

The committee convened at 8.30 am.

Mr CHAIR: Good morning, everyone. Welcome to today's Estimates Committee hearings. The first and most important point is that the red light means the microphone is on. If I interrupt you, I am sorry, it means someone has yelled out to us to say that it is not on.

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

MINISTER LAWLER'S PORTFOLIOS

TREASURER

DEPARTMENT OF TREASURY AND FINANCE

Mr CHAIR: I welcome the Treasurer, Minister Lawler. I will invite you to give an opening statement and introduce your accompanying officials. Then we will call for questions. Most people are used to this now, but the committee will then consider any whole-of-government budget and fiscal strategy-related questions before moving on to output-specific questions, and finally non-output specific budget-related questions.

I will invite the shadow minister to ask their questions first, followed by committee members and finally any other participating members. Other members can join to ask questions. The committee has agreed that other members may join in on a line of questioning pursued by the shadow minister, rather than waiting to the end, so we get the flow in the line of questioning.

Ms LAWLER: I acknowledge the Larrakia people on whose land we meet today.

I will make an opening statement in relation to my responsibility as Treasurer. I have with me Under Treasurer, Craig Graham; Deputy Under Treasurer, Catherine Weber; and Deputy Under Treasurer, Mick Butler. We have other officers here as well who we may invite at the appropriate time, if required.

As Treasurer, I will address financial and economic matters related to the budget including financial statements and fiscal strategy, Territory revenue, and the Territory economy. Details on specific agency budgetary matters can be addressed by the ministers responsible for those portfolios.

As shareholding minister, I can address budgetary questions relating to Power and Water Corporation, Territory Generation and Jacana Energy. Operational and other policy questions should be discussed at the government-owned corporations hearing.

In addition to whole-of-government financial issues, I will answer questions relating to the Department of Treasury and Finance as an agency, the Central Holding Authority, and the Northern Territory Treasury Corporation.

Together we made it through the challenges following the end of the INPEX construction boom and the uncertainty of COVID. Budget 2022–23 ensures all Territorians will benefit from this growth. Budget 2022-23 locks in new investment and new jobs, strengthens the essential services Territorians rely on, tackles the hard problems Territorians face and protects the great Territory lifestyle.

Budget 2022–23 shows the economy is strong and getting stronger. State final demand—the best measure of onshore economic activity in the Territory—is estimates to grow by 8.85% this financial year, more than double what was forecast in last year's budget. In the coming financial year it is forecast to grow a further 5.4%, well above the previous forecast. This growth is driven by high levels of spending by Territorians and private sector investment.

Notably, the forecasts do not include all of the major projects that are in the pipeline but not yet at final investment decision, nor does it include the Commonwealth Government's \$2.6bn investment in economy-strengthening infrastructure announced in this year's Commonwealth budget.

Importantly, Budget 2022–23 forecasts a general government net operating surplus in 2024. This will be the first operating surplus in nearly a decade. This reflects the government's commitment to containing expenditure growth, combined with substantive improvements in the Territory's GST forecast and upward revisions to the Territory's tax and royalty collections.

Recurrent expenses in the non-financial public sector are estimated to be \$7.86bn in 2022–23. This is about \$0.5bn lower than the current year, largely reflecting the conclusion of a number of COVID-19 support measures. Over three quarters of total expenditure—about \$5.5bn—is allocated to health; education; public order and safety; social protection; and housing.

Budget 2022–23 includes \$1.7bn for infrastructure investment—\$1.2bn of that is for general government and \$0.5bn is for government-owned corporations—with a capital works program of \$3.28bn. Consistent with government's investment in promoting economic growth, creating new jobs and connecting Territorians, 50% of the program is allocated to transport infrastructure and over one quarter to housing and community amenities. Importantly, about 60% of the program will go to new and upgraded infrastructure in remote and regional communities.

The 2022 budget includes \$845m over four years in new policy commitments aimed at attracting new investments, creating new jobs and maintaining core government services Territorians rely on. This includes additional funding to support the delivery of the government's infrastructure program. This is achieved within government's fiscal strategy commitment to containing expenditure growth. The general government net operating balance is forecast to be a deficit of \$253m in 2022, less than half of what was predicted last year. Its aggregate is forecast to improve by nearly \$1.4bn over the four years.

The broader, more comprehensive measure, the fiscal balance deficit for 2022, is now forecast to be just over \$1.1bn. It is heading back to balance with a forecast deficit of just \$17m in 2025, and a return to surplus in 2026. The budget deficit is projected to be lower in every year over the forward estimates and is forecast to improve in aggregate by more than \$1.1bn over four years.

Returning the budget to balance and forecast surpluses also means reducing debt. The 2022 budget forecasts net debt to reach its peak at \$9.4bn in 2024, nearly \$2bn less than forecast previously, before net debt starts declining from 2025. Territory revenue is expected to be \$7.6bn for the non-financial public sector in 2022–23.

Despite using more modest assumptions than the Commonwealth, GST revenue—the Territory's single largest revenue source—is also higher than the previous forecast, and is expected to improve by \$2.43bn over the budget cycle to 2025–26 compared to last year's budget.

Additional own-source revenue estimates relate to higher stamp duty collections on property conveyancing and stronger than expected commodity prices affecting mineral royalties. Tax and royalty revenues are expected to remain strong over the forward estimates, averaging \$985m per annum. That reflects improved economic and employment conditions, and continued strength in key commodity prices and activity in the mining sector.

The 2022 budget also shows that the Territory economy is recovering and forecasts strong growth. This is in part an outcome of increased public consumption underpinning the Territory's successful COVID-19 response, with public investment also expected to return to pre-COVID levels. The biggest driver is strong growth in private investment—36.6% in 2021–22 and 24.3% in 2022–23—reflecting a range of large projects such as the Barossa LNG project, Core Lithium Finiss mine and the US defence fuel storage facilities.

These forecasts do not include almost \$40bn in proposed energy, resource data, hydrogen and commercial projects that are yet to reach final investment decision. To reiterate, these forecasts also do not include the Commonwealth's \$2.6bn Energy Security and Regional Development Plan, which will build a range of economic enabling infrastructure, including regional logistics hubs, and marine infrastructure at Middle Arm Sustainable Development Precinct. All of these will add to further growth in the Territory's economy, and new jobs and opportunities for Territory businesses.

The Territory labour market rebounded in 2021–22 with estimated employment growth of 1.1% and unemployment of 3.9%. Employment is forecast to strengthen to growth of 2.3% in 2022–23, supported by demand for labour associated with major private and public investments in construction projects. The unemployment rate is forecast to remain low at 4.2%.

The Territory's economic recovery is under way. Our forecasts, while positive, are conservative. Budget 2022 delivers long-term economic growth for all of us. Finally, I thank our previous Treasurer, Michael Gunner, the team at the Department of Treasury and Finance for their integrity, expertise and hard work. I am happy to take questions.

Mr CHAIR: I will quickly run through—because there is a lot of financial stuff here and there may be stuff that is commercial-in-confidence—if we need to, we can go *in camera*, which did not happen yesterday. That is not a problem, all it really means is that advisers and cameramen have to go out; it is not hard.

Mrs FINOCCHIARO: Thank you, minister, and to your team up the front. Also, to the enormous team in Treasury out the back and in department land. They have undoubtedly put a power of work into developing the budget this year, but also in preparation for estimates. Particularly, because you have had ministerial reshuffles. You have earned your dollars this week.

For this budget, you were a member of Cabinet, but not the Treasurer, at the time it was created. Do you stand by this budget in its entirety?

Ms LAWLER: This is a great budget for Territorians. In my opening speech, I said that this was a budget for all of us. All fiscal measures have improved since last year's budget. We are in a good position and I am optimistic about the budget. Michael Gunner, as Treasurer, did a fantastic job. I look forward to continuing the work he did to make sure that the Territory is on track to a surplus by 2024. It is great news for all Territorians.

Mrs LAMBLEY: Could you clarify that you are saying a surplus in 2024? That is not in the budget papers, is it?

Ms LAWLER: I will pass to a Treasury official, so that you believe the Treasury official.

Mr GRAHAM: The current budget forecasts an operating surplus of \$60m by 2024–25.

Mrs LAMBLEY: You are still forecasting a fiscal deficit of \$17m in 2025–26.

Ms LAWLER: As Treasurer I will be pushing for that \$17m as we get closer. In 2025–26 I may not be Treasurer, but I am sure we will work hard. In the big budget figures in the Northern Territory, \$17m is a small number.

Mrs LAMBLEY: Could you clarify—a surplus in what year?

Ms LAWLER: In the general government sector, the net operating balance will be in surplus in 2024–25. Why are you asking? That is always the issue. It is in the budget papers and it is clear.

Mrs LAMBLEY: I am looking at the budget papers. In 2024–25?

Ms LAWLER: The net operating balance will be \$60m in 2024–25.

Mrs FINOCCHIARO: In other words, you will cut \$1.1bn from somewhere by that time?

Ms LAWLER: We do not think we have to cut, we have worked hard on our effective government policy decisions on fiscal discipline. We will continue to do that. We are in a fortunate situation. You take it now and did not take it before. There has been an increase in GST—which has been fantastic for the Northern Territory—our own-source revenue increased by \$122m, and the Commonwealth revenue for capital purposes.

I will reiterate, we have been conservative in our estimates in this budget. It is a great news story. The improvements in GST are a good thing for the Northern Territory, because the Territory relies on GST. We talked about the black hole in the GST—you did not want to accept that. I hope you accept now that an increase in GST is great for the Territory.

Mrs FINOCCHIARO: The black hole in GST was fictitious, which is why we did not believe it.

Ms LAWLER: That is not correct.

Mrs FINOCCHIARO: Make no mistake, the deficit is \$1.1bn today and you are saying that it will get to zero in 2024–25. That is \$1.1bn you either have to cut or supplement with own-source revenue.

You cited in your opening statement that you are expecting higher stamp duty—despite the fact that construction and new builds are down—and high commodity prices—despite the fact that your own budget

predicts lower mining royalties and zero royalties for gas. You are hoping and praying for more GST from your Labor mates in Canberra. Other than hoping and praying, where will you find \$1.1bn?

Ms LAWLER: I think you are talking about the fiscal balance when the non-financial public sector was \$1.1bn—that will be tracking to 2025–26 to \$17m. Yes, we have lots of major projects. Major projects included in our forecast are the Barossa project, the Darwin Ship Lift project, the Darwin City Deal, the Remote Housing Investment Package, the bulk storage facility—that is well and truly under way. The national Aboriginal art gallery, the Finniss lithium project, the Barkly Regional Deal, some of our data centres, and the Tanami mine expansion. All the defence work is included in this budget.

We have major projects that are not included in these budget forecasts. Things like Sun Cable—which Territorians are understanding is well and truly real. The \$2.6bn for Middle Arm—the hubs, Desert Bloom, HyperOne, Mt Todd, Nolans rare earths, Mount Peake, Jervois, Ammaroo, and Rover gold project. All of those are not included in this budget.

For a start, that \$2.6b is not included. We have been very conservative with our GST. The Territory's GST revenue in 2021–22 was estimated at \$385m. It is now \$449m. The forecast is to see GST return to 2015 levels. I know you think that it is not true about our GST. I will show one of the graphs to the camera, so you can see loudly and clearly that we had those GST cuts. What we saw was a projection. We are going back to those levels, so the Territory is in a good place with the GST.

Mrs FINOCCHIARO: The projects you are citing as bringing in revenue to the Territory, many of them are actually expenditure on behalf of government. For example, the national Aboriginal art gallery in Alice Springs, that will cost a few hundred million dollars plus ongoing costs. Sun Cable is not projected to come online for another six to 10 years. Today the federal Minister for Northern Australia said that gas production will not happen until 2030. You cannot just list a bunch of projects like bulk fuel storage, City Deal and NEGI when they are actually costing government money.

Ms LAWLER: We could argue all day and I can always bring in the economist from Treasury, but it is about driving tourism and population increase. We know that GST is impacted by population. That is one of the key drivers of GST. In the Northern Territory it is why we do these projects.

We want to see more people make the Territory home. That is what it is about. When you talk about the City Deal or some of the other projects it is about liveability. It is about making sure that people who come to the Territory for jobs, want to stay in the Territory—they buy a house, a block of land, they bring family members up here whether to holiday or to live.

The Member for Araluen has not backed the national Aboriginal art gallery, but that is a game changer ...

Mrs LAMBLEY: That is not true.

Ms LAWLER: Put it on the record now; tell me. I just heard you say that you did not.

Mrs LAMBLEY: It is not true. You are making assertions about what I think and what I say, which are not true. I refute that and I ask you to withdraw through the Chair.

Ms LAWLER: All right. I withdraw it. On the record you back the national Aboriginal art gallery? You will come out every day and support the Northern Territory Government about the national Aboriginal art gallery.

Mrs LAMBLEY: Let us talk about the budget, the deficit and the black hole you have put Territorians in for the last five years. Deflecting and talking about my commitment to the national Aboriginal art gallery is just a furphy. I have never come out against it and you know that.

Ms LAWLER: No. I do not know that.

Mrs LAMBLEY: I have never agreed with the site, but in principle I have always supported the art gallery.

Mr CHAIR: Member for Araluen, I agree with you that we should talk about the budget. That we should ...

Mrs LAMBLEY: It is not what Robyn Lambley thinks about the national Aboriginal art gallery—it is a deflection.

Ms LAWLER: No, it is not.

Mrs LAMBLEY: Talk about your business, minister.

Mr CHAIR: Member for Araluen, I agree with you that we should talk about the budget. The minister was talking about the budget, but as we have done over the first day, we tend to go off the road a bit and out on to a dirt track maybe down to Arltunga or somewhere to have a look but then we come back, and we have let that go over the last day—what has been the general practice over the last couple of years. If you take offence at something that has been said, of course, raise it.

Mrs LAMBLEY: Yes, thank you.

Mr CHAIR: That is fine, we had that yesterday. Please do it through the Chair because we do not want to take up too much time arguing about what was said or what was not said.

Ms LAWLER: I was clarifying regarding the national Aboriginal art gallery because it has been—and the majority of the decision regarding that—an economic driver to Alice Springs. We have seen that around the world. The clear example of that is in Hobart with MONA. When you put in something that is substantial, you will bring people to Alice Springs. You will have tourists in Alice Springs. The knock-on effect then is that you will have more cafes, restaurants, tourist outlets and businesses selling Aboriginal art.

That is why we were always clear about that site and putting it in the CBD. It needs to be in the centre of Alice Springs so people come into the CBD. They go to the gallery. They might sit on that grassed area and be able to have a picnic there. They will be able to walk down the mall. They will bring vibrancy to Alice Springs.

Some of you do not see the vision of the Aboriginal art gallery. It is about the economy in Alice Springs, driving that vibrancy and bringing people and jobs to Alice Springs.

Mrs FINOCCHIARO: If it will be such an economic generator, how much is allocated in this year's budget and when will construction be completed?

Ms LAWLER: Some of those questions could go to the Infrastructure output. There was a tender for the design work that came out about a month ago. That design work will happen. We will make sure that the community has a strong say in what the gallery will look like. As soon as the design work is completed, we will be pushing ahead as soon as possible. That project has been delayed. People know the story regarding that. We know of the difficulties with dealing with the previous Alice Springs Council regarding that project. As a government, we want to see that project delivered as soon as possible.

Mrs LAMBLEY: Alice Springs people see it as your complete and utter incompetence that you have delivered nothing in this space, when it comes to the national art gallery, for the last five-and-a-half years. Will you actually commit here, today, that you will start construction in 2025 like you promised in the media some time ago, and deliver this project rather than talking about it endlessly and throwing around spurious accusations regarding people's commitment? I question your commitment to this project given the fact that there has been nothing at all delivered in this space.

Ms LAWLER: We are 100% committed to that project. I would like to have seen it started earlier than that. The issue with that project was that the land belonged to Alice Springs Town Council. We gave Alice Springs Town Council many opportunities, some really great deals that it did not take up. We know the story now. The previous mayor of Alice Springs, who then stood for the CLP in the seat of Lingjari, was stopping that project—and the council. We are now ...

Mrs LAMBLEY: A point of order, Mr Chair! Making accusations about members of the public like this is out of order from my perspective. I would like a ruling on this. Mr Ryan is now just a member of the public who did a job like the minister is trying to do now—not doing very well, I might add.

Throwing claims and defaming members of the public like that is really out of order when we have a whole day ahead of us to talk about what really matters to Territorians. It is not what the former mayor did or did not do according to the minister or the Treasurer.

Mr CHAIR: Member for Araluen, I will cast my mind back to your comments about three or four minutes ago. There was a whole range of accusations within your comments towards the minister, the government and the commitment to the art gallery.

Mrs LAMBLEY: But at least she is sitting in front of us and can defend herself. I am talking about a member of the public.

Mr CHAIR: The minister is quite capable of defending of herself. She is probably one of the best at defending herself in the parliament.

Mrs LAMBLEY: I would say she is too.

Mr CHAIR: I do not think it is a point of order when the minister talks about delays in projects over a period of time that is directly related to the government.

Mrs FINOCCHIARO: No, there is a standing order about mentioning people who are not members of parliament.

Mr CHAIR: Order while I am speaking, thank you, Leader of the Opposition.

You asked for a ruling, which I will explain. We are talking about the projects—we are only 25 minutes into the day. The projects are relevant. The minister was talking about the multiplier effect or the flow-on influence downstream of investing X into a market with tourism. Then she reflected on why that project was not able to get up, to which you asked for a commitment, ‘Will you start building it within 2025?’

To add context to the reason why it has not started, I do not think that it is out of order for the minister to add the reasons why she believes that it has not happened. There was an elected member, who she named, but I do not think that is out of order. That person was an elected member of that council.

We have gone off the road again, so let us come back. As you said earlier, this is about the budget. We are talking about projects, multiplier effects, how it impacts the economy, and whether or not we will see that operating budget service in 2024–25.

Ms LAWLER: The good news is about the GST. The estimates of GST revenue in the NT and in the Commonwealth budget—we have been conservative about the GST. There will be increases in GST in 2023–24 of about \$476m. In 2024–25 it will be \$531m.

It is about Australia rebounding from COVID and Australians out there spending money. There was also improvements in our relativity—so, good news for the Northern Territory with major projects, but it is also good news about the GST, our own-source revenue, and the federal budget that put a lot of money in the Territory. We are in a very good position because of that.

I am here to talk about a good budget, and am very happy to take questions on how optimistic we can be about the budget in the Territory.

Mrs FINOCCHIARO: You cited projects like the national Aboriginal art gallery driving own-source revenue. You then said that is because it will—despite being a huge cost to the Territory—create additional tourism and liveability so the population will grow.

All of these projects that you are talking about—if they are to have any impact on driving down that \$1.1bn deficit—they all have to be done by 2025–26. You must have a time frame that you believe the national Aboriginal art gallery will be built by, because if it is not built by then, it will not be generating any revenue.

Ms LAWLER: For the national Aboriginal art gallery, let us wait until I am doing DIPL, otherwise I can lean back and get my folder on it.

Mrs FINOCCHIARO: It is a Treasury question though. Treasury officials do not make projections ...

Mrs LAMBLEY: You raised it in your opening statement.

Ms LAWLER: Hold on, I will get my DIPL folder on the national Aboriginal art gallery.

Mrs FINOCCHIARO: No, I want it from a Treasury perspective. You are saying, ‘Look, we are on track. We are driving down the deficit. All of these projects will mean greater own-source revenue’. You cannot spruik a project that will whittle away at \$1.1bn in deficit, if it will not be done by the year you propose to only have a \$17m deficit.

Where will you cut, or how will you grow, our economy by \$1.1bn in four short years? If you spruik the Aboriginal art gallery as part of that plan, it has to be finished—signed, sealed and delivered—well before 2025–26, so that the economic benefit of it transpires. Otherwise, it cannot be calculated by Treasury as part of how it will wipe out \$1.1bn of deficit.

Ms LAWLER: All of those, and the example you give of the art gallery, are part of the bigger picture. I spoke about the GST, own-source revenue estimates—I can give you figures. There will be increases in mining royalties, payroll tax and taxes on property. Our own-source revenue for 2021–22 is expected to exceed the original 2021–22 budget by \$122m. Of that, \$88m is taxes on property conveyancing, with smaller increases in royalty revenues and taxes on motor vehicles.

Art galleries, or some of the other projects we talked about, are all part of the picture. It is not one or the other. That is often how I know—Leader of the Opposition, you are very black and white. It is about projects like the Barossa, ship lift—that tender will be announced very soon—the US bulk storage facility—all of those projects, including the national Aboriginal art gallery, add to the benefits to the economy, because you have companies employing people.

The Aboriginal art gallery will have people living in Alice Springs to build that facility. That is part of the whole picture—own-source revenue, GST, projects. It is all part of what we see in the budget. It is not one or the other, or either/or.

Mrs FINOCCHIARO: Sure, except that if something will not be done in time for your own self-imposed deadline of getting rid of ...

Ms LAWLER: It is not a self-imposed deadline.

Mrs FINOCCHIARO: It is. The trump of this budget from your government's perspective is that you will be moving to a balanced position by 2025–26. Our job in estimates is to work out how we will get there. If you are trying to put projects or revenue streams that do not exist into that—this is how we work out whether or not you will be able to achieve this or not.

For example, you just said mining royalties. Mining royalties over the forward estimates are set to decline. They will go from \$353m in 2021–22 to \$335m in 2025–26, which is when we are predicting to have a deficit of \$17m. There is a decline.

You talked about population growth—population is growing from 0.1% to 0.9%, which is a very small increase in population. Hanging your hat on GST to that will be slim pickings. You might pick up \$1m out of that population growth, if you are lucky.

There are no royalties for onshore gas. New home starts are down. Commodity prices are not reflected in increases in mining royalties.

I am trying to work this out. You said that nothing will be cut, so we will rule that out. Where will we get money from? You have not been able to point me to anywhere in your own budget papers that points to a dollar figure going up, except for payroll tax.

Ms LAWLER: With you, we get these long diatribes in estimates. The figures in front of me show that mining royalties will stay relatively flat across that with \$353m in 2021–22. It is relatively flat.

Mrs FINOCCHIARO: If I was on a skateboard with these royalties, I would be rolling downhill.

Ms LAWLER: There is about \$308m in budget variations for mineral royalties, employees, property, gambling, motor vehicles and insurance. One of my great staff upstairs messaged, so that I did not have to look in my Infrastructure folder, to tell me that the art gallery will commence in late 2023. The gallery will bring people to Alice Springs to construct it. It will be a huge construction project.

In our fiscal strategy assessment, Territory-funded expenses are projected to decline by 2.8%. These are good news stories. Are you questioning whether we will get into a budget surplus? What is the basis of your question?

Mrs FINOCCHIARO: I am trying to work out how you will get there. I think it is dangerous and cunning of governments to make big, bold statements without outlining a pathway to get there. I am trying to legitimise your claims. We would like to know how you will get there.

You said that you will not cut. You try to make it sound as though everything is rosy by including projects that have been sitting round for a long time. I am sure that they will happen; we want them to happen, but whether or not they will by 2025–26 is another story.

Thank you for the information about the art gallery, if it will be done by that deadline. Looking at this, your mining royalties will be down; taxes on property will be down; gambling will be up, which is ironic given that you are a Labor government; and motor vehicle taxes will go up.

You are taxing Territorians more, and expecting less from mining companies. That signals to me that there will be no new mines coming online. How can royalties be steadily declining over the forward estimates, if you are expecting some of these massive projects to come online? It does not make sense.

My job is to try to work out—I start with 1.1 and put minuses next to it. I am trying to work out where the increases will be.

Ms LAWLER: Things will improve from the 2021–22 budget. There will be an improvement of \$308m. I said that in my opening statement. The major projects are not included in the forecast. There are a considerable number of mines including Mt Todd, Nolans, Mount Peake, Jervois, Ammaroo and the Rover gold project.

All you have to do is read Budget Paper No 2. That provides you with all ...

Mrs FINOCCHIARO: That is what I have done.

Ms LAWLER: That will provide you with what ...

Mrs FINOCCHIARO: Maybe you need to read it.

Mrs LAMBLEY: I am wondering whether you have read Budget Paper No 2.

Ms LAWLER: Yes, I have read Budget Paper No 2.

Mrs LAMBLEY: What you are saying is not making any sense; it is not stacking up.

Mrs FINOCCHIARO: It is not what is in there. Perhaps I need a little graph to show you the sliding slope on mining royalties—353, 345, 346, 334, 335—335 is less than 353, which means down.

Ms LAWLER: We are going back to the point that we are seeing the budget position in a much better position than it was in 2021–22 ...

Mrs FINOCCHIARO: Thank god for that, because it is appalling.

Ms LAWLER: When you talk about mining royalties, it is pretty steady about that. The biggest input, as we have said, is GST. I can always pass to a Treasury official to let somebody else make a different explanation, if it is not getting through.

Mrs FINOCCHIARO: What happened? What is government actually doing? GST—you can lobby, fight hard and try all these things, but you cannot hang your hat on it. It is not something about which you can say, 'Yes, she will be right; that is definitely happening, whack it in the budget.' That is hope and prayer stuff.

What is the government actually doing? If we do not get that GST windfall you are predicting, what happens? What is the backup?

Ms LAWLER: We saw what happened. You do not want to admit to it when it is positive. You did not want to admit that you hung your hat on it when it was negative. We heard you kicking and screaming, and denying it all when it was not.

In the Territory about 40% of our finances are from GST—they are in the outer years. They are in the estimates. That is what you do as Treasury; you work on those figures.

I am not sure what you are talking about because, as a government, we have put in place so many projects to make sure that we diversify our economy. Five years ago you had not even heard of a data centre coming to the Northern Territory. We have amazing thing like bulk fuel storage and the first lithium mine in the

Northern Territory. We are making sure that we diversify the economy in the Northern Territory. That is the work we have been doing, and have done very well, as a government.

Your arguments about GST are a non-issue. The GST is the GST. We continue to work with the federal government. We lobbied when the GST was bad and when it is good. We work as Treasurers across Australia to make sure that the GST pool is fair. That is what it is. I am not sure what you are trying to get at. I will pass to Craig Graham, the Under Treasurer, so he can add to those conversations about the GST with a non-political view.

Mr GRAHAM: The primary reason for improvement in the fiscal outlook is largely the GST story. We are seeing between \$400m and \$500m improvements in our GST forecast per annum, compared to last year's budget.

The own-source revenue improvements we have been talking about, again are compared to last year's budget. Whilst revenue is forecast to grow significantly, the other key factor in the improvement is that expenditure is forecast to remain flat, and actually decline in nominal terms, across the forward estimates.

While expenditure is remaining flat compared to revenue growth, that is the primary reason for the improvement in the budget bottom line that we are forecasting.

Mrs FINOCCHIARO: It requires fiscal restraint and management. It needs government to live at the minimum within its means to make sure—despite the fact that costs are going up, the public service is growing and service delivery is growing—somehow there is a cap on that, so that revenue can start to pull ahead and make a dent in that deficit.

Ms LAWLER: We can go back to talking about our plan for fiscal constraint and the Langoulant plan. I will not take credit for it, but the previous Treasurer kept a very tight rein on expenses. We have been clear to our departments that ...

Mrs FINOCCHIARO: I must be living in another universe. I am pretty sure an \$8.7bn debt is not living within your means.

Ms LAWLER: Throughout COVID we managed the budget extremely well.

Mrs FINOCCHIARO: What about all the other years? Two out of six years have been COVID.

Ms LAWLER: It was about making sure that the agencies and departments stayed within their budgets and lived within their means. We have done that hard work. We had freezes on executive contracts, politician wages, executive contract wages and we have our wage policy in place. Our government has done the hard work.

Mrs LAMBLEY: How do you explain the enormous debt you have clocked up? There has not been a lot of restraint and prudence from the perspective of most people who have been watching this downward spiral into a vortex of insurmountable debt, to the point of near insolvency.

Mrs FINOCCHIARO: We are trading insolvent.

Ms LAWLER: We can look way back and talk about coming out of the INPEX bubble.

Mrs FINOCCHIARO: With a \$1.8bn debt.

Ms LAWLER: When we came to government, we knew the CLP situation. The CLP sold TIO for \$424m to Allianz in 2014 ...

Mrs LAMBLEY: You spent the money.

Ms LAWLER: They also got \$506m for the 99 year lease of Landbridge, which was paid up front in 2015. We know the story about trying to privatise Power and Water, T-Gen and Jacana.

We had to spend money, which we did through large infrastructure budgets—the federal government has done this as well. We have to do that in tough economic times to keep people in jobs and to keep Territorians in the Territory. The federal government has a deficit of \$224bn across the next four years and a debt of \$1.2 trillion—I have not heard you talking about that.

Mrs FINOCCHIARO: Do not worry, I have a question for you on that—it is coming.

Ms LAWLER: Governments need to do those things to keep people in jobs and the economy ticking over. That is what we did.

Mrs LAMBLEY: How do you intend to pay it back?

Ms LAWLER: That is what I have talked about for the last 45 minutes. We will continue to see improvements in our budget position. Our debt will get to the stage where we can pay it down, so we will see that debt decrease.

Mrs FINOCCHIARO: If GST decreases, you have predicted these huge windfalls of \$400–500m a year, which is enormous. If that does not transpire, there will be no balanced budget, is that correct?

Ms LAWLER: We take the good times with the bad times. You have never admitted that we had dire times with GST cuts. The years between 2016 and 2020 were where GST was at its lowest. We continue to make sure that, as a government, we work with the federal government so all Territorians get a fair share of GST.

Mrs FINOCCHIARO: Territorians are sick of the blame game. If you want to talk about government, Labor has been in government 17 of the last 21 years. It is a phenomenal amount of time.

Ms LAWLER: It is phenomenal and fantastic.

Mrs FINOCCHIARO: You have now been in government for six years, so this is all of your own making and design. If you do not get the GST you are predicting, there will be no balanced budget. Is that correct?

Ms LAWLER: That would be the case. Most of our revenue in the Northern Territory—47%—comes from the federal government through GST. You are willing to take it now but you are not willing to take it—can I table this graph?

Mr CHAIR: Yes.

Ms LAWLER: People listening from home can see the GST trajectory up to 2015–16. There was then a considerable drop, which was when our budget was in dire, difficult straits. We had combined issues of coming off the INPEX high and the GST drop. In 2021, the trajectory is now following what our Territory government wants.

You were not willing to talk about these times, but you are always negative and talk about the possibility of it dropping off again. With Northern Territory, we hope that the GST we have will continue to go back to what it should be, and that is reliant on a good and strong Australian economy.

Mrs FINOCCHIARO: Have you got a commitment from the new Labor government on the GST increases that you are predicting?

Ms LAWLER: It is not the new Labor government, it is the Treasury boffins in federal government who work on what they have in their budget. I said it in my opening statement. We are being very conservative in our budget. We have said about \$167m less for our GST. We and our Treasury officials have been very sensible in developing our budget. It is not about a change in the federal government, it is about the work being done federally. You could look at the federal budget, and then you would look at what is coming to us.

Mrs FINOCCHIARO: That is interesting because I imagine if there was a big GST windfall you would be praising it as being the Labor government. I am glad to hear you are on the record now as saying it has nothing to do with them. Interesting.

Ms LAWLER: That is how petty you are.

Mrs FINOCCHIARO: That is what you just said.

Ms LAWLER: All my decisions as Treasurer and as a minister are based on what is good for Territorians. It is how I operate and that is how you have integrity as a minister. You had six days as a minister. It is not about political point scoring. Your whole life seems to be driven by political point scoring. No, what we want

to see is a good government nationally and federally. We want to make sure as a Territory that we get the best at every opportunity financially for Territorians.

We know how expensive and how difficult it is in the Territory. We have such a small population. We are reliant on the feds' GST, but we have also expensive, costly delivery in healthcare, education and police across the Territory. As a government, I do not care who is in nationally. Yes, it is lovely to see a federal Labor government because you can have easier conversations, but I also made sure and worked hard in all my portfolios when we worked with the previous federal government. That is what a sensible government does. It does not get down to cheap point scoring, which you are famous for.

Mrs FINOCCHIARO: It makes me so happy to hear that today you are taking high moral ground. Maybe that Treasury portfolio has done you wonders. It has been good for you.

Ms LAWLER: Not now; always, and I have said that in parliament. The work I have done with Michael McCormack, and the work that I did with Barnaby Joyce to make sure that we got a huge—probably the biggest ever infrastructure budget from the federal government.

We got more than when you were in power as the CLP with a Liberal national party. We did very well as a government—working with any government that is in Canberra and we will continue to do that. We are here for the betterment of all Territorians—not just mates, not just CLP people—that is how we work. I am very happy to say that and put it on the record.

Mrs FINOCCHIARO: Definitely not political point scoring—I applaud your ...

Ms LAWLER: Just stick to questions on the budget.

Mrs FINOCCHIARO: If you have to make sure that the government's expenditure remains the same as now, or less, over the next four or five years, that means you will have to lower or reduce services, or cut staffing. It is not possible for you to ask the public service to operate at 2022 levels as inflation and everything else goes through the roof over the next four or five years. That results in less money, which means less services—it means less of something. What will you be weaning off from the public service to make sure that you are keeping the lid on the same expenditure over the next four years?

Ms LAWLER: Your question shows a complete lack of understanding of how government budgets are developed.

Mrs FINOCCHIARO: Enlighten me, please. Give me your wisdom.

Ms LAWLER: Whatever the projections and estimates are, we will make sure that there are still increases in some agency budgets. As a Labor government, we always support education and health, but it is about making sure that we continue to get to where we need to go. There will be increases, and we will see improvements in our own-source revenue and in GST.

When we sit down with Treasury and then sit down as ministers to look at what the pie is, there will be opportunities for increases in people's and agency budgets, but we need to make sure that they are not outlandish or extreme.

There will be improvements in budgets in agencies—we will see that. There will be big projects that we want to fund, but then we just need to make sure that there is always an eye on the ball and the trajectory to getting to budget surplus by 2024–25. That is how it works. It does not mean that you have to be zero—nothing.

That was what saw with the CLP. You could do the shock and awe, which was cutting Education's budget by \$80m and putting power prices up by 30%, but that is not how we work. We have worked very sensibly and carefully. It is about keeping the agency budgets under control, but that does not necessarily mean that there will be no increase in agency budgets. It just means that with the difference between the money coming in and the money going out, we need to make sure that there is enough to continue to pay down our deficit.

I do not know what your tactics are with getting our budget back. Basically, it is like your own home family budget. You have to pay down debt and make sure that you live within your means. That is what we will make sure that we continue to do as a government.

Mrs FINOCCHIARO: You will find that the illustration you made at the end is the exact point I am making. It is a giant version of a home budget. Territorians acutely understand that they have their wages or salary or pension coming in. There is money coming in and there are all of the bills, which go out.

If you want to get to that point of being able to pay down debt and have no deficit, we already know that you will need to maintain expenditure at current levels. As time goes on, everything becomes more expensive and takes on a different increase. There is inflation and all sorts of other things. You would have to expect very serious revenue increases, to be able to also confidently say that you will be able to increase departmental budgets over the next four years.

Could you go through where you see those own-sourced revenue increases and what that totals? When we look at mining revenue, that will be down. There is nothing from gas. You are expecting more from payroll tax and from MVR which, again, is just adding to Territorians' cost of living. You are taxing jobs, employers and people. Other than higher taxes, how will you achieve this position?

Ms LAWLER: I can go to the variations from the 2021–22 budget for 2022–23. For mineral royalties, the difference from 2021-22 is \$9m. Taxes on employers is \$9m. Taxes on property is \$40m. Taxes on gambling is up by \$3m. Motor vehicle taxes is \$5m. All up that will see an increase of own-sourced from the 2021-2022 budget of \$66m. Going into the forward estimates, in 2023-24, it will be \$77m. In 2024-25, it will be \$43m. This relates to own-source revenue, and then we talked about GST.

Mrs FINOCCHIARO: Yes, because when you calculate those, it is a couple of hundred million bucks. In the scheme of an \$8.7bn debt, it is nothing. It will not get rid of a \$1.1bn deficit. Literally, for the rest of it, you are relying on GST improvements, which may or may not come. You have not secured any deals or got any commitments from the federal government regarding increases in GST. Really, this is going on a wing and a prayer stuff. We will not achieve that figure through increased revenue.

Ms LAWLER: You call it wing and a prayer, but this is how it works. This is how the federal government and every state budget works—how every budget across Australia works. It relates to GST.

Mrs FINOCCHIARO: Perhaps you do not understand what I am saying.

Ms LAWLER: Our net operating balance improvements in all years—it is about GST, our own-sourced revenue, the Commonwealth revenue for capital purposes, and effective government policy decisions and fiscal disciplines. I do not know where you possibly think the money will come from otherwise. That is where it comes from in the Northern Territory.

Mrs FINOCCHIARO: Let me explain, because I do not want you to misunderstand me. What we would expect to be able to get to that mark—which we desperately want your government to do—is that things like mining royalties would be projected to be up significantly, because all of the so-called hard work you are doing getting new mines off the ground would come to fruition.

We anticipate that your own-source revenue, other than GST, would also be increasing, but that is minimal and largely consists of increased taxes to Territorians on motor vehicles and on employers through payroll tax.

Ms LAWLER: Regarding motor vehicles, we have some of the lowest registration costs in Australia for trucks and motor vehicles.

If you go to treasury.nt.gov.au you can look at the different budget papers. Budget Paper 2 is the Northern Territory economy. Page 24 talks about projects in the pipeline. There are committed projects, and the planned and proposed projects. We have not put those in the budget. I am hoping—that is what it is. It is about the time lines for those things. We want those projects to come to fruition.

As a government we have put in Infrastructure, Major Projects and Investments commissioners, who are working very hard to make these projects come to fruition. That is the work we do. It is also the work of the TERC report about cutting red tape. It is about making sure we get projects off the ground as soon as possible.

A lot of projects rely on getting finance. It is a big ask for those companies. The Australia-Asia PowerLink Project already has people in jobs on the ground for Sun Cable. We already see trucks and cars with Sun Cable on their doors driving around the Northern Territory. Down the list on page 24, you can see a heap of projects that will come to fruition.

There are a couple of exciting ones in my Infrastructure portfolio. One project already has DCA approval, which is to build the tower with apartments and offices in the old Palm Court building. The other one—at the old Hog's Breath building—is in the DCA at the moment.

We see optimism and positivity coming from private investors about the Territory. There are people who are very optimistic about the future of the Territory's economy. On that page it shows the planned projects, including Jervois, Toms Gully gold mine, Mt Todd; Mount Peake; and Ammaroo. They are the ones that we want to see up and running as soon as possible.

Mr GRAHAM: There are around \$840m worth of new spending initiatives in the budget. There is also the \$2.4bn improvement in GST forecast, as you pointed out. We are expecting new expenditure increases across the forward estimates to be less than the GST.

With respect to our own-source revenue forecast, it is similar to our economic forecast. We do not include the impact of prospective projects until they reach final investment decision. The mineral royalty forecasts are premised on existing mines, or ones that have been announced.

Mrs FINOCCHIARO: Why was gas taken out of the budget this year? Last year you had gas and all the columns had zeros. Have you completely given up and thought, 'That is embarrassing; we will just take that one out'?

Ms LAWLER: I am not sure why you would say that it is embarrassing.

Mrs FINOCCHIARO: It is six years in and there is no prospect on the horizon of having a royalty from gas.

Ms LAWLER: There are prospects on the horizon with that. There is considerable exploration happening in the Beetaloo, and by the end of this year we will be getting to the stage of production.

Mr GRAHAM: We have not included any onshore royalties from gas at this point. We are waiting for the results of production testing to come through, and for actual production leases and production to commence before we start factoring them into our forecast.

Mrs FINOCCHIARO: Why did it not get a line this year?

Mr GRAHAM: It did not make sense to have a line of zeroes.

Mrs FINOCCHIARO: You have added \$6.8bn to net debt since 2016. How will your government pay down that debt?

Ms LAWLER: We have had lots of conversations today around that. It is about making sure that we continue to increase our own-source revenue. We see encouraging signs with our GST. That is how you get into a better financial position. We are making sure that we have effective government policy about our fiscal discipline. We have been very strong with that. What you do is get your budget into a much better position, so that you can pay down debt. I think it is quite clear about that.

I could talk all day about the things that we have done as a government to make sure that we get out of that boom and bust cycle that we have seen in the Territory in the past. We have been turbo-charging tourism to make sure that we diversify our tourism offerings across the Northern Territory. There is work happening on those art trails. The member for Katherine knows how exciting the art trails projects are.

Whether it is tourism, mining or the onshore oil and gas industry, or data centres and rockets in Arnhem Land, it is about making sure that we have a diversified economy. We want to increase our own-source revenue and increase our population. That is the goal of the Northern Territory government.

When talk about GST, one of the underlying things is to make sure that we increase our population. We are striving very hard to get these big projects off the ground—the Sun Cable project and the Beetaloo. Those big projects will bring more people to the Territory. That is a variable that we can focus on with GST.

It is about all of the things that we have talked about for the last hour, which will then drive our economy so that we can pay down our debt.

Mrs FINOCCHIARO: I do not disagree, but it is one thing to say it and it is another thing to do it. We have negative population growth. The Boundless Possible campaign was a total and utter flop, and a waste of money. The government could not even bring itself to come out and say that it had cancelled that program. ABC did a great job of getting that out into the public domain.

You say that you will restrain your spending, but in the forward estimates debt will increase in 2024–25 to \$9.4bn. It is one thing to say something, but it is a whole other thing to substantiate it. How will we have an extra billion dollars in debt by the next Territory election?

Ms LAWLER: Net debt is expected to improve by \$1.96bn in 2024–25, and the net debt to revenue ratio by 45 points when compared to the 2021–22 budget. I will pass to Craig Graham to talk about debt.

Mr GRAHAM: Debt will continue to accumulate across the forward estimates, despite the improvement in the budget bottom line, because we are still forecasting fiscal deficits across forward estimates. Each year we still have to borrow. Debt is a stop measure, so it will continue. It is not until we get into surplus that we will be able to stop borrowing and then start paying down debt.

Mrs FINOCCHIARO: That will not happen until after 2025–26?

Mr GRAHAM: Yes, based on the current forward estimates.

Mrs FINOCCHIARO: If the windfalls from GST are not as high as predicted, that time frame will have to be pushed out—or there will have to be cuts.

Mr GRAHAM: Expenditure, yes.

Ms LAWLER: To reassure Territorians, every government has debt. That is how governments work. That is how Territorians get these big projects under way—when you are looking at roads and infrastructure that is what you have. I know people seem to think that all debt is bad. There is debt that is a positive thing for the economy. We have seen that.

The federal government is substantially in debt, but sometimes it needs to be done. It has a \$1.2 trillion debt. I hate to think of what the US debt is. Every government in Australia has a debt; probably even the WA government, which is in an amazing financial position has a debt. It is about making sure that you can service that debt.

Mrs FINOCCHIARO: It is fair to say that our levels of debt are much higher than they have ever been before. Your government had to take very drastic measures, like legislating a debt ceiling of \$15bn. I do not think you can say that a \$9.36bn debt is good debt. There will be homeowners listening. They have their home debt, which they can comfortably service, send their kids to school, buy groceries and go on a holiday once a year. That is manageable debt for people.

We have seen debt levels grow exponentially under your government without a clear plan of how to deal with that. A lot of Territorians cannot even understand where that money went. Where are the tangible things you can see—where we have \$9bn worth of new assets? People cannot even visualise what our debt has gone into. You cannot blame it on COVID, because we were in an appalling situation well and truly before COVID.

Are you saying that the \$9.36bn debt set to come forward is a good level of debt for the Territory?

Ms LAWLER: When you talk about debt and what Territorians have to show for their debt, let us be clear—debt is what we see for infrastructure. We have seen an extra 1,000 kilometres of bitumen on Territory roads. We see things in the CBD like Garramilla Boulevard and the underground car park. Which you pretend you do not like, but we know that you really do. You see projects that are happening across the Northern Territory ...

Mrs FINOCCHIARO: Do not forget the shade structure.

Ms LAWLER: Yes, the shade structure as well. We also have the services we see in the Northern Territory. We make sure that we continue to upgrade the Royal Darwin Hospital. We built a car park at the Alice Springs Hospital. There are all those projects. You got a new school in Zuccoli. That school is now full. Under the CLP, you would not have even built a school. You did not have plans to build a school on the forward works.

That is where the debt is; it is building things that will keep people in the Territory and provide that liveability in the Territory. There have been substantial projects. As Infrastructure minister, I have had spends of \$1.4bn and \$1.7bn across all of those years. That is where the debt is.

That is what makes the Territory a great place. We need to make sure that we are putting in bitumen roads—whether that is servicing the onshore oil and gas industry, the pastoral industry or mining at the Tanami. That is where we are spending money across the Territory.

I do not know what you would have done. Would you, as a government, not spent any money on infrastructure? Is that what the CLP's vision would have been—not to have had any spends on infrastructure in the Northern Territory? If that is the case, then a lot of our family businesses—a lot of our civil contractors are family businesses—would have gone broke.

There were times when I went to award ceremonies in those years of 2017, 2018 and 2019—I went to UDI awards, architectural awards and different award ceremonies. You were at some of them. Gerard Maley, the opposition spokesperson for Infrastructure, was at most of them.

I would flick through the program and every project was a government project—whether that was Darwin Middle School's multipurpose centre, the STEAM Centre at Darwin High School or the Botanic Gardens events facility. All of those were government projects, relying on government money. That is what kept the economy going and what the debt is.

There are thousands of projects and things out there that show the money spent by government. Some of them are small and others are large projects. Probably, almost every Territorian, or their sporting club, has benefited from some kind of grant over the last few years.

It may have been a Tourism Voucher or the Home Improvement Scheme—which was talked about at length yesterday. That is why we have a debt, but that kept the Northern Territory moving and kept people in the Territory. There has been a drop in our population of approximately 0.2%, which is a steady Territory population.

That is why our government has a debt. I am unsure what your answer would have been; perhaps shut up shop and not spend money. That would not have kept Territorians here. There was substantial infrastructure built across the Territory during this period. If you travel out of the greater Darwin area, you will see huge increases in road infrastructure, and also lovely projects in your electorate—for instance, Zuccoli Primary School—which are not cheap builds. It is expensive to build schools, but they are projects that need to be done to continue liveability.

Mrs FINOCCHIARO: Governments have to spend money, but you just described a government that has strangled the private sector. You then had to supplement its inadequacies—in being able—to ensure that private development can flourish and that the Territory is a can-do place of opportunity.

I go back to my question, do you think \$9.3bn debt is good debt?

Ms LAWLER: We would like our debt decreased. We will start to see that in the future, by 2025–26. We are pushing to get that to happen earlier. By 2025–26, our net debt ratio will be about 121%. As the Treasurer, I will ensure that we are in a careful position. The debt is the debt; the federal government, and every state and territory have debts. We want to drive it down but, as for households, we look for opportunities to pay down that debt. We will doing that by 2025–26.

Mrs FINOCCHIARO: You talked about good debt. Is this good debt, and are you happy with that level of debt for the Territory?

Ms LAWLER: In the ideal world, we would have no debt or deficit. The example is WA, which has huge royalties through iron ore. The price of iron ore over the last two years has been substantial. That is why we have worked hard to make sure that we have the onshore oil and gas industry, and a social licence for it. We can take people along with us on that. It is about making sure that the mines—I read the list of mines a number of times—get off the ground and royalties start to flow. They have not been included in our figures.

As a government we want more tourists in town and there has been great optimism—Sentinel bought Casuarina Square and are talking about purchasing more property. That is what we want to see. We want businesses and private enterprise to say that the Territory is a great place to invest; that it will take off and is the place to be.

There is not a point in the Territory's history where we did not have some debt. Do we want less debt? Yes, we do. Probably every person in the Northern Territory hopes to win TattsLotto one day to pay off their own debt; that is the reality of a world. It is an inane question.

The fiscal balance—I will hold up a graph that shows the positive position we hope for in the Northern Territory going forward.

Mrs FINOCCHIARO: The debt-to-revenue ratio at the moment is 115%. You said that in 2025–26 it will be 121%, which is increasing not decreasing.

Ms LAWLER: Yes.

Mr GRAHAM: Net debt continues to increase across forward estimates, except for the last year. Over the medium term we expect to see a significant improvement in fiscal balance, reaching surplus by 2026–27. At that point we will have the capacity to start repaying debt.

The significant improvement in this years' budget bottom line means that we have reduced our borrowing requirement compared to last year and previous budgets:

1. We have reduced the amount of borrowings we expected to incur, over last years' budget.
2. We expect to be in surplus significantly earlier than previously predicted, so that gives us the capacity to begin paying down debt.

Mrs FINOCCHIARO: The Langouant plan for budget repair said that ratio should be at about 40 to 50%, so the government is well and truly off track. Is there a time frame by which the government anticipates having a net debt to revenue ratio of around 40 to 50%?

Mr GRAHAM: Given where we are, at this stage it is unclear when we will get a net debt to revenue ratio of 50%. That is quite a low ratio. It is a target and something that we aim for over the medium term. Hopefully, we will get to that point, but it is not projected at this stage.

Mrs FINOCCHIARO: Net debt represents about 33% of current gross state product, which is about the same as the Commonwealth. During the election, the Treasurer, Jim Chalmers, called this 'dire'. Do you agree that the debt situation in the Northern Territory is equally as dire?

Ms LAWLER: The financial position in the Territory has been very difficult. This is the position that we are in now about the surplus. All fiscal measures have improved since last years' budget, so we are feeling very optimistic that we will achieve that surplus by 2024–25. We are feeling positive about the position that we are in.

We are under no illusions that there is work to be done. We will continue to put in place effective government policy decisions and the plan to fix the budget, making sure that those recommendations are implemented, by having that fiscal discipline. That is my role as Treasurer. We saw that role done very well by the previous Treasurer. I will continue that work to make sure that we have a budget for all Territorians, and improve our budget position.

Mrs FINOCCHIARO: Employee expenses are projected to decrease from \$2.9bn this year to \$2.6bn in 2025–26. That is directly for employee expenses—they will be reduced by \$300m over the forward estimates. How many public servants will lose their jobs, under your government, to achieve that \$300m saving?

Ms LAWLER: That is where our position is very different from yours. Our wages policy—and we have always said this—is very clear. It was that \$4,000, followed by \$2,000, \$2,000 and \$2,000. That is the difference. That is why we have that position. It is so we do not need to sack public servants. That is the opposite of what the CLP would have done. You would have sacked public servants, because that is your modus operandi. It is the way that you work.

As a government, we are very positive about making sure that we continue the public service. They are the good people in the Territory who buy houses, coach sporting teams, buy cars, register their vehicles, go to cafes and restaurants, and camping. They are the ones who keep our small businesses alive in the Territory.

Some of the drop in those numbers is because of COVID. We increased our public sector during COVID times, but now there will be decreases in staff. You had the opportunity yesterday to talk to the Minister for Health.

Regarding our plan to fix the budget, we have been very clear about our wages policy.

Mrs FINOCCHIARO: You are saying that there will be a decrease in the public service, instead of a cut. Is that not the same thing? How many staff are going so that you can achieve a \$300m budget saving?

Ms LAWLER: No, we have been very clear. The plan to fix the budget was originally—we had a ceiling for staff for every agency. That ceiling has changed to making sure that they stay within their budget. Every agency will stay within their budget with their staffing numbers.

That change was brought about because some agencies—education is one—get quite considerable amounts of federal government money. We want increases in teachers, school support staff, or wellbeing staff across the department, so the move went from having a staffing cap to ensuring every agency remains within their budget. That said, there are still ECO caps in place. The FTE cap is currently 529 FTE for executive contract officers.

In the March quarter it was 495 FTE, so there are about 34 FTE less ECOs in the Northern Territory. It is not about cutting public servants, but about making sure that we have the wage policy. That is why we worked so hard on the wage policy to keep—about 40% of the total expenses in the public sector is wages for public servants. We are making sure that we keep that tight.

Mrs FINOCCHIARO: The \$300m you have to save is directly as a result of the four year pay freeze?

Ms LAWLER: Yes, it is about the wage policy.

Mrs FINOCCHIARO: Even though you said the staffing levels are decreasing because of COVID?

Ms LAWLER: You always go the black and white, Leader of the Opposition. It is never just one thing.

Mrs FINOCCHIARO: I did not say it, you said it.

Ms LAWLER: No, I am explaining that it is not one thing. There will be a decrease because of the COVID numbers. In Health large numbers of people that were employed at vaccinations clinics—I do not need to go through all of those details. There will be a reduction there.

That is a positive thing, because it is very hard in the Territory to find employees. The labour market is so hot in the Territory at the moment. Whether it is trying to find truck drivers, teachers, engineers or hospitality workers; everywhere there is a lack of staff.

Some of that is due to migration—but some of it is due to people who have had jobs through COVID. They had opportunities to work at airports checking things or work at Howard Springs. It is a good thing to see employees able to go back into other employment across the Northern Territory.

This is why we have been working so hard on the wage policy to ensure that public servants get the \$4,000, the \$2,000, the \$2,000 and the \$2,000. Public sector wages are 40% of the total expenses of government. That is how you control your budget. It is one of the key things to do that.

Mrs FINOCCHIARO: This \$300m feels like smoke and mirrors to me, because with the pay freeze you asked departments to find the bonuses from within. While at a higher level or at a Treasury level you are saying that everyone is on the same pay for the next four years—that is your wages policy, so you will save \$300m as a result of that.

What you have also then done, is get every single department to find \$4,000 for everyone's Christmas bonus last year, \$2,000 next year, \$2,000 the year after and \$2,000 the year after that from within current agency budgets. That does not look like a cut, but it is a cut, because all of a sudden the Health department has to find \$4,000 times—I do not know—1,000 health staff and find that from within. Does this \$300m in savings include what the departments are spending on the bonuses?

Ms LAWLER: The front line were not included, so they do not have to find from within.

Mrs FINOCCHIARO: Which agencies are front line?

Ms LAWLER: Health, Police, Education and Corrections are front line. The agencies were to absorb about \$1,000 per staff member only, but there were savings to government, because staff lost their jobs through vaccinations. Making sure everybody was vaccinated meant that a number of staff did not continue their employment, so that was also a saving to government.

The budgets have been adjusted for \$3,000 in 2021–22, and for the \$1,000 in 2022–23 and 2023–24. That was funded through the reductions from staff who were unvaccinated.

Mrs FINOCCHIARO: Does the \$300m represent a saving, because there is no wages growth, or does the \$300m include the month that agencies will be paying out for the bonuses?

Mr GRAHAM: The \$300m is comprised of the reduction in COVID-related staff from 2022–23 to 2023–24; that is a 2.8% reduction. After that personnel costs remain largely flat. The savings are a combination of a reduction in COVID-related staff, the non-cumulative nature of wages and non-cumulative nature of wages policy. The bonus payments were accounted for in agency budgets, except for the initial \$1,000. They were largely offset by savings associated with unvaccinated staff.

Mrs FINOCCHIARO: When did that policy change? When the government said that everybody would get a four-year pay freeze and then a \$4,000 bonus, at the time, it said that agencies would have to find that money from within. When did it change so that agencies only had to find \$1,000 for each bonus as opposed to the \$4,000?

Ms LAWLER: That was the original policy, then it went to the \$4,000 in November, the \$1,000 and the \$1,000 when we realised that we had substantial savings due to the unvaccinated numbers. That changed in November to \$4,000, \$2,000 and \$2,000.

Mrs FINOCCHIARO: Going forward, with the \$2,000 bonuses, agencies will have to come up with half of that?

Ms LAWLER: Yes, that is the role of CEOs. They need to manage—a clear message that came out of the Langoulant report regarding the plan to fix the budget, was that we held chief executives accountable for their budgets. There has been tighter management of CEOs and their roles.

Mrs FINOCCHIARO: Every agency has gone over budget, have they not?

Ms LAWLER: No, that is not true at all.

Mrs FINOCCHIARO: Which agency has not?

Ms LAWLER: My favourite: Education. It never goes over budget; they are such good people. We always have an underspend in Education.

Mrs FINOCCHIARO: Every agency other than Education?

Ms LAWLER: No, not at all. I do not think there are any agencies that are tracking to go over budget, except for Health, but that was because of COVID, and probably Police—but in a very minor way. Once we close the books in a couple of weeks and finalise the finances—every agency except Health and Territory Families. Some of the big agencies had a lot of things to do with COVID. They may to some degree be looking for a Treasurer's Advance.

In the big agencies, like DIPL and Education, which are my responsibility, I use the analogy of landing a jumbo jet on a postage stamp to get them to land on their budget. There are so many projects and grants they have, which are manoeuvred around 30 June or their budget cut-off dates.

When you have a \$1.2bn budget in Education and \$1.7bn infrastructure budget in DIPL, you are manoeuvring and landing that as close as you can to the end of the financial year to make sure that things are spent. Sometimes there are considerable unders in those projects to do with timing, and money from the federal government as well.

It is the same in Education. In those big agencies, sometimes you will see \$50m, \$30m and \$20m unders/overs in budgets for projects. The chief financial officers, who are all in this room—you will be seeing

them over the next couple of weeks—will tell you how hard it is to actually land those budgets pretty close and tight. Our CFOs do an amazing job—a big shout out to the work that they do.

Mrs FINOCCHIARO: On interest expenses, interest is estimated to rise from \$430m this year, or \$1.1m every day to \$504m in 2025–26. What are the assumptions for this number, and how will rate rises impact that interest repayment?

Ms LAWLER: Interest will be about \$1.9m in the 2022–23 budget. I will ask Craig to talk about the impact of national and international influences on interest rates.

Mr GRAHAM: While interest expenses are forecast to increase over the forward estimates that is largely—while borrowing requirements are lower than they were at last year’s budget, we factored in assumptions on increased interest rates. The assumptions about interest rates for 2021–22 are 2%, increasing to 4.5% by the out year.

Mrs FINOCCHIARO: Budget Paper 2 shows a decrease in current and capital grants of about \$150m per year ongoing. That is cuts to the amount of grants going out the door. Have you started that process? What areas are those grant reductions?

Ms LAWLER: Capital grants are infrastructure grants that would go. They are based on budget decisions. This years’ capital grants are about \$52m and so that might go to, for example, the netball association to build netball courts or to motor racing to MotorSports NT to upgrade facilities. They are variable, because you do not necessarily know.

We get lobbied hard. There are projects that come up. There might be something that needs to be done, for example, Finke Desert race wants to see a new tower put in or at the drag races in Alice Springs. The capital infrastructure grants are ones that are variable. It depends on the year—Akeyulerre in Alice Springs got \$5m a few years ago to build their cultural centre. We are opening that in the next couple of months. Capital grants like those are variable across the budget.

Mrs FINOCCHIARO: I am on page 8 of BP2. There are current grants and capital grants. They all decrease by 2025–26.

Ms LAWLER: I think you are talking about the City Deal. Are you talking about the revenue side?

Mrs FINOCCHIARO: Yes.

Mr GRAHAM: We will take that one on notice. We will get you a response by the end of the session.

Question on Notice No 2.1

Mr CHAIR: Leader of the Opposition, please restate the question for the record.

Mrs FINOCCHIARO: On page 18 of Budget Paper No 2, it shows that current and capital grants are decreasing from the 2021 year through to 2025. What is the reason for this, and what areas will decrease?

Ms LAWLER: That will be some of the Commonwealth grants.

Mr CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes, I do. We will get a comprehensive reply.

Mr CHAIR: The question asked by the Leader of the Opposition has been allocated the number 2.1.

Mrs FINOCCHIARO: What is the efficiency dividend that is being applied to each agency in this budget?

Ms LAWLER: The frontline agencies have a third less in efficiency dividends, so it is about 0.33% efficiency dividend. For most agencies it is 1%, from memory, and for the frontline agencies it is 0.33%, which is very generous and kind of us in Treasury. The agencies will tell you that is a good figure.

Mrs FINOCCHIARO: Why are you expecting an increase in payroll tax? It must be because you are increasing payroll tax, or magically expecting that it be more?

Ms LAWLER: No.

Mr BUTLER: There is no policy changes in payroll tax, the tax rates or thresholds. That is just a forecast based on levels of economic activity and our expectations for growth in employment in those larger businesses that make up the payroll tax base.

Mrs FINOCCHIARO: There are no changes to the payroll tax rate?

Mr BUTLER: Correct.

Mrs FINOCCHIARO: Is that the same for motor vehicles? You are not increasing MVR costs?

Mr BUTLER: Correct. All of the increases in own-source revenue are based on economic activity and not changes in policy.

Mrs FINOCCHIARO: This goes back to what we were talking about at the start—being able to erode this \$1.1bn deficit is hugely contingent on both population growth and GST.

Ms LAWLER: Yes, we are expecting the economy to grow—that is a fact. We want to see the economy growing. That is what we have been talking about ...

Mrs FINOCCHIARO: Specifically, in population. In the budget, the estimates for population growth only go out to 0.9% in 2025–26. It is a very small projected population growth, yet all of our optimism about our budget position in 2025–26 hinges on windfalls in payroll tax, at MVR and in GST.

Ms LAWLER: Yes, we talked about the major projects that we want to see come to fruition. Through that, we would like to see an increase in population in the Northern Territory. Population is complex in the Northern Territory. Some things were impacted.

With Medicare—because people have had to be vaccinated across Australia—there was a change in Medicare numbers. It was probably more than we have ever seen before, where people have changed their Medicare details, because they were interstate. We look forward to the census that was done recently to get a clear view of what the population numbers are.

Mr BUTLER: Our own-source revenue growth is consistent with our estimates of economic growth, state final demand and growth state product. While the Treasurer is correct that there is considerable upside risk to those forecasts in the projects that are not on board, the revenue growth numbers are based on those projects that are announced and committed to in our forecast of economic growth. To the extent that there is upside risk to those economic forecasts, they are similar to that upside risk for revenue.

We have a return to long-term growth numbers in population built into our population forecasts, but there are strong migration numbers that we need to see come through to have upside to our population growth. That is predicated on the projects that are in place now and employment growth. We will see that come through to our population forecasts—to the extent that migration numbers are increased by the Commonwealth and we see those come through to us as a big contributor to our own population growth. We will see upside to those.

The way that we always forecast population and employment numbers is based on the projects that are committed to at the moment.

Mrs FINOCCHIARO: Even with the ones currently committed to, the numbers are very low. Presumably, while Treasury is not including it in the budget, you are looking very strongly at proposed mines and major projects to fill in the gaps that, perhaps, are not stated in the budget papers.

Which other projects that are to be delivered—at least creating these jobs and the population growth, adding to increases to payroll tax and additional vehicles into the Territory, et cetera—are the ones that might not be solid enough for Treasury to hang its hat on? You are looking at them to make these assessments on projected population, payroll tax and MVR growth. There must be a handful of projects that you have your money on, so to speak.

Ms LAWLER: The optimism and the positivity relate to the projects that we can control as a government. For example, the Middle Arm project. I did a report recently on Middle Arm and on how optimistic and positive Middle Arm will be. That is a \$2.6bn project that is not included in our forecast, but it is one that we can control as a government. The federal government has committed that \$2.6bn. That is one that clearly would be driven by the Northern Territory Government.

There are projects like AROWS—Adelaide River Off-stream Water Storage.

Mrs FINOCCHIARO: Before you go on—that one will be done before 2025–26?

Ms LAWLER: The work is already under way. There has been substantial work undertaken at Middle Arm, whether that is geotechnical surveys or the environmental assessment. All of the head works will need to be done, including the road works. All of these sorts of things are already under way.

The Adelaide River Off-stream Water Storage and the Manton Dam Return to Service are big projects funded by the Northern Territory Government, as well as our road projects. A tender will be announced in the coming weeks relating to the Tanami—a \$150m project. Earlier this week or in today's paper \$67m was announced for the Carpentaria Highway. We have really big projects, which we control as a government, and those are the ones that we control.

Mr BUTLER: In terms of our economic forecasts, we delineate in the economy book the projects that are committed and those that are in the pipeline, but are not included in our forecasts. To the extent that those uncommitted projects do not have final investment decision, they are not included in our economic forecasts. We are not hanging our hat on further growth beyond those projects. It is just the committed projects that have financial investment decision.

Ms LAWLER: That is why we can be excited about this. Unless they have FID, they are not included. There are huge projects in the future, such as Sun Cable and Beetaloo. We have also been conservative regarding our GST figures. I think Territorians are—the people I run into on the street say to me, 'You must be the luckiest Treasurer around. You picked up the Treasury portfolio when things are in such an optimistic, positive position'. My hat goes off to Nicole Manison and Michael Gunner, who did the heavy lifting as Treasurers, because I am in a much better position.

Mrs FINOCCHIARO: Did you mean to say 'heavy spending' then?

Mrs LAMBLEY: How can a debt of \$8.7bn be a good position to leave for you?

Ms LAWLER: We are feeling positive and optimistic about all of our fiscal measures ...

Mrs LAMBLEY: Fiscal optimism will only get you so far.

Ms LAWLER: ... in regard to the future of the Territory. We can see that we are travelling, tracking into a much better position. Our net operating balance will be improving in all of the years.

Mrs LAMBLEY: I think that you are a dog's breakfast.

Ms LAWLER: You are always on the side of negativity. You run down and never say anything positive about the Territory. We are positive about the Territory and the position it will be in. I am very pleased to be the Treasurer at this time.

Mrs LAMBLEY: I bet everyone else is too.

Ms LAWLER: What is that supposed to mean?

Mrs LAMBLEY: Well, that you have it and they do not have to deal with this monstrous debt overhanging Territorians and the fact that we are paying \$1.4m a day servicing our debt. Things have never been so appalling fiscally in the Northern Territory, and yet you are gloating over being the Treasurer and thinking that you are lucky you have to sort it out. Most Territorians would see it completely differently.

Ms LAWLER: That is them.

Mrs LAMBLEY: It is not being negative, it is looking at the figures and seeing them for what it is. You can put lipstick on a pig, but it is still a pig.

Ms LAWLER: If you talked to people in the Territory, which I do ...

Mrs LAMBLEY: I do too.

Ms LAWLER: They are feeling positive and optimistic about the future of the Territory. We have positive conversations every day, whether that is with the banking industry, or people who want to invest in the Territory.

Mrs LAMBLEY: Talking about being positive is one thing, but as Treasurer you have, by the nature of its role, a responsibility to have major concerns about parts of the economy and the position you are in. As Treasurer, what are your priorities in terms of resolving these fiscal issues we have in the Northern Territory?

It is not all positive, you cannot keep painting lipstick on a pig. There are problems within our economy and with our fiscal position. Let us flip it and get the truth about what is really going on here. Positivity will only get you so far. There are economic factors, which Mick Butler alluded to, that are out of your control. You have to be careful and mindful of things going on in the economy—the stock exchange went into freefall yesterday.

Things happen that are truly out of your control. Let us have a less optimistic snapshot of what your priorities as Treasurer are on behalf of Territorians. It is not your money, it is public money that you are presiding over. People want to be told the truth and given a sincere appraisal of how you intend to manage their money, in the best interests of all Territorians. What are your priorities and concerns going forward? Rather than saying everything is fabulous, which it is clearly not.

Ms LAWLER: The Fiscal Strategy Panel put forward a plan for budget repair. They provided a roadmap for Treasury, and our ministers, on what we need to do, as a Territory, to return our budget to surplus. The plan to fix the budget talks about return to surplus by 2028–29. The 2023 budget projects a surplus in 2026–27, two years ahead of schedule.

Territorians can google a plan for budget repair. An update went online in May, which provides the Territory government a clear pathway for what we need to do about our economy. There are 56 recommendations that have been fully implemented, 11 are under way, and seven have been superseded by some work by TERC. It provides a clear pathway for the Northern Territory Government.

We understand some big picture issues that Australia faces, including the:

- Ukraine war—ScoMo said the Ukraine/Russian conflict would last six months; that is ongoing and highly concerning for all Australians
- impact on fuel prices
- relationship with China—the new federal government is working to repair the relationship
- complexities with our exports.

We understand there are big picture issues on the Australia economy, which will impact the Northern Territory. From the Territory's perspective, the work—which we can control—is through the budget repair.

Mr GRAHAM: There are headwinds on the international and national economic front with global military conflicts and COVID in China. On the domestic front, we are still recovering from the impact of floods and things like that. There are some uncertainties in the economic outlook.

All we can do is focus on delivering on the pipeline of infrastructure projects and working with the Commonwealth to ensure that we see that ongoing improvement in the national economy. The challenge for the Northern Territory will be to deliver on that pipeline of projects and ensure that we live within our fiscal strategy.

Mr CHAIR: Honourable members, we have been going for a couple of hours, so it is a perfect time for a quick break for a cup of tea.

The committee suspended.

Mr CHAIR: Welcome back to estimates 2022. Everyone has something to drink and maybe to eat. We are on questions about the opening statement.

Mrs LAMBLEY: Before the break, you mentioned the pipeline of infrastructure projects that your budget is contingent upon in terms of reaching a surplus in a couple of years' time. Recently, we saw major problems with project Sea Dragon, which was one of the main projects this government pinned a lot of hope on and used as a basis for former projections. How much did the major setback with project Sea Dragon affect the bottom line for the Territory?

Ms LAWLER: We have to be aware that Sea Dragon and its board have reappraised and had a look at how they work. They had large plans. With the change of some of its board members and a change of CEO, they are looking at what they need to do and are going back to a smaller base.

It is probably a question for the aquaculture minister as well. Nicole Manison is here tomorrow. Sea Dragon is still a project committed to the Territory.

Mr BUTLER: Again, on the basis that we only include projects that have final investment decision, project Sea Dragon would only have been included to the extent of those works undertaken—there were some ponds built and minor works. As they were yet to reach a final investment decision, it did not have a large impact on our economic forecasts.

Mrs LAMBLEY: Some of the projects you listed are a long way off from coming to any sort of completion or production phase. My point is that most of us have lived in the Territory for years. Big projects come and go. A lot of them never come to fruition or realise the full scope of their hopes and dreams.

That is not to be negative; it is just being realistic. I am very conscious of the fact that, even in the list the minister gave up front in her opening statement, there are still things that may never come to fruition. How dependent is our economy and the budget on this pipeline of infrastructure projects being realised?

For example—I do not want to put a blight or any negative shadow over any of them—Arafura Resources at Aileron is a project of great interest to me. It is in central Australia, and has the potential to be a game changer for Alice Springs and the surrounds. My hopes and dreams for Alice Springs are, to some extent, contingent upon this mine coming to fruition, but I am also very aware that a lot of mines never come to fruition. I am just wondering, how dependent is our economy on these types of projects delivering?

Ms LAWLER: That is why we were very conservative with our budget. I go back to Budget Paper 2, which has the projects in the pipeline. Table 2.1 talks about that. The projects that we know have reached FID—or they are federal government or Northern Territory projects—are ones that are not talked about as much as they should be.

RAAF Base Tindal airfield and development, Larrakeyah Barracks and HMAS Coonawarra upgrades—those big defence upgrades. Off the top of my head, the figure is \$10bn over 10 years for Defence spend in the Northern Territory. That is substantial money ongoing. Territory companies, like Sitzler, have tenders and sub-contractors there. I was talking to one of the steel companies that is sub-contracting on those jobs.

They are the projects that are in our pipeline. The Northern Territory Government has control over the:

- Remote Housing Investment
- Darwin Ship Lift facility
- Jabiru futures
- Darwin City Deal
- Charles Darwin University campus
- Manton Dam Return to Service, which is \$300m
- Robertson Barracks, Kangaroo Flat, Mount Bundy, Bradshaw upgrades

- Arafura class offshore patrol boat upgrades at Larrakeyah
- Residential Land Development—I have not spoken about that substantially today, but there is \$186m for residential land in our budget.
- US Bulk Fuel Storage Facility, which is already under way at East Arm
- Lasseters Casino redevelopment in Alice Springs
- Finnis River lithium
- Data centres.

They are the things in that pipeline of projects, which are worth about \$14.7bn.

The planned and proposed one, which is in the second column is another \$39.7bn. We have not included those. That is Arafura Resources; Toms Gully, Nolans rare earths, Ammaroo, Desert Bloom—even Sun Cable is still in that second column. That is why I am feeling positive and optimistic. We all agree mining is a difficult game—I have family members who worked in mining for all their lives, so I understand mining and the difficulties with getting a project to FID. It is tough at times, when you are chasing dollars and investment.

We are looking at the pipeline of projects. A lot of those are federal government funded defence projects, so there is good news around that one.

Mr BUTLER: It is true that private investment, in particular, is a strong contributor to our forecasts for economic growth. Any individual project, depending on the magnitude of it, goes towards that growth story. In terms of the economy as a whole, you have to remember that household and public consumption, and public investment are all underpinning the size of the economy as well.

Private investment is a strong contributor to growth, and within that larger projects are part of the growth story, to the extent that if one does not proceed, and it is included in our forecast, it would have an effect. Equally, it is just as likely that another project steps up and takes that place. You always have public and household consumption, and public investment underpinning the economy.

Mr GRAHAM: With respect to the reliance on the budget forecast, those major projects may impact the budget through our own-source revenue base, payroll tax, mining royalties and things like that. That represents about 30% of our budget.

As you know, the bulk of our revenue comes from the Commonwealth. The idea is that if we can get a pipeline of prospective projects to come online, that will increase our own-source revenue base significantly. Then we would be less reliant on Commonwealth sources of revenue, which we have no control over.

Mrs LAMBLEY: Over the last five-and-a-half or six years that you have been in government, very few of these projects have come online. That is true.

Ms LAWLER: There were substantial projects in partnership with the federal government and private investments. Core Lithium is one that we talk about. That is a substantial project up and running in the Northern Territory. Most of these projects do not happen overnight; they need considerable lead-in time. The minister for Mining is working very hard to get those projects to fruition. Core Lithium is a good news story for the Territory.

Mrs LAMBLEY: How many major private infrastructure projects have come online in the six years, since you have been in government?

Ms LAWLER: I can take that on notice, but I will give a run down. One of our favourite projects, Member for Spillett, was the Palmerston Bunnings. That was a great private project in Palmerston worth \$59m, and a great news story.

You just have to drive around the greater Darwin area and see the Berrimah industrial park. Five or six years ago did not even have—the land was just getting cleared seven or eight years ago. Now there is huge office building for bet365 going in there. Berrimah industrial park is a substantial private investment in the greater Darwin area.

Whittaker Street is building the nurses' accommodation in Gap Road, in Alice Springs. That is another nice, positive project. In the Member for Spillett's electorate, a lot of private homes are being built in Zuccoli; the number is outstanding. There are considerable infrastructure builds. A lot of good news projects are occurring across the Territory.

Mrs LAMBLEY: I was more considering the game-changing pipeline of infrastructure projects that you have referred to on that scale, rather than smaller business concerns—which are significant, but ones on the same level as mines, rather than Bunnings.

Ms LAWLER: It is still \$50m into the economy. I talk about the Bunnings one, because it is a nice private investment in Palmerston.

Mr BUTLER: I cannot answer in terms of just delineating projects. Regarding the contribution to the economy of private investment, on page 32 of our economy book, we have a table that sets out the components of our Territory gross state product. Looking back over the time period that you are talking about, from 2016 onwards to the current date, private investment has been anywhere between 50% and 25% of the economy.

Private investment is always a strong contributor to the economy in the Northern Territory. Most recently, it has been reducing, but in terms of the forecast going forward there is strong growth. In the March quarter numbers, which just came out, state final demand was 10% year on year terms. That was strongly driven by private investment—30% private investment growth.

Ms LAWLER: I just thought of one: the Arnhem Space Centre. That was a substantial private investment in Arnhem Land. We will be lining up to see those first rockets launched in the next week or two. That was a nice project, which was private investment in the Territory.

Mrs FINOCCHIARO: In her March report, the Auditor-General made recommendations and conducted an audit into the way government assesses whether or not it is achieving its objectives with implementing the plan for budget repair.

It was found that there were no comprehensive assessment measures—something along those lines—to be able to actually keep track of how much money you are saving from implementing the plan for budget repair. What are you doing, as Treasurer, about ensuring that is developed, so that you can accurately keep track of savings measures?

Ms LAWLER: We take the auditor-general's reports very seriously. Any recommendations that come out of those, we will work to address. I will pass to the Under Treasurer, who can provide a comment.

Mr GRAHAM: We have implemented a range of monitoring and reporting measures to oversight implementation of the budget repair report. That is through the fiscal repair steering committee, which are a group of CEOs who report up to the budget review subcommittee of Cabinet. That steering committee monitors and assesses implementation of the recommendations, reports to BRS, and reports implementation progress on our website.

The plan for budget repair made a key observation that if governments continue on a business-as-usual basis in terms of historical trends of expenditure and revenue growth, we would reach an unsustainable financial position over the medium term and be in a position where we would be, more than likely, not able to service our debt.

A key finding of the report was that if we can halve our historical level of expenditure growth each year, we would get back to a balanced budget position over that medium term forecast period. The report made a number of recommendations, which were aimed at achieving that overarching objective. Most of the recommendations were about putting in place systems, processes and frameworks aimed at achieving that expenditure constraint objective.

We do not have control over 70 to 80% of our revenue. The key component of the budget that we can control is expenditure. The systems and processes put in place are aimed at facilitating us achieving that expenditure constraint goal. There is a series of reporting and monitoring arrangements in place around the CDR accountability framework, debt ceiling, expense caps, FTE caps, MOG and centralisation changes. We monitor and report on all of those recommendations.

The overarching KPI measure that we use is our fiscal strategy. That is how we assess whether we are complying or not with the fiscal strategy report recommendations.

Mrs FINOCCHIARO: Who is the watchdog in all of this? We talk about—it is not you, Craig. Treasurer, the government talks about holding CEOs to account. Famously, a couple of years ago Michael Gunner came out raving on about how tough he was and that CEOs would go if they did not meet their budgets. Yet that year we saw record overspend.

There are all of these accountability processes, Under Treasurer, but ultimately, if departments are rocking up and going over the ECO cap or not necessarily meeting some of the intended milestones, who is the person that is—who is the kicker?

Ms LAWLER: That person is the Chief Minister. The Budget Review Subcommittee is in place. I have been on that subcommittee for the last six years, since I have been minister. It also consists of the Chief Minister, and the Treasurer.

I was put on the Budget Review Subcommittee, because in my previous roles—Deputy CE of Education—I dealt substantially with large budgets in government. I also had a clear understanding of how the budget process worked in government. That stood me in good stead to move into the Treasurer's position. I presume that was one of the reasons the current Chief Minister put me in as Treasurer because, over those years, I was involved in the Budget Review Subcommittee.

The Budget Review Subcommittee is the group that looks at every agency budget. We meet monthly, sometimes fortnightly, and also work on what the budget process will be for the new financial year. We look at all of those issues relating to overspends—it is not actually true, because the only overspends that we saw in agencies were related to COVID. Our agencies have been very careful about maintaining their fiscal responsibility. The plan for budget repair says those sorts of things. If there are overspends, it is very clear what the consequences will be.

An agency that exceeds its budget or its labour expense cap by greater than \$500,000 or 1% is issued with formal warnings. There are suspensions of chief executives available. There is termination for greater than \$1m or 5% or 10 FTEs. The agencies are very clear about that. I am more than happy for you to have conversations with agency heads regarding their accountabilities. They are very clear about their roles and responsibilities.

The Budget Review Subcommittee of Cabinet then goes to Cabinet. It is then the Chief Minister who makes those ultimate decisions, through that Budget Review Subcommittee process.

Mrs FINOCCHIARO: How many sanctions have ever had to be dealt by the Budget Review Subcommittee?

Ms LAWLER: This is the first year of implementing those sanctions, so none.

Mrs FINOCCHIARO: Next year we could ask for that?

Ms LAWLER: This financial year. The chief executives are very clear about what they need to do this financial year. We will know their budget positions by September. They have all been making sure—they report quarterly to their ministers—and are very clear about what their budget position is. They have been working on, through their CFOs, their budget position. By September, we will have very clear information about whether there needs to be any sanctions in place.

It is like any consequence. They are very much aware of them, so they would be working to make sure that they do not get their agency into a position where there will be sanctions. Let us be realistic. They are clear about what they need to do to keep their agencies within their budget.

Mrs FINOCCHIARO: The Auditor-General suggested that transparency could be improved to more accurately reflect the actual status of the budget repair measures, and that some of the recommendations marked as completed were not necessarily completed. How are you ensuring that adequate level of transparency regarding completion is there?

Ms LAWLER: The updates to the report are available on the website and Treasury will continue to work to make sure that those updates are clear. The information is there for the public to see.

Mrs FINOCCHIARO: Are you implementing the recommendations of the Auditor-General from her last report?

Ms LAWLER: Yes, every agency takes the Auditor-General's reports very seriously and we will work on those recommendations. I saw the latest update from May. That is available on the website—treasury.nt.gov.au—and members of the public who are listening can go there and have a look. I have updates in my folder here, as well. Every recommendation has details on what the recommendation is, where we are up to, whether it has been completed or under way, and there are status details as well. We are making sure that the recommendations from the Auditor-General are adhered to.

Mrs FINOCCHIARO: Inflation is increasing and is outpacing wages growth by a pretty big gap. The gap is estimated to be about 3.8%. What impact will that have on Territory families?

Ms LAWLER: There is probably a lot we can talk about in relation to inflation. We have substantial things in place, as a government, about how we help Territorians. It depends on who you are listening to, but we are hearing what some of the views are.

The RBA are talking about doing all they can to see inflation drop by early next year—the first quarter next year. Some of the things we already have in place—and we are in a fortunate position that our power generation in the Northern Territory is still owned by the state—as we saw, the CLP were preparing to sell it off.

We have some really positive things in the Territory with inflation. Our power will only go up by 2.7%. On the east coast, power had increases of 22%—really large spikes in the cost of living with power—but in the Northern Territory, because we control our power entities—Power and Water, and our electricity retailer—we are not seeing that.

The other one we have is CSO. We put \$123.1m every year into Jacana Energy, so that every Territorian sees a reduction in their power bill. There is probably around a \$900 or nearly a thousand dollar reduction in their power bill because of the Northern Territory Government's CSO.

If you are an aged pensioner in the Northern Territory—we all realise and understand—they also get additional subsidies. There is a \$15.3m for pensioner and carer concessions under the Northern Territory Concession Scheme. We are controlling the price of power in the Northern Territory. Every other state, except WA, are probably looking to the Northern Territory and saying, 'You did the right thing, you kept your electricity generation as state-owned'. We are able to control the utility prices, which you are not seeing on the east coast.

Mrs FINOCCHIARO: You also cut the Feed in Tariff, even though you promised people that they would be grandfathered. You have just pulled the rug out from under the feet of many Territorians—13,000.

Ms LAWLER: Let me finish talking about cost of living before we move to the Feed in Tariff.

Mrs FINOCCHIARO: That is the cost of living. It is part of it.

Ms LAWLER: We also have in place childcare subsidies. There is \$30 per full-time place per week for children under two. There is \$22 per full-time place per week for children aged two to five-years old. We have the back to school \$150, sports vouchers and the First Home Owner Grant scheme, which provides \$10,000 to eligible families. We have strong things in place.

It was the federal government—ScoMo—that caused the rise in fuel prices, which had a knock-on effect. Let us go back one step, there were issues nationally and internationally around fuel, but the changes Scott Morrison did by halving the fuel tax from 44 cents to 22 cents had a substantial impact on the freight industry dropping their fuel tax reduction to 4.3 cents. That is why we are seeing increases in groceries and in freight costs in the Northern Territory.

I am very pleased to talk about the Feed in Tariff. The premium Feed in Tariff was initially put in place to see an increase in solar uptake. We have 20% of Territorians with solar PV on their roof tops. What we now need to do is to make sure some of the poorer people, some of the people that are not as well off get solar on their roof tops as well.

The changes to the Feed in Tariff is about a \$10m to \$12m saving for the Northern Territory Government. It will provide opportunities—we are seeing that work by Jacana and Alice Springs Future Grid happening

already—to look at options for community batteries, and solar on rooftops for public housing for people in the Territory who rent.

We have the largest number of people in Australia who rent. They do not have control of getting solar, so they are the people who pay some of the highest power costs. I have large numbers of people in public housing in my electorate. Some of them have \$1,000 per quarter power bills, because they have children and the expenses for power are high.

The Feed in Tariff decision was a tough and courageous decision our government made that was the right decision. You just want to go to populous decisions, but it was the right one. Talk to people who understand the complexity of renewables. They understand the need to make that sure our grid is stable. Even in our Roadmap to Renewables, those people will tell you that the change in the feed-in was well overdue, and Eva Lawler, as the minister, did the right thing. I had conversations with those people.

I understand, on the other side, that there were people who had their Feed in Tariff lowered and were finding it a difficult decision. That being said though, we have said that you have four years. To pay off the average cost of solar on your rooftop takes about four years. You will have paid off your rooftop solar in that time. If you use your electricity and solar wisely—for example, having your pool pump on a timer and putting your drier on when the sun is shining—and manage it, you should continue to have a very low cost of power to your household. You will benefit from the solar on your rooftop.

At the same time we announced \$2.4m for the Home and Business Battery Scheme in 2022–23. That will provide opportunities for people to get a battery, which will provide the opportunity for stability to the grid—the big picture we need—and the backup or opportunity to use your battery-stored power.

It was a tough decision, but it was the right decision. As the previous minister responsible for renewables and essential services, we developed the Darwin-Katherine Electricity System Plan. We want to get to 50% renewable by 2030. To do that, we need to get more people onto solar. We also need to have a large scale renewable energy hub that we will see developed at Middle Arm.

To do those things, we needed to free up that funding money going to people who already had solar. We need to get other people onto solar if we are to get to that target. It is the same in Alice Springs and Tennant Creek. Yes, it might have been a difficult decision, but people are able to still pay off their system over that four years, and then manage their electricity bill through their solar.

Mrs FINOCCHIARO: It was your government and probably you, as the minister, who promised that when you made cuts to the Feed in Tariff a couple of years ago, that the people on the existing system would be grandfathered. This has really pulled the rug out from underneath people who took your government at its word, that if they did not upgrade their solar or make any substantial changes, they would stay on the old Feed in Tariff rate.

We have the highest cost of living in the country—fuel and grocery prices are through the roof, you name it. NTCOSS has just released a huge report on the cost of living. Your timing, amongst everything else, in relation to this backflip is terrible. What is the percentage increase for these people on their power bills now?

Ms LAWLER: The percentage increase on their power bills, as I explained, is variable. It depends on how they use their power and manage their electricity use. That one is a variable.

You are talking about the money that may have been returned to them. The money returned through the use of power going into the grid varies from \$33 to \$300 a year. It is not a large amount. It is probably a question for the Minister for Essential Services.

I remember from briefings I had at the time that it varies depending on their usage, and how much power they were putting back into the grid. It does impact family budgets. I do not know what figure that you think it is, but it was around those amounts—probably \$1 per day for some and for others less than 2 cents. It is variable depending on their power usage.

The fuel prices are beyond the Northern Territory government's control. Russia, being the second biggest oil and gas producer in the world, has an impact on fuel prices. Australians face those issues. Some of the increases in grocery costs rest squarely with the previous Scott Morrison government. They changed the prices for the trucking companies on their fuel prices.

We know that the cost of living in the Northern Territory is high, which is why we have Community Service Obligations, Back to School vouchers and Sports vouchers to make things better for families in the Northern Territory.

Mrs FINOCCHIARO: Did the Department of Treasury and Finance provide advice to Cabinet on the Turf Club grandstand grant? We know that Michael Gunner took the Cabinet submission, under his arm, into Cabinet to give away \$12m for a grandstand at the Turf Club. Territorians want to know: Did Treasury provide any advice, to either the then Chief Minister or the Cabinet, on whether that money should be granted?

Ms LAWLER: This is about this year's budget. I am unsure where this question fits in.

Mrs FINOCCHIARO: It is government expenditure. There has been government shirking and transparency on this issue. We asked a number of times if the Cabinet submission followed the proper process. There has not been an estimates since that happened. This is our opportunity to ask.

Ms LAWLER: That was a capital grant, which was made in 2019. There has been three estimates sessions to discuss that.

Mrs LAMBLEY: Given that it could be a possible source of revenue for the government, if the \$12m is returned, surely that is of current interest to Territorians?

Ms LAWLER: That was a capital grant in 2019. The Northern Territory Government, as with any government across Australia, gives out capital grants. It was allocated to a capital grant. There are capital grants to sporting groups, whether that is to the tennis association to build the Darwin tennis centre, Netball Northern Territory to build the netball centre or to rugby league to build the Territory rugby league centre. Northern Territory governments give out capital grants. This was a capital grant was given in 2019.

Mrs FINOCCHIARO: The government is recovering. It may have been granted in 2019—we had an ICAC report since then and a number of other things—but the government continues to pursue the Turf Club for repayment of that \$12m. Will that money go back into general revenue, or wherever the grant funding came from?

Ms LAWLER: Those issues are still being discussed and worked through.

Mrs FINOCCHIARO: Has Treasury provided advice to government on whether or not it should recoup the funds?

Ms LAWLER: Treasury would provide advice if they were asked.

Mrs FINOCCHIARO: Have they been asked?

Ms LAWLER: The previous Chief Minister and Treasurer were quite clear about returning that grant. If it was not returned, the Turf Club gets a grant of \$18m per year from the Northern Territory Government, so there would be a reduction in those funds. I am sure that the Treasurer at the time, or the Chief Minister, would have had advice about making sure that those facilities were available for returning or reducing their grant.

Mrs FINOCCHIARO: You are the Treasurer now; have you sought advice from your department on how that grant reduction works to recoup the \$12m?

Ms LAWLER: The grant reduction. There is around \$18m that goes to the Turf Club—sorry, I should be clear that the grant goes to Thoroughbred Racing Northern Territory. That grant can be reduced by specific amounts. The Minister for Racing, Chansey Paech, has already said that he met with Thoroughbred Racing Northern Territory and the Turf Club to discuss those matters.

Mrs FINOCCHIARO: It must be unprecedented that a government seeks to recoup grant funding from an organisation, which received a grant government gave them and actually completed the requirements of the grant funding. Has this ever happened before where government ...

Ms LAWLER: Yes, I said this on The Week That Was. We had this conversation. There are grants that are given that are not acquitted correctly or spent correctly in the Northern Territory and they are recouped.

Mrs FINOCCHIARO: That is not the same. The Turf Club built a \$12m grandstand. The grandstand is there; people have been using it for a long time. It is the facility; they ticked all the boxes. They acquitted it with the

department and there was no issues raised with them about any of that. This is full completion on one party's side of what they were given money to do, but notwithstanding that, the government are still seeking to call back those funds. That must be unprecedented.

Ms LAWLER: I do not know if it is unprecedented. I would need to look in the history books for those things. The issue is about—I think that Territorians are very clear on the issue—the procurement process that was undertaken at that time.

Mrs LAMBLEY: Can I ask a question about recouping government funds? A few years ago the Northern Territory Infrastructure Development Fund signed off on a \$10m taxpayer funded investment to the Darwin water bottler, NT Beverages, despite the company being deeply in debt and on the brink of financial collapse.

This case is well known to all of us. It was awarded \$10.5m under the Infrastructure Development Fund, which was created by the former CLP government and implemented by the current government. There is \$7m still outstanding from this fund. This was a scandal at the time. The Infrastructure Development Fund Board consisted of very successful individuals; businesspeople including the then head of the Northern Territory Government Public Service, Jodie Ryan.

You are the Treasurer and this was a scandal at the time. Around \$3m was paid back, but there is still \$7m outstanding. I have watched the government pursue the Darwin Turf Club over this \$12m, with the expectation that they would pay it back.

I am just wondering, will you do the right thing and try to get this money back from NT Beverages, or at least, provide transparency on the efforts that this government has made to try to get that back? To me it looked like an incredible cover up.

Ms LAWLER: Again, we are talking about things that are in the past, rather than addressing the budget issues now.

Mrs LAMBLEY: The money is outstanding now, minister. It is still owed to Territorians.

Ms LAWLER: My understanding is that the Northern Territory retrieved about \$3m, but NT Beverages, the company, has been wound up, so we were unable to recoup any more funds from them. I will pass to the Under Treasurer to see if he wants to add anything more about NT Beverages.

Mr GRAHAM: I not sure there is much more I can add. The fund has been wound up. The company has been wound up and went through an administration process. The administrators found that of the capital that was still in the business, around \$3m of that was able to be repaid to the Territory. There have been no further efforts. I am not sure who we could recover that outstanding amount from.

Mrs LAMBLEY: The board made a decision to allocate \$10.5m to a company that was on the brink of financial collapse. Soon after it got the money, the company went into receivership. Does the board have a liability here? The question was always asked; what due diligence was followed?

This is \$7m in taxpayers' money that just disappeared and no-one is held accountable. Yet, your government pursued the Darwin Turf Club for money that the Chief Minister handed over freely, knowingly and with very few strings attached, but because it went pear-shaped, decided to seek retribution and get the money back.

In this case, there is \$7m still outstanding. No wonder we are broke and up to \$8.6bn of debt in the Territory, if you let \$7m go without asking what due diligence was followed.

Treasurer, do you have any appetite to follow up on this on behalf of Territorians who are doing it tough and struggling for all sorts of reasons. You have a responsibility, and in this particular case, I have never seen this government take any.

Ms LAWLER: We did take responsibility. We pursued and got \$3m of that returned, but that company has been wound up.

I have a correction for the Leader of the Opposition. I said \$33 to \$100 per year earlier. One of my previous staffers messaged me to say that it is \$33 to \$100 per quarter rather than per year that some people would have been impacted due to the change to the Feed in Tariff.

They can still continue to generate credits but it depends on their power usage and how they manage their power ...

Mrs FINOCCHIARO: Does this not set an extraordinary precedent and create mass uncertainty for every organisation that gets a grant from government? It is completely out of their control. You often talk about netball, soccer or cycling—whatever organisation. It might be an NGO providing domestic violence services or any number of entities which receive government grants.

If they are given money by government, they take the money and run; they are happy. They will go off and spend the money appropriately and then acquit it. If they do not acquit it, of course government should get the money back, but if it is acquitted, and they have done what they said they would do, that should be the end of the matter.

By pursuing the Turf Club, to cover up and make it look like you are doing something—like this caught you by surprise—sets a precedent that every organisation, which receives money from government, has the threat hanging over their heads that if something goes pear-shaped or politically not quite right with that grant, they will be paying for it at the other end.

If you do this for the Turf Club, it means that you could do it for any of them. How are our NGOs and sporting organisations meant to insure themselves for that kind of liability which may come?

Ms LAWLER: I do not know what you are going on about. If you are a sporting group—or any group—and you do the right thing with the right procurement in place, of course the Northern Territory Government will not seek for your grant to be returned. If you acquit your grant and can show that you spent public money correctly and followed the right processes, your grant will be safe. We do that every day with grants.

This was an exception. There was an ICAC investigation into it. That is why the previous Treasurer and Chief Minister have been pursuing this matter.

We need to move on and look at the actual output groups. We still have not gotten to them. I would like to talk about Education at some stage today as well as Infrastructure. You are looking back; look forward and look at this budget. Pardon the pun, but stop grandstanding, Lia Finocchiaro.

Mrs LAMBLEY: These are important issues, minister.

Mrs FINOCCHIARO: It is an extremely important issue. Are you saying that the Turf Club did not properly acquit the grant? It acquitted it with the department. The department accepted the acquittal.

Ms LAWLER: No, I did not say that it did not acquit it. I said that there were probity issues relating to its procurement. Yes, the targets it had relating to delivering a building—it delivered an amazing facility. As an Infrastructure minister, it built a great \$12m facility there. That is a positive thing.

As an Infrastructure minister, you want to see infrastructure built. I wanted to see a new netball court or a new rugby stadium built with grant money. Akeyulerre is building a new cultural centre for Arrernte people in Alice Springs that I will be opening in the next week or two, or next month. That is what you want to see.

Mrs FINOCCHIARO: Did you get an invitation, Member for Araluen?

Ms LAWLER: It is not quite finished. It will be finished in July. Of course, we will invite the Member for Araluen. We always do. We are not petty about those things.

Mrs FINOCCHIARO: As Treasurer, do you want to see the \$12m recouped from the Turf Club?

Ms LAWLER: There will be Cabinet decisions regarding that. We need to make sure that processes are followed. That is what we will do.

Mrs FINOCCHIARO: Just like the original decision to give it away. Give with one hand and take with the other. How many Treasurer's Advances have there been this year?

Ms LAWLER: Zero. That process will be under way but, at this stage, there are zero advances.

Mrs FINOCCHIARO: Thank you. In terms of the revenue side, there is work being done currently on what a royalty regime will look like for gas. Is that correct? When will we expect to see that?

Ms LAWLER: They are out for consultation right at this moment. That consultation is occurring.

Mrs FINOCCHIARO: That is widespread public consultation or with industry?

Ms LAWLER: It is with both—public and industry. That is probably one that you could have a conversation about with Nicole Manison.

Mrs FINOCCHIARO: In terms of the hybrid mining tax—which has been a major disincentive to generate mining activity in the Territory and, to be honest, is reflected in the budget papers by that decrease in own-source revenue—has government done any reviews of its hybrid mining tax to look at moving to a much more efficient and competitive model?

Ms LAWLER: I will pass that to Mick Butler, who can talk about that.

Mr BUTLER: The Mineral Development Taskforce is undertaking a review of end-to-end process in terms of mining in the Territory and impediments to starting new projects. One of the streams of work for that is a review of the mineral royalty settings in the Northern Territory. That is under way.

Mrs FINOCCHIARO: The CLP has long advocated for an ad valorem royalty regime. Is that on the table?

Ms LAWLER: I will add then that I would like to know where you will find the \$150m reduction in royalties that we would see in the Northern Territory budget.

Mrs FINOCCHIARO: No offense, but I do not trust your rubbery figures, minister. We will calculate our budgets when we do them in 2024. Make no mistake, we will have an ad valorem system, because that will drive private sector investment, and get a fair deal for Territorians when it comes to pulling royalties out of the ground. You are the one doing the review. You are the government that brought in the most uncompetitive mining tax in the world. What schemes are on the table as part of the review? There must be a range of schemes.

Mr BUTLER: For a start, the Mineral Development Taskforce sits under the department of Industries' portfolio and it can best answer. My understanding is that nothing is off the table in terms of its review of the mineral royalty settings. It will look at the profit-based regime and the deductions used in there or the settings within that. It will look at ad valorem schemes. It is doing a very comprehensive review.

Ms LAWLER: I will add that any amendment to the Territory's mining royalty scheme will also have a financial impact on Aboriginal communities and Aboriginal organisations. Under the Aboriginal Land Rights Act 1976, payments are made into Aboriginals Benefit Account by the Commonwealth at the same value, dollar for dollar, as the royalties received by the Territory for mining on Aboriginal land. I hope you make that very clear if you think that you will go to an election with a policy regarding ad valorem.

Mrs FINOCCHIARO: We will be growing mining royalties, so that Aboriginal people and Aboriginal land will get more than what they are getting under your government.

We have to get to Education and Infrastructure, so I thank Treasury and all of the staff very much for your time and effort. I will put all my remaining questions as written questions; I look forward to reading the answers when they come back.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

No questions.

OUTPUT GROUPS 1.0 TO 6.0

No questions.

Non-Output Specific Budget-Related Questions

No questions.

Mr CHAIR: That concludes consideration of the Department of Treasury and Finance outputs. The committee thanks the Treasurer and your officials—Mr Graham and your team.

REVENUE LEGISLATION AMENDMENT AND REPEAL BILL 2022

No questions.

CENTRAL HOLDING AUTHORITY

No questions.

NORTHERN TERRITORY TREASURY CORPORATION

No questions.

Mr CHAIR: That concludes consideration of the outgroup groups relating to the Department of Treasury and Finance. Thank you all for your time.

Ms LAWLER: I thank the Department of Treasury and Finance. They have done a huge amount of work. I also thank the Under Treasurer and the two Deputy Under Treasurers who have kept me company today.

Mr CHAIR: We will take a short break as we do a changeover and come back to review Education.

The committee suspended.

DEPARTMENT OF EDUCATION

Mr CHAIR: Minister Lawler, I invite you to introduce the officials accompanying you and to give an opening statement.

Ms LAWLER: I have with me the Chief Executive, Karen Weston; Deputy Chief Executive, Saeed Amin; Chief Financial Officer, Brett Roach; and Deputy Chief Executive, Susan Bowden. I thank the committee for the opportunity to make an opening statement. We have other officers here and they will be invited to join me as required.

The Department of Education is on a journey to become the most improving education system in Australia. Our Labor government is committed to a strong and equitable public education system. We continue to provide record investment into education in the Northern Territory. The Department of Education's work is critical to ensuring young Territorians realise their full potential, from building the foundations for learning across early years through transitions beyond schooling.

I acknowledge the incredible work of our schools, principals, teachers and school staff. We are one of the few jurisdictions, which has continued to deliver face-to-face learning during the COVID-19 pandemic. I extend my sincere thanks to every one of our teaching and department staff for keeping our schools open and making sure our Territory kids had access to face-to-face learning.

There is much to celebrate in education over the last year. In the early years, for example, in my electorate, the fantastic Gray Child Care Centre has reached the rating of exceeding the national quality standards. The director, Cheryl Anderson, credits their success to having strong and loyal educators who are committed to ongoing improvement at the centre.

We know how important it is for Northern Territory families to have access to high quality child care services across the Territory and 82% of our child care centres have now reached the highest NQS rating. This is an amazing feat and an increase of 10% since 2020.

In preschool education, four more Territory schools are trialling the three-year-old preschool this year, seeing even more families engage their children in education from an early age. This brings the total number of trial schools to six across the Northern Territory. In remote communities, including Galiwinku, Gunbalanya, Yuendumu, Milikapiti and Harts Range, children are already enrolled in preschool from aged three. The early years provide a window of opportunity to improve outcomes later in life, particularly for vulnerable children. That is why we are strongly investing in the early years.

With primary years' education, there are exceptional primary schools in the Northern Territory. After hearing that echidnas are rarely sighted any more, mostly due to human impact, Manyallaluk Primary School wanted to see if there were any left in the bush. They started learning about ways to undo some of the damage that has been done. After more than two years of personal experience and many learnings along the way, they finally spotted the elusive mammal on one of their hidden cameras.

The eco warriors from Nakara Primary School were established to engage student voice to take action in reducing their global footprint. The young environmental advocates have driven changes within the school, which reduces waste, ensures appropriate waste disposal and increases the school's capacity to reuse, reduce and recycle, reducing the general waste to landfill. Congratulations to both those schools. They won the Territory Natural Resource Management Awards; such good news.

In secondary education we have outstanding schools across the Territory. It is fantastic that 30 middle and secondary students from around the Northern Territory came together to establish a new Youth Voice Peak Group for the Northern Territory. The students shared ideas on the purpose, structure and process of the proposed group to help inform government decision-making, and shape programs and policies that impact young people. Hearing our student voice is so important and it is inspiring to see such proactive Territorians in our midst.

With international education, as at 1 April 2022, there were 1,584 overseas students enrolled in Northern Territory Government schools. Choosing to study in the Northern Territory provides students with the opportunity to be immersed in a multicultural society that appreciates and values diversity. We hope that these students and their families love the Territory as much as we all do, and that they choose to stay, buy a home, work and raise a family in this beautiful place.

I will clarify that when I refer to international education in the Department of Education, I am talking about the outputs on primary and secondary international education, not tertiary. That is the responsibility of Minister Ngaree Ah Kit.

With higher education, a strong VET sector is critical to driving economic growth and ensuring young Territorians can enter the workforce skilled up and job-ready. In 2021 Palmerston College School Based Apprentice of the Year, Isabelle Craven, recently completed her Certificate III in Business. Not only did Isabelle complete the qualification in under 10 months, but she also did so while completing Year 12 and gaining her NTCET with Palmerston College in 2021.

Isabelle took her school-based traineeship managed by the Department of Corporate and Digital Development, placed within the Office of the Commissioner of Public Employment. Isabelle has since secured a traineeship with the Department of Education. Well done to Isabelle, who is a Palmerston resident.

Taminmin College RTO won Small Training Provider of the Year at the Australian Training Awards for 2021. The college offers 19 VET courses for 850 participants across five campuses, with 82% of trainees graduating from their courses. Showing no sign of slowing down, the college has plans to expand into barramundi aquaculture and potentially, drone aviation, warehousing and logistics.

With non-government education, 14 students from non-government schools featured in our top NTCET completers. Our Lady of the Sacred Heart Catholic College in Alice Springs—one of their students, Matil Haddad, came to Alice Springs as a Syrian refugee at the age of 14, and finished as one of the top 20 students. When she arrived she did not speak any English. However, she worked extremely diligently to reach this amazing achievement.

With budget 2022–23 the Territory Labor government will continue to invest in the education and training of our young people. The Department of Education's budget for 2022–23 is \$1.185bn. This represents a record investment in education and in our Territory kids.

Specifically, there is \$38.96m to continue the implementation of the Indigenous education strategy. FaFT, or Families as First Teachers, has \$12.18m. There is \$10.96m for engagement, which is about getting kids engaged in and back to school. Inclusive education has \$7.04m in funding for students with a disability. There is more money for vocational education and training as well.

These are just some of the highlights of the work of students, staff, families and communities of the schools in the Northern Territory, and our investment in Territory kids and their education. I look forward to taking questions from the committee on the Department of Education.

Mrs HERSEY: I thank the minister for her opening address. I would also like to thank the public servants, who work very hard, not only today organising for estimates, but throughout the year. Thank you very much, your work does not go unnoticed in Education. I am pleased to have an opening statement and the time to spend a bit of time on it.

You were talking about the three-year-olds preschools. I did not quite catch all of the schools that you—how many children in total have enrolled in the three-year-old preschool trial? Can you please give a breakdown of this by school? I know you mentioned them, but I did not catch all of them.

Ms LAWLER: You will have to bear with us, because if we are just referring to our opening statement that means we have to flick through to find the right details in the paper.

Three-year-old preschool is one of the things that will make a substantial difference to education results in the Northern Territory. There was a report written the last time I was Education minister, which showed that a full year at three-year-old preschool will make the greatest difference to our PISA and TIMMS results in Australia. I am really pleased to see that this project has moved on. It has the backing of the federal government.

We do preschool very well in the Territory, but there are other states in Australia that do not necessarily have a full program such as ours. Over the last few years we have seen improvements with that. Braitling, Berry Springs, Ludmilla, Malak, Manunda Terrace and Tennant Creek are all trialling a three-year-olds' preschool program. There are six three-year-olds' preschool program trials established in Semester 2, 2021. I will pass to Karen Weston, the Chief Executive to add to that.

Ms WESTON: The question went to the detail about the number of students enrolled. It is a changing number all of the time. I do not have to hand the exact numbers of students enrolled. As the minister stated, we have six sites where we are trialling three-year-olds' preschool, Braitling, Berry Springs, Ludmilla, Malak, Manunda Terrace and Tennant Creek.

I visited the Tennant Creek trial site and there was a full class of young three-year-old children. I was quite amazed that within the first few weeks of being at the preschool they managing to get their own lunches and were quite well organised. I was very impressed with the program and we were all very excited about it. We would have to take the question about the number of students enrolled on notice, noting that it changes term by term.

Ms LAWLER: On average a preschool class has about 24 kids. It is probably about 120 or 130 kids on an average—I should say children. I always call them kids, but people sometimes pick me up on that. Probably about 120 preschool-aged children would be involved in that program.

Mrs HERSEY: Across that program what is the attendance rate for the three-year-olds' preschool?

Ms LAWLER: With three-year-olds' preschool, and with preschool generally, sometimes attendance rates are not as good as the primary school. The issue is—and I think anybody who has a three-year-old understands that, particularly for some of them who have been at home with their families, sometimes when they start preschool—they are the ones who pick up a cold or flu, or sometimes they are just tired by the end of the week. Preschool education is one where the attendance figures are not clear or as good as we would like.

I said that it is often, because of the young age of the children. Over the year in preschool you see that change, because they build up resilience to germs and infections, so those figures change. Of course, we always strive to have improved attendance, but we will take that question on notice about attendance for the trials specifically.

It is a good question, because in a trial, that one would be something looked at very closely. How many young children are at school? How regularly are they going? Having those conversation with parents about children's' tiredness, the necessity for a nap and those sorts of things, which are important when you are trying to get good educational outcomes as well.

Question on Notice No 2.2

Mr CHAIR: Member for Katherine, please restate the question for the record.

Mrs HERSEY: What is the attendance rate of the three-year-olds' preschool trial?

Mr CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes. The other one we should emphasise is that preschool is not compulsory, so that probably influences a parent's view about whether or not they go to school that day.

Mr CHAIR: The question asked by the Member for Katherine has been allocated the number 2.2.

Mrs HERSEY: How long will the preschool trial be conducted for? When will it be evaluated?

Ms WESTON: I will ask Tony Considine to the table. He has been leading the work on the three-year-olds' preschool trial and its evaluation.

Mr CONSIDINE: The three-year-olds' preschool trials are in six sites. We believe that the two years of early learning will help kids respond, particularly for us to pick up on additional needs earlier, and provide children with a really strong start to full-time schooling.

Your question is specifically in relation to evaluation. The first part of the evaluation will begin at the end of 2022. That is the reason for having the six sites, so we can evaluate what has happened with those six sites, and what outcomes and learnings we get out of those.

Mrs HERSEY: What are the outcomes of the preschool trial? Will there be KPIs?

Mr CONSIDINE: The trial is based on determining what the growth and capacity for growth is in those children, if they have attended two years. While we have not set any predetermined points about what that will be, we are looking for the advantage that we get. We will judge that based on the work we do with universal access, ensuring that if we provide children with additional hours of education, do we then have better outcomes at the point they start school?

Mrs HERSEY: Do you have any intentions of establishing mobile playgroups in regional areas of the Northern Territory, in particular in Central Australia?

Ms LAWLER: As in continuing or having more?

Mrs HERSEY: Like a KiCS version in Central Australia.

Ms WESTON: Mobile playgroups are in place in some locations across the Territory. My understanding is that there are requests for some mobile playgroups within the central region of Australia, and that those requests have come particularly, from the Isolated Children's Parents Association. The department is working with the association and the Australian Government, which is the primary funder of playgroup programs. Playgroups are really a Commonwealth program.

We made available to ICPA members, access to any of our programs and the resources for Families as First Teachers. Our other resources that are available online for home learning in the early childhood space are all available, and families are linked to the Isolated Children's Parents Association.

It is an ongoing conversation about whether we could get support from the Commonwealth for more mobile playgroups within the Central region of Australia.

Mrs HERSEY: We have had conversations about the FaFT programs that run out there before. Do you have any figures on how many of the geographically isolated children under five years of age have access to mobile playgroups in Central Australia and how many do not?

Ms LAWLER: We would probably have to take that on notice. Are you asking whether, for example, a child that is under five, who is on a cattle station, has access to FaFT or not? Is that what you are asking?

Mrs HERSEY: Correct. It has come up before where they may have access to FaFT, but are not allowed to go there—they have been rejected by FaFT. I am asking about establishing new playgroups. Do you have figures on how many of those geographically isolated children under the age of five have access to those mobile playgroups?

Ms LAWLER: I find it hard to believe that anybody would reject a child who was going to a FaFT in a remote community. If you are talking about a FaFT, say, at Yuendumu, if there were families that wanted their children to attend, I am sure they would be able to.

It is a very difficult question, because it is really a hypothetical. I do not think we have figures—under five is not compulsory schooling, so we would not have figures on a child in a remote locality, a cattle station or things like that, particularly if they are transient people. I do not know if we would be able to answer that question.

I am trying to think logically about this. I am very happy to push that message. If you are a family that have a child that is under five and in a remote locality, whether that is actually in a remote community—it might be a child of a health worker or someone else, or you are on a cattle station or working on a mine site or anything else—I would be making sure—I am happy to say that you are more than welcome to attend a FaFT site.

Mrs HERSEY: On that, do you have any figures from, for example, ICPA of parents who are accessing or trying to access mobile playgroups?

Ms LAWLER: I do not. I am not aware of—are you asking specifically about mobile playgroups or FaFT? I would not have any figures on people who are attempting FaFT. I will pass to the CEO regarding mobile playgroups.

Ms WESTON: I attended the ICPA conference and heard that there were concerns about whether parents had access to FaFT programs. We stated very publicly in that meeting that there is a strong view, just as the minister has said, that isolated families and children should have access to those playgroups.

We also know that they are isolated and in remote locations, so sometimes driving distances to playgroups does not work for those families. That is why we have also made the online resources available. There are fantastic online resources for families about teaching at home. One of the great things about COVID is that every jurisdiction has managed to put up a lot more resources into home education and supporting parents in their home. *ABC TV* have developed great programs that are available.

I did not get any figures from ICPA. I had an impression that it was historical. I stress that we encourage any parents to attend FaFT programs. If there were any issues they can raise them with us and we would address it. I agree with the minister that I do not know if I have figures on how many children might have been turned away. I suspect they are historical, and I asked ICPA if there are any issues, we would attend to those. They just need to raise them and we will make sure those children have access.

Ms LAWLER: I love visiting schools and FaFT. I was working as an adviser and initiated the FaFT as a policy for government, so I can give you a strong undertaking that where ever I travel across the Territory, in remote communities, I will explicitly say that FaFT is a program for all Territory students, and make sure that all students are welcome at FaFT.

A meeting has been organised by my office for me to meet with ICPA. Being estimates there are people listening to this so, all of you out there, all children are welcome, every single Territory child is welcome at FaFT, because it is a quality program that our Northern Territory Government has invested strongly in—even when there was a change of government in 2012, FaFT continued with bipartisan support. I am hearing you—and if there are concerns from families. I would very much love to see all children at FaFT—and we will make sure of that.

Mrs HERSEY: We were talking about the capacity of the Zuccoli school earlier. Do you know what the current enrolment is? What has the enrolment growth been in the past year?

Ms LAWLER: I love talking about Zuccoli school. I was the Minister for Education at the time that brought forward Zuccoli school. When we got into government—this is a bit of a history lesson; and I love the Territory history—but when the CLP came to government in 2012 they gave an unheralded, unprecedented \$20m grant to Catholic education to build a Catholic school in Zuccoli.

When I got elected, I had other non-government schools coming to me and saying, 'You have to stop that grant; you have to overturn that grant, Minister Lawler, because that is not the process to allocate funding.'—I was just asked questions about the race course. This is probably one that could have gone to an ICAC as well.

Mrs HERSEY: With all due respect we were talking about Zuccoli school.

Ms LAWLER: There was \$20m that went to Catholic education. It did not follow any of the right processes that used to be in place for capital infrastructure grants for non-government schools, and a Catholic school was built in Zuccoli.

The problem with a Catholic school is that it costs money. It is a private school, so it costs families money to attend. When I was elected I had parents saying—they would come to the markets in Palmerston, or see me and say, 'We need a government school in Zuccoli. This is the fastest growing population. Bakewell School is full. We need a school.'

I went into Cabinet—that was when money was tight and tough in the Northern Territory budget—and got Zuccoli school brought forward. We built it in two stages. We did stage one, so that we had early childhood up and running as quickly as possible. We then built stage two. There were two different Territory companies that built Zuccoli. Both did an exceptional job. It is an amazing school.

We had students in there much quicker than we would have—it was not even planned or thought about to have a government school in Zuccoli. That school with Carolyn Edwards, who is an exceptional principal, filled up very quickly.

In Term 1 2022, Zuccoli Primary School had 447 enrolments, and there were 77 enrolments in Term 1 for preschool. All 16 classrooms are at capacity. The department is looking at ways to alleviate that, whether that is transportable classrooms or—it is a great success story at Zuccoli. That suburb is continuing to grow. Ostojic—a Territory developer—is rolling out the next stages of the subdivisions. From the Northern Territory Government's point of view, there is work to be done.

We did that work—we would still be playing catch-up if we had not done the work to put in the government school. It is an amazing facility. For anybody who is listening, if you have been out there, it is an amazing facility. Between the Catholic school, government school and those shared resources. The multi-purpose area, oval, science and home economic areas are shared between the two facilities.

That was a long answer, but an important one to get on the public record. We need to keep a close eye on Zuccoli. I had conversations about that with Infrastructure. There is work to be done to make sure that we continue to have classroom spaces available for students.

Mrs LAMBLEY: It sounds like you have a prejudice against Catholic schools, diversity of schools, and richer schools.

Ms LAWLER: No. I do not have a prejudice against Catholic schools. I am the minister for all schools.

Mrs LAMBLEY: It sounds to me like you are prejudiced. Shame on you.

Ms LAWLER: No, I am not prejudiced. I do like to see proper processes followed. The \$20m grant to Catholic education before an election by a local member, who was also the minister at that time was interesting. I support all schools, but I was concerned about that grant.

Mrs LAMBLEY: That is called prejudice.

Mr CHAIR: Order! Minister, please pause. Member for Araluen ...

Mrs LAMBLEY: Sorry.

Mr CHAIR: Do not apologise, just do not do it.

Mr CHAIR: Honourable members, to sit here and call across this room, which has been so orderly for a day-and-a-half ...

Mrs LAMBLEY: I am offended by the minister.

Mr CHAIR: Regardless, we have been going very well. Even the Member for Goyder was helping the Member for Katherine. The Education department have done all of this work, yet we descend into that and just call across the room. It is disorderly. We will not have it in the Estimates Committee hearings that I am chairing today or tomorrow.

Mrs HERSEY: I am just finishing up with the Zuccoli school. Has funding been allocated for stage three of the Zuccoli Primary School expansion and the new classrooms?

Ms LAWLER: No, there is no allocation for Zuccoli stage three at this stage. That is one where you look for transportables or some other option, rather than building a stage three.

Mrs HERSEY: What is the current Department of Education policy on school students travelling for excursions, for example, sports, et cetera? There has been talk on that recently. How far can students travel? Are they able to stay overnight?

Mr CONSIDINE: I will preface this question. During COVID times, we had to modify what our excursion policies look like to meet directions of the Chief Health Officer. Currently, our position is that students are able to travel up to 350 kilometres. We had some RAT provisions in place. They will cease with the changes that happen tonight.

The reason was that we needed to be able to ensure the safety of children and that, if we have a child who falls ill with COVID, we were able to transport them back to be with their parents. We cannot have them in a circumstance where that separates them from their parents and puts them in a worse situation. That is the current situation, which will change in light of the change in directives.

Mr CHAIR: Is that 350 kilometres away, or is it 175 kilometres away and 175 back?

Mr CONSIDINE: It is 350 kilometres in a straight line.

Mrs HERSEY: In keeping with that, I recently became aware of school students who were selected to represent the Northern Territory at the School Sport Australia Championships in Brisbane later this year. They were denied attendance due to a Department of Education policy. Can you please explain what that was about and why they were not able to attend?

Mr CONSIDINE: I do not know the specific circumstances of what you are talking about. Under the COVID provisions, we had blanket provisions in place for the safety of children. We stuck with those based on the Chief Health Officer's directives. They will lift now.

Mrs HERSEY: There were students who were denied going away. Maybe I will follow that up with a question to you, minister.

Ms LAWLER: The CHO directives will be lifted tonight; we can revisit that.

Mrs HERSEY: How many students across the Territory have been prevented, over that period of time, from attending sporting events and other excursions due to the department's policies on COVID?

Ms LAWLER: I am not sure if those details were recorded. It is a policy position, which would influence the schools' decisions.

Ms WESTON: I had heard about the issue of students wanting to travel interstate for sporting events. Our policy position was to protect the safety of children, and to manage the risks that if children, while on those activities interstate, contracted COVID they would need to isolate.

The costs for that and the costs for parents to pick up those children could be quite substantial. From an equity point of view, we made the sensible policy decision relevant to the times where the CHO directions were in place.

Generally, access to interstate school sport, because of those policy positions, has not been available. As Mr Considine and the minister mentioned, very soon we will be in a different set of arrangements on CHO directions. We still need to be mindful of the different requirements in states on COVID and isolation, and of the need to take extra staff with our excursions interstate, so students can be supervised if they are need to be in isolation.

We are challenged with making sure that we have staff in all of our schools. We have fairly tight resources on staff in our schools at the moment. We have made a strong policy decision to support our schools, but we will review that once the CHO directions are uplifted. I suspect that we will stay with the settings for this current term, and revise and think about what the most appropriate settings are for Term 3. As the weeks move on, different jurisdictions will have different requirements.

I know that is disappointing for those young people, but they have been able to compete within the Territory. That is just part of where we are with COVID requirements. We need to be mindful of the costs to pick children up and return them. Their safety is the most important thing, which drives what we have been doing. We try to have policy settings that are consistent, so kids can do something. From an equity point of view, we wanted consistency, and to support the safety of children and families.

Mrs HERSEY: Keeping in mind that sports and extracurricular activities are linked to higher attendance and engagement, and in some instances drive future careers, after two years has there not been a way for students to participate in their school sport? Two years of being held back in a child's sporting life could make the difference to their future AFL, soccer or basketball career, for example.

Ms LAWLER: This was about school sport. There are still opportunities for students or young people to participate. For example, I know the sport of hockey very well. There are still Under 15, 14 or 13 age-appropriate sporting teams for them. If they are an exceptional athlete in those underage teams—athletics continues to have that as well.

The philosophy for school sport is not necessarily about elite, it is about participation. They have still been able to have the Come and Try and Come and Play days with school sport. I think the top level athletes were able to travel interstate through their sporting clubs.

Mrs HERSEY: Given that you were saying the policies will be reviewed, have parents and schools been consulted by the department about these changes and continuation of these policies moving forward?

Ms LAWLER: It was only last Thursday that the Minister for Health made that announcement. There will be work on that going forward. Yes, we will have conversations with COGSO, Sport Health and schools. We all agree. I am a product of that. We all love school sport. I was a player as well as a coach. I have done all of those things with school sports. We value that and want to see that return as quickly as possible.

Mrs HERSEY: The Chief Minister was asked this question in parliament and was not able to answer. Some families with students in School of the Air were hesitant to come into Alice Springs for contact weeks due to safety concerns about crime. Has the School of the Air or any parents raised this concern with you?

Ms LAWLER: They have not raised that with me. That said, I have not been minister for very long.

Ms CHATTERTON: We have a close working relationship with ICPA. We meet regularly and its executive council flags any concerns. They did not indicate that they had concerns, but the members have a very close working relationship with the principal and staff at the school. I am sure they were having conversations with the school.

There were previous communications as parents were navigating travel requirements during COVID circumstances. We were having ongoing conversations with ICPA. We are big supporters of those important residential school programs that happen. We work with ICPA to support our schools to make that happen.

Mrs HERSEY: Contact weeks are critical and rare for station people. They are very valuable when they come in to meet their peers, and experience the classroom situation after being out in the bush. Would you agree that this concern regarding them not feeling safe coming in is limiting their educational opportunities? Will you meet with them and address them to ensure every child has equal opportunity, no matter their location?

Ms LAWLER: I am happy to meet with anybody; my door is always open.

Mrs HERSEY: I did not see anything about school-based policing in the budget or, for that matter, in the latest Department of Education report. What is the budget for school-based policing please?

Ms LAWLER: My understanding is that the budget for school-based policing is \$3m. That is funded out of the Department of Education budget.

Mrs HERSEY: How many of the school-based police are there? Can you please break it down by region and what schools they service?

Ms LAWLER: I have 10 minutes, so I am happy to do that. Casuarina Senior College has one position; Centralian Middle School has one; Centralian Senior College has one; Darwin High School has one; Darwin Middle School has one; Dripstone Middle School has one; Katherine High School has one; Nhulunbuy High

School has one; Nightcliff Middle School has one; Palmerston Senior College has two—as it should; Sanderson Middle School has one; Taminmin College has two; and Tennant Creek High School has one. All up there are 15 positions.

Ms PURICK: I have a question about school-based constables as well. You just mentioned that it is \$3m. What was that payment for? Was it for auxiliary salaries, vehicles or computers? Is it possible to get a breakdown of that \$3m? Do you want to take it on notice?

Mr CONSIDINE: The \$3m we pay to police is for the delivery of the entire service. Police invoice us for the service to deliver that into our schools. The break-up of that includes the salaries of the officers and anything—any employee costs that come into there. We get an overall invoice from police.

Ms PURICK: Could you find out how much is given to salaries versus vehicles?

Ms LAWLER: I am happy to take that on notice. Unless you want to ask when the Police minister is up?

Ms PURICK: I will take it with you, please.

Question on Notice No 2.3

Mr CHAIR: Member for Goyder, please restate the question for the record.

Ms PURICK: In regard to school based police officers/auxiliaries, of the \$3m that is allocated to the program, how much is spent on salaries? How much is allocated to vehicles? How much is allocated to on costs associated with the positions?

Mr CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes.

Mr CHAIR: The question asked by the Member for Goyder has been allocated the number 2.3.

Mrs HERSEY: Out of the school-based police that you read out before, do they service more than one school? Are they shared over schools?

Ms LAWLER: The program focuses on Year 7 to 10 students and it is aimed at improving their understanding of community and safety issues by enhancing relationships between police and young people; improving safety; community connections; wellbeing and resilience; and building understanding of personal responsibility to contribute positively to community safety. Their focus is in the middle years' area, where young people often go off the rails.

Mrs HERSEY: Does one school-based constable service more than one school?

Mr CONSIDINE: The school-based police officers are focused on Year 7 to 10 students. What that means is that over the course of most students' educational experience they will all pass through that group of schooling. That is when we believe they need that support at their highest level.

The other part of your question is where we are servicing more than one school. You would note that in a couple of schools there are two school-based police officers. The minister mentioned Palmerston Senior College and Taminmin College. There is a reason for that. In the case that another officer is on leave, or something to that effect, one of those officers is then able to provide a support service in the school. While they are not servicing other schools outside of that group, they may service schools within that group.

Mrs HERSEY: Are they all constables, or are some of them police auxiliary officers?

Mr CONSIDINE: Largely the officers in the urban regions are school-based—they are all referred to as school-based officers, but there are police auxiliaries in the Darwin and Palmerston schools. They get supported by a mentoring constable and supervising sergeant. Police constables, so full constables are appointed in the remote NT schools, where they are expected to act more autonomously within the command structures of the remote policing.

Ms PURICK: Who allocates the auxiliaries to which school? You will probably say NT Police, but I will ask the question. Is there any engagement by police auxiliaries or police programs—school-based constables—with the non-government schools? The Catholic, Christian and Lutheran schools, for example.

Mr CONSIDINE: The school-based officers are allocated by police. The officers are trained. Some of that allocation happens with the mentoring constable, supervising sergeant and the command structure within the police force. The additional part of your question was, ‘Do those officers service the non-government schools?’ They do not service the non-government schools. Police provide additional services to non-government schools outside of those, but not within the school-based police.

Mrs HERSEY: With those school-based constables, have they been the same officers since they were reinstated in May last year, or do they change around? How many school-based officers have stayed at the schools they have serviced since May 2021?

Ms LAWLER: I can pass to Tony Considine, but I tend to think this might be more of a response from Police. It is starting to get down to the nitty-gritty. Can you clarify the point of your question?

Mrs HERSEY: Have those school-based officers stayed at schools or have they moved around? How many of them have actually stayed at the schools they have serviced since May 2021?

Mr CONSIDINE: I think the intent of your question is that during COVID times, our police constables in the school-based positions were heavily affected, because they were moved on to emergency response duties. With the introduction of our auxiliaries as school-based officers in 2021 and, where we acknowledged that there is a specialised role for school-based police officers—that relates to the four things that the minister talked about earlier.

While we had a number of officers who were temporarily absent—they may have had COVID and those sorts of things, as everyone else did in that period of time—there were no school-based officers who were redeployed out of those schools during that time. We had a continuity of service to those schools and to the young people who were there.

In terms of whether we had direct movements of officers, I cannot answer that for you. I do not have that specific data.

Mrs HERSEY: The minister advised that you have been working with the Department of Education for some time on the Bakewell Primary School parking spaces and the Kiss-and-Go zones to make it safer. Federal Labor promised to fund this project. When will the school community there expect this commitment to be finalised?

Ms LAWLER: Federal Labor will have to talk about the actual dollars. My understanding is that the design work has been done. That design work was undertaken by the department of Infrastructure. It has been working on that. The design work will be done. Then we will work with the federal government regarding the funding, which was an election commitment.

That said, we understand that Bakewell is a large school. It has a lot of traffic through there. We have also done work on Kiss-and-Go’s already. There was a tender in last week’s paper regarding Clyde Fenton Primary School in Katherine. You will be pleased to see that Clyde Fenton is getting its Kiss-and-Go upgraded. We have also done parking work at Alawa Primary School, Nightcliff Primary School and Durack Primary School—I know about that one, being in Palmerston. There is work at the school zones at Middle Point as well as at Dundee.

We could spend a lot of money on Kiss-and-Go’s. The problem is that it is one that I often talk about with my Infrastructure minister hat on because, practically, schools are open 40 weeks of the year. They are only open for five days-a-week, on average, for 40 weeks of the year. Those Kiss and Go areas are very busy from maybe 7.50 am until 8.20 am, so half-an-hour in the morning. Then in the afternoon, they are busy for approximately another half-an-hour at pick-up time.

As Infrastructure minister—I understand the passion of education as well—I often say, ‘Can you go back and look at alternatives?’ Upgrading a Kiss-and-Go is approximately \$1m or \$2m. A million dollars gives you 10 teachers. It is like, ‘Well, that’s 10 teachers for a year that your school could have or 20 teachers if it will cost \$2m. Are there alternatives?’

Nightcliff Primary School did it very well. It looked at walkways to school, marking at road intersections and putting signs that say, 'Stop. Look left. Look right.' They had a big push for bikes and getting kids to ride to school.

Often, the first look should not necessarily be about a Kiss and Go and changing it, because it is a lot of money. Are there other options that schools can do? That said, we understand Bakewell is in a difficult position. It is right in the middle of the heart of the suburb and it has a large number of students, but yes, that project will be undertaken.

The committee suspended.

Mr CHAIR: Welcome back to estimates 2022 everyone. Surprisingly, we are still on the opening statement.

Mrs HERSEY: Before lunch you mentioned the Clyde Fenton Primary School's Kiss and Go area. In 2016 the Labor government promised funding in the sum of \$300,000 for every school under the Building Better Schools program. Clyde Fenton school is still waiting for its Kiss and Go area. They were advised that it will be finished by the end of June. That is only two weeks away, so maybe there will be an extension.

Why have these projects taken six years to come to fruition? I have a newsletter from Clyde Fenton school from 2018, which says, 'The Kiss and Go has been approved for next year, so in the near future, this will not be an issue.'

Ms LAWLER: I cannot talk specifically about Clyde Fenton school; I can chase some information.

The Building Better Schools program was originally over four years. It was \$300,000 to every school in the Northern Territory. The vast majority of those—148 NT Government schools—had BBS projects either completed or under way by the end of May. There are 105 that have completed works, and 43 are in the planning and construction stage.

There were a number of reasons for delays. One, is COVID. There have been some issues about land tenure as well. It is difficult ...

Mrs HERSEY: COVID has only been the last two years. This was ...

Ms LAWLER: That is right. It was originally a four-year program during that term of government. There were changes of school staff and school representative bodies. Sometimes they did not have a clear understanding of the real construction costs, so there was a need to change scope or for the school to have additional costs.

With Clyde Fenton specifically, I can ask the Infrastructure person.

The schools I have spoken to were grateful for the opportunity to have a say on their infrastructure. Often infrastructure is about minor new works or capital works and some of those are just about repairs. The Building Better Schools program provided them to have those conversations with their community and come up with programs they wanted.

I will pass to Adam Walding about Clyde Fenton. He is the General Manager for Infrastructure, Investments and Contracts. Adam works for DIPL. A Langoulant recommendation about machinery of government changes were that all the Infrastructure staff are now part of DIPL. Adam controls, manages or oversees school infrastructure.

Mr WALDING: The dates I have for construction completion is June 2022.

Ms LAWLER: The \$300,000 is for installing solar, as well as upgrading the Kiss and Go. That project was in design; hopefully, it can go ahead soon.

Mrs HERSEY: Given the amount of time that they had to wait for that project, they are not getting as much bang for buck. Will the department come up with the shortfall?

Ms LAWLER: No.

Mrs HERSEY: They have to take it out of their own budget?

Ms LAWLER: They will get a \$300,000 project.

Mrs HERSEY: The Kiss and Go will take more than \$300,000. That amount will not go as far today as what it did when the project was announced.

Ms LAWLER: It is what it is. It was \$300,000 for a project; that is what they will get for a Kiss and Go, as well as their solar at Clyde Fenton.

Mrs HERSEY: I am still on the Building Better Schools program—in 2016 Labor promised funding—on 26 March 2018 a second round of \$300,000 was released to improve facilities. Sadly, Alekarengge are only just receiving the first allocation of the \$300,000. Why was there a delay, and what is the school receiving as part of that \$300,000 commitment?

Ms LAWLER: Alekarengge is getting an upgrade to their preschool outdoor play area. The completion date is July 2022 at a cost of \$287,400.

Mrs HERSEY: How many other schools have not had their \$300,000 Building Better Schools program started or finalised?

Ms LAWLER: Some are being worked through now; 105 have completed works, 43 are in the planning or construction phase or due to have works delivered in 2021–22. Some finalisation works are anticipated in 2022–23. They all should be finalised within the next six months or so.

Mrs HERSEY: The Alekarengge and Mungkarta schools are also in badly need of major upgrades. How much money is being allocated this year to the upgrades of those schools? What will the infrastructure upgrades consist of?

Ms LAWLER: There is good news for Mungkarta, as it is a homeland, and Territory Labor has committed \$100m in a financial year for homeland upgrades. I have been to nearly every homeland school in the Territory. Most have housing or schools, solar power or a generator. That is the extent of their infrastructure.

Out of the \$100m, I expect considerable amounts of money will go to Education to upgrade places such as Mungkarta. It is a lovely school out from Tennant Creek. It does need upgrading, but it is a Homeland Learning Centre. In the past that was supposed to be a commitment from the federal government to look after our homelands. We have not seen that.

We know the story about the CLP cashing in that money. Mungkarta had a water tank installed in 2021, so they have had some money spent there. I understand that there was also demolition work of an old building through Indigenous Affairs. Mungkarta will get some upgrades from that \$100m.

Mrs HERSEY: With all due respect, a water tank at Mungkarta will not do much for the children attending the school.

Ms LAWLER: It will give them water to drink and things like that, so it is important.

Mrs HERSEY: It is not infrastructure of their building.

Ms LAWLER: Just to back up, there are two different projects here. There are the \$300,000 projects, which are about our schools, and then there was \$5m allocated from the Northern Territory Government to upgrade Homeland Learning Centres. That was not a \$300,000—it was a \$5m commitment to Homeland Learning Centres. We have about 31 Homeland Learning Centres, so that \$5m has gone there.

That \$5m is a good amount, but we are looking to \$100m through the federal government for homelands. That is over a 12-month period. That is exciting news for homelands in the Northern Territory. Mungkarta will be able to, along with other homelands, have a considerable amount spent on it.

When Selena Uibo, Minister for Aboriginal Affairs, is on the estimates, I suggest that conversations with her would be useful.

There were two separate projects; \$300,000 for primary schools, urban schools, and secondary schools. There was a \$5m project for homelands. The issue with homelands is that it is usually a federal government responsibility to look after them.

Mr MALEY: In relation to the \$100m, who will have control of where and when that is spent?

Ms LAWLER: That would be through the Department of the Chief Minister—DCMC—so it will be a project through them. People like Adam, from DIPL, will be involved with that as well.

Mr MALEY: Just to confirm that you expect get \$100m to spend within the next 12 months, and the NT Government will control where that money gets spent?

Ms LAWLER: The time periods are not 100%. I am not sure of the allocation. It was an election commitment, so it may not be ...

Mr MALEY: I thought that you indicated 12 months.

Ms LAWLER: When is the next financial year or—it is not this financial year. I would presume that it is the next financial year. That said, it is not my project, so I will allow Selena Uibo to talk about it. It was an election commitment from federal Labor to have \$100m spent on homelands across the Northern Territory.

Mr MALEY: That will be given to the NT Government to control where it goes to, how it gets spent, and the time frame it is spent once it has been given?

Ms LAWLER: Yes.

Ms PURICK: How many schools are still waiting for their Building Better Schools allocation? When they get their allocation to upgrade whatever they want to upgrade, will there be compensation for the increased cost of materials, for example, steel?

Ms LAWLER: There are 43 in the planning to construction stage and due to have their works delivered in 2021–22, with some finalisation of the works in 2022–23. Of that breakdown: three are in their scoping; eight are at tender; five are about to be awarded; and 21 are in construction. The funding is that \$300,000.

Mrs HERSEY: What are the five that are about to be awarded?

Mr WALDING: The five that are expected to be awarded around 30 June, this financial year are Woodroffe Primary School, Woolaning School, Barunga School, Bulla Camp School and Bulman School. We have already done some works out of their \$300,000 at Barunga and Bulla Camp, so this will be the last components.

Mrs HERSEY: I visited the Tennant Creek Primary School recently. That requires a much-needed upgrade or replacement. Are there any future plans for upgrades to the Tennant Creek Primary School?

Ms LAWLER: If we talk about the big picture rather than specifics, the Infrastructure Commissioner, Louise McCormick, has already released the framework. In the next couple of weeks, she will release a strategy as well as a plan and a pipeline. Included in that is an audit. That will provide every agency the opportunity to look at what work needs to be done across the Northern Territory.

We all understand that if we had unlimited funds, there would be a considerable pipeline for schools and health centres.

Mrs HERSEY: There would be a major development in Katherine for the high school.

Ms LAWLER: Yes, schools, health centres, police stations—a lot of those are at an age where they need to be replaced. It is a bit like, 'how do you eat an elephant?' You will not be able to do them all at once. You need to have a strategy, a plan and a pipeline for that.

That work will be undertaken with an audit. Specifically, Tennant Creek is one where the Education Department will have a say. It is about prioritising. Otherwise, you are lobbied by local members who say, 'Mine is the most important.' We see principals who are able to lobby harder or get things done, and others not. It is about fairness and having a good audit look at what the needs are across all of Education and the schools to see what the priorities are. It is looking at demographics and where we need new facilities.

I have just been handed information about the Clontarf and Stars facility. That was \$1m spent at Tennant Creek High School. That was an election commitment, which has been completed. There were also upgrades

at Juno—another nice story tied to Tennant Creek; it is about re-engagement. Literally, for specific schools there is the opportunity for minor new works and urgent minors, which are undertaken or driven by the schools.

The big picture of replacement schools or substantial works needs to be in the capital works budget and there has to be audits on that.

Mrs HERSEY: How will the Infrastructure minister get that information? Will it be through the CE or the principals?

Ms LAWLER: No, the Infrastructure Commissioner. It will be an audit, probably be done through a consultant. They will talk to people like Adam, who are well aware the issues across the Territory in relation to school infrastructure—if we just stick to schools. They will be on the ground having a good look at them.

If I had 20 principals in this room, I would have 20 people telling me that their school urgently needs a new this, that or the other. We know that. Even if you look just at Darwin, a lot of our northern suburb schools were built after Cyclone Tracy. That was nearly 50 years ago. There is substantial work on those, let alone new schools. You probably need a school at Muirhead and Lyons. We are already talking about possibly two new schools in the Holtze/Kowandi area. The Member for Nelson understands that Taminmin is full, as does the Member for Goyder.

There is a strong need for new schools as well, let alone upgrading old schools. This is the issue; none of those things are cheap. We talk about probably a \$40m budget to build a new school. It is hard work, with the Northern Territory budget position, to do that. That is why we need to have a really good audit and plan.

I have the same conversations with Health regarding clinics, and with police. I hear you loudly and clearly about Tennant Creek Primary School. I have not been to Tennant Creek Primary School for the last 12 months, but I have a pretty good understanding of the issues that Tennant Creek face.

Mr MALEY: Can you give us some more information on the audit, like how far along is it? What is the budget?

Ms LAWLER: Let us talk about it in the Infrastructure portfolio. It is not Education. I can talk more about it in the Infrastructure portfolio and Louise McCormick will be here then. I am not shutting you down, I am saying that it is a better time to do it.

Mrs HERSEY: You were just talking about new schools. With the Holtze and Kowandi coming on, what will be the nearest government school to the 700 new lots expected in Holtze?

Ms LAWLER: As the crow flies probably Howard Springs or Good Shepherd. It depends on which end of the suburb. If it closer to the hospital, it would be the Gray school—that would not be too far away. Now is the opportunity, because the land use plan is being done now. That is the time to have a say in the next portfolio. Dave Ritchie will be in front of estimates then. He can talk about the consultation happening on the land use plan.

The land use plan will identify community-purpose land. Community-purpose land is where you put the schools, ovals and multicultural centres. We are very keen to make sure that—well, I am as the Planning minister, because I have lots of requests for community-purpose land in Palmerston. There will be some strong community-purpose land, which will be future school sites identified in the land use plan.

Mrs HERSEY: Given that there are 700 new lots, and with the schools that you mentioned, do you know what the capacity is of these schools—where they are sitting now in terms of capacity?

Ms LAWLER: We are talking about the 700 lots—they will not be turned off tomorrow, it is work that has to happen. There is money in our budget, \$44m for Holtze and Kowandi and that money is for headworks, power, roads and all of those sorts of things. We want the work to start by the end of this year which is why the consultations are occurring on the land use plan.

It is a bit like Zuccoli. There will be early houses built, and until a school is built, families will have a choice—they will take their children to the closest school. It is the same in Muirhead and Lyons, children go to Wanguri or Leanyer.

Gray and Howard Springs schools have capacity. They have had peaks. At some stages, they got to 500 students at Gray, and maybe even 600 at Howard Springs, when it was the first school in the rural area back in the old days when my mother was a teacher. Those schools have capacity early on.

It is the same issue with Muirhead and Lyons. Families can go to Leanyer or Wanguri. That is what Territorians expect. It is what frustrated me about Zuccoli. Territorians expect to have a school in the suburb; it is the model that we have always had. You have a suburb, so you have a school. It is probably a bit of an expensive model at times, but the expectations of Territorian families is that they will have a school.

Mr MALEY: Going back to those 43 Building Better Schools projects, you said that there were three in scoping, eight tenders, five awarded and 21 under construction. With my math that is only 37. Did I miss one?

Ms LAWLER: There has been 111 completed. Let me go through them again. In scoping stage there is three. In tender stage—advertising or assessment but award will not happen until after 30 June—there is eight. In tender stage—advertising or assessment—five. In construction—21. Completed—111.

Mr MALEY: That makes 37. You said 43, so there are six missing. The figures you just gave me make 37.

Ms LAWLER: There are 43 in the planning stage. They must have been completed, because I have two briefs. I have a DIPL brief that I have in front of me. This is an Education one that Adam has, so some of those must have moved. Five of them have moved to completion stage, because I had 105. Now we are saying that 111 are completed.

Mr MALEY: Do you know which ones are completed? There are five or six missing. Can you give us those names?

Ms LAWLER: Why do I not just table this attachment? Time is very important to me.

Mr MALEY: I am just trying to make sure you do not mislead parliament that is all.

Ms LAWLER: I am not misleading parliament.

Mr MALEY: I am not saying that you did it on purpose, but those things do not add up. It is pretty simple.

Ms LAWLER: I am just saying that I have the DIPL briefs in front of me. We can waste an hour if you like, and go through every one of these projects.

Mr MALEY: I do not want to.

Mrs HERSEY: Are you tabling that document?

Ms LAWLER: Like I said, these were as of yesterday, and these were—exactly, this lot in front of me—of 26 May 2022. Those were of yesterday, so there has been another six works completed.

Mr CHAIR: Will you table that?

Ms LAWLER: I can table Attachment A, which is the 2021–22 Building Better Schools program. It is probably available on the website, but I will table it.

Mrs HERSEY: Given that—I am talking about Holtze still, before we went back—Palmerston is the fastest growing region and where the Holtze development is, you are crossing two major arterial roads, Palmerston schools are almost at capacity, is there planning in that development in terms of a new school? If so, can you please provide details? For example, will there be a bus facility to those schools et cetera? Has there been any development about how much a new school will be in that?

Ms LAWLER: You are getting a fair bit ahead of yourself here. To be clear, the land use plan is being done now. Of course there will be buses if needed, and all of those things happen. Education do that very well. They have done it before, and will continue to do that. I will be clear: yes, but they are at the planning stage at the moment.

Mrs HERSEY: In that planning stage, is there a plan for a school in that specific area?

Ms LAWLER: That is why people need to have a say. This is the opportunity now to have a say about what you would like to see at that Holtze/Kowandi area. Things like how much land or what specifics about community-purpose. This is your chance to have a say.

The most recent example I can give is of Northcrest. When that was planned, it had land set aside for two schools, a government and a non-government school. The housing numbers are not such that they need a school yet. The children from those families probably go to Haileybury Rendall or another school. There is land set aside. That was our most recent new development. The other one—so yes, of course, in planning there are plans for new schools.

Mrs HERSEY: How many community-led schools have been established in the financial year, as well as in the last five years? Can you please tell me where they are?

Ms LAWLER: Community-led schools was an election commitment of ours. It is something that we have a budget allocation of \$2.4m for in the 2022–23 budget. There are 10 self-selected sites across the Territory: Gunbalanya, Angurugu, Milyakburra, Umbakumba, Yuendumu, Willowra, Nyirripi, Lajamanu, Yirrkala and Laynhapuy Homelands. That is consistent with what we had in 2021.

Ms CHATTERTON: The minister mentioned that we currently have 10 self-selected sites across the Territory as community-led schools. Broader than that, we support communities across 83 remote communities in the Territory. We know how important this work is, we heard that during our consultation for the development of the engagement strategy. This is about voice and local community having input into what education looks like for their children.

We have 42 LEaD Committees established and operating across the Northern Territory; eight of those are in the Top End region, 11 in Central, seven in the Barkly, 13 in the Big Rivers and three in East Arnhem. We continue to work in partnership with COGSO to support the strengthening of the school governance.

Our community engagement and local decision-making team do an amazing job across the Northern Territory of supporting communities to understand what the possibilities are. They work on a continuum of engagement model. That is understanding where the community themselves believe they are in the journey; whether they are ready to formalise into a local decision-making; or whether they would like the school council support.

We then provide support with a community capacity building plan, mentoring and encouraging people to be part of this important work. There are then formalised agreements. That feeds directly into the schools improvement plan.

Mrs HERSEY: In community-led schools, is there scope for them to work the curriculum to their community? That is what the community-led schools are about, and I am well aware of what they do at Manyallaluk—they seem to be going gangbusters. Is that how all community-led schools are going—in that similar model?

Ms CHATTERTON: The essence of the model is community articulating what is important and what they believe will enhance student engagement. For example, the Ramingining LEaD committee has looked at strengthening cultural teaching and learning within the curriculum, and creating culturally safe spaces, so that people feel they belong—that it is their school and inclusive.

Maningrida College is also reigniting their LEaD committee, which is working in partnership with RSAS and traditional owners with the same focus. It is determined by the voice of members of the LEaD committee.

There are lots of examples of partnership-enhanced teaching and learning. We are fortunate that the Australian curriculum lends itself to that innovation and Indigenous perspectives being strong in our schools.

Mrs HERSEY: KFLEC had a \$1m budget set up for a flexible learning centre attached to the high school. Is there scope in the future for that to be a separate annexe—the same as the school in Darwin—and also have their own budget? The students and engagement are different to what happens at the high school.

Ms LAWLER: Katherine Flexible Learning and Engagement Centre was established at the same time—it was an election commitment of our Northern Territory Government. I am passionate about it. Not all school students fit the four, square walls of a classroom; sometimes it is trauma, anxiety or mental health issues.

There are a number of reasons why some children find it difficult to go into a mainstream classroom and school. Often it is just the numbers; Taminmin has 1,200–1,300 kids. You need to think—it is becoming apparent around Australia, and we probably need to do more on this—about how you provide alternative

education provisions. These students need to be able to achieve, but they also need flexibility with their learning.

That was the establishment of the Katherine Flexible Learning Centre. It was tied to the Katherine High School originally, because those children live in Katherine and are supposed to be at high school in Katherine, but they were not. There needs to be at least some connection between those places. Sometimes, the students might need to be re-engaged, and then they might find that they can go back into mainstream. We also set up the Palmerston Flexible Learning Centre. That is a bit of the history and background to it.

Regarding these becoming a standalone school, I will pass to Aderyn. I am not sure what the benefit of that is, whether you think it is financial or something like that.

Ms CHATTERTON: Could I clarify the intent behind the question?

Mrs HERSEY: These children are quite disengaged and need a totally different wellbeing and rehabilitation, as opposed to the children that go to the high school. That is where it is coming from, based on my observations living in Katherine for a very long time.

Ms CHATTERTON: The most important and significant work that we have recently done in this space is engaging with Nous as a consultancy to look at developing a quality standards framework for flexible education programs that will support schools and program providers.

We want the conversation to be focused on what the evidence tells us about the strategies that work to support our young people. It is about strengthening our schools and programs to be more inclusive. The minister talked about the partnership between the annexe program and the local school, and distance learning as well.

The work that Nous undertook included going across the Northern Territory—they visited Katherine. They learned from the experience and about the work already happening in the Northern Territory. It is about us having a defined set of indicators and quality benchmarks that tell us what success can look like. We look forward to progressing that work.

Mrs HERSEY: I look forward to hearing more in support of that flexible learning centre, which is extremely important, because resources have been removed from that school, which makes it pretty difficult to run some of the programs. Do you what the staffing is for the flexi-learning centre?

Ms LAWLER: Aderyn says that she is not aware of the withdrawing of resources from the flexible learning centre.

Mrs HERSEY: Going on to funding outside of global school budgets. Is there anything in the Education budget for running additional programs at schools? For example, if a school has a program that is not already involved in the school. Is there a budget for that?

Ms LAWLER: Can you give us an example? Something a bit more tangible for us.

Mrs HERSEY: There was a school in Katherine that wanted to run a program that was not already part of their school program. It will cost a considerably extra amount of money, so they were trying to fundraise to get that to their school.

Ms LAWLER: That is why they have global school budgets. It is about planning, targeting and developing a strategy regarding the specific program. I will pass to the CEO, who can talk about ways of budgeting for additional programs in schools.

Ms WESTON: I am not aware of the example that the Member for Katherine has put forward. Generally, there are a number of people who approach schools offering different programs. It is a strong view of the department that the Australian curriculum offers a full curriculum that is a great opportunity for children to learn and that should be the first priorities for schools and teachers to deliver.

These additional programs often cost additional money. They may not be evidence-based and it is challenging for principals to evaluate them, if they have not had any evidence work done on them. The business of our schools is to stay focused on delivering the Australian curriculum, listening to their local community about the needs of the students and responding in terms of way they tailor the curriculum.

I can share that in the space where we have students with a disability, over recent years the budget for students with a disability has increased substantially. For 2019 our total students with a disability funding was around \$71.8m. Our funding in 2022 is now \$89.9m. We are happy to talk in a lot more detail about where that funding has gone.

Often the students who need additional support may have additional needs—that goes to social and emotional needs as well. I can share that it has been a priority to make sure that we have given the schools a resourcing model—more funding to our schools to respond to the additional needs of the students that they are catering for. We have a range of supports that we offer centrally to allied health staff and assessments, and how to make adjustments in the curriculum to respond to student needs. There is a lot of work the department has been doing, including what we have outlined in our inclusion framework.

While I appreciate that there may be a need or a want at a school to run a separate program, I am conscious that as a department, we have quite a strong focus on more resources being made available to schools to provide inclusive education; to support our teaching staff; to build capacity to provide centralised allied health supports, where a school cannot within their school resourcing model, or budget resource that from within. We have a lot of resources around engagement that have gone out. We have increased the number of engagement officers as well.

While I can appreciate ideas that you will run programs, often they are not evidence-based. We are focused on evidence-based programs, delivering the Australian curriculum, and increasing the funding available to schools through the school resourcing model to respond to the needs of these students.

Mrs HERSEY: For example, if it was a program like Read Write Inc that a school was trying to access, is that something that the department would fund?

Ms BOWDEN: Programs like Read Write Inc—and there are others—are supported systemically by our agency. There are resources and people with the expertise, who can support those particular programs. In addition, schools, within their resource allocation, may identify other programs or resources that they bring in.

Some schools bring in expertise from outside to support them with the delivery, particularly of those critical literacy and numeracy programs. There are schools that are centrally supported with resources and people that can build the capability in our schools and help support teachers in their delivery. Some schools will also choose to, through their own resourcing, develop and implement programs.

Mrs HERSEY: In January the former Minister for Education sent out a media release stating that fixed air conditioners in schools would be adjusted to maximise air flow and ventilation, and air purifiers would be installed in 77 remote schools. It was a bit late in the game with the start of term just around the corner. How many of those air purifiers were installed before the start of Term 1?

Ms LAWLER: A total of 67 schools had their central plant air conditioning systems adjusted by period contractors. That cost about \$70,000. There were 774 air purifiers distributed to 102 schools, at a cost of \$587,000. That work needed to happen when COVID was at its peak earlier this year. Work will be done to go back, check on the air conditioning plants, and make any adjustments to turn them back or whatever needs to be done.

Mrs HERSEY: I am aware that one classroom had such heavy delays to their air conditioning adjustment that they resumed in their regular class less than two weeks ago. Was the start of term delayed, or any class time disrupted due to this process in any other schools?

Ms LAWLER: I am not aware of that example.

Mrs HERSEY: You are not aware of the adjustment they had to make?

Ms LAWLER: I am not aware of the adjustment that was made in that period. If there was a need, schools have been very agile. It is a good time to thank our principals, teachers and department staff for the hard work they did during COVID. It was unprecedented. It is a word that we continue to use, but with the pandemic we have seen unprecedented times.

Our schools had to make adjustments; that is a fact. They have done that very well. Whether it was joining or mixing classes and doing a heap of things, those things were done. If you have an example, I thank the school very much for being accommodating and making changes that were necessary at the time.

Mrs HERSEY: Have all the air purifiers been installed and the identified air conditioners been adjusted now, or are there still some outstanding?

Ms LAWLER: It is my understanding that all that work has been done.

Mrs HERSEY: What was the cost of adjusting the air conditioning and installing the air purifiers? What are the ongoing maintenance costs, including the test and tag phase?

Ms LAWLER: The costs I gave were \$69,000 for the 67 schools that had their air conditioning adjusted by period contractors. There were 174 air purifiers which were distributed to 102 schools. That cost \$587,780. Now that we have the CHO Direction and are in a very different position, that emergency is over, so that work will not be ongoing.

Mrs HERSEY: Was there a policy adjustment for the air conditioning running times in schools? Did that changed before, during and after the COVID mandate was issued?

Ms WESTON: We took advice about the air conditioning from DIPL and air conditioning experts. I note that Adam is walking into the room, in case we need more detail for you. Basically, we took advice about adjusting up to full air flow into our school sites. There has been more recent advice from the World Health Organisation that we are following.

Adjusting our air conditioning units up to full air flow is a challenge for us now, as we head into the Dry. It is quite cool, if we have circulation on the full air flow. I imagine there is work about to happen where we will adjust back down, but we will stay in line with the World Health Organisation evidence about what is the best settings for schools.

We are also conscious that adjusting up to full air flow puts a huge strain on our air conditioning systems. It also means that the costs are higher to run them. We will make adjustments based on that World Health Organisation advice.

Mr WALDING: We adjusted the air cons to increase the flow into the classrooms to create more fresh air at such grades of the diversity, as per the WHO directions. Over that period of time, some had too much fresh air. We had to manage it within the capacity of the air conditioner as well. We supplemented some of those with the portable units that we mentioned earlier. We are in the process of reviewing that and starting to return to normal as the pandemic's effects are reduced. The portable units are still out in the field—in the schools.

Mrs HERSEY: The air conditioning running times were adjusted last year in schools to operate 24/7. That was changed in March/April this year to operate from 7 am to 3 pm, for example. Was that a uniform policy across Darwin schools, and is that being readjusted now?

Mr WALDING: Each of the schools are slightly different. It depended on the package unit at the school and the amount of fresh air we could bring in. The timing of the units changed, but I would not quote you 7 am to 3 pm, because there is always a lead time and an end time for the school day. The times are going back to what they were prior to the COVID changes.

Mrs HERSEY: Those times are?

Mr WALDING: It depends on the school and the capacity of the air conditioner. It is just like at home, when you turn your split system on, the room is not cool straight away. It depends on the capacity of the air conditioner to get to temperature when the kids come into the classroom.

Mrs HERSEY: The attendance rates in the Northern Territory have fallen steadily (inaudible).

Mr DEPUTY CHAIR: Member for Katherine; your microphone is off.

Mrs HERSEY: Sorry. Why did it take five years of steadily declining attendance rates to recognise the problem?

Ms LAWLER: It did not take five years to recognise the problem. Attendance and engagement have always been an issue in the Northern Territory, and there have been successive strategies every year. Every child,

every day—I can probably name a number of strategies that have been around in the last 10 to 15 years that I can remember.

I like to say that engagement and attendance is everybody's business. I will start at the top level and we can go down the list, including:

- annual school improvement plans for every school with targets and what they are doing about attendance
- every principal has a principal performance agreement, including targets for attendance
- regional plans to address attendance
- school and principal reviews, undertaken by outside parties, to look at the school and what it is doing about attendance and review the work of principals.

At that top level, as far as being the minister is concerned, that is my business. I look at what is in place at that level. I continue:

- the Northern Territory Education Engagement Strategy—and funding for that strategy
- KPIs and plans in place at the top level.

Underneath that there are a multitude of targeted programs to get kids to school. Today we talked about FaFT, and child and family centres. They are all focused on attendance; that is the business of schools. The Clontarf and Stars program—we could talk for a long time about those. Even the three years' old preschool is a strategy that will pay dividends for getting young children and families into the habit of going to school. You mentioned Read Write Inc. If a child feels successful at school, they will want to go to school more often.

Attendance is everybody's business; it is a constant focus for the department. The impacts of attendance—there have been doctoral theses done on this. We have a highly mobile Indigenous population. You have lived in the Territory—probably not as long as I have—so you know that people move. People are highly mobile and often the children go with them. Kids move from a remote community into town. The reasons are varied and include medical services, court appearances, catching up with family and going shopping.

One of the programs we put in place when I was executive director in schools in Alice Springs was KiTES—Kids in Town Engaged in School. That was about children coming into Alice Springs from Papunya, Ampilatwatja, the east and west, and then making sure that they went to school. If they were in town because a relative was in hospital for two or three weeks, the little kids could go to schools. There are so many programs that we have in place.

I assure you that we would love to see attendance rates of 90% in every school in the Northern Territory. I have worked very hard in education for a long time, as has everybody at this table. To us, that would be the ideal situation in the Northern Territory: to go to sleep at night and know that every kid would be getting up the next morning and going to school.

That is not the reality that we face in the Territory. We will continue to drive that change. That is the responsibility of our regional directors, our CE, me, our teachers, teacher assistants and our AIWs—it is everybody's. No stone will be left unturned to drive improvements in the Territory to at least get to that 90% attendance rate. It is not just an Indigenous issues; it is an issue across the Territory. Sometimes, it involves poverty as well.

I will pass to Karen about attendance. It is an important question. I am glad it is being asked at estimates, because I want everybody to be focused on improving attendance.

Mrs HERSEY: Sorry, Karen, before you answer, I will elaborate a little on the attendance. It has never been raised in estimates, but when I am out in communities talking to people, I find it quite interesting. I am wondering if the attendance rates are measured when Indigenous families have sorry business. I am sure that might have quite an impact on attendance in regional and very remote areas. Is that marked as an absence or a notified absence? How is that measured?

Ms LAWLER: I will pass it to Aderyn, because it is recorded; our system has clear measurements for that.

Ms CHATTERTON: We have a series of codes that our schools can select from when they are recording reasons for absence from school. We have a code that acknowledges cultural business, which includes sorry business.

We have a dashboard that gives us the ability to monitor from the classroom to the boardroom, so we can see very school's attendance rate by region and year level. There is a collective of us, who continually pay attention to that. That is broken down to the code, so we have an understanding of the stories and different factors that may be impacting on our young people attending schools.

Ms PURICK: If you have these different codes—and you say that you have a code for people who are required to participate in sorry business—does that go across all cultures such as Hindus and Islamic people, if they put down that they have funeral business or loss of loved ones? Are they all included in that same code?

Ms CHATTERTON: Yes, it is a generic cultural code. It would be about the school understanding the circumstances of families.

Mrs HERSEY: Given that you have a code for sorry business or for funerals, in very remote communities, is there any chance of getting a measured number on what that attendance is of that specifically? Just to get a bit of an idea.

Ms LAWLER: I will tell a story. At some schools, particularly if they have students in Year 12, the work our teachers do is outstanding. They go out if a funeral is on a homeland, community or an area out of Maningrida, for example. In the past, teachers have travelled out daily to provide students with work, so they are not missing out, are getting assignments done or using an iPad to do some work.

Just because they are marked as participating in sorry business or at a funeral, there are schools that go out of their way to make sure that those students are learning. There are also examples of primary schools where a teacher will set up a camp or a spot where the funeral is, so that the little kids can continue to have an education, particularly if it is an important person in that community and it is a longer funeral. There is a lot of work, but I will pass to Aderyn to address the question on availability of data.

Ms CHATTERTON: We have data that provides us with visibility of code usages. We see particular themes, more prominent within different regions. We did some work on mobility of our students. East Arnhem, for example, had a higher rate of young people and their families moving for cultural reasons, so we would have the ability to provide some info and themes on that.

Mrs HERSEY: Given that very remote students may come into a regional centre, how many engagement and compliance officers are there across the Territory, and where are they based? Following on from that, how many vacancies are there, and where are they with those compliance officers?

Ms CHATTERTON: We have 38 student engagement officers right across the Northern Territory. Four of those are in the Barkly region, five are in Big Rivers, eight in Central, seven in Darwin, six in East Arnhem and seven in the Top End.

Mrs HERSEY: Five in Big Rivers—given that Big Rivers is quite a massive region, for example, are they based in Katherine and they go to the communities?

Ms CHATTERTON: Yes, the student engagement officers are just one arm of our response to supporting student engagement. There are five in Big Rivers. They have particular schools that they work in close partnership with. They have developed relationships over time, which means the families feel comfortable, connecting and working together. They also work in partnership with our remote school attendance strategy teams. We have 38 of them across the Northern Territory. When you think of that for a piece of the puzzle as well.

We have an innovation where we have school-based engagement officers. There are 14 of them across the Northern Territory. That was about us saying, 'Let us look at what will happen if we position those resources, designed to support our young people, closer to the young people they are there to service'. We have worked in close partnership with those schools. We are looking forward to reviewing that work next term on the impact, but our schools very much value the role.

Those positions still connect into our centrally based ones. It is all about sharing information, which is vital with mobile young people. It is also about people learning strategies that are working across the Territory.

There is strength and we need to scale it up. There are RSAS, our own regionally based people and school-based engagement officers. Then not to forget our amazing AIEW workforce, who are in our school that do amazing work day in and day out in this space as well.

Mrs HERSEY: How many vacancies are there for engagement and compliance officers and where are they?

Ms LAWLER: That is a difficult question, because there would be ongoing recruitments. If there was a vacancy, recruitment would have started for those positions. It is a point-in-time question, because you want those positions filled at all times—they are critical positions. It would be a point-in-time—what date are you looking at for that data? The bottom line is that we do not want vacancies, we want those roles filled.

Mrs HERSEY: Given that it is a point in time—for example, at the moment, do you know how many vacancies there are?

Ms LAWLER: It is a difficult one, because at any time people resign, retire—can you give me a date that you would like as a point in time?

Mrs HERSEY: Today. Can I take that on notice? Or do you have the answer?

Question on Notice No 2.4

Mr DEPUTY CHAIR: Member for Katherine, please restate the question for the record.

Mrs HERSEY: How many vacancies are there for engagement officers and compliance officers, and where are they?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes, thank you.

Mr DEPUTY CHAIR: The question asked by the Member for Katherine has been allocated the number 2.4.

Mrs HERSEY: In written questions that were sent through, 58 staff had been terminated, with 56 as a result of the vaccine mandate. Last year that figure was only four terminations. Year-on-year that is more than 13 times the number of terminations. Will efforts be made to recruit the 56 Education staff lost to the mandate now that it is lifting? What is the agency policy on this? Can you please provide a breakdown of the level of these staff?

Ms LAWLER: It was a CHO direction that if people were not vaccinated, they could no longer continue in their public sector role, so that is what happened. Those staff were dismissed. Now that those CHO directions have changed and been lifted, if there are vacancies, those teachers can apply for a vacancy just like any other public servant. It is merit selection and that process will be undertaken.

Mrs HERSEY: Given that, they will just be advertised as positions vacant?

Ms LAWLER: Yes.

Mrs HERSEY: Of those staff members terminated, do you know how many were school-based?

Ms LAWLER: There were 35 teaching staff and 21 administrative staff. Some of those positions would have been back-filled, so it does not mean that they necessarily will go back to the role that they had. They will have to apply for positions.

Mrs HERSEY: Following on from that, in another answer to a written question, 474 Education staff had resigned. Last year the figure was 399, which is an 18% increase in resignations. You have lost 75 more staff than you did last year. How do you explain these mass resignations? Can you provide a breakdown of the levels of the staff?

Ms LAWLER: I would not say that they are mass resignations. Every year there is about a 20% turn over in the public sector in the Northern Territory. It is for a variety of reasons. One of the things we see in Education is that, sadly, there is an aging population, so often people reach retirement age. I am sure they are very

happy when they get to retirement age, but we see that turnover because there are a large number of baby boomers going through the system.

Yes, there is a turnover in education. I have been involved with education for about 30 years. Every year we see anywhere between 120 and 200 new recruits. That has been the case for a number of years. It is what you see in the Territory. People come to the Territory. We do not provide all—CDU does not provide every teacher that gets a job in the Territory.

There are other people who come from interstate, so we often see that. We know this story where they will come to the Territory—it might be their first teaching role—they will teach here for four or five years, but when they have children of their own, they move interstate. That is a fact for regional centres. It is not just in the Territory. You see that in regional WA and regional Queensland. That being said, we would like to see less teachers and principals leaving and retiring.

The other one is—I am just looking at the data on separations and transfers—that it provides renewal. That is the other positive thing in schools. Sometimes you have long-term staff and when they retire, it gives the opportunity for someone new to come into that school. There were principals who recently retired. Some of them had been very long-term employees of the Education Department.

Also, the last few years have been unusual with COVID. As we keep saying, it is unprecedented. With COVID, people have left and some have stayed. For a variety of reasons, people have looked at their own personal lives and made some decisions regarding COVID. Whether that was returning to a family interstate or to a country area, we have seen those things.

Education works hard to maintain its staff. Every principal works hard to be a great leader in a school. We have really strong leadership programs in Education that provides principals, particularly new principals, with skills and abilities to maintain and keep staff, and how to make staff feel rewarded in their workplace. It is also the focus of a CE, as well as all of the regional directors. How do you make your staff feel valued? That it is important.

Mr MALEY: You said that there were roughly 100-odd recruits. How many recruits were there in the last financial year?

Ms LAWLER: The school year is a better one to start with, at January. Every year, at the beginning of the school year, there is an orientation and an induction. At orientation this year, there would have been about 200.

Ms PURICK: How many principals vacated their role over the past year, and for what reasons? Was it resignation based on retirement or were their contracts ceased? That is for primary schools as well as high schools and middle schools.

Ms LAWLER: We can provide that figure—about 43 principals.

Ms PURICK: Do you know if they were retiring, like the Helen Chatto's of this world, or their contract ceased?

Ms BOWDEN: Over the last couple of years there have been, on average, between 40 to 45 principals turning over for a range of reasons. There are principals retiring. We have an aging workforce with our principals. We had amazing long-term principals that you would be aware of—Helen Chatto, Sue Fisher and others—who retired very recently.

Principals in remote communities take study leave, so we have turnover in our remote communities when those principals are eligible for their study leave points, up to a period of four years. Then, of course, there are principals who have made decisions to leave for personal reasons.

Ms PURICK: Do you record why they leave? If you could, that would be useful. Do you want me to do a question on notice?

Ms BOWDEN: Yes, we can get that data.

Question on Notice No 2.5

Mr DEPUTY CHAIR: Member for Goyder, please restate the question for the record.

Ms PURICK: How many principals have vacated the role over the past year, and for what reasons, for example, resignation, retirement, contract ceasing, study leave or for another reason?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes.

Mr DEPUTY CHAIR: The question asked by the Member for Goyder has been allocated the number 2.5.

Ms PURICK: You mentioned the training of principals before. How much is allocated to principal support and development? Not just leadership development but operational, human resources and financial competency to ensure that they have the capability to manage multi-million dollar businesses, which basically is what schools are these days? What training is provided to principals, not just in their leadership role as the head of the school, but competency in finances and human resources, for example?

Ms LAWLER: That is an important question. Education NT has a School Leader Wellbeing Action Plan. I will pass to Susan, who can give us a rundown on the work of principals and the support they get.

Ms BOWDEN: It is important for us to make sure that principals who are either new to principalship or new to the Territory have a good induction. There is a principal induction that runs at the start of every year, where all new principals, whether they be new to the Territory or new to being a principal—some have been in the system and may have won the role of a principal at a higher level.

They are invited to the principal induction, where a range of things are covered, including financial management. In addition to that, our school business managers provide critical support for our principals in the area of financial management, assisting them with the management of their budgets. We also have regional financial officers, who support the principals at a regional level.

In recent weeks we have run a number of online principal information sessions for principals. We had good uptake of those sessions, which included new financial systems and the recent release of school resourcing.

We are looking to develop comprehensive packages to help principals with this important role, because some of them have significant budgets.

Mrs HERSEY: What is the total expenditure on STEM centres over the past five years? I note that there was a \$750,000 scoping study for the Katherine High School STEM building. Can you tell me when the work will start? I could not see anything in the budget for it.

Ms LAWLER: With Katherine High School, it is at design stage. It does not mean that it will get built. It is part of the budget process. We often have the design work done, so that when the budget is there for construction we can go ahead. STEM or STEAM, depending on what you choose—Taminmin has an amazing STEAM facility ...

Ms PURICK: The best one!

Ms LAWLER: Yes, it is an amazing facility. We also have Darwin High School, and work under way at Dripstone. About \$33m has been spent.

Another point that I need to make is that you do not necessarily need to have the physical infrastructure to have a wonderful STEM or STEAM program. It is broader than just the facility. It is about having the teaching staff to undertake it. Palmerston Senior College have started back with woodwork, which is a great start.

It is not necessarily about having a building—I know that Katherine High is keen. I am keen to see STEAM and STEM centres rolled out across the Territory. They are vitally important for pathways to jobs in the Territory and they provide practical hands-on learning. It is not necessarily a full academic program—academic is involved with STEM and STEAM—but it provides a pathway to jobs.

Tennant Creek and Katherine will have a substantial amount of jobs with projects, such as Beetaloo, Sun Cable and in mining and agriculture, so we need STEM and STEAM in the schools that are preparing young people for jobs for the future.

Mr WALDING: I will talk about Katherine High School in particular. That is currently at 50% design. The intent is to go to 100% design by the end of September. That will be finalised ready for the budget process.

Ms LAWLER: To make sure that you are not claiming victory yet, that does not mean that it will necessarily get a guernsey in the budget process ...

Mrs HERSEY: I am well aware of that. We have been waiting for some time. As you just explained, with all the development in the Barkly—Beetaloo and the rest of it—you are aware that STEM and STEAM buildings it is a very important project in Katherine and Tennant Creek. No, it is not just about the building.

If you have very ageing infrastructure—I am not sure if you have been in Katherine High School recently?

Ms LAWLER: I have been there many times.

Mrs HERSEY: Maybe you did when you were there recently. It is in need of an upgrade. I am sure you would agree on that. I look forward to when that is slotted into the budget somewhere. I will be pushing for it.

Going back to attendance, how many attendance plans were issued by engagement officers and compliance officers in the past financial year to date? Can you specify them by location?

Ms LAWLER: Are you talking about managed school enrolment? Can you clarify what you are asking?

Mrs HERSEY: We were talking about the truancy officers and engagement officers, before compliance officers. Then we somehow skipped onto something else.

Mrs HERSEY: Attendance plans issued by engagement officers and compliance officers in the past financial year, specified by location please.

Ms CHATTERTON: Our student engagement officers work along a continuum of engagement. In the first instance, it is about forming a relationship, having conversations with young people and their families to understand what the current barriers to engagement might be. That is where we spend the majority of our time.

Then it progresses to supporting young people to re-engage and re-enrol with schools, and are often referred to other agencies. We have conferences where we can request compliance and attendance, but that is still about developing a support plan together. We have notices, directions to enrol and an infringement notice.

I have the Term 1 2022 data per region that I can table. I need to take it on notice to provide an annual one.

Ms LAWLER: You are better off dealing with calendar years in Education rather than financial years, otherwise you go across two.

Mr DEPUTY CHAIR: Is that a question on notice?

Mrs HERSEY: Thank you.

Question on Notice No 2.6

Mr DEPUTY CHAIR: Member for Katherine, please restate the question for the record.

Mrs HERSEY: How many attendance plans were issued by engagement officers and compliance officers in the last year—not financial year—of school? Can you specify them by location?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes, I do, thank you.

Mr DEPUTY CHAIR: The question asked by the Member for Katherine has been allocated the number 2.6.

Ms LAWLER: Member for Katherine, a kind person just messaged me. Casuarina was the other STEAM centre, so Taminmin, Darwin High School, as well as Casuarina.

This is the trouble when we jump between output areas; we do not always have time to go through our folder. Also, it is hard with three portfolios to remember every finer detail. It is lovely that they were able to get a STEAM centre at Casuarina as well.

Mrs HERSEY: How many compliance notices were issued to parents or carers in the past calendar year of the school? Can you specify by location?

Ms LAWLER: I will take that one on notice.

Question on Notice No 2.7

Mr DEPUTY CHAIR: Member for Katherine, please restate the question for the record.

Mrs HERSEY: How many compliance notices were issued to parents or carers in the past calendar school year to date? Can you specify by location?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes.

Mr DEPUTY CHAIR: The question asked by the Member for Katherine has been allocated number 2.7.

Mrs HERSEY: Maybe this is on notice as well—how many parents or carers were prosecuted for their child's non-attendance under section 40 of the *Education Act* for a first offence in the past calendar school year?

Ms WESTON: Miss Chatterton and the minister outlined that our approach is very much one about engagement and a continuum. Your question goes specifically to how many people have been prosecuted, and the answer to that is nil.

Mrs HERSEY: In answers to written questions, in 2020 the former Minister for Education stated:

With a view to improving operational effectiveness, the Department of Education adapted its approach to enforcement of Part 4 of the Education Act 2015 so that from 2017 there has been a greater focus on engaging and supporting families prior to punitive measures being applied.

...

Further, the department launched its new strategic plan for 2018 - 2022 which included a greater focus on working with partners to support engagement, as opposed to compliance focused measures.

The evidence is speaking for itself; given that attendance has continued to drop under that approach, whereas it was steadily higher prior to the change. Is it time to revisit what was working before? Will you reconsider establishing truancy officers and enforcing part 4 of the *Education Act*?

Ms LAWLER: I was around and working in the Education department when had the truancy officers and the fining of parents. Somebody else can speak more about it, but it did not really hit the mark. It was an expensive process, which was a lot of work, and a parent would get fined \$220, or something like that. It was not an effective way to get kids to school.

There were a couple of other programs at that time—a welfare quarantining one, I think it was a SEAM trial that we had. The schools need to have sticks and carrots, but the process with fining was one that was costly to the department and did not actually hit the mark. I will pass to the CE to speak more broadly about that.

Ms WESTON: Last year when the previous minister, Minister Moss, myself and Aderyn went out across a fair bit of the Territory to discuss the issue of attendance. It would be fair to say that followed on from the really sad and tragic deaths of some students and a coroner's inquest where—my recollection is—the coroner flagged that fining parents did not seem to be the way to go. That we needed to engage much more with families about why attendance is important.

That is the key reason for the engagement strategy having, as its first priority action area, working in partnership as one of our key priorities. I support that we need to do better with attendance in the Territory. The way to do that is not to blame parents, but to engage students in learning and make sure that learning in our schools is meaningful—and that is the second action area in our whole engagement strategy.

You would also know that we are trying very hard to improve the number of Aboriginal teachers in our schools with our RATE program and expansion. That is about having the right people. I just noticed the data when you were talking about principals. We have a small increase in the number of Aboriginal principals in some of our schools and that excites me greatly. We need to build their capacity, and do the supports that the Member for Goyder flagged, so that they stay in our system and grow as principals.

We all know that children cannot learn—this goes to some of the social determinants—children cannot learn unless they feel okay, and are included in their school environments. We know that in that social determinant space we have young people who are hungry, not well, have mental health issues, and who have housing issues; all of those things that we know are challenges for the Territory.

I want to reaffirm the direction the Department is going in, with a 10-year engagement strategy. We sought expert advice to develop that strategy. We listened to communities. I am committed—and I know the minister is committed—and our whole team is committed to that work.

I can assure you though that the turnaround will not happen quickly. This year we have had a spanner in the works because of COVID and attendance. Kids were ill and have not been able to go to school, including kids in Darwin and the Top End as well. I would be delighted if we could pick up attendance in Darwin and the Top End, as well as our remote schools. It is not 90%, as it is in other systems in Australia. It is a big effort required by all but it must be working in partnership with families and communities explaining why education is so important.

Some of our vision about why it is important to finish school—our Education NT strategy—where we try to make sure young people understand that if they finish school and get that NTCET or get a trade, do a VET course, the world is their oyster. They have every opportunity, if we can get those literacy and maths levels up.

The whole department is committed to this path. I will be back here at estimates probably saying that we have a small improvement, but it is definitely a better path to think about the whole system reset than just working on truancy.

Ms LAWLER: That is a very good response from the chief executive and I think we can all hear the passion and our commitment to that.

I remember a very good report done by Menzies. It said the biggest variable with student attendance is related to housing in our remote communities. That is why our government is committed to our billion dollar housing program. You will be able to ask those questions of Minister Uibo in the coming days.

That is the biggest influence. That is what will make a difference when we see families not having to have large numbers in one household. When children can go to sleep at night and have a good night's sleep, get up in the morning and go to school. Some of the variables are beyond the control of classroom teachers, principals and Education Department executive staff. It is whole of government work that needs to be done. We know those issues very clearly. These are important questions.

Mrs HERSEY: I am conscious of the time to move on to Infrastructure.

Would you be aware of the priorities of the ICPA? We spoke about ICPA and they are a very strong, passionate group of families. I believe that these priorities remained essentially the same since you were last the Minister for Education. When will the review of the NT student assistance scheme be complete?

Ms LAWLER: I am happy to meet with anybody. I have had a lot to do with ICPA over a number of years. I was recently at their celebration—Minister Moss was not available—and I gave a speech and talked to some of their original presidents and members of the committee, which was lovely.

I am committed to making sure that they are a key stakeholder. ICPA are a key stakeholder in Education in the Northern Territory as is COGSO and AEU, as well as the Principals Association. ICPA are one of the big four—as I call them—that you deal with as a minister in the Northern Territory. I am very happy to have

conversations about what their priorities are. I am sure Ms Moss did the same. I am very happy to meet with them soon.

I understand that I missed their conference, which was just held, but I look forward to working with ICPA.

Ms PURICK: In regard to the NT ICPA; they had their conference in March, which I attended. Minister Moss advised at that conference that the department was reviewing the NT student assistance scheme, as the Member for Katherine mentioned. Has this review been completed? If so, is there an additional allocation of funds in the 2023 budget to provide for an increase in the allowances?

Ms CHATTERTON: The student assistance scheme is an ongoing priority for ICPA for us to review. Post the big conference, we met with the executive and we put to them our proposed time lines for the review. They said that they really need this piece of the work to be done by September this year, and we committed to that. We recognise that there are core elements of the review that families need to know about by September to support their enrolment and their planning.

We also requested that ICPA identify an executive member, who will work alongside our finance team. I have already seen correspondence going backwards and forwards. There will be continual progress updates and opportunities for us to test thinking. The aim is to simplify the application process, improve the timeliness of payments and focus on reducing the administrative burden for our families.

One commitment that finance has already made, which was very well received, was that if your young person enrolls in Year 7, and we know that they remain in that school, then there is a commitment to support them right the way through. Current practice is continual applications—recognising little things like that we can simplify. We are also trialling use of the GrantsNT process. We have ICPA members testing that to give us feedback along the way.

Mrs LAMBLEY: Can I ask a question about school attendance? Karen and Aderyn, at the end of last year you briefed me on this strategy that came out in 2021 for ten years from 2022. You said that you were developing an implementation plan. Has that happened?

Ms WESTON: Thank you for the interest in this piece of work. What we have done is progress initially with work at the regional level to make sure that we have a focus at the school level and in our regional plans. Some of the higher level actions are progressing. For example, we have already met with APONT to talk about establishing a voice—an Aboriginal peak body for the Territory.

For your interest, I have also been working nationally on a piece of work for the Aboriginal voice to Education ministers as well. Aderyn can happily talk about the work we have been doing on student voice, which is also one of the areas for working in partnership. The RATE program continues and we have action plans for expanding RATE.

Mrs LAMBLEY: Our conversation in the briefing was around time lines, and you said that you were producing an implementation plan.

Ms WESTON: Yes, it is still under development, but we wanted to make sure that we had a focus in every school first. One measure in every school for engagement at the regional level—there is a on around engagement. We have consulted with our schools and got feedback that is informing our development of the whole plan.

We have done initial work on the full implementation plan. I have looked at it and think that we need to do a bit more work and conversation across the whole department. For example, something like meaningful learning and bilingual education requires a lot more consultation—mapping out how those pieces will happen. Every action announced by Minister Moss is in progress. It was more the bigger picture of the strategy that we wanted to capture in the implementation plan.

Mrs LAMBLEY: Before you said that school attendance is about engaging children. I have the list of school attendance for the different periods and terms that was available online. There are some remote schools that are consistently sitting below 30%, a lot of them in Central Australia, but not exclusively.

How are you engaging with the children say, at Lajamanu School where you have consistent school attendance at less than 30%? Give me an example of how you are engaging with the families and children. I take on board what the minister said; you are right, it has to be whole-of-government and is about housing and social problems that have been there forever.

We cannot let another year roll by with these terrible statistics. You have 56 schools in 2021, from what I counted, that have a school attendance rate of less than 60%. You know the figures; they are outrageous and a national disgrace. I am wondering what you are doing, as you just said, at the very local level at each school? Give me an example of what you are doing because people really want to know.

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Ms LAWLER: Member for Araluen, this is the last time I will give an opening statement, because this is a classic example. We spoke about attendance for the last half hour and about an hour ago, then we are going back again. It is frustrating for me as minister, and for the department, because we have been discussing it—you left the room—to now go back and start talking about attendance again at 2.45 pm.

Mrs LAMBLEY: You were talking about it five minutes ago.

Ms LAWLER: We have been talking about this and had moved on.

Mrs HERSEY: We have moved on. Sorry, Member for Araluen.

Ms LAWLER: Member for Araluen, next year come ready with your questions. I am giving the heads up to everyone, because it is all over the place. I will not do an opening statement for DIPL. It is frustrating going all over the place.

Mrs LAMBLEY: It is more frustrating to look at these statistics.

Ms LAWLER: If you had been here, you would know that I talked about how frustrated I am.

I give an example using Lajamanu, which is a bilingual school. It has a bilingual program there. They will develop reading materials, resources in Warlpiri language, so the students will start in those early years where they feel comfortable with Indigenous language resources.

Ms CHATTERTON: We are monitoring attendance at our schools. It helps to inform which schools we identify for priority focus support. That is about the senior directors having a conversation with the principal about what teaching and learning looks like. We draw on our community engagement and local decision-making team to support our principals to have the right conversations and ask the right questions.

We redeploy student engagement officers to particular schools to support them in their priority work. On my table here, we map out whether they have RSAS, Clontarf and Stars—where are the areas there might be gaps that we need to prioritise support for our schools?

With the work we are doing with this engagement strategy, as educators, we are as alarmed by the data as everyone else. I appreciate the urgency of the work, but the response requires collaboration and strategic partnership work. The work we are focusing on also, is supporting our principals to be equipped with the right questions to have the right conversations and be open to saying, 'Who else do I need to partner with to learn from one another?' and be able to lead the conversation at a local level and ask the young people. The youth voice is so important. A few weeks ago when we gathered, Emma King said, 'This is so important, because all of these people write policy for us and come up with ideas without asking us, then wonder why does not work.

The heart of this engagement strategy is equipping our schools to be working in partnership and asking the questions to identify what the responses need to be. At the same time, as a system, we have a clear commitment. The evidence and our consultation told us what counts. That is the commitment to RATE, the Aboriginal workforce, more language and culture and meaningful learning in our schools.

Mrs LAMBLEY: What about Lajamanu School?

Ms CHATTERTON: Lajamanu is not one I am across, other than the RSAS work occurring. I can talk about others in detail where we have been doing priority work.

Mrs LAMBLEY: A lot of people really want to know what is happening.

Ms LAWLER: I will give an example in my electorate. Moulden school is a low socioeconomic school; it has about 80% Indigenous kids. The school has a strong focus on attendance and does amazing things. The principal has a walking bus. Before school the principal goes around the suburb—literally—and the students come out from their homes. The little ones hold onto the rope and walk along to the school. A child might feel

reluctant and anxious about going to school, but when they are walking along and all their friends are there, they join in and go to the classroom.

They also have Clontarf and Stars in the primary school, which is fantastic. The Clontarf program provides breakfast when the kids get there and provides male role models in the classroom. There is also the Stars program for the girls. They are able to do that. If there is a child not attending, the Clontarf or Stars staff go to the home, knock on the door and have conversations with parents about attendance.

They are just a couple of examples of schools in my electorate.

Mrs LAMBLEY: Moulden school has a school attendance rate of over 75%. I am talking about schools that are really doing it tough with less than 30%. The comparison between Moulden Primary School and Lajamanu School or Willowra—they are streets apart.

Over the next 12 months, I would like to know what is going on with these schools that are sitting consistently below 60% attendance. I have been talking about this for a couple of years now. It really interests me; it upsets me. Not educating these kids is sentencing them to a life of disadvantage. We all know that. I do not hear from any of you, what you are doing to engage and work with children and parents. What are you doing in Papunya School? It has 24.8% school attendance in Term 3 of 2021.

Ms LAWLER: That is why I was frustrated, as I did the spiel about responsibility from the top down.

Ms CHATTERTON: Papunya is one of the schools we identify as a priority for focused support. There has been a range of complex issues—I am sure you are well aware—happening within the community. A lot of interagency work is happening.

In Term 1 we were restricted with the work we could do in terms of travelling and connecting to communities, but we did a lot of support work with the new principal and changeover of staff. When we could travel in Term 2, we were out on the ground. The student engagement team are working with the principal, identifying the young people we need to actively find to ask the questions. There are phone calls, emails and case management meetings to develop plans to re-engage the people.

When we send a student engagement team out there is a joint commitment. Someone from within the school, as well as our engagement officer, do the work together, because it is about the relationships in community. When young people are mobile from Papunya—the minister referred to KITES before. We also do support work in the background.

The Papunya school is saying, 'We think the family of these young people are in Alice Springs'. Then our Alice Springs-based people are out and about in community, working in town camps, connecting with Tangentyere, and saying to the young people, 'Welcome. Let's take you to KITES and you can experience some of the great activities that are there'.

There is also ongoing work with MacYouth and Desert Therapy. RSAS supports Papunya as well. When the need is so immense, it is about who else we partner with, which piece will they be leading on, and sharing information.

We talk about putting faces on the data, knowing who the young people are. There are schools—Gapuwiyak and Galiwinku—that have photos of all the young people. 'Who is at school today? Who is not here?' Everybody knows they are the young people, when we are out in community and talking to families, who we need to be focusing on, together.

They are just some really practical examples of what we do. Mutitjulu is another Central school with attendance beneath 50%. We have an Aboriginal principal, who is deeply connected to community engagement. Through the work with the RSAS team and our school survey, we heard from community that language and culture was really important. Community was saying, 'That will make a difference with our young people attending and engaging with school'. Now, she has partnered with Areyonga School to look at how language can be built into the reading program. Those are really tangible examples.

Ms LAWLER: When I was the boss in Central Australia, one of the principals there—we had a great principal at Hermannsburg—shut the shop. Until all of the kids in the community got to school, the shop did not open. That soon had all the kids running to school because their parents were chasing them, because they wanted to get to school. No school, no shop. There are lots of examples.

Mrs HERSEY: I am conscious of time and getting a few things done. With the Katherine housing scheme for teachers, I am aware that there is a review on. When will that be released? I know that there was a bit of work that went on that with the meeting in Katherine, recently. How many Department of Education staff are in teacher housing and how many leases are currently being held by the NTG for Education staff in Katherine?

Ms LAWLER: That report has been completed. Information went out to Katherine Education staff, last week. I will pass to the CEO. I am very keen to make sure that these issues are resolved.

Ms WESTON: It is something that is of high importance to the minister and to us, in terms of making sure that we have quality housing for our teachers in Katherine, which is quite a hub.

Members would be aware that a new housing scheme was introduced in 2020. It created a grandfathered scheme for rental subsidy for staff who were employed by the department. Recently, I extended that rental subsidy scheme for any of the staff, who are continuing to work in the Katherine area and have sent them correspondence regarding that. There are 28 staff who remain in that rental support scheme.

There are other supports available to our staff who are recruited to Katherine. There is the ability for new staff and new teachers to get a 10-fortnightly payment on entering into Katherine and a similar subsidy to Alice Springs. That subsidy continues.

There is other work that we are doing across government with our colleagues in the department of families and communities in relation to housing. I have increased the number of head lease properties now to 37. We are continuing to look at whether we could increase the number of head lease properties. I understand that there is interest in us negotiating with our colleagues, through DIPL, Territory Families, Housing and Communities, the idea that we might get new infrastructure and houses built.

One of the things thing about the Katherine housing market—I am sure you will know this, Member for Katherine—is that a lot of the accommodations available are three and four bedroom houses, and there is a rental premium on that. We have younger teachers attracted to Katherine, who may not have high incomes, do not have a family and cannot afford to pay that higher rent. We are keen to talk about how we might get infrastructure built as quickly as possible, which could accommodate single and younger teachers that could be available at a more reasonable rent. We have been talking about this with our colleagues at DIPL and Territory Families and we will continue to do that.

We understand that there are tax advantages, which are not well promoted about being exempt from fringe benefits tax if you are paying rent or borrowing money to purchase a home. The Commonwealth government considers that the location is a remote location. We need to do some work to support our staff to understand that. It is not really our business, in some senses, because it is Commonwealth relief, but I am keen to get advice for our staff, so they can understand those taxation incentives.

We continue to monitor the situation, and are even looking at things like incentives with Territory Families to get people to upgrade property in Katherine. It is a project. KPMG provided us with a comprehensive review of what is going on in the rental market in Katherine, including how other agencies are supporting staff. We are looking forward to finalising more long-term measures, but we have made some decisions that give relief to the current staff, and the 10-fortnightly subsidy will continue for new recruits. We will continue to look at head leasing to make sure our staff have access to properties.

Ms LAWLER: One thing I have done with my Infrastructure portfolio is to push the development of Katherine East. You put forward a petition that you did not want Katherine East developed. We have to be careful.

Mrs HERSEY: Correction; it was not that I did not want Katherine East to develop, it was that the petitioners who signed it did not want another Woolworths out there. They want another supermarket, they did not want another Woolworths—size—out there.

Ms LAWLER: We need to see further development in Katherine, because this issue about teachers in Katherine is not just about education and teachers, it applies to all the workforce. I talked about this earlier under Treasury. There is huge defence work at Tindal, and in Katherine, we need to see new subdivisions going in. We need you, as the local member, supporting that in the future.

Mrs HERSEY: Correct. Given that we need to develop Katherine and more areas for liveability in the region, in Alice Springs a private investor developed a residential precinct, as you are aware, at the Alice Springs Hospital with several units being leased for health staff. Is that something that the government would have discussions with builders on government land in Katherine?

Ms LAWLER: There are always possibilities on those things. You would be aware that we have that land where the old Katherine Rec Centre was and we tried to get a hotel off the ground there. An expression of interest went out twice, but there was no interest.

Mrs HERSEY: There was interest. Maybe it was knocked back, but there was definitely interest.

Ms LAWLER: I know the truth, this is my portfolio, so I know the full story about the Katherine Rec Centre site. Do not mislead people; we know what happened with that site. You need developers who are willing to put the money in and take the risk—but yes, there are options.

Mrs HERSEY: Police and health staff in Katherine are considered remote for the purposes of housing, but education staff are not. Is that something that will be looked at in the future?

Ms LAWLER: That is one to ask OCPE about—that classification.

Mrs HERSEY: Recently, there was the ongoing disturbance and disruption in Wadeye—probably while the Member for Daly was overseas on holidays. I am wondering if you could update us on what is happening with the school out there—the Our Lady of the Sacred Heart. How long was it closed for in that region?

Mr DEPUTY CHAIR: Member for Katherine, Standing Order 109; imputation. It is irrelevant that the Member for Daly is here, and you are implying that he was away on holiday.

Mrs HERSEY: Thank you, Mr Deputy Chair. The Member for Daly could speak up for himself. However, he did not, and it was noted in the press that he was overseas.

Mr YOUNG: I have been in and out of Wadeye for a number of weeks taking ministers and the Chief Minister out. We have set up a task force to respond to that. Yes, I do find it offensive.

Mrs HERSEY: Thank you, Member for Daly, sorry about that.

Is the school at Wadeye still closed, or how long was it closed for?

Ms LAWLER: The school at Wadeye is a Catholic school and there were days it was closed. There was extreme unrest in the community.

Ms CHATTERTON: The school at Wadeye shut for a few days. It is open. We were speaking with the head of Catholic education just the other day. They had around 200 young people. The staff have also been doing a great job of going out to some of the outstations and connecting with families. I would like to acknowledge the great work that has occurred and the commitment of the staff at Wadeye.

Our department has also reached out to Catholic education and said, 'Let's keep talking; is there any support that you need?' We also have student engagement officers connected to Wadeye, and an officer lives out there. That is providing some support. We have seen a slight growth in enrolments in some of our government schools as families have moved. It is definitely everyone working in partnership in Wadeye and supporting people on the ground.

Mrs HERSEY: There was considerable damage to housing out there. Was there any damage to the school in this time? Is the government providing any assistance for this?

Ms LAWLER: My understanding is that there was not damage to the Catholic school, but that would be the responsibility of Catholic Education anyway.

Mrs HERSEY: Do you know how many families were dislocated from Wadeye in that time?

Ms LAWLER: I do not have that to hand, but there has been movement of families from Wadeye into urban areas, as well as into homelands. That is a good question to ask Selena Uibo, the Minister for Aboriginal Affairs, and Homelands.

Mr MALEY: Can I ask a question about Taminmin High School? There was fire damage in one of the classrooms, and I understand that it is not able to be fixed until 2023. Can you give me an update on the repairs to Taminmin High School?

Ms LAWLER: I did a Facebook post or a media release. The tender has been awarded—I cannot think of the Territory company—to replace the roof. What happened was, once they took the roof off, they found that there was substantial damage to that roof. There were also two demountables relocated from Darwin Middle School, which will be going out during the semester break to Taminmin to provide extra classrooms. That will be early next year. We will be pushing to make sure of that. Hopefully, early next year the damage can be repaired to the roof and demountables.

Akron have won the contract to repair the roof, vapour barriers and associated works for building 15. It is \$270,000 to undertake that work.

Ms PURICK: In the recent awards for Australia, Laurence Ah Toy received an AM for his work with community and his engagement with schools, particularly Darwin High School—so much so that there is a building at Darwin High called the Laurence Ah Toy Building. There are also many other schools that have names after people, teachers whatever. We have Jill Tudor Hall at Bradshaw Primary School, Silvia Caroca Library at Parap Primary School, Mrs Chadow's Chapters at Girraween, Woodside Reserve in my school at Taminmin. Bree Stop at Stuart Park, Zerbe's Zen Garden at Driver, the Sally Bruyn Oval at Leanyer and the Pamela Dickson Centre for Learning library resource centre at Casuarina Street Primary School.

It has come to my attention that the Education department is intending to rename some of these infrastructure buildings, because it says they have not been named in accordance with the *Place Names Act*. My research says that is not correct. DIPL told me that it does not apply to buildings within a school, or structures within a school.

Will the department do an inventory, or conduct and develop an inventory, of structures within a school that have been named after people—alive or dead? If not, why not?

Is it correct that the department is looking to rename all of these schools? Is it a policy from government, or a direction from government to either rename them to something else or to delete namings?

Ms LAWLER: I do know about place names. People are quite surprised about how vigorous those names need to be, because you do need to do the research. Sometimes we see that now, in history when you have named something after someone, it does not always work.

In relation to internal buildings in schools I am not across that matter. I have not had that question raised with me, but I am happy to pass to ...

Ms PURICK: I could do a question on notice if you want?

Ms LAWLER: I was there when the Rhonda Zerbe gardens were unveiled at Driver Primary School. She was a very long-serving administrative staff member, so I understand when schools have favourite people that they like to name their facilities after.

Ms BOWDEN: There is a piece of work that our agency needs to do in terms of guidelines for naming conventions in the schools to support schools, school councils and school boards. That currently does not exist in our agency, so we will create a piece of work that will help guide our school representative bodies, our principals and school staff through this process.

Ms PURICK: That is what is being developed now to address the issue of school councils making a decision? It would be rightly so, to honour someone for their commitment who worked at that school. Is there a time frame for that work?

Ms BOWDEN: Yes, we will be looking at doing that in the next six months.

Ms PURICK: Will you be engaging the schools along the way?

Ms BOWDEN: We will be working with COGSO as part of that work, then we will seek representation through COGSO through to the schools.

Ms PURICK: In 2019 the government announced the government's pay freeze policy and made it clear that public servants on executive contracts had three options. One, sign the contract amending, accepting the three-year pay freeze; accept a four-year freeze at 2019 wages for their next contract; or face their contract not being renewed.

Given that those contract should have been expiring last year or this year, how many executive contract officers in the Department of Education have not had their contracts renewed? How many have had their contracts renewed, despite not accepting the pay freeze in 2019? How many had their contracts extended indefinitely on the existing conditions? Would you like to take it on notice?

Ms LAWLER: Yes. I do not have that level of detail.

Question on Notice No 2.8

Mr DEPUTY CHAIR: Member for Goyder, please restate the question for the record.

Ms PURICK: With regard to the NT Government's pay freeze policy, could you provide information on how many executive contract officers in the Department of Education have not had their contracts renewed? How many have had their contracts renewed, despite not accepting the pay freeze in 2019? How many have had their contracts extended indefinitely on the existing conditions?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes, I do.

Mr DEPUTY CHAIR: The question asked by the Member for Goyder has been allocated the number 2.8.

Ms PURICK: As you mentioned before, the Stars foundation took over some services in the NT from the previous girl's academy—Taminmin was one. Has the department undertaken an assessment of the Stars program after its first full year of operation?

Ms LAWLER: I understand that it was a previous program—role models incorporated was the business name. We had one of those programs at Palmerston senior college.

Ms CHATTERTON: We have set agreements with Clontarf and Stars with KPIs. We follow that usual process. We have not done a formal review of it, other than the delivery of the outcomes for young people.

Ms LAWLER: It is a third, a third, and a third—well, Clontarf is. Is Stars as well?

Ms CHATTERTON: Yes.

Ms LAWLER: It is funded by the federal government, as well as the Northern Territory Government. Clontarf also had philanthropic dollars attached to it. Stars would be NT Government and federal government. It would need a review process, because it is federal government funding and acquittals.

Ms PURICK: That review process would not have started yet?

Ms LAWLER: No.

Ms PURICK: Is there a time frame for when it will start? Just the Stars program, not Clontarf. Perhaps I will write to you?

Ms LAWLER: I would have to get details, but at this stage, there is no time frame. Writing to me would be easier.

Mrs HERSEY: I will send further questions as written questions. We are finished with Education; we can move on to Infrastructure. I thank the department. I appreciated your opening statement, minister. I hope that you do one again, because I enjoy listening to them.

The committee suspended.

Mr CHAIR: Welcome back everybody to estimates 2022. We just finalised questions on the minister's opening statement.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

No questions.

OUTPUT GROUPS 9.0 TO 11.0

No questions.

Non-Output Specific Budget-Related Questions

No questions.

Mr CHAIR: That concludes consideration of the outputs relating to the Department of Education. On behalf of the committee, minister, I thank you and your departmental officers, who have provided advice and done the back-of-house supporting work for you.

Ms LAWLER: I thank very much the CEO, Department of Education, Karen Weston, as well as her staff for all the work they have done.

DEPARTMENT OF INFRASTRUCTURE, PLANNING AND LOGISTICS

Mr CHAIR: The committee will now move on to consider outputs relevant to the Department of Infrastructure, Planning and Logistics. Minister, I invite you to introduce the officials accompanying you and make an opening statement should you see fit regarding the Department of Infrastructure, Planning and Logistics.

Ms LAWLER: Mr Chair, I have Andrew Kirkman, Chief Executive of the Department of Infrastructure, Planning and Logistics; Louise McCormick, Infrastructure NT Commissioner; and Fotis Papadakis, Chief Financial Officer. There are other staff members in the back room, who will appear.

I will not make an opening statement in the interest of time. We only have an hour-and-a-half for Infrastructure. In the past we have sometimes spent seven hours on Infrastructure. We will not have that amount of time, so I will not make an opening statement; we will go straight into the outputs today.

Answer to Question on Notice No 2.1

Ms LAWLER: Page 18 of Budget Paper No 2 indicates current and capital grants decreasing. What is the reason for the decrease?

The reduction in current grant revenue between 2021–22 and 2022–23 reflects the cessation of Commonwealth funding of \$273m for the provision of COVID-19 quarantine arrangements at the Northern Territory Centre for National Resilience for Organised National Repatriation of Australians program.

From 2022 to 2023, funding declines in line with ceasing Commonwealth funding agreements, including the Northern Territory Remote Aboriginal Investment. The variation in capital grants revenue over the budget cycle reflects the revised delivery of Commonwealth-funded roads and housing projects in line with the expected works.

Revenue is required to be matched with capital spending in accordance with Australian Accounting Standards.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

No questions.

OUTPUT GROUP 12.0 – INFRASTRUCTURE NT Output 12.1 – Infrastructure NT Policy and Development

Mr CHAIR: We will proceed now to Output Group 12.0, Infrastructure NT, Output 12.1, Infrastructure NT Policy and Development. Are there any questions?

Mr MALEY: The 2022–23 budget has approximately \$6.2m allocated to this output. It is a new budget output. What projects and significant initiatives will receive funding from this allocation, and how will it work?

Ms LAWLER: I am excited to be able to talk about Infrastructure NT. Our amazing Infrastructure NT Commissioner, Louise McCormick, is in the room today.

One of the key responsibilities of Infrastructure NT is the work between the Northern Territory Government and the Australian Government. We have already seen how beneficial that work has been. The Australian Government delivered us the largest ever infrastructure investment in the history of the Northern Territory.

The recent federal budget provided us with \$2bn for Middle Arm; \$440m for the logistics hubs; \$300m for the Darwin regional water program; \$160m to complete the Tanami; \$124m for the Mereenie Loop; and \$50m for the Alice Springs to Darwin corridor. From my point of view, that is evidence the Infrastructure Commissioner and the work being done by Infrastructure NT is delivering for us.

Infrastructure NT will provide the strategic overview for the Northern Territory Government. It is developing a strategy, plan and a pipeline that will be released at the end of June. You will be able to have those documents soon; they will be public documents. I have copies. They have been approved through Cabinet. They will provide clear directions for Territorians on our strategy for infrastructure, our plan and pipeline. That will be about what is and is not funded.

In our last estimates discussion about Education, we know how critical it will be for Education to have audits done on our infrastructure. That is the work of Infrastructure NT.

Ms McCORMICK: The \$6.2m relates to staffing within Infrastructure NT. That is essentially policy-type people, who are doing economic research for the plan in the pipeline. It also includes about \$1.5m for consultancy. We are doing work in freight and logistics to map out supply chains and doing business cases for the bigger funding projects the minister mentioned. To get and secure that funding, we need to go through Infrastructure Australia and do detailed business cases. Specialist consultants input into the business cases as well.

Mrs LAMBLEY: There is a 474-page report into corruption in the Katherine DIPL office that was not released due to the department claiming that it, 'eroded trust within the agency'. What is the department doing about this report and why will it not be released?

Ms LAWLER: I did not do an opening statement, so we are in Output Group 12.0, which is Infrastructure NT. It is Infrastructure NT policy and development. It is also strategic project office; it is not DIPL.

Mrs LAMBLEY: Where can I ask this question? I thought this was a cross-government ...

Ms LAWLER: It would be in 13.2, which is Infrastructure, Planning and Governance.

Mr MALEY: No further questions in relation to that output.

Mr CHAIR: That concludes consideration of Output 12.1.

Output 12.2 – Strategic Project Office

Mr CHAIR: The committee will now consider Output 12.2, Strategic Project Office. Are there any questions?

Mr MALEY: This has an approximate budget of \$2.4m. What significant projects will receive funding in relation to this?

Ms LAWLER: The output area is about the strategic project office and the work it is doing. They have the Darwin city revitalisation project—the City Deal—the ship lift, Frances Bay Mooring Basin, Mandorah marine facility and the regional logistic hubs.

Mr MALEY: Does the Infrastructure Commissioner require approval from DIPL or the CEO in decision-making, or does she bypass the CEO and go straight to the minister?

Ms LAWLER: She goes straight to the minister. Her role reports to me as the minister for Infrastructure.

Mr MALEY: What strategic projects directed by government has Infrastructure NT delivered so far?

Ms LAWLER: I just went through a whole list of things that Infrastructure NT has done. Its work is about making sure that we have a strong relationship with Infrastructure Australia, and developing the framework, strategy, pipeline and plan—the strategic planning work. That is about to be released. By the end of June we will have an announcement to make.

The work delivered has been the framework, strategy, plan and pipeline. Besides that, the Infrastructure Commissioner has also done work with Infrastructure Australia to make sure that we have some of the projects I just mentioned at the stage where they are ready to be funded by Infrastructure Australia and the Australian Government.

That is the work being delivered already. Overarching policy plans, and the work with NT projects with Infrastructure Australia. For example, the Tanami Road is at stage three. The Darwin regional AROWS water supply project is investment ready. That is the work Infrastructure NT has been leading.

Mr MALEY: We spoke earlier in Education about the school audit. I am trying to work out where to put that in. Should it go in this output or the next one—13.1, Infrastructure Investment and Delivery?

Ms LAWLER: We can talk about that now. The work of Infrastructure NT is to provide top level—we used to have an infrastructure plan. We have superseded it by doing the work led by Louise McCormick. We have a framework. Underneath that is a strategy and plan. Within it, the plan has things that are funded and unfunded, which provides a clear pipeline that provide industry with the ability to know what projects are coming up, and what has NT Government funding. Part of that is to have an audit. That is the audit we are talking about with regard to Education.

Ms McCORMICK: In the last 12 months that we have been in existence, we have taken on board the Territory Economic Reconstruction Commission recommendations to reform our infrastructure systems and prioritise investment for growth. We have done that in terms of consultation with the community, key stakeholders and industry bodies. We have been talking closely with Infrastructure Australia to make sure that the strategy, plan and pipeline build the foundations for us to win more federal government investment.

Essentially, the strategy is the purpose and vision of how we see our investment in infrastructure. The plan and pipeline have reshaped how we look at the program.

The previous 10-year infrastructure plan had projects listed by industry sector, which meant that a lot of projects were duplicated, and you could not tell what was funded or unfunded. We changed that to be separated into a plan and pipeline. The plan has all projects needed or that need to be considered, but are unfunded. The pipeline includes all government projects and private sector investment that is funded, and being rolled out and constructed.

A big part of doing the pipeline is looking at market capacity. As we are growing, market capacity and monitoring it will be key. It gives us good visibility of the boom-bust cycle—hoping that government can make informed decisions about when they invest in infrastructure and what our market capacity is.

The infrastructure audit is currently way. We have finished stage one of the audit, which is a desktop assessment of all the work that has been done previously. It is fair to say that there has not been a whole lot done in this space. Previously, there was the regional infrastructure study done around 2014–15. It produced a baseline document about regional investment and where economic projects could be grouped on a regional basis.

To start with, as part of that desktop audit, we looked at where we have addressed those audits, and made improvements from there. The second phase of the audit, which we will roll out in the second half of this year, will include lots of consultation, particularly in the regions, with the regional reconstruction committees about where they see each of the region's growth opportunities that might need to be addressed in the audit. As the minister said, it will also look at the legacy issues for our agencies in terms of their current infrastructure baseline and what they need to support their outcomes going forward.

Mr MALEY: What about the underground power investment and the policy in relation to that? How is that going?

Ms LAWLER: That is a bit obscure and out of left field, but I like talking about the big picture. There is \$60m over ten years for the undergrounding of power. That is work Power and Water will be undertaking.

Mr MALEY: How much did you spend this year?

Ms LAWLER: Power and Water are doing the tendering process for that. First of all, it is doing the high voltage lines. It is \$60m. The Member for Johnston was there when I did the announcement. That is an ongoing rolling program and will need around \$300m to complete. It is a project that will take at least 20 years—over that longer period. It is looking at those high voltage lines first and foremost. Then it will follow on from that to do the lines between the high voltage lines to households. The final stage will be into the actual households—undergrounding the power into the actual premises.

It is a long-term project by Power and Water, so it is more a question that needs to be given to the Essential Services minister—the operational minister—who is Selena Uibo, when she answers questions. That will provide you with a bit of an overview. At this stage, it has not gone to tender yet. They are doing the work that is needed.

Mr MALEY: Can you give this committee information on how much you have spent from your department in the last year in relation to this?

Ms LAWLER: There is \$10m over there, but it is not this department. It is Power and Water. You are better off asking Minister Uibo about that. I did the media on that when I was Essential Services minister, not as DIPL minister. It is an ongoing program. It was \$60m over that period.

Mr MALEY: You are saying that we should ask those questions to Minister Uibo?

Ms LAWLER: Yes, it is essential services. It is Power and Water infrastructure, not DIPL infrastructure.

Mr CHAIR: Thank you, Member for Nelson. Power and Water is on Thursday morning.

That concludes consideration of Output 12.2 and Output Group 12.0.

OUTPUT GROUP 13.0 – INFRASTRUCTURE INVESTMENT PROGRAM, SUPPORT AND DELIVERY **Output 13.1 – Infrastructure Investment and Delivery**

Mr CHAIR: The committee will now move onto Output Group 13.0, Infrastructure Investment Program, Support and Delivery, Output 13.1, Infrastructure Investment and Delivery. Are there any questions?

Mr MALEY: Last quarter the Construction Snapshot was released in October 2021, over six months ago. Why was there such a lengthy delay releasing this information to the public?

Ms McCORMICK: Construction Snapshot is a loved document by many in industry. That has come across to Infrastructure NT to manage going forward; 21 October was the last release we did. We noticed when we did our plan and pipeline, that the pipeline is very similar to Construction Snapshot. We want to look at how we might integrate Construction Snapshot into our infrastructure framework more holistically. We have one ready to release in the short term, but it will not quite be aligned yet with the plan and pipeline. We are still looking at that.

Mr MALEY: What money has been allocated in this year's budget to upgrade the Kirkland Road/Woodlake Boulevard intersection in Durack?

Ms LAWLER: No money has been allocated to Kirkland Road/Woodlake Boulevard. You are asking this question for the Member for Spillett. We have a number of letters to and from the Member for Spillett about this.

That intersection is busy for a short period of the day. A traffic study has been done. It is busy in the morning. That is the Fairway Waters/Durack area. There are alternative routes for that community, which are more effective and efficient—back past the school and through the roundabout. People come out of Woodlake Boulevard, turn left and go back to the roundabout, then head back down Kirkland. I live in this area, so I know it well.

We have written to the Member for Spillett about this. There are a number of issues. There is a roundabout at the bottom end of Palmerston and the railway crossing. There is not the space to put in another roundabout, because the railway crossing is very close. The fix would be very expensive, because you would need to put in traffic lights, which would only be needed a couple of times during the day. Most of the time it is not a busy intersection. You would be lucky to have one car going through there.

Having said that, we have the design for the Weddell freeway. When it is built, it will supersede that intersection. As a government, we do not want to spend \$6m on an intersection, which will be superseded by the Weddell freeway.

If you look at the Holtze to Kowandi subregional plan, you will see where the Weddell freeway goes and the Kirkland Road/Woodlake Boulevard intersection. The road will supersede that. It will not be a busy intersection in the future, because the traffic that comes along Finn and Elrundie roads will be on Weddell. The issue with Kirkland/Woodlake is that in the morning all the traffic coming from Finn Road Berry Springs goes past there.

The advice from the department, which did the traffic studies, is that it is an expensive fix, because of where it is situated. There are alternatives. The study said that some of the issues are due to drivers not being patient and that they need to look at taking an alternative route. All of this will be superseded by the Weddell freeway.

That was a long answer, but one that provides you with a picture.

Mr MALEY: When do you think the Weddell freeway will be completed?

Ms LAWLER: The feasibility study is being done now, which will provide information to government. There is considerable development at East Arm—we have the Tiger Brennan overpass. East Arm is becoming much busier. Big fuel tanks are going in for Defence—US and ours. We also have the work looking at where the Ghan pulls up. That is all happening at the same time.

Looking at where we will put the Ghan and the Weddell freeway form part of the picture with Middle Arm. It is all part of a big picture for government. That said, nobody wants to spend substantial amounts of money on an intersection that will be redundant in a few years' time. I understand the issues from the community. Sometimes you have to wait at an intersection in Darwin.

Mr MALEY: My question was, can you give an estimate for the Weddell freeway? You said that it was a few years; is that two or three years?

Ms LAWLER: We will wait for the feasibility study to come out and we will let Territorians know.

Mr MALEY: When will it come out?

Ms LAWLER: It is a 12-month study, so probably six to 12 months.

Mr MALEY: That is just the feasibility study, then it needs a budget and money to build it, so you would estimate 10 years?

Ms LAWLER: We will wait and see.

Mr MALEY: What I am getting to is that the AANT recently put out a report, which found that intersection was one of the most dangerous intersections. Yet you cannot even give us a date on when the intersection will be upgraded, because you will not spend anything on it now.

We know now that this intersection is one of the most dangerous intersections. You cannot give Territorians an estimate of when will you build the Weddell freeway so, between now and then, whenever that may be in the future, people will just have to put up with one of the most dangerous intersections in the Territory, is that right?

Ms LAWLER: Let us wind back. First of all, I have met with AANT. That was just an online survey; it was not actually identified as a dangerous intersection through any rigorous process. The department of Infrastructure has done that work on the intersection. It was an AANT online survey where people could comment on a place they thought was a difficult intersection. We have provided information to AANT about that and I have had conversations with AANT.

All of that said, the report that we have, that was done by traffic management about the traffic areas, showed it is about driver behaviour at that intersection. I know that intersection very well. It is busy in the morning with traffic coming from the rural area, through Finn Road from Berry Springs—down that way.

It is not a high priority at this stage for government. We said that we will do the feasibility study on Weddell freeway and that will provide information. There are other intersections that are also concerning at times, or busy, where accidents occur. From memory, there have only been two accidents at that Woodlake intersection. It might be considered dangerous by some people online, but it is not actually considered an extremely dangerous intersection at all.

Mr MALEY: The total budget for the national Aboriginal art gallery in Alice Springs is reported to blow out by more than \$30m. Can you confirm if that amount is correct?

Ms LAWLER: No, I cannot confirm that is correct. This is the first time I have heard that \$30m figure.

Mr MALEY: Are you estimating it to blow out at all from its budget?

Ms LAWLER: It is at design work only. The federal Labor Government gave a commitment of \$100m to that project; we gave \$50m. It is at design; let us wait and see.

Mr MALEY: You have not heard any claims that it might blow out by more than \$30m, is that what you are saying?

Ms LAWLER: No, I have not heard that. I do not go on rumours and innuendo. I have the facts in front of me and they are that the tender has gone out for design. The design work will happen. There was \$50m allocated by the Northern Territory Government. Some money was spent on the demolition of the old ANZAC Hill High School. The acquisition work is being finalised at the moment, with the Town Council. Federally, Labor committed—both parties committed in the end, but Labor committed \$100m. We expect the build of the national Aboriginal art gallery to be around that \$50m figure.

Mrs LAMBLEY: One of the issues involved with using Anzac oval as the site, was the relocation of the rugby league and rugby union. One thing I am not clear about is if you allocated money for that?

Ms LAWLER: Yes, we said that there will be \$29m allocated to rugby league and rugby union to build two fields at Kilgariff.

Mr MALEY: Last year in estimates we asked questions about upgrading Anzac Parade at Middle Point out to Humpty Doo Barramundi. Has that progressed?

Ms LAWLER: I will take that one on notice.

Question on Notice No 2.9

Mr CHAIR: Member for Nelson, please restate the question for the record.

Mr MALEY: Do you have any plans to upgrade Anzac Parade, which is the road out to Humpty Doo Barramundi, in the future?

Mr CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes, I do.

Mr CHAIR: The question asked by the Member for Nelson has been allocated the number 2.9.

Mr MALEY: In the budget, the infrastructure development revote is \$362m. Can you give us a breakdown? I will give you a couple. The Alice Springs flood mitigation is worth \$10m. Will there be any money spent this year on the Alice Springs flood mitigation works? This is revoted from the year before.

Ms LAWLER: Some would have been spent on a study for that.

Mr KIRKMAN: There has been quite a bit of investigative work undertaken with the flood studies for Alice Springs. There has not been any easy answers in that work, given the topography. I am advised that we are very close to finalising a report and position on the best way forward for preventing flooding of premises in Alice Springs.

Mrs LAMBLEY: God, this has been going on forever, has it not? It really has.

Mr MALEY: Can you outline how much money has been spent in the last financial year on that project?

Mr KIRKMAN: This year we spent \$246,000 on advice from local expert firm, WRM, in respect to flood mitigation measures in Alice Springs.

Mr MALEY: I have a list. The next one is the Katherine Logistics and Agribusiness Hub. There was a revote of \$33m. How much was spent this financial year on that project?

Ms LAWLER: There was money been spent on that. There has been geotechnical investigations, \$52,666; headworks and design, Rodriguez, Fong & Partners, \$129,886; subdivision design by Cardno, \$668,344; infrastructure concept design, \$14,310. They were the contract sums.

The expenditure for 2021–22 for the Katherine Logistics and Agribusiness Hub was \$110,209. There are a number of projects there for the work that needs to be done, with \$110,209 spent.

Mr MALEY: It was allocated \$33m and \$100,000-odd has been spent?

Ms LAWLER: Yes, that is a nice, big project. We need to have those logistic hubs in place, particularly when we look at projects like Sun Cable and Beetaloo, where there will be freight transferred through rail. They will be getting things off the rail and taking it to those big works. They are big contracts, and big work will be happening. It is important. They are doing the geotechnical work, the headworks for the water, the subdivision guidelines—all of those design works are under way.

Mr MALEY: What about the Katherine flood mitigation works?

Ms LAWLER: The Katherine flood mitigation work—I have to be careful, because sometimes I get the north and south mixed up. North has started and that is under way. Black Cat Civil won the tender to do the work for flood levies for Katherine north.

Mr MALEY: Finally, the Frances Bay Mooring Basin?

Ms LAWLER: Frances Bay was announced this morning. I have a few big tenders going out this week and some went last week.

There was considerable work done on Frances Bay by the Seafood Council, because it was about making sure that we did not close the lock. Originally, we thought that we would have to close the lock for a few months at a time. There was extensive consultation and we came up with a solution where we only needed to close the lock for a few days or weeks at a time, and minimise the impact on the industry. Frances Bay was announced today. Advance Civil won that—a good, Territory company.

Mr MALEY: In relation to the new Territory Development portfolio, why does that not have its own budget output?

Ms LAWLER: Territory Development is overarching. It is the work of Louise McCormick. Infrastructure NT is the easiest way to explain it. Basically, my title as Minister for Territory Development oversees those really big projects and the work of Infrastructure NT.

Mr MALEY: Can you provide us with a breakdown of the budget allocation for Territory Development this year?

Ms LAWLER: Territory Development—are you talking about me as the minister? No, it is the work—we just said, it is \$6.2m for the output area of Infrastructure NT. That is the budget for Territory Development. The actual projects are projects that are across DIPL or other agencies.

Mr MALEY: It is not about the projects. How much money is it to operate Territory Development? That is what I am asking.

Ms LAWLER: Infrastructure NT. I am the Minister for Territory Development, Infrastructure NT is like the agency or the area that ...

Mr MALEY: How much money has been allocated to operate Infrastructure NT?

Ms LAWLER: We said earlier on that it is \$6.2m.

Mr MALEY: Why was Territory Development created as a separate portfolio, when it is really just a part of Infrastructure? Why would you do that?

Ms LAWLER: There are projects that are across portfolio areas. For example, AROWS—Adelaide River Off-stream Water Storage Project. That project has so many components to it. It has land acquisition, which is part of DIPL. There is work around water licensing, which is DEPWS. The work of the actual build will be Power and Water. It is across a number of departments.

That is me, as Minister for Territory Development. You need to have a minister that lobbies and champions the project, and brings it together. In the agencies, you have inter-agency CEs that work together on these projects. There are executive directors that work on those projects too, but you want one minister who drives it. Otherwise, you will have a lot of moving parts to that.

The other one is Middle Arm, for example. There are so many agencies involved in the work of Middle Arm, but you want it to go up to one minister, who is taking the information into Cabinet discussions. There is a lead and a person providing that drive. That is what the Minister for Territory Development is. It is about infrastructure development in the Territory. The person that I have, who oversees it, is my agency head, Louise McCormick.

Mr MALEY: Can you give us an idea of when the new government centre for Borroloola will be built? Have the design and costings been completed yet? Has a site been secured?

Mr WALDING: That million dollars was part of the fit-out. My understanding is that it is through NT Property Management, trying to do a leaseback program. That will be part of the fit-out to finalise the project.

Mr MALEY: Has a site been secured yet?

Mr WALDING: That will be through that process of leasing it back. It is to try to involve the local community with the local investment.

Mr MALEY: The site has not even been picked yet?

Mr WALDING: That is what I am saying. The site decision will depend on who puts in for that development. NTPM—NT Property Management—are taking the lead on that one. They will have more details on exactly where that is up to.

Mr MALEY: That means someone has to pick a site and build a building before it will open?

Mr WALDING: My understanding is that it will be leased back, for a long-term approach.

Mr MALEY: Can you give us an idea of when you think it will open?

Mr WALDING: No, because I am not managing that part of the process.

Mr MALEY: Who is managing that process?

Mr WALDING: NT Property Management.

Mr MALEY: Who do we ask about that process then?

Mr KIRKMAN: Corporate and Digital Development.

Mr MALEY: What about the Borroloola cyclone shelter?

Ms LAWLER: That is a two-part project. My understanding is that the sports facility is under way, but the cyclone shelter work has not got off the ground yet. That is stage two.

Mr KIRKMAN: Work is well under way on the first stage, which will be the basketball court. The second stage is the cyclone shelter.

Ms LAWLER: I do not think we have a brief on that and have not gotten down to that detail. The sports court work is completed. We can take the question about the cyclone shelter on notice. That was a nice partnership work with a number of different groups who put funding into that.

Question on Notice No 2.10

Mr CHAIR: Member for Nelson, please restate the question for the record.

Mr MALEY: When will the Borroloola cyclone shelter be built?

Mr CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes.

Mr CHAIR: The question asked by the Member for Nelson has been allocated the number 2.10.

Mr MALEY: Can you give us a breakdown of how much money has been spent on the new emergency shelters in rural and regional areas in 2021–22?

Ms LAWLER: I can take that one on notice. I will pass that to Andrew Kirkman, but I do not think that we spent any money on cyclone shelters in the rural area this financial year.

Mr KIRKMAN: In terms of cyclone shelters, is that specifically what you are referring to?

Mr MALEY: My understanding is that there is a review occurring on rural cyclone shelters, or emergency shelters, in rural and regional areas. I am asking where this is at and how much money has been spent on it.

Mr KIRKMAN: There was a large inter-agency project that looked at the capacity for sheltering in each of our remote communities in the cyclone zones. That resulted in a prioritisation that will enable us to ensure we are targeting the communities with the highest need. Borroloola has been marked as one of those and that project is well under way. We will then work through that prioritisation schedule to start work on shelters as per the priorities.

There is also federal government support available for this work through the National Recovery and Resilience Agency run by Mr Shane Stone. We want to work with them to identify the appropriate funding for resilience in the NT.

Mr MALEY: There was \$9m promised for the Purkiss Reserve in the Tennant Creek upgrade. Can you update the committee on why that project has not gone ahead? That was in 2018.

Ms LAWLER: You could ask the Member for Barkly, who could answer it just as well as I can, as we have had a few discussions about Purkiss Reserve.

The original work that came back from the Barkly Regional Council was beyond scope, so there had to be work to get it within scope. On 18 August 2021 a tender for the civil and building works was released. The tender closed and is under assessment. The scope was revised in April with approval from the Barkly Regional Council, negotiations with all tenderers on the revised scope will be completed in late June.

That happens sometimes; the money does not always fit what people want and there needs to be further discussions. That is what is happening with Purkiss Reserve. I know the Member for Barkly is across that issue.

Mr EDGINGTON: How much funding is left out of that \$9m?

Mr. KIRKMAN: I have not got the exact figure in front of me. It is only the design element that has been expended of that \$9m. The bulk of that \$9m will still be available for construction.

Mr EDGINGTON: Sorry, but that \$9m over the last—it has taken four years. There was a perimeter fence built around Purkiss Reserve, and a fence around the football oval, so that money must have come out of the budget. How much money is left in the budget for the purpose of completion of Purkiss Reserve?

Ms LAWLER: We will take that question on notice. There was a capital grant of \$9m, but the written negotiations have been protracted.

Question on Notice No 2.11

Mr DEPUTY CHAIR: Member for Barkly, please restate the question for the record.

Mr EDGINGTON: How much funding is left out of the \$9m for Purkiss Reserve?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes.

Mr DEPUTY CHAIR: The question asked by the Member for Barkly has been allocated the number 2.11.

Mrs LAMBLEY: I have a question about the TIO Stadium and the issues of non-compliance that were raised recently. I understand that you put out a tender for another company to certify the stadium as safe. Who was that contract given to and why?

Ms LAWLER: I think you are referring to the Cardno tender?

Mrs LAMBLEY: I do not know.

Ms LAWLER: That tender has been announced to Cardno. It was assessing the complaint about the water and fire main.

Mr. KIRKMAN: Yes, recently there was a tender let to Cardno. It is doing work on the water hydrology, which is effectively, the hydrant capacity and the ability to fight fires at TIO Stadium. That work continues.

Mr. WALDING: Through the certification process, Cardno is engaged to look at the hydrology, in particular the water pressures of the front hydrant. It investigated that and had reports back, which will feed into the overfall certification of the stadium.

The second part is looking at the hydrant coverage on the second floor. That is how far a fire hose will reach from the fire hydrants. They are working with the fire brigade on that at the moment as part of going through that process.

Mrs LAMBLEY: Is the stadium safe?

Mr WALDING: All professional opinions to date have said yes.

Mrs LAMBLEY: Where have the non-compliance issues generated from?

Ms LAWLER: We can go back in history. TIO Stadium was built in the 1990s. At that time, it did not get an occupancy certificate, which has also been the case for other buildings in the Territory. We are doing work on TIO Stadium and have done for quite a while. As Adam said, the advice we have always received is that it is safe.

As a government, we continued to spend money on TIO Stadium over those 30 years to make sure there are improvements. We have done upgrades to fire safety services, lift, canteen, bar, public bathrooms and to accessibility for the public. We have continued to invest in TIO Stadium, but we want to make sure that it is certified.

There have been something like 15 Infrastructure ministers over this time. I have been getting a kicking about it, but I am the minister who is trying to resolve this. I have had strong connections with TIO Stadium over the years. I am pushing and working hard to get TIO Stadium certified and get that work done.

There have been plenty of ministers, including CLP ministers—Gary Higgins' work was painting it. You have a minister—me—who is really pushing to get that occupancy certificate done. We want to have that happen

very soon. We are probably the closest we have ever been to getting an occupancy certificate for TIO Stadium.

Mr MALEY: Are you under investigation by ICAC in relation to the non-compliance of TIO Stadium?

Ms LAWLER: I will not comment on that. That is not for me to comment on.

Mr MALEY: Are you aware of an investigation by ICAC in relation to non-compliance?

Ms LAWLER: I am aware of an ICAC investigation about TIO Stadium, but we do not need to comment on that here.

Mr MALEY: Have you been investigated in relation to it?

Ms LAWLER: I will not make any comment about that.

Mr MALEY: Why not?

Ms LAWLER: I do not think there is any need for a comment about that. There have been things reported in the media about this. We will do what we need to do to make sure that this stadium has an occupancy certificate. I am the minister who has got as close as possible, and I will be doing that to make sure it has an occupancy certificate.

Mr MALEY: Yes, but this is a public interest story, and it will be in the news. This is an opportunity to tell Territorians, if you are aware of an investigation that you are involved in, in relation to this.

Ms LAWLER: There have been reports in the media about TIO Stadium and investigations into it. It is not just about me, as minister. We have seen media reports. This is about making sure that there is an occupancy certificate for TIO Stadium.

We have been doing that work for probably 12 months—even longer—to make sure that TIO Stadium has an occupancy certificate. That is to ensure that the operators of TIO Stadium are not in breach of the *Building Act*. There were reports, which reported that I was in breach of the act. It is not me; it is the operators of the stadium who would be in breach of the *Building Act*. That is why that declaration was necessary. As minister, I have done all the right things to make sure that we get TIO Stadium an occupancy certificate.

Mr MALEY: If you are under investigation, will you stand down while that investigation is undertaken?

Ms LAWLER: No, I would not stand down.

Mr DEPUTY CHAIR: Member for Nelson, it is ICAC investigation, so I suggest that we move on.

Mr MALEY: We do not even know that it is. That is what I am asking you and you will not answer.

Ms LAWLER: I do not know if it is, either.

Mr MALEY: The Chair said that it is, but we do not know if it is.

Mr DEPUTY CHAIR: It is.

Mr MALEY: We do not know it is. If it is, we will not ask the question. Until we know it is, then the minister can confirm, but she will not confirm for Territorians ...

Ms LAWLER: ICAC has asked for information and that is all that I can tell you.

Mr MALEY: What information did you give ICAC, minister?

Ms LAWLER: I will not reveal that here; it is confidential information.

Mr MALEY: When did they ask for that information?

Ms LAWLER: I do not know. I will not provide that information. I am working to make sure TIO Stadium gets that occupancy certificate.

Mr MALEY: What sort of information were they asking from you?

Ms LAWLER: I will not talk about that. If there is an ICAC, I will not discuss it in this forum.

Mr MALEY: Do you confirm that they have asked you for information?

Ms LAWLER: The ICAC Commissioner, as has been reported, has asked for information. They often ask for information from lots of government agencies about different things. It is not unusual for ICAC to ask for information. It is their role to ask for information. Our agency, the Department of Infrastructure, Planning and Logistics, have worked very hard to get TIO Stadium that occupancy certificate. That is what I am focused on.

Mr MALEY: What other issues or information have you been asked about from the ICAC Commissioner?

Ms LAWLER: I will not reveal those. That is not for anybody's information. There were investigations in the past and they have been reported at different times with ICAC. We, as an agency, are working on TIO and making sure that TIO gets that occupancy certificate; that is my focus.

Mr MALEY: Are you aware of any other ICAC investigations in relation to any of your departments?

Ms LAWLER: I am aware of one ICAC investigation, which is a—it is not an investigation; it is a review of the Katherine DIPL office. I am aware of that.

Mr MALEY: We will get to that in the next output.

Ms LAWLER: This is about TIO Stadium at the moment. I have done all the work necessary and will continue to do the work necessary for it to get an occupancy certificate. That is a focus of mine and of DIPL as well.

There were at least 15 other Infrastructure ministers, who have been in this situation, but did not sort out TIO Stadium. I remember it very clearly when Gary Higgins was the minister. All he was interested in was painting TIO Stadium during the Wet Season. I am the minister who is sorting this out. I am doing the right thing by getting TIO Stadium an occupancy certificate.

Mr MALEY: Just to confirm, if there is an investigation, you will not stand down?

Ms LAWLER: No, I will not stand down, because I am doing the right thing. Around any investigation, you are innocent until it is proven that there is an issue. I have done nothing wrong. I am doing the right thing and I have said this at least three times today. I am making sure that TIO Stadium has an occupancy certificate. There have been 15 other ministers in the Northern Territory Government, who have been ministers for Infrastructure who have not sorted out the occupancy certificate for TIO Stadium.

Mr MALEY: You are the current minister though?

Ms LAWLER: I am the current minister and I am sorting it out.

Mr MALEY: You are the current minister while there is an ICAC investigation into it?

Ms LAWLER: There are ICAC investigations into many different things at any one time that none of us are aware of at different points. Who knows? That is a question for the ICAC Commissioner. Work has been done on TIO Stadium. We are making sure that it gets that occupancy certificate. You have heard from people here, and the advice from DIPL, that TIO Stadium is safe, but we need to make sure that work is completed by a certifier, so we can get that occupancy certificate.

Mrs LAMBLEY: Given that it does not have a certificate of occupancy at the moment, if there was an incident—a fire—and the water pressure was not adequate to put that fire out and people got hurt, who would be liable?

Ms LAWLER: The Northern Territory Government would be liable in that case. We have done the work; the advice we received is that TIO Stadium is safe.

Mrs LAMBLEY: Even though the fire service of the Northern Territory has expressed concerns about the water pressure and the ability to extinguish a fire with the current water pressure?

Mr KIRKMAN: Just to reiterate what Mr Walding and the minister have said, we believe that TIO Stadium is a safe place to conduct sporting events. We have had our consultants and the water pressure service people there at least—from memory—three times this year. The fire service has been conducting their tests as well. On each of these occasions, the pressure has been above Australian Standard. There is definitely the capacity to fight any fires that start at TIO Stadium. We have no doubt about that. If we had any doubt, we would not allow it to operate.

Mrs LAMBLEY: I have one question that I want to get in; this is the third time I have asked it. There is a 474-page report into corruption in the Katherine DIPL office. It was not released due to the department claiming it that it ‘... eroded trust within the agency’. What is the department doing about this report and why will it not be released?

Mr KIRKMAN: Yes, the ICAC is undertaking a review. It is not an investigation; it is a review into the procurement processes in the department, with a particular focus on the Katherine office. As far as I am aware, the work of the ICAC has not been completed. I gather from the commissioner’s response yesterday that the report has not been finalised; I have not seen a report into that review at this stage.

Mr MALEY: The ICAC Commissioner said that your department had prepared a 500-page report. Is that correct? It must be for his review, so your department must have prepared a document. He said that it was 500-odd pages, which he must have a copy of, because he confirmed that your department did that. Is it true that your department has prepared a 500 or 450 or 550 page—or a very large—report, for the purpose of giving information to the ICAC Commissioner for his review?

Mr KIRKMAN: I did not hear that response yesterday, not to say that it was not made. We have provided a range of documents and information to the ICAC to assist them with their review. It was not a report. It was a compilation of a number of things, procurements et cetera, but it was not a report that we handed over as such. It was just responding to their request for information.

Mrs LAMBLEY: What are the concerns about what is going on within the Katherine DIPL office? This is a matter of public interest, and I understand that this is not an isolated inquiry. This has possibly been the second of its kind into what has been going on in the Katherine DIPL office.

Mr KIRKMAN: This is the only review ICAC has undertaken in respect to the activities of this department that I am aware of. In fact, I know that to be the case. In terms of ‘Why?’ for the review, you would have to raise that with the ICAC Commissioner.

Mrs LAMBLEY: Who was on the record saying that this report will not be released? Someone from the department said, ‘It will erode trust within the agency’; where did that come from?

Mr KIRKMAN: I have not seen those comments. I am not sure where they have come from and I am not clear on what report they may be referring to.

Mrs LAMBLEY: This has been in the media, it has been discussed, and no one knows who is writing the report. It is a mystery. It will be revealed in time, no doubt.

Mr EDGINGTON: Has there been an investigation into the Katherine office, ICAC or otherwise? If so, who conducted the investigation and what was the outcome of that?

Mr KIRKMAN: There has not been a broad investigation into the Katherine office. There are investigations that happen as a result of procurements from time to time. Perhaps that is what has been referenced, but certainly there has not been a broad investigation of the Katherine office.

Mrs LAMBLEY: What procurement problems?

Mr MALEY: What is your definition of a broad review? Has your own department or have you, as the CEO, had a review of the Katherine office in the last 12 months or two years? Have you done one or have you asked for one to be done?

Mr KIRKMAN: No, there has been no broad review of the Katherine office.

Mr MALEY: Organised by you? You have not asked for any reviews of your Katherine office over the two years?

Mr KIRKMAN: I have not asked for any broad review of the Katherine office in terms of all of its operations. As with any office, if there is an incident that comes up, you review that incident, but there has not been a broad review of the likes of the one the ICAC Commissioner is currently undertaking.

Mr MALEY: Let us take away the word 'broad'. How many reviews have you conducted over anything in relation to the Katherine office over the last 12 months?

Mr KIRKMAN: Can you define 'review'?

Mr MALEY: Have you asked your office—I do not know the structure—but have you asked for any reviews of incidents in relation to the Katherine office in the last 12 months—even if it is small, it does not matter?

Mr KIRKMAN: I have had some investigations on individual matters in the 12 months, or there is a matter that comes to mind. As Chief Executive, I take investigations and individual reviews on an ongoing basis. There are matters that get raised by the buy local advocate, for example, or the general public, stakeholders, contractors and developers. I look at all of those matters. If you are after a number, I do not have one.

Mr MALEY: Can you take it on notice, minister?

Ms LAWLER: Yes, I can take that on notice.

Question on Notice No 2.12

Mr DEPUTY CHAIR: Member for Nelson, please restate the question for the record.

Mr MALEY: How many reviews has the department undertaken of the Katherine office over the last two years?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes.

Mr DEPUTY CHAIR: The question asked by the Member for Nelson has been allocated the number 2.12.

Mrs LAMBLEY: Mr Kirkman, when I first asked the question you responded by saying that you were aware of a review into procurement practices in the Katherine DIPL office. You said that, I wrote it down. What is that? What are you aware of?

Mr KIRKMAN: I was referring to the ICAC review.

Mrs LAMBLEY: Right, so ICAC is undertaking an investigation into the Katherine DIPL office and the procurement practices there. Do you know that for a fact?

Mr KIRKMAN: That is fairly common knowledge.

Mrs LAMBLEY: Right, but you do not know anything about this report? A 474-page report—nothing at all?

Mr KIRKMAN: No, I do not.

Mrs LAMBLEY: In terms of this quote about eroded trust and a preference that this report not be released because it will, 'erode trust within the agency', you do not know where that came from?

Mr KIRKMAN: No, I do not.

Mr MALEY: Can you explain to the committee how someone in your office in Katherine could release a 474-page report without you knowing about it?

Ms LAWLER: The Chief Executive provided an explanation that he is not aware of a report.

Mr MALEY: Mine is a different question.

Ms LAWLER: You can table that report if you have a copy of it. As the Chief Executive said, his understanding is that the ICAC Commissioner is doing a review of the Katherine office. That is the limit of the information that we have.

Mr MALEY: He also said that he does not know about a 474-page report and I am asking the question: how can a 474-page report come out of the Katherine office and the CEO does not know about it?

Ms LAWLER: The Chief Executive has said that he does not know about it.

Mr MALEY: I am asking to understand how the procedure in the office works—so that does not happen?

Ms LAWLER: Can you table this report? What is it?

Mrs LAMBLEY: No, we cannot. The 474-page report was prepared by an outside agency last year following credible allegations of improper procurement processes, tender manipulation and failure to disclose conflicts of interest in awarding contracts within the Katherine DIPL office. I quote:

The Department of Infrastructure Planning and Logistics (DIPL) denied the NT Independent's Freedom of Information (FOI) request and claimed releasing the information to the public may "erode trust within the agency".

That apparently came from your department. There is an acknowledgement that a report exists, but to release it through FOI will apparently:

... erode trust within the agency.

You do not know anything about this? You have obviously read the story.

Mr KIRKMAN: Perhaps not.

Mrs LAMBLEY: You need to start reading the *NT Independent*, an award-winning media outlet in the Northern Territory.

Mr MALEY: It is not legitimate, apparently.

Mrs LAMBLEY: You do not know anything about that, Mr Kirkman? Nothing at all?

Mr KIRKMAN: No, I do not know anything about that.

Ms LAWLER: I will clarify, because one of my good staff members have sent me part of the transcript from yesterday's estimates where Commissioner Riches said:

No. I have not done an investigation into the Katherine office of DIPL. What I am currently conducting and which I have not yet completed is a review of the practices, policies and procedures of DIPL out of the Katherine office. I have not even started writing that report because I have not completed the review. I am sorry, I do not know what you are talking about.

That was from Commissioner Riches yesterday, and I am reading from the rushed transcript.

Mrs LAMBLEY: Yet Mr Kirkman just said that he understands ICAC is doing a review.

Ms LAWLER: A review, that is right. That is exactly what Commissioner Riches has said:

I have not done an investigation ...

...

What I am currently conducting and which I have not yet completed is a review of the practices, policies and procedures ...

I think we can all agree that the ICAC Commissioner is doing a review of the practices, policies and procedures of the DIPL Katherine office.

Mrs LAMBLEY: From his perspective as the Independent Commissioner Against Corruption, so there must be some sort of problem there to trigger a review by ICAC.

Ms LAWLER: Let us wait and see what comes from that.

Mr MALEY: The rest of article that I was just reading talks about this review being conducted in 2019 at the department's request. Has your department, from 2019 to now, ever asked another agency, or a private person to do a review into the Katherine office?

Mr KIRKMAN: I can recall one matter where we had an individual investigation done.

Mr MALEY: When was that?

Mr KIRKMAN: I suspect that was started in about 2018, but I could be wrong. It was around that time.

Mr MALEY: Has your department requested a third party or private entity to do a review of the Katherine office since 2019?

Ms LAWLER: No.

Mr MALEY: Back to my question before about the tender for Cypress Street and Uralla Road. That was a select tender, and I will read out the exact wording. It said, 'and the reason for extreme urgency brought about by events unforeseen by the agency'.

It was a select tender, for extreme urgency, and I can give you the tender number for your records. Do you know what I am talking about? The tender start date was 1 October 2021. The tender closed on 5 November 2021. The tender was not awarded until February 2022 and work only started last month. The tender is worth \$15m, so we are not talking a small tender, we are talking about a large tender worth multi-millions of dollars.

It was done for a select tender, under extreme urgency—those are not my words, that is from the tender process itself. Why was it done under extreme urgency, when it has been almost nine or 10 months, when it could have easily been done under the normal tender process?

Ms LAWLER: I do not have anything to do with procurement. As minister I keep at arms' length from those sorts of things, because there are assessment processes to go through.

Mr KIRKMAN: Initially, it was done under a select tender to capable organisations. In the end only one came forward with a response. The urgency for this project was to get moving on land release in Katherine.

Mr MALEY: Are we talking about an upgrade of the intersection?

Mr KIRKMAN: It is, but the upgrade of the intersection is to facilitate access to Katherine East and the neighbourhood centre. It was a critical project on the path to deliver Katherine East. It was also a part of Road Safety Program's that we needed to get out as soon as possible to ensure we met Australian Government funding.

Mr MALEY: If it is under 'extreme urgency brought about events unforeseen by the agency' and under Road Safety as you just mentioned, then surely there was a report saying that it is unsafe, which would have been done over time. Again, 'reason for extreme urgency brought about then unforeseen by the agency'—if you are talking about road safety, how can it possibly be an extreme and urgent matter brought about by unforeseen events?

This was awarded in November through to February—four months—and another month for it to get started, when it could have easily been done by the normal tender process. Why was the normal tender process skipped over for a select tender in this particular case?

Mr KIRKMAN: In terms of the funding that we had at the time, it was stimulus funding under Road Safety that the Australian Government was offering to jurisdictions. It was a use-it-or-lose-it arrangement, so we had to move very quickly. Yes, it did take longer than we would have liked. There was a long negotiation with that project to ensure we got the best value for Territory.

Mr MALEY: I still do not understand what the extreme urgency was in relation to getting it the tender done. My understanding is that it was a \$9m–\$10m job. It cost \$15m, so there is \$5m of taxpayers' money burnt.

Mr KIRKMAN: Civil contract prices have gone up. Costs, materials and labour have gone up, but this was all happening while we were negotiating this tender. It gives you an understanding of the complexity of coming to a landing on the tender with the very capable contractor that we have doing that work. It was a use-it-or-lose-it funding arrangement. That was the urgency.

Mr MALEY: You are saying that it was the funding arrangement that was the urgency? Not the road safety?

Mr KIRKMAN: That is correct. The funding was under the Road Safety Program that the federal government put out as part of the post-COVID stimulus.

Mr MALEY: The tender was not accepted until February this year, so that in itself, is four months. If it was not accepted until February, surely the normal tender process would have been done by then? The urgency of the funding would not be an issue. It would be the same distance of time between a select tender versus the normal tender process.

Mr KIRKMAN: We did go through a select tender process to two very capable organisations.

Mr MALEY: For the record, I am not doubting them at all. I am interested in your department and how they issue a tender.

Mr KIRKMAN: Yes, that in itself was a procurement process. In this environment, to get that project out in three months was a reasonable time.

Mr MALEY: I am asking why it could it not have been done in three months through a normal tender process?

Mr KIRKMAN: We believe it would take a lot longer than three months to get finalised, if we went out to market again with that project.

Mr MALEY: If you had done it back in October, it would have been done by now. Is that correct?

Mr KIRKMAN: No, I do not expect it would be. I think we would have still been negotiating with whoever was the preferred tenderer.

Mr MALEY: No further questions in relation to that.

That concludes consideration of Output 13.1.

Output 13.2 – Infrastructure, Planning and Governance

Mr DEPUTY CHAIR: The committee will now consider Output 13.2, Infrastructure, Planning and Governance.

Mr MALEY: I have a question in relation to Point Stuart Road. Some of that has been done at the far end. What is the plan to complete the rest of it and for the planning of that road?

Ms LAWLER: Point Stuart was our commitment to fishing infrastructure. AFANT and all the fishing people are very excited about having another access point to the sea out there—it was under that.

Mr KIRKMAN: There is considerable work being undertaken by Allan King & Sons for improving access to Point Stuart. This will never bring that road up to be open year-round, but it will be open for the vast majority of the year. The areas most inundated during the Wet Season will have culverts. It will be a widened road and there will be far better access to Point Stuart following completion. There will be ongoing work required over time. That will be funded as funding comes forward every year.

Mr MALEY: It is my understanding that the first or second 16 kilometres have been done—is it 16? There are 10 kilometres that need to be done. When will the next 10 kilometres be completed?

Ms LAWLER: To clarify, Andrew said that it was under the \$50m for fishing infrastructure funding. Minister Paul Kirby worked closely with the fishing people on that. They do not have it as a priority to spend their \$50m on. They have other projects, so it may be done in the future. It was about making sure those crossings

were up to all-weather standards. The funding for that road came under fishing infrastructure money. They chose what they want to spend it on, and they do not want to spend it on all of that road. At this stage, all of it will not be done.

Mr MALEY: What is done, is done now then?

Ms LAWLER: In about October it will be finished.

Mr MALEY: Whatever the contract is now, once they depart that is it, there is no further work done, other than maintenance?

Ms LAWLER: Yes, at this stage. In the future there may be other options. There was \$50m for fishing infrastructure that AFANT worked with Minister Paul Kirby on. They had their priorities for that—Dundee boat ramp is one that they will spend money on. The Daly River boat ramp also—the Member for Daly knows that story.

There are a number of projects that come under that \$50m ...

Mr MALEY: My understanding was there was an election commitment to do the whole road—that commitment is now only half the road?

Ms LAWLER: No, there was never an election commitment to do that whole road. There was a \$50m commitment to recreational fishing infrastructure. We worked with AFANT on that. There were a number of things such as artificial reefs, Manton Dam barramundis, Shady Camp's dual lane boat ramp, CCTV, ablutions at Dinah Beach, the sealing of Middle Arm boat ramp, and the Corroboree Access Road as well.

This one was \$6m to Allan King & Sons to do an upgrade of Point Stuart Road between Ch 69km to the boat ramp turnaround area. There were discussions about the recreational fishing—it was about the \$50m; it was never about doing the whole road. If it was, then the fishing people would not be happy with that.

Mr EDGINGTON: My understanding is that the Tennant Creek DIPL office is a standalone office, and when it comes to planning and governance reports to Alice Springs. Is that correct?

Mr KIRKMAN: The office is part of our executive leadership team, or the Director of the office is, and they work closely with the Regional Executive Director for Central Australia. The reporting lines are as you pointed out.

Mr EDGINGTON: If the person in charge is part of the management team, is there a budget and the autonomy to go with that to manage basic infrastructure upgrades and repairs in the Barkly?

Mr KIRKMAN: Yes, the Barkly region has their own budgets to deliver on the requirements, whether it is roads, built infrastructure or land development.

Mr EDGINGTON: What is the budget for the Barkly office?

Mr KIRKMAN: I do not have the budget in front of me. The expenditure thus far, from an operational perspective, to the end of March was \$1.7m.

Mr EDGINGTON: When you say expenditure, is that operational expenditure or is it employees? What does it cover?

Mr KIRKMAN: It includes predominantly employee expenditure and their operational costs—cars, travel and the like.

Mr EDGINGTON: It does not include expenditure such as upgrading town drains and things like that? Where would that money come from?

Mr KIRKMAN: That will be sitting in the capital works program, the R and M or the minor new works programs.

Mr EDGINGTON: What is the R and M budget for Tennant Creek and the Barkly?

Ms LAWLER: We do not have the repairs and maintenance budget broken down into regions in front of us. We can take it on notice.

Question on Notice No 2.13

Mr DEPUTY CHAIR: Member for Barkly, please restate the question for the record.

Mr EDGINGTON: What is the repairs and maintenance budget for the Tennant Creek DIPL office?

Mr DEPUTY CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes.

Mr DEPUTY CHAIR: The question asked by the Member for Barkly has been allocated the number 2.13.

Mrs LAMBLEY: I would like to go back to the questions we were asking earlier about the review into the Katherine DIPL office. I have just received a letter from Christopher Walsh, the editor of the NT Independent online newspaper. This 12-page document, which I am happy to table, is a response from the Department of Infrastructure, Planning and Logistics to his formal FOI request. I quote, 'I am seeking a copy of an external review into the department's Katherine branch, undertaken by CPM Reviews, completed on or around 19 January.'

This is a review into the fact that his application was rejected. It is a 12-page rationale as to why this document should not be released. I do not know who it is signed by. There is just a signature—it does not say; it just says, 'Decision-maker for the Department of Infrastructure, Planning and Logistics'.

What it does do, is confirm that there has been a review done into the Katherine office of DIPL, and it acknowledges that a report exists. Minister and Mr Kirkman, do you now remember this document and recall that this document exists?

Ms LAWLER: I am not aware of any document.

Mr KIRKMAN: The time frame would line up with the matter I discussed before, which is an individual matter—an investigation on an individual, not on the Katherine office more broadly. That could well be the report that it refers to.

Mrs LAMBLEY: I am not sure why this has come up now, apart from the fact that I am in receipt of information, which says that there is an ongoing problem within the Katherine office and that similar activity has arisen again within this office. That is why it has been brought up again. Are you aware of similar problems in the Katherine office to what was contained in this review going back four years ago?

Mr KIRKMAN: Not problems of that specific nature, no.

Mr MALEY: What problems are you aware of then?

Mr KIRKMAN: We continue to ensure that our staff deals with and declares conflicts of interest. It is ongoing work for us to ensure that everyone openly declares what their relationships are. As you can imagine, in any small community, everyone has very close relationships with a number of other community members. It is just a matter of those matters being flagged and clearly declared. That is the training under way.

Mr MALEY: The problem that you are talking about relates to conflict of interest. Are there any other problems that you are aware of in the DIPL office in Katherine? There are no problems in relation to procurement and tenders?

Mr KIRKMAN: No, it is the matter of ensuring that people flag any conflicts of interest when they are undertaking procurements, or if they are dealing with developers, landholders or any other matter, by making sure that they declare those interests. We have regular training on that and a standard form everyone is expected to fill out in regard to those conflicts.

Mr MALEY: Someone mentioned here earlier—I am not sure who it was—about changing tender documents. Are you aware of any changes in tender document problems? For example, if a tender is put in, someone in

the office changes part of that tender, which makes it unattractive, so the tender is then ultimately rejected because of those changes.

Mr KIRKMAN: No, I am not aware of any changes in the tender documents.

Mr MALEY: No one has ever made a complaint to your department about someone changing their tender document that they have submitted?

Mr KIRKMAN: Yes, we get complaints from external parties—from tenderers who are unsuccessful—and we investigate those matters.

Mr MALEY: I am talking specifically in relation to, 'Someone has changed my tender from what I put in'. Have you had someone complain about that particular issue?

Mr KIRKMAN: Yes, there have been complaints in that respect.

Mr MALEY: What do you do about those complaints?

Mr KIRKMAN: We investigate those complaints.

Mr MALEY: How many complaints in relation to changing tender documents have you dealt with?

Mr KIRKMAN: Over what period?

Mr MALEY: Since 2018—what was the report to? To January 2019.

Mr KIRKMAN: I would have to take that on notice.

Question on Notice No 2.14

Mr CHAIR: Member for Nelson, please restate the question for the record.

Mr MALEY: How many complaints has the Department of Infrastructure, Planning and Logistics dealt with in relation to changing of submitted tender documents has the department dealt with in the last four years?

Mr CHAIR: Minister, do you accept the question?

Ms LAWLER: Yes.

Mr CHAIR: The question asked by the Member for Nelson has been allocated the number 2.14.

Mrs LAMBLEY: I want to clarify one thing that was mentioned before, which I got all excited about. It was the flood mitigation report for Alice Springs. Mr Kirkman, you mentioned that a company called WRM Water & Environment did some work. Is this the Kilgariff Flood and Stormwater Management Plan? Is that what you are talking about, or something different?

Mr KIRKMAN: No, it is specifically broader flood management for the whole town of Alice Springs.

Mrs LAMBLEY: It is a new piece of work?

Mr KIRKMAN: It is, yes.

Mrs LAMBLEY: When will that report be available publicly, or when will we see the new plan?

Mr KIRKMAN: I have not seen the work yet, but when it becomes available we will be consulting with the community, and ensuring there is broader support for any options the minister may decide to go forward with.

Mrs LAMBLEY: Will that be within the next six months or the next year?

Mr KIRKMAN: Within the next six months we hope to get out to the community about that.

Mr MALEY: Noting the time, I have one question, which is for an output into the future. It is about the \$220m tender for the Darwin, Palmerston and rural area buses. Can you explain that? This is probably the last question of the day and it is not in this output, but can you explain how that is in the best interests of the Territory—awarding such a large contract to that company?

Mr KIRKMAN: Our two current bus companies are now multinational companies. The awarding of the tender to CDC Darwin, for all bus contracts in Darwin, Palmerston and the Greater Darwin region, and for urban and school bus services, brings that into one contractor. They are a multinational, as most of these companies are. In fact, it is the environment that industry competes with on that scale; it is not a small bus contract, it is quite a large one.

The last local bus contractor we had, which was operated by the Hannon family—Buslink—was sold to a large multinational organisation. At that point, there has been no local organisation with the capacity of those multinationals to deliver on that contract.

Mr MALEY: That goes to my next question, why was it such a big contract? Why could you not have smaller contracts? I know of one contractor in the rural area who had the school bus run and lost it. They only had three or four buses, but they lost out to the big companies, so basically their business folded. Why did you make it one big contract, instead of breaking it into smaller contracts, which local businesses would have been in a position to apply for?

Mr KIRKMAN: It is about efficiency. They are very expensive contracts to run. We do not earn a lot of revenue from our public bus service, as you can imagine, but it is about efficiency and managing the network.

We have one operator and one partner now, whose role it is to ensure the network is operated very efficiently. They will make changes to ensure that the network is running as well as it can and, importantly, we can get to as many people as we can, with the funding we have. That is why it has been brought into one.

We put the contract out into two packages, with the option to come forward with an over-arching contract. The tenderer that won did that. There are quite large efficiencies for government in doing so.

Mr CHAIR: Being 5 pm, that concludes our consideration today for the Department of Infrastructure, Planning and Logistics. On behalf of the committee, I thank you, Minister Lawler, Mr Kirkman and your team for appearing today. There are only a couple here today—Mr Walding and others, but a number of people did a power of work behind the scenes

Ms LAWLER: I thank Andrew Kirkman, Chief Executive, Fotis Papadakis and Adam Walding. I am disappointed that we did not get to Planning, because we have done amazing work as a government in that area. I would like to thank all the staff, who are in the back room and work very hard, particularly in the Planning area and the Planning Commissioner.

The committee concluded.
