list keep regenerating. Interestingly we were able to assist 452 household into private housing through the bond assistance scheme.

There are multiple strategies we have in place, working with the tenants to be able to provide them an option along the housing continuum. The reality is that our remote still overlays a significant density for us from the overcrowding and hence the ongoing conversations we are having with the Commonwealth.

Mr WOOD: That might lead on to the next question. Could you explain the updated policy of the disposal of public housing properties? I have that in mind because one of the earlier questions was—it appeared you had sold 35 urban public houses. I am interested to know whether they were replaced with another set of public houses.

How are you disposing of public housing today, and are you replacing them with more than you sell?

Mr BAMBER: One of the reasons we have gone for this additional social headleasing is that during that period of asset renewal we will get below the total. While we are replacing assets, and in the case of 2016-17 we had 22 dwellings that we built against 34 sold, and had 28 coming off this year.

We are going through a program of building new and replacing older assets beyond economic use. That is the reason we got into the social headleasing. We could top up the dwelling we have available through a leasing arrangement.

Mr WOOD: Does this policy apply on Aboriginal land? Is anyone able to buy a public house on Aboriginal land?

Mr CHALKER: Yes.

Mr WOOD: Have any been sold?

Mr McCARTHY: Yes

Mr WOOD: How many have been sold?

Mr McCARTHY: One.

Mr WOOD: That is what I thought. Wurrumiyanga?

Mr McCARTHY: That is it.

Mr WOOD: I will stick on the other side of the family—Nguiu.

And why has there been so few sold?

Mr McCARTHY: I will start with a policy parameter, and then I will hand to the officials for the expert advice.

I am the Minister for Housing and Community Development. We have a major 10-year program and I am desperate to welcome the Commonwealth's commitment. In the brief time that Michael Gunner's Labor government has been back in power we have already realised some significant asset improvement.

When we realise asset improvement in remote Indigenous housing then the families will be interested in taking the next step to look at home ownership. However, I am very frank with Aboriginal families and remote home ownership. It is an aspirational target that we work to. We have a policy and program to deliver that and support people.

The 10-year program to build the economies in the bush will be the kicker to support Indigenous home ownership in remote areas. I advise families that you have to be very careful taking on an asset in a remote area in regard to repairs and maintenance. When we have the local plumber or electrician—may I say, with some respect, gentlemen of our age relate to Aboriginal people who tell us this used to be the case. Remember that?

That is the conversation we are having about the regional and remote context of home ownership. When we start to build these economies and there are business responses coming from the regional or remote town from a simple phone call, text message or email, then people will be in a position of equity, where they are able to afford replacing the hot water service. That is opposed to now, as they are currently experiencing the significant challenges we have as a department in maintaining panel contracts and repairs and maintenance.

Having said that, there are still opportunities to purchase now. We have a program to support that. I am sure Mr Chalker will add to that.

Mr WOOD: Can you explain—your house is on an Aboriginal lease, so if you sell it what happens to the lease? This is on Aboriginal land.

Mr CHALKER: That is part of the complexity of remote home ownership. We can only offer it in certain communities where there is viability to shell for a lease that can be sold.

Where we are at with the complexity of remote home ownership is—there is no true economic value to the asset or the actual house for the individual to invest in. As they step through the loan process, that in and of

itself can be challenging. We ensure people are fully aware of all the steps to go through that process so no one is set up to fail, which is a key element of what we need to do.

The program we are working towards—and with the addition of the Commonwealth funding we will know the full funding envelope we can apply. There are a number of communities where we may be able to bring up to speed a significant quantum of the homes in a relatively short period of time. That may be the opportunity to allow people to move in.

As we work towards creating sustainable jobs, it should also create opportunity for people to access a loan, show a good job history and all the relevant flow-ons from that.

It is aspirational in some respects. The Commonwealth is leading the move towards remote home ownership with the 99-year lease models and some of the 40-year leases that are in place. That is what we are trying to work towards, and we continue to offer it to people in communities if they so wish. As the minister touched on, there is great risk in assuming not only repayments for your home in a remote community, but the ongoing repairs and maintenance costs that can arise.

Mr WOOD: You have a \$1.1bn program over 10 years. I have raised this before—outstations tend to miss out on new housing, but Emu Point is one place I went, as I know a family there. Those families come from Daly River originally. Daly River built many houses by themselves, long before we had these programs. They built them out of local materials. Local people were employed to actually physically make the house. They did not buy the bricks, but they might have bought the cement. They got the sand themselves, built the pads—the majority of those people working on the houses were Aboriginal.

Those houses still stand there today after being through about 10 floods, so they are well made. Has your department any program to increase the number of houses in remote communities by involving people and making the houses?

As you know, minister, I was fairly involved in SIHIP from the outside. Nearly everything was imported. What are we doing to try to change that around to produce more affordable housing and employ local people to give them a feeling of belonging in that they are doing something in their community that they can be proud of?

Mr McCARTHY: Great policy directive. Yes, we have embraced that with our \$1.1bn program. Having the opportunity of a \$1.1bn program over 10 years, we have flexibility and innovation. We have a Chief Minister who is determined not to let anything get in the way.

Let us cut a long story short about SIHIP. One of the original problems was serviced land. That has not left us, Member for Nelson. You can talk about all the houses you want, but let us go back to the start. Whether they are built by the locals, joint ventures or Territory industry, serviced land is where we start. When SIHIP faced the challenges of serviced land, then there were significant constraints applied to the built form.

However, before we even got to that stage the alliance partnership models and the very strict guidelines about built form was a major constraint to that remote housing agreement. We all acknowledge that. We have tried to communicate that to the federal minister and government regarding the review process.

We hope that the Commonwealth brings its component to this policy and plan for the next 10 years, with two things—and I have specifically talked to the minister about this—trust and the opportunity for innovation. We are definitely focused. The department would be shivering as we speak when you mentioned this concept, because I have been challenging the department about innovation.

It comes down to the Labor government's principle about local decision-making. We are already engaged on the ground with a significant number of those 73 communities, which are exactly expressing what you said. 'We want innovation and purpose-built housing that supports our cultural perspective and our family needs, including an extended family concept, and we want to look at maximising the value for the very limited taxpayer dollar.'

We have applied all those principles and we can deliver that directly through our program. Layer it up one—it is important to know and understand that the standards we have to deliver. We are a government and we have to apply those significant protocols to what we do and to the built form that is delivered. We have gone out on a targeted engagement with Indigenous business enterprises in the early works of the Room to Breathe program, and challenged the Indigenous business sector, which can deliver the standard that is

required and employ local people. They are also well-positioned to explore the innovation we bring to the table with our suite of initiatives, as well as the local decision-making.

It is all coming together in getting back to the principles that you aspire to. We hope the Commonwealth shares that. If you listen to the federal minister in the high-level public appearances like the Garmas of the world or the Q&As, he is sticking to and articulating our policy about local capacity-building and jobs around building local economies. This is the principle of our policy. We are feeling confident. We just need that to be signed off in a formal 10-year agreement.

Mr WOOD: Will outstations be a part of this housing program?

Mr McCARTHY: That is a really good point. The previous administration put our government in a very tight spot with a deal it did with the Commonwealth about outstations and homelands. They signed off on a deal. The Commonwealth now considers that the Northern Territory has full responsibility, which is extremely challenging considering that the sale price is in the bank—I will not say anymore on that.

We have now made sure we continue the support for homelands. But we have made it very clear—I have expressed it most recently in front of two full council meetings of the Central Land Council and the Northern Land Council—that we do not have money for new housing on homelands, but we have the goodwill to support you. We are asking people to support you, and we are asking people to bring a co-contribution to the table. We are asking for partnerships where we can deliver that.

In terms of maintaining homelands, the principle place of residence, we are front and centre. However, this policy perspective allows for the building and development of a local economy. If you look at a town like Maningrida, when we start to build the business capacity that will be delivering better housing that supports the needs of the locals who have participated through a local decision-making process, innovation that allows more value for the limited taxpayer dollar—the business is emerging within that town and we have a lot of scope to then translate those efficiencies into the homelands.

We are very keen to work with homelands residents to say, ‘With your very finite funds provided by the government and improved efficiencies, let us look at innovating your homes as well’. This is resonating in the bush, it is getting a good reception, people are still determined to advocate for new housing, and as a government we are very clear we do not have the revenue for that at this stage. We seriously have some plans about being able to grow it together in terms of capacity-building.

Mr WOOD: Who classifies these days whether an outstation moves to a town, for instance? I presume you have one group where people live that can now get money for housing and another group that cannot because they are an outstation, so that outstation has increased in population.

Can they put their hand up and say, ‘We do not want to be called an outstation anymore; we think we are big enough to be one of the others, therefore we would like to attract funds to our community’? Who makes those decisions?

Mr McCARTHY: Emu Point is a good example of that, right?

Mr WOOD: It is.

Mr McCARTHY: I have visited Emu Point and it was great to learn in that part of the world. I will give you the policy perspective and will ask for the officials to comment.

Essentially, I went to Emu Point—then you have to understand the land tenure. It is Aboriginal land,—and trust. The principle of government is that we will develop infrastructure with some sort of land tenure. Already you have two competing ideologies and policy perspectives.

I am fighting tooth and nail for the people of Elliott in the same respect, but for the people from Emu Point to look at a normalisation process to create what we should call public housing to achieve that greater level of investment, innovation and access to programs, then we would have to explore the land tenure situation. You can imagine how complex that will be. I am sure the officials would like to comment on this.

Mr CHALKER: It is a convoluted process and an issue about what is established under various programs. There are clearly 73 established communities with land tenure issues being quite complex in respect of what becomes identified as being either a homeland, minor community or a major community. We have a number

of outliers across the Northern Territory context, the status of Borroloola, Elliott and Kalkarindji, for example—identified as towns versus communities which have similar or larger populations and the like.

There is no simple answer to what that process is, but I am happy to engage with the land tenure unit to step you through some of the broader complexities.

Mr WOOD: I do not want to hang on this too long, but again I go back to SIHIP. That was a huge amount of money spent. One of the issues was the houses were too complex; we were building suburban houses in remote communities—very costly houses.

I must admit, I have come from the northern suburbs—you see a straight house, if I can call it that, three bedrooms, one kitchen, a lounge room and the toilet and shower somewhere in between—one roof instead of a mixture of roofs. No fancy stuff, but it is a good house. People have done them up and have nice gardens.

They surely must have been relatively cheap to build. They are not fancy. The Daly River houses were built exactly the same yet we seem to have gone to—you are talking about the standard someone has set. I saw those books on how to build an Aboriginal house, written by people in Canberra who said they had spoken to all these people. We ended up with glass covered stoves, mixer taps that no one could fix in a hurry. We had all these bright ideas, but in relation to the people they were dealing with, we ended up with expensive houses.

Has any work been done on how we can get best value, still give people a roof over their head, still have some cultural influence in doing it—but the reality is money is finite. How can we spread this money further over the housing issue without some you-beaut house that looks fine in Johnston but does not make sense somewhere out in the bush.

Ms NELSON: It definitely would not make sense with the previous government's budget and the way that they—is that related to the annual report?

Mr WOOD: It relates to the \$1bn the government is spending. I am basically trying to find out how we can use that money to advantage as many people as possible. In other words you do not spend it on some luxurious building, I am not saying they are all luxurious, but we make sure the community as a whole gets the benefit rather than just a set number of individuals and we do not gain anything.

I think the complaint from the previous system is that when SIHIP was finished there was only a few bedrooms extra. I do not know how accurate that was but that was the common saying. In the end, by the time we knocked down the old houses and built the new ones we hardly achieved anything. I would like to see some movement.

Mr McCARTHY: Member for Nelson, I will comment first until we get the expert opinion. This year I really have had enough of the negativity around Indigenous housing. I really have had enough of the anecdotal comments and the negativity.

What I see is a mainstream agenda to try to drag down our housing initiative and our policy in to the next 10 years. I stand firm to defend it. I will continue to do that as long as the Chief Minister supports me in this position.

Let us move on. The opportunities that we are creating in our new policy—and we have a \$50m budget each year in terms of the new builds—let us just talk about new builds. The opportunities are based on local decision-making and community engagement, so we will address all that anecdotal negativity.

Local people are engaging with us. Once again, I compliment the Indigenous media broadcasters who are taking our message to the bush and starting to provide that education and awareness around partnering in this new policy. I reiterate, we want the Commonwealth every step of the way.

The next layer to that is talking about design, and then when we talk about design based off local decision-making and local perspectives, then we talk about built form.

If we are prepared to get away from the core-filled block, three-bedroom home with the bathroom in the middle, then we will start to support better outcomes, like you say. We have this flexibility and opportunity for innovation in our budget stream. The largest investment ever seen by a Northern Territory Government in remote Indigenous housing.

When you take an off shoot of this policy—remember, this is the \$1.1bn across all layers of the housing sector, such as improved tenancy management, improved and increased repairs and maintenance, Room to Breath and new builds.

In the Room to Breathe example we have already created a lot of residents across the communities that have engaged in the program—as to how we can significantly enhance the existing built form on a service lot of land. I have had the pleasure of standing in the yard with families, talking to a family of eight and nine who have said that if you look at this house and this serviced lot, we could certainly start to apply independent living areas integrated in to this existing house.

When I say integrated I mean appropriate built form, cyclone coded with appropriate infrastructure for shade, paths and joining additional infrastructure—creating an appropriate healthy outdoor living area that supports cooking and outdoor living—moving this chaotic bathroom, which is trying to support a lot of people in the middle of an existing house, outside.

A good example is a woman on Melville Island who said to me, ‘By the way, when you do that can you create the bathroom space as a lock-up store room for me so I can secure my gear?’ When I asked her what sort of gear she wanted to secure, her first answer was food, but do you know what was second? ‘My fishing gear.’ Because she supplies important protein for the family that way as well.

The Room to Breathe program is growing and people are talking about how we can innovate. The other side I am really encouraging the department to explore is that this is a way of sustaining employment. So we are taking unskilled workers, introducing them to the important repairs and maintenance component of the construction industry onto that middle-level construction and starting to innovate around that existing built form, and they are the sustainable jobs that will build those skills. Then we will see local people building new houses.

The new houses they will be building will be new, purpose-built innovation for Territory conditions and Territory families.

Mr WOOD: We could discuss that for a long time. Madam Chair, could you ...

Madam CHAIR: I was just going to suspend for a five-minute break. Did you want to receive the answer from the CEO in regard to that question?

Jamie, did you have anything you wanted to add to that point? Then we will recess for a five-minute break.

Mr CHALKER: The only thing I will add to that is that we are working towards five-year plans as it relates to the 73 communities. The program kicked off on 1 July this year, so we have been building up the remote housing project office to make sure we can realise this 10-year plan.

The timing is also aligned to the fact that we are awaiting the direction from the Commonwealth, because the current national partnership funding ceases on 30 June next year.

Once we have that full funding awareness and the time period that will relate to, that will give us greater understanding of what we can roll out and where. In preparation of that, we have had the land tenure unit looking at community land use plans for 50 of those communities. We have some other communities that have had master plans initiated, where they are starting to map out what the future of their communities looks like—a mix of elderly accommodation and the like.

I think we are getting far closer to being able to understand, over a five-year period, what we intend to be in a community for. It is to try to create constant work over that full period, as opposed to the stop/start era that was probably attached to SIHIP. Knowing where we are heading with our land, ensuring the infrastructure can sustain that—because we do have some more distressed communities and the like.

We are putting a lot of pieces in the puzzle together to work towards being able to say to a community that this is what we intend to be doing over the next five years and working with them, which will inform design. Equally, knowing that, it should bring down the cost of materials and the like, because we will know our fuller amount of building infrastructure that we will intend to roll out over that period.

There are a lot of positive levers we are working through good planning to realise that outcome.

Madam CHAIR: Thank you. On that note, the committee will break for a five-minute recess. We will come back to the same annual report, thank you.

The committee suspended.

Madam CHAIR: Welcome back, minister. We will resume questions on the Department of Housing and Community Development's annual report.

Mr WOOD: You might have been asked about antisocial behaviour while I was away.

Mr McCARTHY: No.

Mr WOOD: Okay. What indicators do you have to show whether your strategies to curb antisocial behaviour are working? Do we have an increase in the number of callouts for our officers or less?

Mr McCARTHY: Mr Bamber has been my guru in this area, including taking me on tour with our Public Housing Safety Officers.

Mr WOOD: Mr Bamber, could you tell us how many Public Housing Safety Officers you have also?

Mr BAMBER: We have six Public Housing Safety Officers in Alice Springs and 14 in Darwin. There are three shifts that we cover between 7 am and 2 am. They are morning, afternoon and evening shifts.

Mr WOOD: None in Katherine or Tennant Creek?

Mr BAMBER: We do not have the budget for that at the moment. We make regular program visits to Tennant Creek from Alice Springs, and to Katherine from Darwin. We work very closely with the police in regional centres to the extent where the police provide their (inaudible) in Katherine to Public Housing Safety Officers so we can keep the cost of the program down.

It is worth pointing out that the police have super powers, if you like. They have the (inaudible) powers plus all the road powers. They are able to apply our (inaudible) within their own powers. We have been working quite closely with police in the mining centres of Tennant Creek and Katherine to bring them up to speed on what they can do to utilise notices of direction, infringements et cetera.

To get back to antisocial behaviour, between 1 July 2016 and 30 June 2017 we had 7927 allegations of antisocial behaviour, of which 6290 were associated with public housing tenancies, and 1637 were associated with the general public.

Mr WOOD: Is that the number of call-outs, when you say 6000?

Mr BAMBER: No, these were allegations of antisocial behaviour which may arise from a combination of call-outs and Public Housing Safety Officers observing and on regular patrols. With the call-outs, all calls are made to the police VK dispatch. VK then triage the calls and, based on the call that comes in, will determine whether it is an appropriate matter for Public Housing Safety Officers or police to address. Obviously, our Public Housing Safety Officers have no weapons. All they have is their ability to engage. If there are weapons or any fracas involved, then the VK dispatch will make a call to get police involved instead.

To go back to it, we had 7927 allegations of antisocial behaviour for the 2016–17 period, 6290 of which were associated with public housing tenancies. The allegations could be attributed to the tenancy or visitors to the tenancy. There were 1637 associated with the general public. These are more visitors to no link to any particular tenancy in a complex, or even a dwelling. You get quite a few visitors coming into the complexes also.

This total was a reduction of 1536 allegations, or a 16% decrease, from the same period in 2015–16, which was 9463. So, we actually had a reduction from the previous year.

Mr WOOD: How long have we had Public Housing Safety Officers?

Mr BAMBER: Four years. It has been going for four years in Darwin and Alice Springs.

Mr WOOD: Definitely making a difference?

Mr BAMBER: A huge difference. A number of MLAs have come out on patrol with us. What you see with the Public Housing Safety Officers is that there is genuine engagement. They know the names of the residents and many of the visitors, and there is a willingness to engage from the residents who see the Public Housing Safety Officers as support and not as police action, if you like. There is a relationship between the tenants or residents and the Public Housing Safety Officers.

We emphasise that they are more about engaging than they are about enforcing. Quite often, what you find is the Public Housing Safety Officers are acting as a conduit to a relevant service required by the tenant.

Mr WOOD: This is more a technical question and relates to the annual report, as most of these will. Do your safety officers wear body-worn cameras? Is there a protocol for their use? How many cameras do you have?

Mr McCARTHY: Member for Nelson, This is a new initiative. Once again, I will hand to Mr Bamber.

Mr BAMBER: At the moment, we do not; we are trialling it now. The police ran a trial of body-worn cameras for an 18-month period, I believe. That was very successful. We have been working with the police on the policies they applied, their contracts, their procedures, their engagement with their own staff in wearing the body-worn cameras. We have moved into a trial of the body-worn cameras.

Mr WOOD: Police have body-worn cameras now, but they have legislation, I presume, to back that. What do you have, from a legislative point of view, to allow civilians—I am not putting that in a derogatory way—to wear body-worn cameras?

Mr BAMBER: We looked into the legislation. We had the Solicitor for the NT review the legislation that allows us to utilise body-worn cameras. There are certain circumstances—and we strictly train the Public Housing Safety Officers—where consent is required. They are taken through those procedures. We are very mindful of ensuring that we were complying with any legislation regarding surveillance.

One of the things we observed, or the police reported to us, was that as a result of the body-worn cameras, there is a reduction in aggressive behaviour because it is being caught on camera. We expect a similar ...

Mr WOOD: Yes, another new TV show. Public housing instead of cops on the beat. I think most of my questions except for—I might put this one in before it gets to local government. Are yours on local government?

Mrs LAMBLEY: I just have got one or two on housing.

Mr WOOD: I will pass it over if that is okay, Madam Chair?

Madam CHAIR: Yes, thank you.

Mrs LAMBLEY: With your old public housing unit complexes—obviously, I am thinking of the Mokari and Keith Lawrie flats. When was the last time you demolished one of these big unit complexes? I think Parap sticks out in my mind—no, that was not yours.

What is the threshold? There is a bit of movement in the neighbourhoods of these big complexes. People just want them gone for a range of reasons, which I have alerted to you in the past. What is the threshold and when was the last one demolished of this kind in the Territory?

Mr BAMBER: The last complex that was demolished was Kurringal.

Mrs LAMBLEY: Which is the one in Parap?

Mr WOOD: Fannie Bay.

Mr BAMBER: So, that was the last one that was demolished. In terms of size, what we have found works best is complexes of under a dozen. If you start getting into your 50 unit complexes, they are difficult to manage and difficult to sustain good behaviour.

Kurringal was an obvious one. The other factor is the age of the complex and the condition of the complex and how much you have to keep investing in maintaining that complex or renewing it. We need to keep in

mind also that a lot of these dwellings were built way before NDIS and its requirements for wide doorways, ramps et cetera.

There is a point there where it just becomes not economic to maintain a complex. We have discussed the constrained capital program that we have, so we cannot address all our complexes. The other issue we have is that if you go to demolish a complex, where do the current residents go? There is an impact on being able to transfer them into appropriate accommodation, which has an impact on the waiting list of people waiting to come into accommodation.

We cannot go around demolishing all the complexes. Kurringal was the latest, and it was an obvious one for replacement. We do have other complexes still on our books, we need to maintain those for a period until we can come up with alternative accommodation.

Those complexes of about a dozen are a good size. It is just about keeping them in good condition. We did a bit of work on Mokari and Keith Lawrie flats, and you would have noticed that—just to keep them in good condition.

Mrs LAMBLEY: Thank you.

Mr WOOD: Just one question on the Aboriginal Interpreter Service. Some basic questions—how is the service funded? It is through a cost recovery model where the departments or agencies use the service are invoiced, and if so, can you provide information about the use of the Aboriginal Interpreter Service by different NT Government departments?

Mr McCARTHY: Thank you for the questions. It is a great opportunity to talk about our Aboriginal Interpreter Service. Mr Chalker, would you like to lead it?

Mr CHALKER: We do have a fee-for-service operation and with some Australian Government departments, particularly Centrelink and health. They utilise the service. Across the board, the utilisation rate of the Aboriginal Interpreter Service could be increased quite markedly in my view.

We are working with the team at the Aboriginal Interpreter Service to bring on the increase of our current rate of interpreters, but also to try to increase the use of our registered interpreters, which total sum 300 across the whole of the Territory. We run the risk of losing contemporary use of some of those languages and also the abilities of the interpreters to maintain their level of currency in respect of interpreting.

We have been busy in the year. My understanding is that 6345 interpreting assignments were completed over the year. That is an increase from the year before when there were 5917. We had 144 qualified interpreters out of the 238. There are some issues at the moment with training available in the Territory, so the team is working with some other institutions in respect of other training they can pick up.

There were 614 interpreting hours completed interstate, so we received funding for that whenever we provide that on a fee-for-service basis. Those assignments included health, welfare and legal interpreting. The major clients of the AIS over the last financial year were government and non-government agencies, specifically around justice and legal services, health services, Centrelink and the Australian Broadcasting Corporation.

You will be aware that we read the news in language to promote that language.

Mr WOOD: I can understand the pidgin—they call it Kriol. I am old-fashioned.

Mr CHALKER: One of the things that was introduced early last year was the audio-visual interpreting service so the availability of the Aboriginal interpreter need not be provided in a location. We face a number of factors which limit the use of interpreters. The audio-visual interpreting service has provided greater access to the service during prescribed times. Centrelink is very much the primary user of that and fund us in respect of that.

Local Court proceedings are on a contract basis. We also receive funding from the Australian Government as it also related to the cross-border Aboriginal Interpreting Service we provide.

Mr WOOD: We do have an interpreter service, I presume, in the Territory for people of different languages?

Mr CHALKER: We have an international translating service.

Mr WOOD: Do the two work together to try to be more efficient?

Mr CHALKER: They are co-located and the management team falls under David Alexander, the Executive Director of that area. The actual interpreting is specific and relevant to the particular language.

Of note for the interpreting and translating service, they had 3599 interpreting assignments across 37 distinct languages ranging from Vietnamese, Greek, Mandarin, and Thai as the top four.

Mr WOOD: I was going to get onto local government.

Madam CHAIR: Are there any remaining questions?

Ms UIBO: I have one. It might seem trivial but it is something I get asked about when I travel around my electorate of Arnhem. I was interested in reading in the report on page 40—the public housing garden competition.

I was wondering, based on some of the examples in the report, if there is any opportunity that the department might extend that to any of our regional and remote communities. I have had several people in different communities ask me about what local government or what council might be able to implement in their communities, particularly when there are new houses built.

There was that pride factor. You have the example on page 39—people looking after their houses and wanting to show them off. I was wondering if that will be extended to our remote communities.

Mr McCARTHY: Thank you for the opportunity you have presented. I was honoured to present awards in Tennant Creek for the garden competition, and one was a family in the community living area in the Kargaru Camp. It was wonderful to see all those great outcomes that you have suggested.

I will put that on the CEO's agenda. While we have the opportunity for you to speak directly to the CEO and advocate for what I think is a wonderful initiative, let us have that conversation now.

Mr CHALKER: That is something I am very keen to explore. Already through our engagement our people are feeding up reports of where people are taking great care of their place, and we have been engaging people on an individual basis. I think broader promotion is well due.

We will be conscious of the Territory Tidy Towns that operates as well. There is a lot of passion around that. We do not want to step on any toes. I think we can co-exist in respect of promoting that.

Ms NELSON: I am just looking at the last four annual reports, the proportion of Housing infrastructure programs spent over time. There is definitely a decrease from 2013–14 to 2016–17. I am wondering if you could explain that. I understand it is before your time, but ...

Mr McCARTHY: Thank you, Member for Katherine, for the question. It is a good question and I am sure the officials at the table will walk us through those changes.

Mr BAMBER: What page are you looking at?

Ms NELSON: It is over the last four years, the last four annual reports. It goes back to page 94. There is an estimate in there versus actual. I am a bit confused about the estimate, first of all, it says 2016–18, was that a typo?

Mr CHALKER: Yes, Member for Katherine, that was a typo. If you are bringing together the four years, it will be inclusive of the national partnership funding. We need to be considerate that there have been some six reviews in the national partnership funding over the period of its commencement from 2008. That has realised a slowdown in delivery over that period of time, as well as ensuring that what was ultimately the intent of the program that was being delivered—sometimes where they have been shifting ground. I think that has been part of the legacy item.

That is the advantage of the \$1.1bn commitment. We should not be limited by the Commonwealth reviews as much, because we will still be able to have sustainable—per annum—ongoing work occurring in the communities.

Ms NELSON: Next year's annual reports will look vastly different; is what you are saying?

Mr CHALKER: Certainly, the works that are under way—the amount that will be delivered in this next year will be significant.

Ms NELSON: Thank you for that clarification. I have another quick question. On page 12, the employee category, could you explain the difference between the 2015–16 female employee number versus the 2016–17 number. There is a decrease in that.

Mr CHALKER: Unfortunately, with the female number, that was a number mistake. The actual number is 372.86.

Ms NELSON: For 2015–16?

Mr CHALKER: No, for 2016–17. It brings the reduction much smaller. However, the 2015–16 numbers were of the former two agencies combined. With the machinery government changes we have had some employees redirected into other departments, such as the Office of Aboriginal Affairs and the Department of the Chief Minister.

Ms NELSON: Thank you for that clarification. Is that the same for the number of Aboriginal employees for the department?

Mr CHALKER: It is.

Ms NELSON: Thank you. I have a question on page 14. It is to do with a board member that is listed in here for 2016—but none for 2017.

Mr CHALKER: The category for where that is picked up is off pay period 26. The board that refers to is the total of the boards as an FTE total and they had not been caught up in that financial year, hence the reason it was not registered there. So we may see an anomaly of two being recorded next financial year in the annual report. It is just linked to the pay system.

Madam CHAIR: Thank you. We will proceed to local government questions and go to the Member for Nelson.

Mr WOOD: Thank you, Madam Chair. Minister, page 88 of the annual report talks about the Power and Water Corporation's street light repairs and maintenance reimbursement. It is an area I followed for a while. Could you explain what that reimbursement means and why Alice Springs is not part of the reimbursement package on page 88?

Mr McCARTHY: Thank you, Member for Nelson. In respect to an overarching answer, we are still negotiating with the Alice Springs Town Council. However, for the details on that, I will hand to the officials.

Mr CHALKER: That was a program initiated under the previous government, as I understand it. All the relevant councils that were identified and gaining access to the streetlights have signed up.

Mr WOOD: Gaining access? Given access.

Mr CHALKER: Alice Springs is the only one that has not signed up to that. The transition is in place for the conclusion for that handover to occur for those who have signed up as of 1 January 2018.

Mr WOOD: Is this a one-off payment by the department to the councils to take over those assets?

Mr CHALKER: That is my understanding, yes.

Mr WOOD: I will talk to my local council now. Do you have a list of outstations that you fund? Do you fund outstations?

Mr CHALKER: Yes.

Mr WOOD: Do you have a copy of how much you fund each community, and a breakdown of what that funding is used for in those communities?

Mr McCARTHY: Yes, we have that information.

Mr WOOD: If it is too big is it possible to table it?

Mr McCARTHY: That is no problem. We can cover off the homelands.

Mr WOOD: It might lead to questions in another forum. Do you have something to hand over?

Mr McCARTHY: We sure have.

Mr CHALKER: It is not physically here, but we can provide it.

Mr WOOD: Do I need to put that on notice?

Madam CHAIR: Member for Nelson, can you repeat that question?

Mr CHALKER: Before that occurs, it is publicly available on our website.

Mr WOOD: I love the government's websites.

If we put it on notice can you send me a list of instructions to find it? Government's website must be the worst website in Australia, but I cannot blame your government on that.

Question on Notice No 7.1

Madam CHAIR: Member for Nelson, can you repeat that question?

Mr WOOD: Can you provide a list of outstations that you fund, how much you fund each community, and what the funding is used for in each community?

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

Mr McCARTHY: Yes, Madam Chair.

Madam CHAIR: We have allocated the question number 7.1.

Mr WOOD: This might lead you to expand on this, because you are a fan of local government. How many local authorities are there, and how much funding do they receive from the government?

Mr CHALKER: Local authority project funding—\$5m is budgeted for the program on an annual basis. The funding allocations are determined on the 2011 census numbers and will be updated following the last census that occurred.

In respect of the number of local authorities, it is 64.

Mr WOOD: Do you keep an account of those local authorities to make sure they are working?

Mr CHALKER: We did two snapshots this year to look at their compliance and functioning, and their interoperability with the relevant councils to ensure they are supporting their initiatives, and the health of it is going well.

Mr WOOD: How are they working in with the councils? Are the authorities happy with the process? This has evolved over a period of time. It had its problems to start with.

Mr CHALKER: The snapshot gave an indication that they are working well. There has been a clear focus on the strengthening of the local authorities and we have been ensuring our officers are attending the meetings. Our compliance is about 80% in respect of the number of local authority meetings we are going to, just to ensure everything is ticking along.

I am sure at times there is the odd grazing of the knees, but what I understand from the feedback is that they are progressing relatively well.

Mr McCARTHY: Can I add to that from a Barkly perspective. When this initiative was created—and it was a policy directive of the Labor government. However, we were not elected in 2012, and I am pleased to

say that the previous administration continued on that and built on it. In the Barkly, I have seen local authorities commence with social agenda items—the jumpers for the local football team.

It now has progressed to significant planning and decision-making around infrastructure projects and community wellbeing and community benefit projects. We are starting to see some shared services methodology, where local authorities are starting to combine what is a limited fiscal resource in terms of delivering projects.

I am very pleased to see that growth and acceptance of empowerment. It is this government's policy to continue to empower local decision-making and local engagement.

Mr WOOD: I am always weary of bureaucracy in a lot of these communities because one thing that used to drive us mad was the number of people who would come over and there would be meetings after meetings. Are you able to use local authorities, for instance, to be the people you talk to about housing? Or do you set up another authority?

Mr McCARTHY: We have housing reference groups and, particularly now, they are very much engaged with lots of work. At the moment, what we have built in the regional and remote areas are two very important structures, and I am privileged to say they are both part of the Department of Housing and Community Development and local government—that is our local authorities and our housing reference groups.

The Chief Minister is also leading an initiative through the Department of the Chief Minister around local decision-making, and building that capacity within the regions. Not only are we supporting that with real structures in place doing real work now, we are also very keen to be part of the outcomes of that as well into future.

Mr WOOD: Do you have risks of having too many structures and overburdening people with too many things to do, instead of trying to combine them together? Because, obviously, a local authority is reflecting the council, a housing authority is reflecting housing needs—the two are combined because of roads and infrastructure et cetera. How do you avoid talking in a circle to three different groups?

Mr McCARTHY: That is a very good comment because that is the nature of the bush. You will find, in the regional and remote areas, lots of similar people. They are essentially good people who stand up into leadership positions and want to be part of guiding the growth and development of their community.

We are working closely with the Department of the Chief Minister now in structuring that opportunity to maximise the local voice in a regional or remote community. Immediately, it is a call for resources, so I think in terms of cross-agency perspective we can start to then address agency agendas, but that will come with appropriate resourcing. That work is now under way. In future years we will be able to keep you up to speed with how that evolves and what it ends up being.

Mr WOOD: Page 75—I am referring to compliance reviews. Minister, the department had, I gather, four compliance reviews. One was in response to the borrowing application and multistorey car park, which I raised with you before. Could you tell us what the three other reviews were about, and when did the issues in relation to the City of Palmerston become to a point where you believed the government had to intervene?

Mr CHALKER: In 2016–17 four compliance reviews were conducted of the West Daly Regional Council, the West Arnhem Regional Council, the MacDonnell Regional Council and the Barkly Regional Council. The City of Palmerston council was not a scheduled compliance review. That was initiated given some of the feedback and commentary that we were receiving in respects to that.

I have Lee Williams, the Executive Director of Local Government, here at the table, so she can speak more specifically about the timings of the commencement of our awareness of the City of Palmerston, then the referral to the minister.

Ms WILLIAMS: I think the first time we became well aware of the Palmerston situation was when they applied to borrow money. I do not have the date of that application, but I can get it for you.

Mr WOOD: Minister, could you explain the normal process for a council to get a substantial loan?

Ms WILLIAMS: The normal process would be that a council would first of all set out a business case for itself, if it was to get a loan—what that loan might be, how it might repay it, how it might be able to function with that loan, what the likely interest rate would be and how it would affect the rates of the council.

That business case would then be presented to the minister, who would then pass it to the department to be assessed to see whether it was a viable thing.

Mr WOOD: Was that loan application done correctly?

Mr CHALKER: We have to be fairly careful in this space at the moment. We have made a referral to the minister that then initiated the process of official management for the Palmerston City Council. That realised the suspension of those members, which is now subject to an investigation which has been appointed under the *Local Government Act*. I think it would be more appropriate for the outcome of that—which falls into this financial year as the outcome of the investigation takes place—to form part of that report that is ultimately undertaken—and then the subsequent actions which the minister has to consider before he makes a formal decision.

Ms NELSON: Just leading on from the Member for Nelson—is there a contingency in the budgets for that sort of thing?

Mr PAECH: Second council?

Ms NELSON: Not second council, but if you have to stand down a council is there a budget item? How do you manage that financially—budget wise? I did not see that here.

Mr CHALKER: It is not dissimilar to a by-election. Having the election at one period at the prescribed dates is preferred. The frequency at which this situation occurs is not often, so we will ultimately work with the NT Electoral Commission in respect of the new election date that has been announced for early next year.

Ms NELSON: Will that be reflected in next year's annual report? Obviously, what has happened with the Palmerston council was not foreseen, so you would not see that in the annual report per se.

Mr CHALKER: The Northern Territory Electoral Commission's annual report will identify the August elections and then the City of Palmerston election for next year, because they run the actual elections.

Ms NELSON: Okay.

Mr WOOD: You can tell me if I am wrong here, but I will try to ask a more general question. It has worried me that the council was not technically dissolved but put to one side. The councillors were not allowed to be paid but they were not sacked. The city clerk or manager was not sacked. Is there any reason—we know the clerk of any council comes under the *Local Government Act* and any issues regarding money or loans come back to the clerk. Can someone say why the council was 'sacked' but the CEO was not.

Mr CHALKER: The *Local Government Act* is quite specific in respect of what can and cannot be done. The employment of an individual by a local government is a matter for the local government and the relevant council. The person appointed as the official manager in this circumstance assumes for all intents, checks and balances the role of the council. Then, whatever decision they ultimately make with information available to them about employment matters is within their domain, it is not within the domain of the department or the minister.

Mr WOOD: Okay. Is there any reason why the councillors were not then at least paid, because they were not actually sacked? If you are a member of the public service and there is an issue regarding your employment, I presume that unless something was proven, you might be stood down but you would still get paid.

Mr CHALKER: My understanding—and we have been seeking legal advice throughout the process—is we have complied with the *Local Government Act* and the actions taken by the minister are in accordance with the *Local Government Act*.

Mr WOOD: I will ask the last one on that. It seems a long time to do this inquiry. When do you expect it to see the light of day?

Mr CHALKER: The dates, as I understand, have already been established. The investigator has until 31 December to finalise his report. However, we expect that will occur sooner. Then the minister has to provide the opportunity for the suspended council members to consider the report. That is part of the natural justice process. He allows them to provide a response back and then he can make his formal decision. We

have a time frame that has been identified that that leads into local election for the Palmerston City Council.

Mrs LAMBLEY: Could you tell me what the time frame has been around the sacking of the council and employment of the CEO? The CEO was given the responsibility of managing the council temporarily for a period of six months. Is that correct?

Mr CHALKER: No, the legislation allows the appointment of an official manager. The CEO is a distinct and separate role within the City of Palmerston structure. The council was suspended, I believe, in July and the official manager was put in place. At the same time, a special investigator was appointed to follow up on the allegations that had been well publicised.

Mrs LAMBLEY: The official manager was put in there for six months?

Mr CHALKER: The official manager stays there ultimately to the point of the outcome of the election, or the reinstatement of the members, or whatever comes first.

Mrs LAMBLEY: And that is contingent on the investigation?

Mr CHALKER: Certainly, so the minister can be informed on the decision about the dismissal of the members or their reinstatement. To be clear, they have not been sacked; they are currently suspended, which is in accordance with the act.

Mrs LAMBLEY: Okay. If the act is the act—but from my perspective, sitting in Alice Springs, it looks like you are actually proving that you do not need a council or a democratic process in place if someone can just be slotted in there to manage the entire affairs of the council for such a significant period of time. It is just an opinion, I am not asking for—if you are complying with the act, then so be it.

Mr CHALKER: It is all in relation to compliance of the act.

Mrs LAMBLEY: It is a peculiar situation.

Mr CHALKER: The *Local Government Act* has been out for review, but that is the situation. Potentially, not all matters would require such time frames, but there are time frames we also have to comply with that are listed in the *Local Government Act*.

Madam CHAIR: Thank you for that explanation. Committee, I give a heads up that we have 30 minutes remaining with Minister McCarthy. It is 5 pm.

Mr WOOD: Sounded like the ABC News will now start, when you spoke like that.

Madam CHAIR: A new profession.

Mr WOOD: There were also some issues related to the Tiwi Islands Regional Council in regard to compliance. Have those issues been sorted out?

Mr CHALKER: Yes, we continue to work with the Tiwi council. We have provided some ongoing support in that regard. My understanding is that it is working quite well at the moment.

Mr WOOD: Am I able to ask what the issues were?

Ms WILLIAMS: Sorry, I do not have the exact issues in front of me at the moment. It was about the administration side and making sure things were done through the correct process to comply with the act. It was not that there was misappropriation or anything like that; it was making sure there were proper steps being taken to comply with the legislation.

We have been working with the council to put things in place to make sure the act is complied with, and will be doing a follow-up review this year to check that everything is in order now.

Mr WOOD: Is that more about governance issues?

Ms WILLIAMS: Yes, governance issues.

Mr WOOD: Does that cause a problem if something in the budget, for instance, was passed incorrectly. Does that cause any budget issues?

I presume there is a method of something being passed in the council. If governance issues were of concern, does that lead on to something else? In other words, you have processes that you normally apply in a council ...

Ms WILLIAMS: Yes.

Mr WOOD: And if they have not done those, does that lead on to something else, perhaps being illegal?

Ms WILLIAMS: No, there is nothing illegal.

Mr WOOD: I did not mean in a criminal way, but that it is not done in the proper way and therefore it needs to be redone in the proper way.

Mr CHALKER: The local government team does further compliance and audits on an ongoing basis. They have been working with the Tiwi and there has been ongoing collaboration to ensure there is appropriate training put in place.

No issue has been identified that is linked to the sense that anything untoward has gone on. It has all been about general governance, understanding conduct in meetings—those types of behaviours—and records management.

Mr WOOD: Okay.

Mr BAMBER: I think it is worth pointing out that these are scheduled compliances. Similar to an internal audit program, we have 17 councils and we go through and do scheduled compliances. These can take a few months at a time, and we look at governance, finances, administration.

The department has both a compliance monitoring role, and a capability development role. So when they go in off the back of these compliance reviews, as Lee pointed out, there might be some educational training solutions or working with them to improve processes.

Mr WOOD: Okay. On page 76, supporting regional governance, you announced this financial year that you were giving out \$5m for a range of local priority projects, including public toilets, playgrounds, shade structures—that sort of thing. I think the biggest one was \$1.129m to East Arnhem Regional Council.

Does the department make sure these projects have all been put forward according to the correct governance? How do you follow up to make sure they are all being complied with and the money is being correctly spent?

Mr CHALKER: Just to confirm, Member for Nelson, are you talking about the special purpose grants?

Mr WOOD: I think it is, yes.

Mr CHALKER: Yes.

Mr McCARTHY: Thank you, Member for Nelson, for your question. I am sure one of our officials would like to respond to outline that process for you.

Ms WILLIAMS: Yes, I am happy to take that. In relation to special purpose grants, we have an agreement with the council about how special purpose grants are allocated and then they ...

Mr WOOD: Sorry, I beg your pardon. I got it wrong.

Ms WILLIAMS: I think you are talking about the local authority.

Mr WOOD: Yes I got it wrong. I meant supporting regional governance grants. Sorry.

Ms WILLIAMS: With the funding for local authorities, our officers attend most local authority meetings, and they are there to witness the process of how the local authority recommends to the council their priorities for the expenditure of that funding.

The local authorities' priorities are reported to the council, and the council applies the funding according to what the local authorities have asked for, generally. They have to take into account the practicalities and so on.

Our officers are also often out in the communities to see whether those projects are being undertaken, and they report back to us about that. The councils have two years in which to spend that money, and if they do not spend it, we talk to them about that. We monitor it all the time.

Mr WOOD: The local government disciplinary committee held two complaints in 2016–17. One complaint was rejected but the other wasn't determined. Is there any reason—could you say what actually happened to the other complaint?

Ms WILLIAMS: The other complaint has now been determined. It was determined this financial year. It is currently under appeal, so it has not been finished. I do not know I can say more than that because it is a legal process.

Mr WOOD: Is the appeal process NTCAT for that type of appeal?

Ms WILLIAMS: Yes.

Mr WOOD: Now onto special purpose funding. There was a total of \$3.4m awarded in 2016–17. Some went out to Victoria Daly Regional Council—they got \$469 000, MacDonnell got \$445 00 and West Arnhem got \$416 000 for a range of pieces of equipment.

How do you make sure that the grant money is used for the stated purpose? Is there a process to make sure that the money is spent on what it was asked for?

Ms WILLIAMS: Yes, that is an acquittal process. There is an agreement entered into with the council when the money is offered and there is an acquittal process whereby we check if the funds have been spent properly.

Mr WOOD: Is there any requirement to use it for what it was designed to be used for? If you find that they have got the lawn mower for Nauiyu and you find it out at Emu Point, is this—you might say 'Hey, what happened there?'

Are there some other things in relation to compliance?

Ms WILLIAMS: Generally, if a grant is for a bulldozer, we want to see that a council bought a bulldozer. Where the council might use that bulldozer is ...

Mr WOOD: It is just some of these applications were for particular places.

Ms WILLIAMS: Normally we would expect it to be used in that place. Sometimes there are applications for variations and they can be considered.

Mr WOOD: Okay.

Mr McCARTHY: Madam Chair, with respect to the committee, could I ask you a consideration of bringing forward the public service commissioner, who has also prepared significant work for the committee? It would be great to hear that story as well.

Madam CHAIR: Members for Araluen and Nelson, do you have question for the Commissioner for Public Employment in regard to the annual report?

Mrs LAMBLEY: Where is he—here?

Mr McCARTHY: With your consideration, Madam Chair.

Mrs LAMBLEY: Bring him in.

Mr WOOD: I only have one question.

Madam CHAIR: Member for Nelson, do you have any questions remaining for Housing and Community development that we could table as a question on notice? Are you happy with that?

Mr WOOD: Yes. Well, if we have any time after the Public Service Commissioner has been here. We can wait until he has finished and if there is a bit of time ...

Madam CHAIR: But if not, we will table it then?

Mr WOOD: Yes, I am happy to do that.

Madam CHAIR: Okay, we will do that.

Mr WOOD: I have one question on the Jabiru town development.

Madam CHAIR: Excellent, so we will leave those till the end and we will ask the Commissioner for Public Employment to join us. Thank you very much.

OFFICE OF THE COMMISSIONER FOR PUBLIC EMPLOYMENT

Madam CHAIR: Minister, I will ask you to introduce the officials accompanying you this afternoon.

Mr McCARTHY: Madam Chair, joining us at the estimates is Mr Craig Allen, the Commissioner for Public Employment, and Mr David Ryan, Acting Chief Financial Officer.

In the interests of time I would like to table the opening statement.

Madam CHAIR: Perfect. We will get straight into it. Are there any questions from the committee in regards to the Commissioner for Public Employment's annual report?

Member for Nelson, do you have any questions?

Mr WOOD: I have, but I think the Member for Araluen would like to start.

Mrs LAMBLEY: Madam Chair, my question is about special measures, which is a program to promote equal employment opportunities for Aboriginal people ...

Mr ALLEN: And people with a disability.

Mrs LAMBLEY: The intent of this is obviously very good, to create employment opportunities in the Northern Territory public service for these groups of people who have difficulty getting employment sometimes.

It is also creating a lot of consternation and perception of unfairness in terms of the fact there is an element of positive discrimination in play. Is there any intention for your department to review this as a mechanism?

Mr ALLEN: The special measures program was implemented three years ago, and it has probably been the single most significant factor in increasing Aboriginal employment. Aboriginal employment was at 8.5% and is now at 10.5%.

When we look at special measures you might look at what happened with equal employment opportunity for women 20 or 30 years ago, and we are reaping the benefits of that in the Northern Territory Government at the moment. We are the only jurisdiction in Australia with more than 50% of senior positions held by women. We have done really well with that.

Sometimes to change the status quo you have to disrupt the way things are happening. That is why we implemented special measures. It is interesting to note that of 100% of jobs in the last 12 months, 88% of those have gone to non-Aboriginal people. There is only 12% of those jobs that are going to Aboriginal people.

There are lots of myths about special measures and the impact it has. It is a program that is designed to make change. I do not envisage it being in forever. It is policy that is designed to change the way we employ people. There will be a point in time where we have momentum in terms of Aboriginal employment and then we will look at it.

We continually review it. Every six to 12 months we look at the impact it is having on departments and employment. We will be undertaking a review of people who have been employed through the special measures program to make sure that retention of people who have been employed through those programs is the same as people who have not been employed through those programs. There will be some review of the program.

Mrs LAMBLEY: That is interesting. I am sure most people did not know what you have just said.

Mr ALLEN: I think that is one of the issues, getting information out about the program.

Mr WOOD: Could I just follow on from that? I have had some complaints about the way the process is put into place. I will not give you any names but one is people on contract, and people who have worked for a long time on contract. I found it difficult to believe that they were not even allowed to be part of the process for the job application.

They were told if it was an Aboriginal person and that person came up to the same qualifications as the person who was just finishing their contract they did not even get a look in. That person was basically in tears. What I saw found disappointing—if that was the case, whilst I understand what the purpose is, the downside is that person was going to dislike Aboriginal people because of what had happened to them personally.

They had worked for 10 years on a renewable contract. The new policy came in and they were not even allowed to stand for the job if the other person came up and said I have got as good or better qualifications.

It is an area that needs to be looked at to make sure natural justice is applied.

Mr ALLEN: I am concerned that a person was on a contract rolling for 10 years.

Mr WOOD: Some departments did that to people.

Mr ALLEN: That is fixed-term employment. Rolling contracts is something we are trying to reduce because it makes it difficult for people.

The length of a contract should not exceed six to 12 months in regard to fixed-term contracts. We have had examples where agencies have the capacity to write to me to ask for an exemption because of special circumstances around the employment situation with special measures. Where people have been able to get an exemption is if a person is at a particular level, say, an AO5, where they have been at that level for three or four years and the job has been reassessed to the AO6 level. That gets an exemption because the person who has been in the job should be able to apply for the job.

It is those individual circumstances where agencies have the flexibility to write to me about an exemption.

Mr WOOD: The other concern was that sometimes these people might appear to be qualified but they are not used to this type of work. They might be qualified to the extent that they fit in a little box, but in the actual position, which could be in the rural area where there are no buses and it is not that easy to attend—they have pulled out of the job after a couple of weeks.

I wonder sometimes if the system itself needs a review to make sure it does not have these negativities. The person who came to see me—I would hate a program being introduced which has a positive effect to be balanced with a side that will work against it.

Mr ALLEN: That is why we will review it. Special measures was first introduced in 1937 by the Commonwealth for veterans. That is for veterans after the First World War. Veterans who had the qualifications were given jobs before other people, so it is not a new idea. There will always be circumstances where someone will miss out on a job.

Thirty per cent of the population of the Northern Territory is Aboriginal, and at the moment 10.5% of our public service workforce is Aboriginal. I believe the public service should reflect the community it serves. The government's aim is 16%. When we get somewhere near that, you may find that we will not need the special measures. It will fall away from there.

Ms NELSON: It is a different term for affirmative action, as they have in the United States. There is a reason they are there. As you pointed out, if 30% of the population is Aboriginal and only 10% of our workforce is Aboriginal there is a huge gap we need to fix.

It is unfortunate that we have to have policies like special measures or affirmative action. In an ideal world we would not need that.

Mr ALLEN: That is true.

Mrs LAMBLEY: But the goal is 16% for the public service.

Mr ALLEN: That has been the goal for the last three years. We will look at relaunching the Aboriginal employment strategy next year, and we will stick to that percentage goal.

Madam CHAIR: I have heard all sides of the complaints and have had some constituents talk to me as well. I am a former public servant, so it worked against me. People thought because I am Aboriginal and Torres Strait Islander and could tick the box that I won my job that way. I was the best person for the job and my credentials showed that. I had worked in the job for three years. That is the flip side of that, but I agree with the Member for Katherine; we need it in place. Once we get close it will be really good to see it dwindle off.

Mr ALLEN: Absolutely.

Ms UIBO: Yesterday I asked the question to the Chief Minister in regards to DCM and their target in 2020 which is 24% to have Aboriginal employees. I was just wondering how that percentage is calculated?

Mr ALLEN: I heard you ask that question.

Ms UIBO: I thought you might be prepared.

Mr ALLEN: The formula was worked out that every agency had a base target of 10%. There was an analysis done of the workforce of each of the agencies. The minimum target in an agency is 10% but some agencies, depending on what groups they had in their workforce had greater capacity.

You have just heard from housing and local and local government where they have I think nearly 200 Aboriginal interpreters. Their target is 24% or 30% in terms of their employment. Health has a really high target, as does Education because of the nature of the work and the interaction with Aboriginal communities.

There was analysis done of the groups within the workforce and the capacity to do that. What is not demonstrated in those figures is the government's commitment to the 500 police, teachers and nurses—the election commitment. That will also be factored into those agencies. We started with a base of 10% and then did some analysis about the groups within each of the workforces.

Ms UIBO: Madam Chair, I just have a question on a slightly different topic. On page 40 and 41, the NT Public Service Aboriginal and Torres Strait Islander Employee Forum—the first one was held in Darwin on 25 October 2016 and the second was held this year on 31 May and 1 June 2017 in Alice Springs. I was just wondering what OCPE will be doing if the recommendation from the report feedback shows it was recommended by participants it is held annually in Darwin and Alice Springs.

Mr ALLEN: We have actually just held our third forum in Darwin, so we have committed to continuing to have one in Alice Springs and one in Darwin each year. They are very well attended and the feedback has been excellent. People see them as a great opportunity for networking but there has also been significant professional development about work/life balance and career.

We always talk about special measures because special measures is not just an issue for non-Aboriginal people; it is an issue for Aboriginal people, so we work through that as well about some of the issues associated with that from an Aboriginal person's point of view as well.

We held the last conference in Palmerston, and based on the feedback we got we will definitely be holding two more sessions next year.

Ms UIBO: Thank you very much, that is good to hear.

Mr WOOD: I will just ask the one question I had at the beginning. I was sent a text message yesterday from a constituent concerned about people who may not be qualified for the job. His concern was that people in the public service who may get over \$200 000—is there any way that a particular job at a certain salary has a requirement to have, for instance, tertiary qualifications, or is that or is that not a requirement if people get into a higher bracket within the public service?

Mr ALLEN: It depends on the job. Some jobs obviously require a tertiary qualification—jobs that have professional content knowledge, such as geologists, scientists, doctors, and some of our principals are earning \$200 000 or more, and they will have a tertiary qualification.

In the admin stream it is possible for someone to be in a job paying over \$200 000 without a tertiary qualification, although it is a desirable element. The panel would be making an assessment on what work they have done, the experience they have had, and outcomes. To answer your question, it is possible for someone to be in a job like that without a tertiary qualification. It would be unusual, but it is possible.

Mr WOOD: When you say panel—what is the panel?

Mr ALLEN: The recruitment and selection panel that assessed that person.

Mr WOOD: So, over a certain salary do most people ...

Mr ALLEN: Sorry, I did not mean to interrupt. For all jobs, people go through a recruitment and selection process.

Mr WOOD: Okay. I just had one other question, and again it is in relation to the special measures. One of the issues that was raised was—are you making sure you are not filling the percentage, but the people who fill the percentage are qualified to do the job? Because people said they are not. They have filled it—they look good on paper—but they really were not the right person for the job. Is there a danger that you could be a numbers person but not fill in with the right people?

Mr ALLEN: The greatest thing that will make special measures fail is if people get jobs and are not qualified to do the job. There is a mandatory requirement that a person does not fill a special measures job unless they meet the selection criteria. They have to have the qualifications to do the job.

Ms NELSON: That is just one component to take into consideration. It might be 10 points because you are Aboriginal, 10 points because you are a woman, or 10 points because you have a disability. But it is just one component that is taken into consideration. Special measures is not a free ticket into a job.

Mr ALLEN: Absolutely not, they have to have the qualifications.

Mr WOOD: But it is an issue if someone is employed under the guidelines, which I am not opposing, and that person walks out of the job in a week's time because they are not suitable and they have walked out because they found this is not the job. I am just wondering, do you get a feedback to make your program better?

Mr ALLEN: Yes, we do monitor that really closely—people who are employed through the program. But the other thing is there are people who are not employed through the program who walk out after a week as well. So, it applies to both as well.

Madam CHAIR: I guess that is the importance for an exit strategy, would it not be, commissioner? Are there any further questions for the commissioner? Thank you for your time, commissioner.

We have two minutes. Member for Nelson, I might just table your questions on notice. We have one, I believe, for the Jabiru town authority?

Mr WOOD: It might be easier for me to—if the minister does not mind—table them as written questions. Thank you, everybody, for coming.

Madam CHAIR: Thank you very much. Minister, on behalf of the committee I would like to thank you for attending today's hearing and all the offices have provided you with advice.

The committee will take a 30-minute break until 6 pm before moving on to consider the Department of Primary Industry and Resources' annual report. Thank you for your time.

The committee suspended.

MINISTER VOWLES' PORTFOLIO

PRIMARY INDUSTRY AND RESOURCES

Madam CHAIR: I welcome you, minister, and invite you to introduce the officials accompanying you.

Mr VOWLES: To my left I have Mr Alister Trier, Chief Executive of the Department of Primary Industry and Resources; Mr Rod Applegate to my right, the Deputy CE of Mines and Energy; Mr Ian Curnow to my right, General Manager Fisheries and Product Integrity; and to my far left Ms Karen Simpson, Chief Financial Officer for the department.

Madam CHAIR: Thank you, minister. I invite you to make a brief opening statement. I will then open it up to the committee to ask questions in relation to both your statement, and the Department of Primary Industry and Resources' 2017 annual report.

Mr VOWLES: Thank you, Madam Chair. I am pleased to present the 2016–17 annual report for my Department of Primary Industry and Resources. I have already introduced the department representatives here today. In addition I have other officers seated behind me, who will be called upon if required to assist in answering any questions.

The department was formed on 12 September 2016 from the former Department of Primary Industry and Fisheries and the Department of Mines and Energy. The department has a key role to play in the development of the Northern Territory.

The industries it represents and regulates include pastoral and agricultural production, petroleum exploration and production, commercial fishing and aquaculture, and emerging growing industries including crocodile production for the high-end luxury goods market and buffalo exports. These industries have a significant impact on the economy, particularly in our regional areas.

In 2016–17 the department undertook many activities and projects that provided tangible support and outcomes for these Territory industry sectors. These activities included commencing delivery of our government's commitment of the \$50m recreational fishing program, in close consultation with the recreational fishing sector.

We are developing ongoing export markets for mangoes, melons, barramundi and livestock, and evaluating horticultural commodities for Central Australia. We signed a memorandum of cooperation with the Japanese Ministry of Agriculture, Forestry and Fisheries to facilitate agribusiness trade and investment, and we are delivering Aboriginal fisheries training courses to provide employment and business development opportunities, particularly in remote areas.

We are supporting 25 Aboriginal pastoral enterprises to increase regional employment opportunities. We are promoting exploration and mining investment opportunities in East Asia, India and North America, and we have online publishing of all mining exploration reports completed since 1901, which is 23 000 reports in total.

We are granting a minerals lease and mining approval for the Gulkula Mining Company for the first Australian mine owned and operated by traditional owners on their own country.

We have had major reforms to transparency and operate a 1% mining levy. We implemented a policy of disclosing security bonds paid by mines, and we had a resolution of the Howard Sand Plains extractive environmental issues, providing certainty to the extractive industries.

We are delivering pipeline approvals for the INPEX and Northern Gas pipeline projects.

The protection of Territory primary industry resources from biosecurity incursions is a critical part of the department's role. In 2016–17 the department completed phase three of the National Banana Freckle

Eradication Program and received national approval for the removal of internal movement controls and zones.

The department also undertook valuable work to address the cucumber green mottle mosaic virus, and delivered increased emergency management training for departmental staff and 50 veterinarians.

My department has a busy program this financial year, including to deliver the government's priorities, which include the \$50m recreational fishing infrastructure. We are ensuring sustainable development of the Territory's fisheries, and facilitating fishing access agreements for water overlying Aboriginal lands while respecting and understanding traditional owners' aspirations.

I have continued to work with the Member for Katherine—my new assistant minister, Sandra Nelson—to develop Katherine as an inland port and logistics hub. We are supporting increased primary production in regional areas including Aboriginal business development, capacity building and employment opportunities.

We are protecting Territory primary industries from exotic pests and diseases to uphold market access, and we are continuing to support the development of Tennant Creek as a mining and services gas centre.

We are transforming business processes in the mine, energy and geological survey divisions by adopting intelligent business systems that make customer interactions more efficient and effective.

I commend the Department of Primary Industry and Resources' annual report to honourable members.

Madam CHAIR: Thank you, minister. I will now open it up to the committee for questions on the Department of Primary Industry and Resources' annual report.

Mr GUYULA: Thank you, minister and the department. I have one question. I note the department objective for Indigenous participation and your strategies to support Aboriginal employment and encourage business development. I feel strongly about these areas. Can you advise how many new businesses or possibilities of new businesses in remote communities or on homelands have been started or supported during this reporting period?

Mr VOWLES: I share your passion and hope we continually improve in this area. One thing I have been encouraged by is the work done on Aboriginal fishing coastal licences. It is a real opportunity—we have that happening in Maningrida at the moment. They are supplying fish to not only the local community, but Ramingining, Gunbalanya and Darwin.

I see this as a real opportunity to expand this throughout the Northern Territory and the coastal waters. Our department is assisting as much as it can in that area.

We also have a massive opportunity in regard to buffalo and opening up Aboriginal land and access points for the buffalo industry. The buffalo have been growing in number, and there is a real market. I have said in parliament a couple of times that we have gone from more than 600 to a record 8000 being exported.

I will give further information on that, but before I do—the Gulkula Mine has opened, as well as a training centre. On Friday they will have their first batch of graduates coming out of the training facility. That is an example of what can be done on country with employing local people. We want to see more of that throughout the Northern Territory.

I will hand over to Alister Trier, the CEO, for more information.

Mr TRIER: The first point I want to focus on is the Indigenous Pastoral Program, which is a long-running program that has been going for 15 years. It is focused on two main aspirations. One is to encourage development of pastoral enterprises on Aboriginal land where it is in line with the aspirations of traditional owners, and the second is to encourage Aboriginal people into the pastoral industry.

That has grown a heck of a lot in the last 15 years. We have all learned a few lessons along the way, and we have some lessons still to learn. One of the first things we realised was that getting out on the land, belting pickets into the ground and running wire as the first thing was not the right thing to do. We needed to first engage with traditional owners, understand their aspirations and come to a joint understanding of what people want to achieve.

Built around that is a lot of governance and capacity—governance at the leadership level of traditional owners being able, through a director's mechanism, to set strategy for their aspirations for enterprise development, as well as building capacity in management, walking the line between non-Indigenous government mechanisms and Indigenous culture, especially when it comes to relationships.

Setting that all up was a lesson over time. Integral to that was the need to understand the infrastructure required to build pastoral operations, and securing funding for that infrastructure. That is a significant spend and we need to look at a range of mechanisms to find money for that.

That has been successful through a range of mechanisms such as government organisations—the Indigenous Land Corporation, for example—but also direct investment by non-Indigenous companies wanting a joint venture with Aboriginal people on land.

I think at the moment there is about 160 000 head of cattle on Aboriginal lands in the Northern Territory and the annual turn-off of those cattle is about \$30m, and that is just from the turn-off of the cattle. There are also lease payments where there are joint ventures or leasing operations on Aboriginal land.

I have not answered your question directly about how many businesses because it is an evolving number, but I can say there has been substantial work undertaken. I would not mind seeing if Ian Curnow has anything to add from a fisheries point of view.

Mr CURNOW: In addition to the points the minister raised regarding the fishery mentoring program and the success in Maningrida with new enterprises also starting up in Wadeye and the Tiwis—on top of that program we have also been running a Certificate II in Fishing Operations, which is actually a certified course in providing hands-on training of the skills you need to work in the commercial fishing industry, not just to operate an Aboriginal coastal licence but maybe work a full commercial licence as well. To date, 47 students have passed that course. There has been a very high uptake and enthusiasm in that area which has been very beneficial.

In addition to that we are doing a lot of work around small scale aquaculture development opportunities in a lot of communities. The sea cucumber, or trepang, ranching is likely to offer a small annual income stream to communities and a lot of work is going on at Goulburn Island at the moment as a successful trial in partnership with Tasmanian Seafoods.

We are also doing a lot of work with rock oysters and giant clams with a number of communities. We are doing the hatch out at the Darwin Aquaculture Centre and then putting those out in the wild. The preliminary results in the oyster work are showing very good growth rates. That could be an opportunity as well in terms of new industries.

The other key area in which we do a lot of work is around the training of marine rangers. I think the numbers are now up to 162 rangers that have done Certificate II in Fisheries Compliance. Critically, one of the important issues at the start of this year was the changes to the *Fisheries Act*, so instead of having just a fisheries officer—which is a police officer—we have created a new class of fisheries inspector. That came into effect as of 1 January.

We have been working with the NLC to develop a range of policies in terms of how we can now start appointing rangers who are appropriately skilled and trained to become fisheries inspectors under that act. There will be two classes depending on whether you have done a Cert II or III fisheries course.

That work is now very well progressed, and we have received several applications in recent weeks for those first appointments. We are hopeful that in the not too distant future we will be in a position to be talking to the minister about having our first Aboriginal people appointed with powers under the *Fisheries Act*. That will be a great outcome as well.

Mr GUYULA: There are lots of enthusiastic people there who are wanting to start businesses and have been asking about it—lots of buffalo, a fishery or whatever they want to do. How do we start and where do we get support? Maybe the middle man would be someone who can help them start a business.

Mr VOWLES: That is a good point and what we want to encourage. As a government, we want to see more economic opportunities in the Territory, no matter if it is urban or remote. I see a real opportunity for buffalo and others.

I can suggest that we, the department, have all the information and leading experts around buffalo, aquaculture and other areas. You are more than welcome to meet with those people to discuss how we do it. I know that when you are faced with people saying they want to buffalo, aquaculture or something, it just seems too hard.

There are too many things there. First of all, it is about—do you have enough buffalo? All those numbers—we can provide all that information and assistance.

Mr GUYULA: That is the other comment that I have. Maybe somewhere in the near future someone would like to take you out so you can see what is there and what you think might be best in how to start—for the environment and the area. Go out there, take a look, and then we can work out how we can work together.

Mr VOWLES: Absolutely. I am somebody who gets out everywhere. I was over in Groote and Nhulunbuy a couple of weeks ago, and Tiwi Islands and Tennant Creek. I want to get out and actually see what is happening on the ground and talk to people on the ground.

The bonus of being in government is that you have the public servants there with all the information, all the expertise, and I am more than happy to do that. We can just lock in a date next year and I will be there.

Mr GUYULA: That is all. Thank you.

Mr WOOD: Minister, these questions might go a bit all over the place because of the way the annual report is. As I have said to others, it starts off with fast facts, then it has highlights then it has got something else, then it has got achievements and then it tells you what it will do next year. So sometimes the system goes around in a circle.

Mr VOWLES: Just go ahead, Gerry.

Mr WOOD: Okay. One of your fast facts was that there were 5525 animal welfare complaints investigated. Why were there only seven successful prosecutions?

Mr VOWLES: I will hand you over to Alister Trier, the CE.

Mr TRIER: Any phone call that is made to the department on an animal welfare incident is classed as an investigation. But that does not necessarily mean that there is an incident that has occurred. It means someone has suggested that an incident has occurred, so that it is first thing. There will be a lot of things that are investigated that have turned out to be, for whatever reason, not an incident that falls under the act.

The other thing is that animal welfare is a contentious issue and we have seen some recent evidence of that. But animal welfare really is a people issue and it is about people's management of animals. There are different components to that in my view. One of our roles is to educate and to work through the issues that underpin an animal welfare incident where you have incidents that are deliberate or significant, and then those things need to be dealt with. But it is a balance of what falls in that category or where education is—and those sorts things that are required.

Mr CURNOW: Yes, I think Alister has covered it. The large number of complaints relate to those from neighbours that may be found not to be baseless or are relatively minor issues that rely more on an education approach.

I think the other key point is that the low number of prosecutions reflects the number of matters that actually went to court in the end. Only a very small handful do. Proving the convictions has been quite successful. Although, it is fair to say, some of the penalties that have been put out have been quite small and probably do not reflect community expectations, which is why a new animal welfare bill is currently being drafted and is scheduled to go to parliament early next year. That certainly looks at the issues around the relative penalties—particularly for more severe offences—to probably match what the modern standard of community thinks is an appropriate penalty.

Mr PAECH: Do you have a matrix on the animal welfare? Animal welfare can range from cattle and horses being malnourished—that type of livestock—to the other end where it could be a dog on a community. Is there a particular matrix around the severity of the reported case that will prompt—if someone rings from a community and reports a dog—that is a long way to travel for someone from your department or the agency to check if this case is legitimate or not? What triggers an actual formal visitation?

Mr CURNOW: We use police the same as a police can be fisheries officers, so police and communities can respond to complaints. A lot of that response will depend on if it is a major incident. It does not matter if it is a domestic animal or a commercial animal; if it is at the high end of the scale, it will definitely be investigated no matter what.

If we do not have staff nearby immediately, we will use either council or ranger staff to do an initial visit. If it is then deemed worthy of a follow-up then we will go out and do that follow-up with our officers and proceed to prosecution if that is necessary.

It really depends, not so much on the type of incident, in terms of whether it is a domestic or a farm based incident, but the severity of the incident.

Mr PAECH: Okay, great, thank you.

Mr WOOD: Minister, has the government pulled out of Ord River Stage 3, or is it just watching brief—is that a better term for it?

Mr VOWLES: Thank you, Member for Nelson, for the question. When we came to government—the Ord is still important to us, but it does not have the high priority of other developments. We have certain requirements regarding our—I think here we have some farming regarding the national water. But there are some requirements—I think it was \$2.4m—around the Ord and doing the water surveys of that area.

It comes down to the fact somebody turns up and says, 'We want to invest in the Ord'—and we are doing that work. We would be more than happy to have something going on there. We have other priorities at the moment, but it does not mean that we will stop investment if somebody comes and does it.

And what I was referring to earlier, was the \$2.5m for the Commonwealth under the National Water Infrastructure Development Fund. We are doing a feasibility component around the land capability of Ord Stage 3, with an emphasis on assessing the potential production of resources, such as soil salinities. We have those requirements that we have to fulfil under the federal grant that has been given to us, but it is still on our list, just not the highest priority at the moment.

Mr WOOD: I wanted to ask—Legune Station has Project Sea Dragon, and I think your government is spending at least \$20m on an access road through Keep River to that project. I thought that would also be a good leverage to continue the development of Ord River Stage 3, considering that is a lot of money for a road for one project.

Mr VOWLES: I am hearing you, Member for Nelson. As I have said, if somebody wanted to invest in the Ord Stage 3—that is part of our job as a government. We have a fantastic team of major investment and major attraction investment into the Territory. We have a strong team there and while we have focuses elsewhere—if somebody turns up and says, 'We want all the information we can have, and we need to make a final investment decision there', that is it.

We had a significant investment as a government into Project Sea Dragon and getting that process—help the process through to fruition. Part of that requirement was to build some roads, which I think will be used for other opportunities in the future.

I will be visiting the Ord early next year to look at it myself. I have not gotten there yet, but I will be getting out there to have a look at it. Because I do think there is a real opportunity if somebody wants to come in.

Mr WOOD: Thanks minister. Water is the most important part of developing the north. My understanding is, from your annual report, there is a project proposal under the CRC for developing northern Australia that will target sustainable irrigation farming systems using off-stream water harvest. How likely is that to get a guernsey?

Mr VOWLES: That is Flying Fox Station—around the catchment. We supported the application for that to look at how we can investigate the future water and the capacity of the new—we think it could be a game changer if it goes ahead.

Mr WOOD: That is why I am interested, because it has also come up with the Fitzroy River, in Western Australia, as an option instead of damming the river.

Mr VOWLES: We had a serious look at that and we have supported that application because we think if it works it will be game changing. There are many other things in play around the river and what the downstream looks like after the first big flood.

My CEO is champing at the bit to add some more information.

Mr TRIER: The application is with the CRC. We missed out on the initial round. It is back there for the first round for the CRC and is going through due process now.

Mr WOOD: How far off is the development of the Developing North Australia Cooperative Research Centre?

Mr TRIER: The CRC has just established headquarters in Townsville. It has appointed a CEO, who I think is named Jed Matz. It has a chairperson, Sheriden Morris. It has also appointed a Northern Territory representative, which we are very pleased about, although they have poached her from our department. We think she will be a strong advocate for the Northern Territory.

Mr WOOD: Who is that?

Mr TRIER: A lady named Sally Leigo. We are looking forward to developing a relationship with them.

Mr WOOD: What were the results to understanding the aggregative behaviour of the magpie geese on mango orchards? You have obviously done some work on it. It is a pretty important issue for our local growers.

Mr VOWLES: Of course it is. I will make sure we have the most up-to-date information and pass you to—I introduce Phil Hausler to the hot seat.

Mr HAUSLER: About three years ago, in a consultative group with mango farmers, the issue of magpie geese eating mangoes in orchards was identified as a problem. While acknowledged as a problem, it is outside the agency's expertise. We got together a consortia of researchers and applied for funding. We now have a PHD student doing a study on the behaviour of magpie geese in the mango orchards around Darwin.

I was at one of the farms just last week. They were collecting magpie geese, catching them live and doing a series of measurements on them, fitting GPS tracking devices. It is all in the aim of gaining a much greater understanding of the behaviour of the geese, where they go, seeing whether they travel back to the same orchard. It is a longer-term project trying to understand the behaviour of the geese, then developing some management strategies, alternative to lethal, to manage the problem.

Mr WOOD: It might be able to tie in the NT Field and Game people if you put tracking monitors on them. It will be interesting to see the results.

I went past Dripstone High School at about lunch time today and there were about 10 magpie geese wandering around on the front lawn of the school. They certainly get around.

One area under your control, minister, is the *Poppy Regulation Act*. The previous government was moving towards having a poppy trial in the Northern Territory. Has that come to anything?

Mr VOWLES: The poppy trial—I was in opposition asking for updates on that. I will hand that over to Phil.

Mr HAUSLER: With the poppies, in 2013 a Tasmanian poppy-growing company, TPI Enterprises, expressed a really strong interest in trialling poppies in the Northern Territory. The government at the time went through a process and introduced legislation to manage the growth of those poppies in the Territory.

I understand that TPI trialled poppies over one or two seasons and since made a decision to take a step backwards from those trials. We still field inquiries about growing poppies in the Northern Territory from the north right down to Central Australia.

Mr WOOD: So, it is on hold, hopefully.

Mr TRIER: We have broken some new ground in that we have demonstrated that poppies can be grown. Some of the results of the poppies that were grown commercially are commercial-in-confidence, but we understand they went reasonably well. Commercial companies make their own decisions for commercial

reasons, but I think we now have legislation in place that will allow that industry to progress in the Northern Territory.

One of the things about poppies is they like water when they need it, but they do not like water when they do not. Having a good Dry Season gives us real strength. The second strength the Northern Territory has is our security credentials just throughout separation from the industry and Tasmania primarily. Victoria has also had some disease outbreaks; I think they have basically been managed but that does give us an advantage.

I think now it is for commercial interest to be able to take it to the next step. We have certainly paved a way for that industry to progress.

Mr WOOD: They did not give you an indication of whether they might be back?

Mr TRIER: It is a commercial company; they have worldwide interests. I have seen this in the resource sector where companies make decisions for a whole range of reasons, not based on local issues but other issues. Whether this happened this time or not I do not know, but as Mr Hausler has said, we feel the interest. I think we have demonstrated it can happen and we have those advantages of a reasonably predictable climate, and our separation and biosecurity strengths.

Mr VOWLES: In short, Member for Nelson, it worked, but economically it did not work. It was obviously due to security issues and was a commercial decision by then, but the trial was reasonably successful, so it is up to the company. As Mr Hausler said, there is still a certain amount of interest around that. Like every business, it is about being economically viable.

Mr WOOD: While Mr Hausler is here I might try to ask him a few more plant questions. I think some of those questions are important because I keep thinking of Developing the North and if we develop horticulture—we have some issues we have to work our way through. One is that we still have Panama disease. It would be good if I could get an update on where we are in researching the Panama disease, and is there any light at the end of the tunnel?

Mr VOWLES: I know we have a trial for the genetically modified Middle Point at Humpty Doo, but to give you further information I will pass on to Mr Hausler.

Mr HAUSLER: One of the things the department does really well is partner with industry and other organisations to address significant issues at a national scale. We are a partner in a Queensland Department of Agriculture and Fisheries project that is evaluating resistance in banana cultivars to tropical race 4, Panama disease. The disease is endemic in the Northern Territory, so that creates an opportunity for us to assist Queensland, the major banana producer in the country. It is a \$500m industry in Queensland.

Panama disease is not endemic in Queensland. It was first identified on a property in 2015 and there have been two more cases where the disease has cropped up. It highlights how important our work is.

We have a significant project at our Coastal Plains Research Station where we super-inoculate the soil with tropical race 4 and we have cultivars of bananas that are irradiated to try to trigger abnormalities in the plant. We evaluate those irradiated cultivars at coastal plains. We are also looking at a series of alternative crops that could be used in rotation to help manage the disease.

Separate to all that, the Darwin Banana Farming Company at Lambells Lagoon—they were in the media recently—is producing bananas on a commercial scale for the local market. It has entered into an arrangement with QUT to evaluate, on a small trial basis, some genetically modified bananas.

Mr VOWLES: If I can add to that—using wild banana genes from wild species naturally resistant to Panama.

Mr WOOD: Nothing like a bit of a wild banana gene in there. In my time growing bananas at Bathurst Island, nematodes were the biggest killer of bananas there, and rotating crops was the only way we could control them without using some fairly dangerous insecticides or nematicides.

Another disease which causes problems is the cucumber green mottle mosaic virus. I would like an update on where we are with control of that disease. There was an interesting note in the annual report that there had been some studies to look at whether honey bees transmitted the virus. Would you give us an update on that problem?

Mr VOWLES: I will pass that question to Mr Curnow.

Mr CURNOW: Going back to the year before last, it was found that the disease was not eradicable, so under the national agreement it then became an issue for industry to manage.

The department did a lot of work at the time, both while we were still trying to eradicate it and then working out that it had spread from some of the properties and also spread into some wild species.

One of the key issues we worked on was to do some risk assessments on the transmission of fruit from the Northern Territory into other states. We had to satisfy those states that getting that food to market was not a risk of spreading the disease around other commercial properties. We have managed to shore up ongoing market access for all of the Northern Territory fruit, which was an important step.

The issue now has been one for industry to manage. While market access is secure, clearly for them having fruit that is either rotting on the inside, visually not attractive or poor production are issues they are managing. To date it seems that they are managing it quite well.

There have been one or two instances where poor fruit has been reported and CGMMV detected. Given that it is not eradicable, that will always be the case ongoing. It is a case of making sure it is contained. We have done a lot of work with individual properties to make sure they have good biosecurity practices in place so they are not managing their property as one whole entity where the disease can spread, but breaking it up into separate plots.

That way, if they do find an infected seed—or however it has arisen—and they get another case of CGMMV, it is contained and that people, machinery and boxes moving between areas of the farm are all being appropriately treated. It is a case of management, but Phil might have something on the research front he can add further.

Mr HAUSLER: We have another collaborative project working with industry and other partners across Australia to gain a greater understanding of CGMMV, how it behaves in the field, what other plants might host it, what other vectors there might be—hence we are looking at bees, but not only honey bees, also the native stingless bees. Whether or not they carry the virus, we are trying to gain an understanding of how the virus behaves and come up with some management practices for farmers, such as what other plants they need to manage in the paddock, and what rotational crops they can put in that do not carry the virus through the off season.

Mr WOOD: Not only Katherine, but Katherine was badly affected, especially cucurbit growers. Has that market come back, and if so, has it come back to what it was before the virus was introduced into the region?

Mr HAUSLER: I cannot give a definitive answer on that; I would need to chase it up.

Mr WOOD: I did not know whether production was back to what it was pre-virus stage. Katherine was a big area for production of watermelons.

Mr VOWLES: One thing is for certain; producers in those areas are more aware of their biosecurity now and very stringent. I have been to a few places in Katherine and the security is better. That is one positive out of a negative.

The other positive is the outstanding work of the department not only in eradicating it in the first instance, but in the continual monitoring and research going into it. It has an enormous impact on our horticulture and agribusiness economy, which we are trying to grow—and our reputation.

Mr TRIER: The other affected area was cucurbit growers in the Darwin region and a lot of Asian green growers. I acknowledge the Farmers Association for the role it played with us—very much a conduit into the Asian veg market. It helped to get the message out.

As a partnership approach, echoing the minister's words, it has changed and increased the focus on the need for sound biosecurity management and practices so that this disease can be managed and industry can return as best it can to a productive state.

Ms NELSON: The banana freckle biosecurity issues we had in 2014 and 2015—what contingencies were put into the 2015–16 and 2016–17 budgets?

Mr TRIER: The banana freckle program considered a response that is managed under the *Plant Health Act*—I think that is the right terminology. Because of the significance of the industry across Australia—it is a \$600m industry—it was deemed very important that we try to eradicate the disease for the protection of the industry across Australia.

All states with bananas contributed to the response in financial terms, as well as the Commonwealth, and industry participated at 50% of the cost. Through levies they have funded the response. We have provided a component, but our component is a small component compared to the contribution of the Commonwealth, industry and other states. The banana freckle was, one, considered eradicable; and two, because of that it was funded under this national program with green cucumber mosaic virus.

Firstly, at the time the industry was not a signatory to the act. Secondly, we came to a landing that we did not think it was eradicable because it was in a natural environment. That meant we had to shift to a plan of management and working with industry to work out how to manage the disease, more so than how to eradicate the disease.

Going back to Mr Hausler's—when I say manage the disease and eradicate the disease—how you can keep it out of your property. You are eradicating it from your property as much as possible, bearing in mind that it is now in Australia and is recognised as being in Australia. We will not be able to get it out.

Ms NELSON: Is that reflected in the annual report?

Mr VOWLES: Are you actually looking for a figure?

Ms NELSON: I am looking for a figure, yes.

Mr TRIER: That particular figure, I am not sure. I will ask to see.

Ms NELSON: Thank you.

Mr TRIER: No, because both programs have different funding components, our component is captured as a part of our normal response or biosecurity operational funding. That would be my understanding.

Mr VOWLES: Just a reminder, we are in phase four now. On 1 July this year we scaled down our full-time employees to two. We still have over 300 properties in phase four we have to monitor and assess over the course of phase four. Then, hopefully, we will be given the green light that it is totally eradicated.

This has been a massive project. It has been Australia's largest plant eradication project. The department should be commended for the work it has done.

Ms NELSON: Absolutely.

Mr CURNOW: I do not have the exact numbers given. The banana freckle program was over a number of years, but the national approval was around the \$26m mark. So all states ...

Ms NELSON: Contributed that amount.

Mr CURNOW: All states and industry had to contribute to that amount. Industry forked out 50%, basically, and governments combined forked out 50%. As of 30 June, \$24 082 000 had been spent on the program to date.

Ms NELSON: So, it is a co-contribution by the industry, stakeholders and state and territory governments.

Mr CURNOW: I do not have the precise breakdown of the Northern Territory contribution. It was quite minor because compared to Queensland and New South Wales we are very small. The key is, with phase four coming on, it is a much more modest spend from the national program, but with a downturn in staff some of our own biosecurity staff will be doing those inspections. There will be an in-kind contribution, but that budget is already included in the biosecurity team's budget.

Ms NELSON: The impact, obviously, was far more significant than the \$24m—the impact specifically for the Territorian market was far more significant than what we contribute towards the program.

Mr CURNOW: Yes. Under the national arrangement—in the case of the banana industry being comparatively small compared to Queensland, we only pay quite a small portion.

Ms NELSON: Yes.

Mr CURNOW: That is the benefit of the national arrangement. However, if a disease happens somewhere in Australia and we have an industry that happened to be one of the largest, then we would actually be paying a fair share. In general instances, we come off quite well through that national partnership. If something like Sea Farms became established with the prawn farm, we would suddenly become the single biggest part of the prawn industry.

There is no deed for aquatic stuff at the moment, but essentially the national partnership does benefit the Territory in terms of those funding arrangements.

Madam CHAIR: Are there any further questions?

Mr WOOD: I have a few technical questions on mangoes. Minister—I do not mean you personally, because I do not believe you will be able to give me an answer on this one ...

Mr VOWLES: You are throwing me around. You are like Hulk Hogan in the WWE. You are going everywhere.

Mr WOOD: No, straighten up your annual report. Minister, please explain the adoption of near-infrared spectroscopy to non-destructive prediction mango maturity.

Mr VOWLES: Who am I handpassing that one to?

Mr HAUSLER: I do not want to bore you with all the details ...

Mr WOOD: If I had only mentioned the test match on Saturday. The rest of the question is does it work and has the technique been taken up by industry?

Mr VOWLES: Look, Gerry, I would like to bore you and the panel for hours on end here, but I will hand you over to someone who might explain in more layman's terms for you.

Ms NELSON: Is that covered in the budget?

Mr WOOD: That is layman's terms. It is an important part of the industry.

Mr HAUSLER: It is a good question.

Madam CHAIR: Sorry, Mr Hausler, can you actually pronounce the word that the word that the Member for Nelson ...

Mr WOOD: Spectroscopy.

Madam CHAIR: Okay, and explain exactly what that does please.

Mr HAUSLER: Mr Wood is talking about near-infrared spectroscopy—NIR gun for short. It is a technique used in the mango industry and in other fruit crops to give an objective assessment of fruit maturity. This technique has been developed through a really strong collaborative approach with the Australian Mango Industry Association, with QDAF, with us and with a number of other RDCs.

The technology—it is simply a gun that is probably similar to something we might scan our barcodes on our goods at Woolies, but it is nearly simple and involves a series of scans of fruit on trees as they reach maturity.

The department was heavily involved in calibrating those machines for the different varieties of mangoes. That essentially means to take a reading on the NIR gun and take that fruit and weigh it as it is picked, and then to dry it to determine the dry matter content. We can then understand what the readings on the gun give back to us and we can make an assessment based on that information on when the right time is to pick fruit for growers.

Growers in Darwin and Katherine have really taken up this technology and throw themselves into using it because it is a much more reliable method, other than visual or whatever, to determine when they can pick fruit. When you are talking about a near \$100m industry with millions of trays picked each year—it is a very big logistics exercise, so it allows farm managers to program in their labour, picking times, transport—all those things become much easier to plan for.

Mr WOOD: Was the—what did you call it in short—NIR used in helping export the mangoes to the United States this year so they were sent at the optimum time?

Mr HAUSLER: I cannot say for sure if they were used, but the technique is widely used. It was only a small sample of trial shipment to the US. It is near-infrared, hence NIR. This technology is widely used across the industry.

Mr TRIER: The point Mr Hausler made about the difference between the naked eye and a scientific message—that is becoming more adopted across a range of areas. For example, we are seeing now in technology—actually, the lady who has gone to the CRC, Sally Leigo, has been working on using satellite technology to pick changes in your pasture, moisture and its productive capacity weeks before you pick it up with the naked eye.

It is about getting objective and early understanding of what your natural resources are doing so you can make better informed judgments with a better economic outcome at the end of it.

Mr WOOD: Has this reduced the number of immature mangoes hitting the market? That used to be a problem some years ago.

Mr VOWLES: We have seen some new technology and new technology used very well. I just look at the shipment to America, as Mr Hausler mentioned—we used Sendem technology with real-time data about temperature, humidity and location. We are talking about a 15 or 16-day period between being picked and going across. That was very successful. We saw some photos of quite expensive mangoes.

It is doable. They went over there with the technology to ripen the fruit at the right time. Common sense would say it is a better production and less fruit is being wasted.

Mr WOOD: It is good news for the industry if you can reduce your wastage by picking at the right time.

Was the United States trial successful? Is it fair to say it could expand if we tried again?

Mr VOWLES: Absolutely. We have a departmental staffer who looks after that. They travelled over with the shipment.

Mr WOOD: Can I get that job?

Mr VOWLES: One way for you, mate.

It was very successful. What we are trying to achieve is to open up new markets. America is a new market. We have been trialling for a while, but we need to do it successfully. The latest batch that went over was successful. We have also had mangoes going to Singapore, which is a market we really want to explore.

There is a huge opportunity for America; the more we get across the cheaper it will be. It is about using the technology we have. The Sendem technology with the real-time data has really assisted, and I think we will see companies like (inaudible) and Manbulloo Mangoes using that technology and opening up new markets to get our fruit. That is what we are trying to do: get our fruit into every shop and every household around the world.

Mr TRIER: One of the strengths of this program is that we have learned a lot by doing it. It is not as simple as packing up your mangoes, whacking them in a container and sending them on an aeroplane or a boat overseas, having them on the market and expecting people to pay what they are paying, which is US\$5 a mango, which is pretty good.

What we are learning is there are a lot of individual steps along the way. You have to focus on the small things at each of those steps to ensure the mango you pick turns up on the shelf of the people who will put US\$5 on the table to pay for it—that it is in as good condition as it can be.

As the minister pointed out, temperature monitoring, handling, packaging, and the logistics of when they are taken out of an aircraft, how long they are left on the tarmac in the midday sun, what sort of equipment is being used to handle them—the little things along the way—reduce the value of the fruit.

We are trying to identify what those little things are, and then drive them home through all the parts of the logistics supply chain to lift the quality of each of those individual steps. This has driven home the understanding that just growing a nice mango is not good enough. You have to have quality assurance throughout the whole process, and if we want to expand, as the minister said, fruit onto the tables around the world and attract a premium product, we have to concentrate beyond just the piece of fruit to the whole supply chain and lifting quality assurance through it.

Mr VOWLES: It is supported by Horticulture Innovation Australia and the Australian Mango Industry Association. We have had an increase from one approved producer—he is going over to America—to four now, in the NT.

We have seen 16 or 17 shipments of the Katherine mangoes over to America—in Los Angeles, Texas and New York. It is getting out there and obviously a viable market.

Mr WOOD: Minister, what is consumer feedback? Besides the price.

Mr VOWLES: I have not been to America.

Mr WOOD: No, but the important thing is that America has some fairly wealthy people. If they like them they will buy them.

Mr VOWLES: As you know, businesses do not just send shipments over if it will not be economically beneficial to them. Having 17 shipments going over—everyone knows our mangoes are rippers. Whatever tastes you have, the R2E2 or whatever you want, we have our own individual taste. I am sure, and I hope, that Americans will have the same taste as us and keep wanting to buy our stuff.

Ms NELSON: Member for Nelson, this is a great opportunity to talk about PFAS in Katherine, and the impact that has had. It has been eluded to ...

Mr WOOD: Is that one for the Department of Environment and Natural Resources, tomorrow? It is on their annual report.

Ms NELSON: I am talking about the impact on the mango market. Mango growers in Katherine. It is directly related to the Department of Primary Industry and Resources.

Mr WOOD: Yes.

Ms NELSON: Could you talk a little bit about the impact, possible impact or perceived impact on the mango industry in Katherine?

Mr VOWLES: Thank you, Member for Katherine. We are aware of the media reports on PFAS and the ongoing issue there. I will make a political statement here before I hand over to Mr Curnow.

I am disgusted with the federal government and their lack of support of Katherine locals in extending the testing to Katherine residents and Territorians. It will forever be a blight on the federal government until that happens. We should not be treated as second-class citizens, no matter where we are. The federal government rules for all Australians, not just a few.

In regard to this, we have our plan for an agribusiness hub out there. There are a lot of great people, as you know Member for Katherine. You meet and see them most days and they are passionate about growing their industry and passionate about Katherine. I will hand you over to the technical side of things now I have made my statement.

Mr CURNOW: I guess from our department's perspective that does not deal with the human health or environmental issues; it is more around the industry components. In that perspective it is fortunate in the sense that most of the commercial mango industry in the Northern Territory and even around Katherine is not in the investigative area, so from an industry perspective that is a real plus.

Ms NELSON: That is the response I was trying to get to right there. There has been some negative media in regards to the agribusiness in Katherine and the mango industry. I just wanted to put on public record that the mango growers are outside of that investigation area, but Primary Industries also sits on the interagency working committee, is that correct?

Mr CURNOW: Yes, absolutely. Your point is spot on. The other key message—and we have had some approaches from interstate that have been put through to us raising concerns. ‘Are Katherine mangoes safe to eat?’ We have been very clear on clearing that up, that they absolutely are.

The other important thing there is while it has established a range of trigger levels in various foods to guide people who live in those investigative areas that may be at risk in terms of consumption levels, those trigger levels have not been breached in any commercial fruits we are aware of.

Ms NELSON: Thank you for that, I appreciate the clarification.

Mr WOOD: It was good to hear that as well because there has been rumours going around that the industry might be affected. I just have one other question on the mangoes, the annual report mentions a mango trial at Ali Curung; can we get a bit of an update on what that trial is?

Mr VOWLES: Thank you for the question, Member for Nelson. I am fortunate enough to have been out there a couple of times to see those mangoes at Paul’s melon farm. I was very happy to see him because I think once we get an industry we are able to grow all the way down the road from Darwin into Central Australia, we can dominate the Australian market in mangoes.

It is real forward thinking and research that has been put into mangoes in those areas from the department. As you know, the one thing is you need good water and I have people who know what they are talking about, so I will hand that over to Mr Hausler.

Mr WOOD: He knows about good water.

Mr HAUSLER: Thank, minister. It is well known we grow mangoes in the Darwin region and Katherine. Katherine is our major producing region but there are also opportunities to grow mangoes right down to Ali Curung and in between. That also extends the harvest window for mangoes, and the other benefit is that the drier the climate the higher the quality of fruit we can grow.

There is a large opportunity further south for mangoes and this is an exciting trial area that we have in Ali Curung in partnership with Mr Paul McLaughlin.

Mr WOOD: Thank you. Just hanging on to that, I do not think my geography is right, which side is Ti Tree to Ali Curung, north or south? You have in your annual report that you have eradicated fruit fly, which I am presuming could be a pest of mangoes? I was hoping to find out what the cost of that eradication was.

Mr VOWLES: I will hand you to Mr Curnow.

Mr CURNOW: We will have to take that on notice, I think.

Mr WOOD: Is fruit fly a potential pest to mangoes?

Mr HAUSLER: We will have to take that on notice.

Madam CHAIR: Member for Nelson, please repeat your first question for the record.

Mr WOOD: Could the minister tell us whether fruit fly is a pest of mangoes. In relation to the annual report where it mentions the eradication of fruit fly at Ti Tree, has this been successful? If so, what has been the cost of the eradication?

Madam CHAIR: Okay, we will split it into two components. The first question about whether a fruit fly is a pest.

Mr VOWLES: If I could just stop you there. Sorry, Madam Chair, but I might have some information from the CEO.

Mr TRIER: Certainly, from a Chinese protocol point of view, China wants to ensure that mangoes do not have fruit flies, so that is built into their health protocols. Whether a fruit fly is a pest of mangoes or not, it is something that we have to consider and something that we have to demonstrate that the mango is free of fruit fly. The short answer is we treat it that fruit fly can be a pest to mangoes.

Mr HAUSLER: I have something to add on that. We had a research project in Katherine over the last two years. I think what that project was doing was determining whether or not fruit fly is a potential pest of mangoes because what we are doing is harvesting slightly before maturity—harvesting green—and then the fruit actually ripens in transit. The theory is that because they are harvested green, the fruit fly has not had the chance to infest the fruit. That was something that we were actually evaluating right now.

Mr VOWLES: I think we will take some of that on notice still.

Question on Notice No 8.1

Mr WOOD: Well, I got half the question answered, so can I start it again?

Madam CHAIR: Yes, please.

Mr WOOD: Has the eradication of the fruit fly tea tree been successful? And what was the cost of the eradication?

Madam CHAIR: Minister, we have allocated that question the number 8.1.

Mr VOWLES: I accept that.

Madam CHAIR: Any further questions, Member for Nelson?

Mr WOOD: Yes, I have some animal questions. Some of these have come from the beginning of the annual report. Has the department developed a view on the feasibility of donkey farming and processing?

Mr VOWLES: Around donkeys—I have been speaking a fair bit about donkeys and the opportunity we might have in the Northern Territory for donkey production and the opportunity in remote communities in regard to donkeys in farming—and the ejiao, the skin thereafter and all the other products.

We have had more than 30 separate investors very interested in setting in the Northern Territory. I think we have one operating right now. I stand to be corrected there. But I have had some meetings on this.

It is a real opportunity. When I was in China—the one time I was over in China—I met with and viewed the facilities and heard of the requirements. Chinese donkeys are like small horses compared to our wild donkeys. I think we have about 55 000 wild. They were saying one company needs about four million donkeys. They are short every year. So there is a real opportunity to farm donkeys, but obviously protocols and federal government—supported by federal Labor Party as well—are about no live export of donkeys. They would have to be culled here then boxed over or shipped over.

I could talk about donkeys for a while, and I look forward to the Tweeters attacking me from here on in, but I think it is a real opportunity for especially remote people and communities—opening up Aboriginal land not just for donkeys but also buffalo. I think there is a real opportunity. Before people lift their noses and complain about it, we cannot stop economic opportunities of remote people specifically, if they wanted to look after their country by eradicating donkeys.

For further information I will hand over you over to the CEO.

Mr TRIER: Thanks, minister. I would like to just restate a point that the minister has made for absolute clarity. There is no support at all for the live export of donkeys. The proposal of trade is built on donkeys being managed in Australia, processed in Australia, and boxed out as processed product, and that is a very important point because I think there is some controversy that that might not be case.

And as the minister has said, that is supported at all levels of government. The industry is very real and is built on not only on Chinese people in China, but Chinese people around the world, and the demand is significant. It goes into Europe, any place you find Chinese communities.

We have a number of feral donkeys. Our donkeys do not have the same genetic quality that the Chinese mammoth donkeys have. We need to think about what we need to do to ensure foundation of industry that is sustainable. We have done initial work on the economics and they stack up, but we need to do further,

more detailed research on genetics and the productive capability of donkeys in the Northern Territory and north Australian conditions.

We need an understanding of the impact donkeys have in terms of what they eat and their impact on the natural environment. We have a very good understanding of what cattle eat, but do donkeys eat the same things or not? Are they compatible or will they displace each other? Those sorts of research questions—we need to understand that and we are starting to.

There will be some commercial realities. There are opportunities for donkeys on Aboriginal land where that is in line with their aspirations and interests. There could also be possible interest for donkey production on existing pastoral land. That could possibly be displacing an existing profitable industry. All those economics have to be worked out.

The underlying point is that the demand is very real and will not go away. We need to respect and understand that it is a real opportunity that we need to work through.

Mr VOWLES: If I can just add some interesting information—there was a trial service kill in March 2017 of 15 head of donkeys. It is believed they sold the meat into the NSW domestic market. There is a station in the Katherine region that has been purchased for donkey production. There is about 2000 head there, and the excess stock of 300 was sent to a Queensland abattoir for slaughter.

It is a real thing and a real opportunity. There is a lot of research to be done on it. We have feral donkeys that are a lot smaller, but we need to make sure the relevant protocols are in place, as with our live export of cattle. We put in place measures that animal welfare and everything else is being looked after as well.

Mr PAECH: Following on from that, the donkeys in the Northern Territory that are on-sold or slaughtered, is that for pet meat?

Mr VOWLES: No. Not that I am aware of.

Tristan, did you eat donkey meat? We were in China and it was served up to us.

Mr PAECH: I mean, you are talking about selling it to Queensland and NSW—donkey has only just changed to be able to be consumed in South Australia. When it is being sold in the other jurisdictions is that for human consumption or pet food?

Mr VOWLES: My advice is that it is for human consumption in NSW. I do not eat meat but it was served to us in China.

Mr WOOD: I have a couple of questions on cattle. One is about the blue tongue free zone. Has that zone been evaluated and has it changed?

Mr VOWLES: There was a change—the expanding of the blue tongue zones. The blue tongue virus has had some impacts on some cattle stations. I will pass over to the CEO for more information.

Mr TRIER: Blue tongue virus is carried by insects as a vector. It is as simple as where the patterns change so do the vectors. In wetter seasons they expand and in drier seasons they contract. There has been a change in the blue tongue line and it has moved a bit further south in the Territory. There have also been some changes on the east coast. They come back to climatic conditions.

The important thing is that we have a range of monitoring programs as part of the national parvovirus monitoring framework. That is a national program that we participate in and it is important to satisfy our international importers of meat of the status of animals from wherever they are in Australia.

Mr WOOD: You mentioned in the annual report there is a cattle sentinel herd in Timor-Leste. I know one of the people in your department who works over there. What are the reasons for having a cattle sentinel herd there?

Mr VOWLES: I will pass you to the CEO for that important information.

Mr TRIER: It is very important that we engage with our international neighbours with biosecurity for three main reasons. Firstly, in less developed countries where we participate and build capacity. Secondly, we

understand what is actually there. Thirdly, we build relationships. We understand who we are talking to and who is discussing with them. It is not just a cold call.

In relation to blue tongue, there are many different strains. I am not sure of the number, but we have a number of strains. We do not have them all. There are strains through Asia, so it is important for us to know what strains are coming our way that we do not already have. Participating in the blue tongue monitoring in Timor-Leste gives us a window into what is on our doorstep.

Mr CURNOW: That last comment about our doorstep is a critical one. In terms of biosecurity we need to know what risks are being posed to Australia. With our proximity to Asia, understanding what diseases have spread in our adjacent neighbours is a critical step in terms of being aware what we are monitoring and where the risks might lie.

In the case of foot and mouth, if that ended up being in countries very close to the Northern Territory we would need to up our ante in terms of monitoring and surveillance.

Mr WOOD: Did we any other work in Timor-Leste on advancing their cattle production?

Mr VOWLES: As a parliament we do extensive work there. We see it as an important part of Asia for us and are proving that support. I will hand over to the CEO.

Mr TRIER: In addition to the blue tongue monitoring program, it is more a Commonwealth program. We participate in it, but we need to acknowledge the Commonwealth's involvement. We are not taking over their efforts.

We work more broadly in Timor-Leste building their biosecurity capacity across a range of techniques, skills and capabilities. We have also done some analysis on possible economic development projects in Timor-Leste.

The country is still going through the change of government machinations so we are waiting for that to become a bit clearer before we know where we are going there. We think there are definite opportunities for economic relationships and projects.

Mr WOOD: I am keeping an eye on the time. I have a couple of questions on fishing. Last year you declared certain areas of the Darwin region as protected yellow snapper areas. Has there been any illegal fishing in those areas, and are those areas still protected?

Mr VOWLES: Thank you for the question. As someone who loves fishing and wants to protect our waterways.

Mr WOOD: I would love to go out and fish it if I could.

Mr VOWLES: To make sure we have enough, the sustainability of our fisheries is a focus for our fisheries department. I will hand over to Mr Ian Curnow.

Mr CURNOW: Those areas have been in place for two years now. We are doing a lot of monitoring to understand whether they are being effective in rebuilding stocks and more importantly, if those stocks that are rebuilding in those areas due to spill overs actually benefit the fisheries overall. So are they actually doing it? That work will probably take another five or six years to understand the benefits that might be accruing to the productivity of the stock.

To answer your question, Member for Nelson, yes we have had a number of instances where people have been caught fishing in those zones. I do not have the numbers, it is certainly low numbers. Of those, a number have recently gone to court and people have been prosecuted and fined for doing that.

I am aware of one or two other occasions where a more educational response was provided by police. They thought it was a genuine error on behalf of the people in where they were located. They seemed genuinely surprised they had it wrong.

As I mentioned though, in a number of other cases it was clear people were going in to target those fish and they have been prosecuted.

Mr WOOD: Minister, one of the issues that came up recently on the news, and I think AFANT mentioned it, was a gentleman netting several rivers, including the Howard River near my community. The person claimed immunity by saying he was Aboriginal.

Has the government looked at this? Is there an area here we need to look at so the reasoning behind using nets is not necessarily a reason for being allowed to catch all the fish in that river and leave other people with only a few fish left over? I think seeing a fishing net going across the Howard River shocked a few people.

Mr VOWLES: Thank you, Member for Nelson for your question. I saw that footage; I was sent it many times. I was tagged in it thousands of times and all those sort of things. My reaction has not changed. I am appalled by the gentleman's behaviour in a recreational fishing zone. To use a commercial gill net is something I do not agree with. As somebody who fishes and respects the waterways, as most fishos do, I thought it was appalling.

It was a huge topic at the National Recreational Fishing Conference here over the weekend. I was fortunate enough to hold a parliamentary reception for the rec fishing NT awards, which Alex Julius cleaned up on.

I took the opportunity to say I do not want to legislate against idiots, but we need to look at our *Fisheries Act* to see what we can do. It is a contentious issue. I have read the Facebook posts I have been sent, about how this is not traditional fishing. But that in itself is how you describe it because times have changed. I have seen many derogatory statements, which I do not agree with whatsoever about—you used to fish and hunt with spears, and now they are using shotguns and all those sort of things. Well, that is not my interpretation. Times have moved on, thank God.

But we, or I, have asked for briefings. Mr Curnow will probably spend the next 30 minutes answering this question even further. But I just needed to put on the record that I do not want be somebody who has knee-jerk reactions to this. It is certainly a contentious and it is something that if we are to look at it you have to get it right, because it has already gone through the core process.

I just ask that we respect our waterways and the rules that have been put in place to protect what we are trying to do.

Mr WOOD: I agree that regardless of who it was, the environment is important here. Just because you are black or white, that does not mean you can harm the environment. That is the aspect that concerns me here.

Mr VOWLES: Sadly, it has turned into an 'us and them' discussion. In social media, and in wider media, that not something I want to do and be a part of. But as the relevant minister, I have to make sure I am doing my job right and looking at the *Fisheries Act*. It is a contentious issue and, like I said, 99% of people treat our waterways respectfully.

There is a reason why Shady Camp and the Mary River system is protected. We do not want to see commercial nets blocking off the Howard River and people talking about red tags and feeding crocodiles. It is just outrageous and idiocy, and it is something I do not agree with whatsoever. I will do what I can. I do not want to be somebody who has knee-jerk reaction. I need all the information—with that, I will pass over to Mr Curnow.

Mr CURNOW: I am not sure if there is much more to add. I think one of the key points is that traditional fishing is undertaken on a daily basis right around the Northern Territory and does not normally cause an issue at all.

It is important to look at this particular incident in isolation. I have been Director of Fisheries for about the past decade now, and it has only arisen as an issue twice, and that is by the same individual, who has recently repeated some behaviour which he went to court on and managed to get off on the rulings at the time on traditional fishing.

There is, quite rightly, an exemption around traditional fishing because it is done responsibly. It is an issue we are taking up with the Northern Land Council in terms of getting their views on that because, through some of the work we have been doing on Blue Mud Bay—and there is strong calls from traditional owners to be more involved in fisheries management processes. I think it would seem sensible as part of that, that they are also involved in it and have a customary responsibility in terms of monitoring fishing by their countrymen on their own land.

We have heard that a number of traditional owners might not have necessarily been happy with that behaviour either. There might be mechanisms for them to look internally at how they deal with that as well. But those discussions will be ongoing in the next couple of weeks between the NLC, us and the Water Police.

We will look at the current legislation, but the key thing at the moment is to put it into perspective that it has happened twice in a long period of time. The vast majority of fishing that is undertaken by all Indigenous people in a sustainable way—as by all recreational commercial fishers—and it is usually the only odd person that creates the problems and drives changes in laws.

Mr VOWLES: As I said, Member for Nelson, I did not want it to be a black or white—or whatever colour it is—situation. What the gentleman is doing is actually wrong. More importantly, it is not respectful.

Mr WOOD: Minister, my family actually has the opposite problem. So it does apply on both sides, and regardless of who you are, it is protecting the environment for future generations. That is the important part.

Madam CHAIR: Members, I just want to give an update that there is less than 25 minutes left. I just wanted to check if any other members had questions for the minister.

Answer to Question on Notice No 8.1

Mr VOWLES: I will just give an update for the Gerry show but that is all right. We just got some word that fruit fly has been eradicated in Tea Tree.

Mr WOOD: Is this breaking news?

Mr VOWLES: It is. It has been eradicated. Stuart Smith and his team are busily working. I have an even further update—and I do appreciate hard-working public servants who are listening and supporting me here—that the estimated cost is \$65 000. Thank you very much to everybody who has found that information for me.

Mr WOOD: It will be worth every penny when it comes to fruit fly.

Madam CHAIR: Hansard, I am just letting you know that that response was in regards to question 8.1. The Member for Nelson's question in regards to fruit fly.

Mr WOOD: He and the fruit fly have been deleted.

This is a miscellaneous question, I suppose. How many indigenous animal welfare inspectors have been appointed and what is their role? You do mention it in your annual report.

Mr VOWLES: I will pass that on to the CEO. That is a great question.

Mr TRIER: Go to Ian.

Mr VOWLES: And I will pass that on. Further handpassed over me. That was a ripper handpass as well I might add, but straight over to Mr Curnow.

Mr CURNOW: I will have to check on the exact numbers I think. Unfortunately, the answer, as of today, is now zero. In the last financial year we only had six or seven animal welfare inspectors.

We had one in that team at the time, who unfortunately got a better job—well, fortunately for her. That is a good outcome in that sense, but not so good an outcome for us.

As with all of our department and programs, as we recruit new people into those positions—now we have some vacancies and we welcome some Aboriginal people to be the successful applicants for those positions.

Mr TRIER: I have been advised this afternoon by our HR director that our retention rate of Indigenous employees is well over 95%. A lot of credit goes to the fisheries area. But we do work hard at that.

Mr WOOD: Some mining questions, minister—I will give you the two parts of the question. Did your department's submissions of the hydraulic fracturing inquiry include the department's view on onshore gas development, and when can we expect to see an energy discussion paper, as I think is mentioned in the annual report?

Mr VOWLES: Thank you, Member for Nelson. The department did not have a view, but they did provide the factual information to the inquiry that was needed and requested. But if there is anything further I will hand you over to Deputy CE of Mines and Energy.

Mr WOOD: Are they not allowed to have a view? They are supposed to be expects.

Mr APPLEGATE: The department provided formal responses to the inquiry on six or seven occasions. All those responses are on their website. We started off giving them some factual information about the geology of the Northern Territory, the prospectivity of where tight shale gas may or may not exist, and then followed on by a detailed explanation of the current regulatory environment that we apply to the petroleum industry across the Northern Territory.

We then had questions from the inquiry on more specific matters, and I cannot remember every one of those, but we have provided that information, answering those questions at every opportunity that has arisen. And again, all that information is available on their website.

Mr WOOD: Thank you. What is happening in regard to an energy discussion paper?

Mr VOWLES: We just released our renewables energy paper—yesterday I think it was, or the day before—our Roadmap to Renewables was put out. But I might pass you on to Rod Applegate.

Mr WOOD: I can ask another question.

Mr VOWLES: Yeah ask another question in the meantime, Gerry. We will just keep going.

Mr WOOD: This is a question that has concerned me for a long time and quite a few of the local residents, not just because I am a local member—but a lot of people are concerned. This is in relation to extractive mining sites, especially in the Darwin rural area, and we know that is an important area for gravel and sand. Minister, are there any rehabilitation bonds required? And is there any rehabilitation required of extractive miners? If you fly over that area, it is hard to believe there is any rehabilitation.

Mr VOWLES: There are security bonds held for extractive mining and industries and the proponents who are doing that work. We have had quite a significant outcome around finally signing off on the Howard Sand Planes and a way forward for the extractive industries.

The department is doing an amazing amount of work with the extractive industries about new opportunities and areas, but in short, we have and hole a mining security bond for their work. Like anything, they have plans to adhere to, but if Mr Applegate has anything to add, I will pass it on to him.

Mr WOOD: I want more about rehabilitation.

Mr APPLEGATE: Of course, the Northern Territory Government hold environmental securities for all mining leases including extractive mineral leases in the Northern Territory.

Ms NELSON: Mr Applegate, sorry to interrupt. I just want to ask because I looked through your annual report and could not find it ...

Mr WOOD: He just has not finished the question yet, that is all.

Ms NELSON: It is to do with the mining securities question, which is what you are talking about. Is that correct?

Mr WOOD: No, the rehabilitation of the mine. I am happy for when he has finished to come back to that.

Madam CHAIR: Yes. We will let Mr Applegate answer this question and then we will take the Member for Katherine's question.

Ms NELSON: Thanks. So, on mining securities ...

Madam CHAIR: No, the Member for Nelson's question ...

Ms NELSON: Ok, go. It is the Gerry show.

Mr WOOD: That is what you get when you are on the other side of parliament.

Ms NELSON: You should have been here in June.

Madam CHAIR: We have 15 minutes, so I call you back to order. Mr Applegate, please answer the Member for Nelson's question.

Mr APPLEGATE: I think I was saying there are securities held. Each of the extractive operators will have a mine management plan that has been endorsed and is authorised by the agency. Their obligations in terms of rehabilitation are in that mine management plan.

We like to see progressive rehabilitation and we know there are very good operators who continually mine and rehabilitate as they go. There are some other operators who will retain their areas that are cleared because they have not fully extinguished the amount of resource within their areas so they keep coming back each year and extracting a bit more sand or whatever the market requires. Of course, they do not want to go to the trouble or inefficiency of rehabilitating that if they will come back the next year and take some more.

We are working closely with the extractive industry to encourage what some of the better operators are doing in terms of progressive rehabilitation. At the end of the day we are pretty satisfied that the securities we hold will suffice in moving into some of those areas that may be abandoned and left for us to clean up. While they have active titles in place we are not taking action against them if it is in accordance with their current mine management plan.

Mr WOOD: Have you done a physical audit of all the extractive areas, say, in the Litchfield Shire and seen how many of those have actually been rehabilitated? How many of those are still holding an open licence? How many do things as simply as basic as we control? If you want to find a place that has weeds, you will find an extracted mining site.

Mr APPLEGATE: A very topical issue.

Mr VOWLES: I am still trying to find it in the annual report, Member for Nelson. Is it in there?

Mr WOOD: Extracted mining is; it is your report.

Mr APPLEGATE: To answer your question, we have not audited all extractives in the last 12 months that I have been with the agency. We have spent a lot of time specifically in the Howard Sand Plains working with operators who have tenure within the plains and negotiating, as the minister outlined, a very effective solution to protecting the bladderworts, toadlets and everything else that has been identified as significant.

Mr WOOD: Utricularia.

Mr APPLEGATE: I used a spectroscopy to see how deep the water table is.

We have not completely audited all the extractors throughout the rural area. In relation to weeds, it is a vexed issue. I am finding it increasingly difficult to insist that an extractive operator cleans out weeds on their own licence area when the surrounding landholders have extensive weeds already growing, which means that any time the operator cleans out the weeds they just blow in the next Dry Season from the nearby land.

Mr WOOD: The nearby landowner is normally the Crown.

Mr APPLEGATE: I cannot agree or disagree with you until I look at a map of where those extractives lie in relation to other parcels of title.

We have been a little disingenuous in suggesting that miners are the only ones who should carry out weed control.

Mr WOOD: We have Natural Resources tomorrow, so I cannot argue the Crown land case.

Mr APPLEGATE: We are working with industry over that.

Mr WOOD: I will argue with Crown land tomorrow about weed control.

Ms NELSON: I have a question to do with resources, and it is actually relevant to the annual report we are scrutinising. The policy for the mining securities has recently changed, but can you tell me how much was held by the government toward the end of the 2016–17 financial year? I cannot find that in the annual report.

Mr VOWLES: It was good government by a good minister who got onto this straight away—the mining security bonds. The consultation was extensive around releasing the mining security bonds we hold as a government for companies.

I think it is currently \$1.33bn we hold, as at the end of the financial year. We undertook extensive consultation and media about it being time to be an open and transparent government, getting these figures out there. This is what we promised, that we would be open and transparent. We released the McArthur River mine, the Granite gold mine, the Cosmo projects, Alcan—and those figures are readily available on the website, and any other security bonds we hold can be accessed upon application through the department.

We are being open and transparent about this and will continue to be. It was a fantastic announcement by our government, and it was done well by the department staff with consultation, bringing people on the journey with us. There is nothing that came out and bit anybody regarding us releasing those figures.

Ms NELSON: I have one more question, and it is to do with remediation. How much money is being spent on the legacy mine remediation in the Tennant Creek region in the 2016–17 financial year?

Mr VOWLES: We have a great story to tell on the Legacy Mines Unit. It gives me a fantastic opportunity to talk up that unit in the department. It is doing a great job.

The Legacy Mines Unit is funded out of the 1% levy we have on mining companies. We have seen hundreds of them in the Tennant Creek region. I was there last month with the Member for Barkly, visiting the True Blue site that the department finished remediation work on.

We have all the great names—True Blue and Plain Jane, which was the other mine we looked at. I think there are a couple of other rippers out there as well. It is an issue with these legacy mines are an issue around Tennant Creek. Some are only 100 metres away from some sites. To date we have spent approximately \$1.8m on 18 projects, and 17 of those projects have gone to NT businesses, which is a fantastic outcome for us.

This is an ongoing issue for us, for any government. I will say the previous government did some good work on this as well. We are continuing to make sure it is our responsibility and we have dedicated funds and a plan.

I will take the opportunity to thank Mike Fawcett and his team. They are doing a fantastic job out there. He showed me around last month. It was about 59 degrees and we were up hills. We saw the impact it has on the environment and the safety of Territorians.

Like I said, 17 projects have been let to NT businesses so it is going to locals in Tennant Creek, which means jobs for Territorians. That is what we are trying to do while we are cleaning up the Territory. I could talk forever about the Legacy Mines Unit.

Mr WOOD: Do not do that, minister, we are running out of time. Whose role is it to monitor legacy mines? Is it your department or the Department of Environment and Natural Resources, since they have taken over part of the mining functions in relation to the environment?

Mr VOWLES: The Legacy Mines Unit fits under my department.

Mr WOOD: So where does the environment fit now? Have your environmental inspectors moved to natural resources? What is the story there?

Mr VOWLES: My short answer is no, but I will clarify with the CEO.

Mr TRIER: Thank you. The incoming government made an election commitment to transfer the environmental regulation of mines to the Department of Environment and Natural Resources. That is a complex process, and before you can shift stuff out, you need something to put it into. That is what is happening now.

The Department of Environment and Natural Resources is looking at setting up a framework so that we can shift the environmental component of the regulation that we undertake, to that department.

We have done a lot of internal work identifying what that would be, and we are in a reasonable place, but to give respect to the Department of Environment and Natural Resources, it is a big job it is undertaking getting that framework in place.

Coming back to legacy mines, that is a separate component. It is not environmental regulation per se, it is dealing with an issue after the fact, and it is currently with the Department of Primary Industry and Resources.

Mr VOWLES: Are you talking physical people?

Mr WOOD: Yes, that is the sort of people I know, physical people. I was trying to work out how, even a legacy mine has an environmental impact. I have been to Redbank, and you can see the ongoing impact there. In fact, I think the EPA's annual report has a lovely picture of Redbank in it.

Is there a clear delineation between the environment of an old mine compared to the environment of a new mine?

Mr VOWLES: I was getting some advice then, Member for Nelson.

Mr WOOD: That is all right. I thought you were having a silent moment.

Mr VOWLES: Can you repeat the question for me, please?

Mr WOOD: Is there a clear delineation between looking after the environment of a legacy mine, and that is an ongoing environmental issue—as compared to looking after the environmental issues that will be raised with the development of a new mine?

Mr VOWLES: I will hand you over to Rod Applegate.

Mr APPLEGATE: The government's philosophy of moving environmental regulation to the Department of Environment and Natural Resources means the actual regulation of operators, for example those carrying out mining functions who may not be complying with the environmental conditions on the operation of the mine, would come under the scrutiny of the environment department, and be subject to their regulations.

The variant fact that we have legacy mines is that they have come back to the Crown with no one operating them, therefore there would be no one for the Department of Environment to chase or seek compliance on. By the very nature of those problems and tenures being handed back to the Crown it becomes the government's responsibility. The minister's department, which holds the funding and expertise, would be the appropriate place to continue to work a program of remediating—not only environmental issues, but safety issues such as those in Tennant Creek, where we have lots of open adits not presenting an environmental risk as such, but are a risk to people.

The basic tenet behind environmental regulation—they will regulate and look for compliance at particular operating mines, but the things that have been abandoned, many for years. It is appropriate for the minister's agency to continue to work up programs and projects to deal with those problems.

Mr VOWLES: For people's information, we held security bonds for these companies and projects.

Mr WOOD: They laughed at my question about the infrared—whatever it was. If I can ask one last plant question, you can pass the time. This is a happy Christmas question.

What was the research about into developing best management guidelines for the use of soil nitric oxide emissions associated with nitrogen fertilisers?

You will not get away with some easy question at the end.

Mr VOWLES: I would not expect any easy questions from you.

Mr WOOD: I am interested because nitrogen fertilisers are used a lot in the Territory for things like bananas. What is the issue here that is of concern?

Mr VOWLES: It is a serious question for people who live off the land and produce commercial crops. I never underestimate these two things: your questions; and the relevance of those questions. This means a lot to many people. To make sure I get it right I will pass over to Mr Hausler.

Mr HAUSLER: This is another project where we collaborate on a national scale. We are looking at nitrogen use in mangoes, but it is part of a program called Rural R and D for Profit. There is a heap of work being done with cherries and almonds. In this project we are partnering with the University of Tasmania. There are a number of other institutions and research and development corporations involved.

To answer your question directly, nitrogen is the major nutrient used in tree crops and most annual crops. It is appropriate that we gain a deeper understanding of how it is used and cycled in our orchards. It is also useful in gaining an understanding of water use in mangoes. Nitrogen is very mobile in the soil with water, which is where it is can be useful because it tells us where the water has gone to as well.

If nitrogen is found below the root zones in trees, it is a waste because too much of the nutrient has been applied, or too much water. This is about trying to increase yield and productivity for farmers. Applying too much fertiliser, which is a major cost—if we can reduce that cost then all is well for increasing productivity.

Madam CHAIR: The time being 8 pm, it brings the second day of our hearings to a close. I thank you, minister, for your time this evening, and your accompanying staff. The committee will adjourn until 8 am tomorrow morning, when we will consider the Department of Environment and Natural Resources.

Mr VOWLES: Thank you to all my departmental staff.

The committee suspended.
