

Madam Speaker Aagaard took the Chair at 10 am.

### VISITORS

**Madam SPEAKER:** Honourable members, I draw your attention to the presence in the gallery of Year 3/4 St Mary's Primary School students accompanied by Ms Rachel Butt and Mrs Susanne Kinnell. On behalf of the honourable members, I extend to you a very warm welcome.

**Members:** Hear, hear!

### PETITIONS Police Support for Wongabilla Equestrian Centre

**Ms PURICK (Goyder):** Madam Speaker, I present a petition from 905 petitioners praying police support for Wongabilla Equestrian Centre continues. The petition bears the Clerk's certificate that it conforms with the requirements of standing orders. Madam Speaker, I move that the petition be read.

Motion agreed to; petition read.

*To the honourable Speaker and members of the Legislative Assembly of the Northern Territory, we the undersigned respectfully show that we are strongly supportive of the Wongabilla Equestrian Centre continuing to be managed by the Police and Citizens Youth Club, in particular to have an involvement by police officers relevant to the activities of the centre.*

*Your petitioners therefore humbly pray that the Northern Territory government provide ongoing police support for Wongabilla Equestrian Centre as it is the only establishment which consistently trains the youth of the Top End in horsemanship, provides training for the cattle industry and racing industry, and support VET in school programs. Moreover, the centre is also registered for youth diversion, and handles alternate education, disengaged children and family services. And your petitioners, as in duty bound, will ever pray.*

### Taminmin College Student Facilities

**Ms PURICK (Goyder):** Madam Speaker, I present a petition from 85 people praying that the students of Taminmin College have the same student services as students at urban high schools and colleges. The petition bears the Clerk's certificate that it conforms with the requirements of standing orders. Madam Speaker, I move that the petition be read.

Motion agreed to; petition read.

*To the honourable Speaker and members of the Legislative Assembly of the Northern Territory, we the undersigned respectfully showeth that we are strongly supportive of the commencement of planning and allocation of funding for a new college and community library to be located in the grounds of Taminmin College. The current library is grossly inadequate to meet the needs of the college and the community given that since its opening the college population has grown from 500 students to over 1200 students and the nearby residential community has seen a large increase in population.*

*Your petitioners, therefore humbly pray that the Northern Territory government provides the same school facilities for students at Taminmin College as experienced by other students at urban high schools and colleges, and that the users of the Taminmin Library do not continue to be disadvantaged in their studies. And your petitioners, as in duty bound, will ever pray.*

### Secure Care Facility - Bees Creek

**Ms PURICK (Goyder):** Madam Speaker, I present a petition from 38 petitioners praying that the decision to build a secure care facility for high-risk behaviour people on Lowther Road, Bees Creek, be rescinded. The petition bears the Clerk's certificate that it conforms with the requirements of standing orders. The petition is the same as petition No 31 presented to the Assembly in May. Madam Speaker, I move that the petition be read.

Motion agreed to; petition read:

*To the honourable Speaker and members of the Legislative Assembly of the Northern Territory, we the undersigned respectfully showeth that we are strongly concerned by the Department of Health's intention to build and operate a secure care facility that will cater for 'high risk behaviour' people who will be located at the facility on a non-voluntary basis in a facility similar to a conventional gaol. The location on Lowther Road, Bees Creek, Hundred of Strangways, is completely unacceptable especially given absolute lack of consultation and the potential for detrimental impact on amenity.*

*Your petitioners therefore humbly pray that the Northern Territory government provide full details as to why this location has been chosen and rescind the decision to develop*

*a secure care facility in a rural residential location. And your petitioners, as in duty bound, will ever pray.*

**PERSONAL EXPLANATION**  
**Member for Goyder**

**Madam SPEAKER:** Honourable members, I have given my leave to the member for Goyder to make a personal explanation. I remind honourable members that this is not a debate and I ask you listen to the personal explanation in silence.

**Ms PURICK (Goyder):** Madam Speaker, during Question Time yesterday, the Chief Minister made misleading and inaccurate statements in regard to my previous employment with the Northern Territory Minerals Council Incorporated. The Chief Minister's comments indicated very specifically the views I put forward publicly, and in submissions to government in regard to the development of the Environmental Protection Authority, were my personal views. This is incorrect. My role as the Chief Executive Officer was to represent the views of member companies and the industry collectively. Submissions were the work of committees, and individuals working in mining companies with expertise in the area of discipline at the time in relation to the issue.

**MOTION**  
**Next Meeting - 18 June 2010**

**Dr BURNS (Leader of Government Business):** Madam Speaker, a very warm welcome to students from St Mary's.

I have three motions I will be putting to the House in relation to the Estimates Committee which meets next week, and the times of meeting of the Assembly. That is what these motions are about.

**Members** interjecting.

**Madam SPEAKER:** Order! Order! Member for Fong Lim! Member for Greatorex!

**Dr BURNS:** I also say to the students from St Mary's there are some very naughty boys down here.

**Members** interjecting.

**Madam SPEAKER:** Order! Order!

**Dr BURNS:** Madam Speaker, I move - That the Assembly, at its rising on 10 June 2010, adjourn until 5.30 pm on Friday, 18 June 2010, or such other time as notified by the Speaker, with one hour's notice being given to government and

opposition Whips and members by the Speaker, or such other time and/or date as may be advised by the Speaker pursuant to sessional order.

Madam Speaker, these are mechanical motions and the House should support them.

**Mr ELFERINK (Port Darwin):** We do support the member, Madam Speaker.

At the outset, St Mary's school is probably the finest school in the Northern Territory. I have to say that because my daughter, Eleanor, is there in Transition. It is good to see you, kids. Hello, everyone.

Thank you for allowing my frivolous digression, Madam Speaker; I am grateful to you.

This particular motion is welcomed by members on this side of the House because it goes some way to redressing the issue which has been plaguing this parliament since the change of government. With all the promises of openness, honesty and transparency we have seen, we are now moving some direction into redressing what the estimates system had become, which was a way of avoiding scrutiny rather than exposing yourself to scrutiny.

The members opposite would have us, and Territorians, believe there was no scrutiny prior to the change of government, before the sun came up in the Northern Territory, before the wheel was invented, and all those things, but there was a system of scrutiny which allowed the examination of ministers and budgets to the exhaustion of questions. That was taken away by this government, and no matter how they try to spin it, redress it, or how they try to describe it, that is what they took away.

For years they have consistently and comprehensively continued to deny effective examination of the budgets they have brought down through what they call the open, honest and accountable estimates process.

Because of their changed circumstances, that is, being a minority government with the scrutiny of the Independent member for Nelson's eye upon them, they have discovered a new age of flexibility which has not been apparent in the last few years. This new age of flexibility means they have finally accepted it is necessary to talk to the Treasurer for more than two hours whilst the Treasurer carries other serious portfolios; the Chief Minister may need to be spoken to for a longer period of time; and the whole estimates process should take longer.

After 10 years of denial of effective scrutiny, they are being forced into a situation where they

have to bring this motion to the House, and I am grateful for it. However, I will point out before I sit down this particular motion does not go all the way to allowing questions to be asked to exhaustion, and whilst it is a step in the right direction, it is not, however, a complete restoration of the transparency and honesty which used to exist.

**Dr BURNS (Leader of Government Business):** Madam Speaker, I welcome the support by the opposition, and again place on the record it was this government which introduced a Estimates Committee process which allows the opposition, and the Independents, to directly quiz and interrogate public servants as well as ministers.

I picked up on what the member for Port Darwin said about effective scrutiny and, once again, I am reminded of the memo sent out by the member for Goyder, which pointed to, by their own admission, very ineffective scrutiny, egos in the room, making silly points, and people being made to look silly on the other side by their behaviour. One hopes, during this estimates process, the report card will be a little better, and I look forward to the member for Goyder sending out the evaluation once again from the Phantom Cave at Goyder, and I will be very interested to read it. Thank you, member for Goyder, and thank you, opposition, for your support for this motion.

Motion agreed to.

#### MOTION

##### Routine of Business for Friday, 18 June 2010

**Dr BURNS (Leader of Government Business):** Madam Speaker, I move that the routine of business for Friday 18 June 2010 be as follows:

- (1) Prayers
- (2) Petitions
- (3) Notices
- (4) Government Business – Notices
- (5) Government Business – Orders of the Day
  - (a) In Committee: report of the Estimates Committee consideration of the Appropriation (2010-2011) Bill 2010 (Serial 99) and Government Owned Corporations Scrutiny Committee consideration of the financial and management

practices of the Power and Water Corporation as referenced in its Statement of Corporate Intent for 2010-11.

This should be a very interesting session of estimates, Madam Speaker, and I commend this motion to the House.

Motion agreed to.

#### MOTION

##### Budget Papers 2010-11 – Referral to Estimates Committee

**Dr BURNS (Leader of Government Business):** Madam Speaker, I move - That pursuant to paragraph 2 of the Order of the Assembly, dated 5 May 2010, the Budget Papers 2010-2011 together with the Appropriation (2010-2011) Bill 2010 (Serial 99) be referred to the Estimates Committee for inquiry and report.

Motion agreed to.

#### JUSTICE LEGISLATION AMENDMENT (COMMITTALS REFORM) BILL (Serial 106)

Bill presented and read a first time.

**Ms LAWRIE (Justice and Attorney-General):** Madam Speaker, I move that the bill now be read a second time.

The purpose of this bill is to streamline committal proceedings to avoid situations where witnesses attend court unnecessarily. The main objectives of this bill are to release stress on witnesses associated with having to give evidence at committal and trial, and to ensure committals run more efficiently. To achieve this, the bill provides for:

- committals to proceed as paper or hand-up committals with a full oral committal only to be conducted where justified; and
- where a youth and an adult are charged with offences arising out of the same course of conduct, the committal proceedings of both may be heard together.

In a committal hearing a magistrate determines whether a person charged with an indictable offence should be sent to stand trial. There has been a trend of reform of committal proceedings in Australia over the past two decades. The Northern Territory has implemented significant changes, in particular prohibiting the cross-examination of certain categories of witnesses.

However, until this year, Queensland and the Northern Territory were the only jurisdictions which still permitted unrestricted cross-examination of witnesses who did not fit within the exempted categories.

In April 2010, Queensland introduced legislation restricting the cross-examination of prosecution witnesses in committal proceedings. At present, committals in the Northern Territory are generally part oral, part written. Some written statements are presented to the court by the prosecution, and some witnesses are called to give oral evidence. The defendant, having received the evidence the prosecutor intends to rely on, must give at least five days notice before the day set for the committal requiring the attendance of all or any of the witnesses.

If the defendant does not give notice of at least five days, the defendant can still object to the tendering of a statement of a witness at the committal. The magistrate may uphold the objection and require the witness to give evidence in person.

There are a number of problems with the way in which committals proceed in the Territory. In many cases the defence does not inform the prosecution of the witnesses required within the time frame, or advises all witnesses are required, including those who have had peripheral involvement, for example, crime scene guards. It is not uncommon for witnesses to attend and find they are not required. Due to the uncertainty regarding which witnesses will be required, and the logistics of locating and arranging transport and accommodation for witnesses, prosecutors summons all witnesses to the committal. Much police time is spent in finding witnesses, serving summonses, and arranging travel for people who are often not required at court.

It is not only the courts and the police which bear the cost of this; witnesses and victims are put through the stress of attending, thinking they have to give evidence, to find they are not required. It is sometimes difficult for police to attend committal proceedings; travel is often expensive, they are often not required to give evidence, and absence from their regular jobs can be detrimental to their home communities.

As it is not clear at the time of listing an oral committal how many witnesses will be required and how long their oral evidence will take, committals are sometimes left incomplete within the time set, and further delays may be caused by having to set a further hearing date. This means the proceeding may not be completed until weeks or months later.

Giving evidence more than once - at the committal and at trial - increases the trauma for victims, may deter witnesses from giving evidence at trial, and may affect the quality and reliability of the evidence; for example, witnesses from non-English speaking backgrounds.

The current legislation does not allow a youth and an adult charged with offences arising out of the same course of conduct to be committed for trial in the one proceeding. This means two essentially identical proceedings being run in different courts with the resulting increases in cost, consumption of resources, and stress for witnesses.

The NT Law Reform Committee was asked to consider these issues and options for reform of the committal process. A sub-committee consisting of the Chief Magistrate, the Director of Public Prosecutions, representatives of the Bar Association and the Law Society of the NT, NT Legal Aid Commission, North Australian Aboriginal Justice Agency, Central Australian Aboriginal Legal Aid Service, and members of the NT Police were appointed.

A draft bill was prepared based on the recommendations of this sub-committee. This bill was put out for public consultation, and changes were made reflecting the outcomes of the consultation. The new section 110 is an example of this. The bill will implement a model of committal proceedings similar to those in New South Wales, Victoria, South Australia, and recently introduced in the Queensland parliament. At the recommendation of the NT Law Reform Committee, some elements of the Victorian legislation have been adopted. The reforms recognise unrestricted cross-examination, in all cases, can be inefficient and ineffective, however, when used appropriately, committals can help clarify issues, refine charges, negotiate pleas and identify weak cases.

I will now set out the key features of this bill. The bill provides where a youth and an adult are charged with offences which arise out of the same incident their committals can be heard together. To achieve this, provisions are being inserted into the *Youth Justice Act* and the *Justices Act*. The bill ensures any special protection provided to youth under the *Youth Justice Act* continues to apply. The bill allows the Justice to separate the proceedings at any stage if it is in the interests of justice to do so.

The bill increases from 14 days to 28 days the time the prosecution must serve on the defendant the written witness statements they intend to rely on. This is to give the defendant reasonable opportunity to consider the evidence against him or her. Provision is also made for the prosecution

to provide further written statements as they become available. The prosecution has a continuing obligation to provide to the defendant any further witness statements they intend to rely on as evidence. This is important as it gives the defendant knowledge of the case against him or her at an early stage, which is the basis for a fair trial.

The bill provides that a written statement the prosecutor is intending to rely on must be admitted as the prosecution evidence as if the witness had given evidence verbally. The court can refuse to accept the evidence if it does not comply with the rules of evidence, or if the prosecutor has not provided the required documents to the court and the defendant within the required time frame. The prosecutor can seek leave from the court to have some, or all, of the evidence-in-chief of a witness given orally if it is in the interest of justice to do so.

The defendant cannot question a prosecution witness unless permission to do so has been sought and granted by the court, or the prosecution has consented. The bill outlines reasons for which the court can grant permission, and provides a list of issues the court must consider in deciding whether permission should be granted. There are additional issues the court must have regard to if the witness is a child. These clauses are modelled on the Victorian legislation at the recommendation of the NT Law Reform Committee.

If leave is given for a witness to be cross-examined, the prosecution evidence is restricted to the witness identifying him or herself, and attesting their handed up witness statement is true. The defendant is not restricted to questioning only on the issue for which permission to question was granted. These features of the bill strike a balance between the three interests of ensuring the witness does not give evidence unless necessary, the prosecution case is fully disclosed, and the defendant needing to test the evidence against him or her. It will assist both parties to consider the issues at an early stage.

The bill ensures the categories of witnesses currently protected under the *Justices Act* remain protected. Children cannot give evidence if one of the offences the defendant has been charged with is a sexual offence or a serious violence offence. The victim of an alleged sexual offence is also prohibited from giving oral evidence.

The bill redrafts the current section 110 of the *Justices Act*. This section requires the magistrate to read a statement to the defendant asking whether the defendant wishes to give evidence, or call witnesses to give evidence on his or her behalf. The wording of the statement is too

complex for some defendants to understand. This is particularly an issue for defendants whose first language is not English, especially Indigenous defendants. The statement is also difficult to interpret into Indigenous languages.

The new provision outlines what a Justice must explain to the defendant in a manner likely to be understood by the defendant. The Justice will not have to give the explanation if the defendant is represented by a legal practitioner, and the Justice is satisfied the matters have been adequately explained to the defendant.

The bill does not detail procedure or case management matters as the Victorian legislation does. We consider working out case management issues is best done by magistrates. The bill also includes a number of amendments that make it clear. The Chief Magistrate has the power to make rules and practice directions to ensure the committal proceeds smoothly. It is intended to conduct a review of the effectiveness of the reforms 12 months after commencement.

Madam Speaker, I commend the bill to honourable members, and I table a copy of the explanatory statement.

Debate adjourned.

**TRANSPORT OF DANGEROUS GOODS BY  
ROAD AND RAIL (NATIONAL UNIFORM  
LEGISLATION) BILL  
(Serial 110)**

Bill presented and read a first time.

**Ms LAWRIE (Justice and Attorney-General):**  
Madam Speaker, I move that the bill be now read a second time.

The object of the Dangerous Goods by Road and Rail (National Uniform Legislation) Bill 2010 is to upgrade Northern Territory laws regarding the transport of dangerous goods by road and rail. The bill, therefore, repeals and replaces the *Dangerous Goods (Road and Rail Transport) Act*.

The laws regarding the transport of dangerous goods regulate the transport of flammable, toxic, corrosive, gaseous, infectious, and other dangerous goods and substances which, by virtue of their chemical, physical, or toxicological properties, can pose a significant risk to human life, property or the environment when they are transported.

The bill, and any regulations made under the bill, adopts the Commonwealth's package of model legislation produced by the National Transport Commission on behalf of the Australian Transport Council. This comprises the model act,

model regulations and the Australian Code for the Transport of Dangerous Goods by Road and Rail, Seventh Edition. The Seventh Edition of the code is known as ADG7.

This bill is the first part of implementing the Commonwealth's package, and regulations are being developed to conform to the model regulations and, more specifically, will officially adopt ADG7. The Australian Dangerous Goods Code (the Code) provides throughout Australia a single source of classification, packaging, and labelling of those substances that meet the international criteria for dangerous goods, and provides the rules for their transport. The changes to the code in ADG7 enshrined in this bill will bring Australia and the Northern Territory into line with other international codes based on United Nations model regulations.

The Sixth Edition of the Code has been the regulatory standard since 1998 until a review of the Code was undertaken. In March 2007, the Australian Transport ministers, through the Australian Transport Council, approved the adoption of ADG7. In August 2008, the Australian Transport Council approved model legislation giving effect to ADG7 which, in turn, committed each Australian jurisdiction to adopt and implement ADG7 and model legislation by 31 December 2008. All other Australian states and territories, except Tasmania, have enacted legislation. Tasmania has introduced legislation into parliament.

Adoption of ADG7 in the Northern Territory will ensure the transport of dangerous goods in the Territory can be carried on seamlessly across state borders, and that Territory transport businesses can participate effectively in a uniform national scheme.

The bill substantially duplicates Schedule 1 to the National Transport Commission (Model Legislation - Transport of Dangerous Goods by Road or Rail) Regulations of 2007, as amended by the National Transport Commission (Model Amendments: Transport of Dangerous Goods by Road or Rail - Package No 1) Regulations 2009.

However, the bill is drafted to conform to the drafting style of Territory legislation, and to fit within already existing Territory legal and procedural frameworks. In particular, the bill is drafted so the criminal responsibility provisions of Part 11AA of the *Criminal Code Act* of the Northern Territory apply to offences in the bill.

The bill continues current arrangements in the Northern Territory whereby NT WorkSafe is the competent authority with day-to-day responsibility for the regulating of dangerous goods transport. The bill contains wider powers for authorised

officers, including the power to stop and search vehicles, to give directions to rail operators, to inspect and search premises, and to seize and remove documentation, equipment and records, and to obtain search warrants where it is suspected that an offence or a dangerous situation may occur. There are also significant penalties for failing to comply with a direction of an authorised officer or for obstructing an authorised officer.

The transition period envisaged by the National Transport Commission was 12 months. The transition period in the Northern Territory will be much shorter, but a period of at least three months is envisaged. This truncated transition period should not cause significant difficulties.

During the development of ADG7, the National Transport Commission consulted extensively with industry at a national level. The Territory dangerous goods transporting industry has separately been consulted. The larger transporters reported they were already compliant with ADG7 due to their cross border activities.

NT WorkSafe will provide education and information to smaller NT operators about the new compliance requirements to ensure they are fully aware of their new obligations.

In addition, over the last six months, applicants for licences to transport dangerous goods have been informed they will need to comply with ADG7 in the near future. It is also envisaged the regulations made under this bill will make provision to allow for licences issued under current arrangements to be valid after this bill is commenced. These licensees will be notified of the commencement date of the bill, and that they will need to commence compliance with ADG7.

Madam Speaker, I commend the bill to honourable members, and I table a copy of the explanatory statement.

Debate adjourned.

### **STATUTE LAW REVISION BILL (Serial 111)**

Bill presented and read a first time.

**Ms LAWRIE (Justice and Attorney-General):**

Madam Speaker, I move that the bill be now read a second time.

The purpose of this bill is to make consequential amendments to various Northern Territory laws, including updating superseded references, and correcting typographical and grammatical errors and omissions.

None of the amendments contained in the bill constitute changes in government policies or programs. Most of the amendments in the bill are very minor in nature and are generally self-explanatory. However, there are a number of other amendments that I will draw to your attention as they correct more obscure and significant drafting errors.

Sections 7 and 17 of the *Aboriginal Land Act* are repealed and substituted with new sections 7 and 17 to reflect the current drafting practices and amend gender-biased terminology. In doing this, some of the text has also been updated. For example, the heading of the new section 7 reads: 'Members of parliament and others may enter Aboriginal land'. Currently, it reads: 'Members of parliament and', etcetera, 'may enter', etcetera, 'Aboriginal land'. Similar changes are made to section 17.

Section 110 of the *Building Act* is repealed and substituted with a new section 110 that has been restructured to read more clearly. That section also contains what would have otherwise been an amendment to subsection (d) of the former section 110, now subsection (c)(iv). Former subsection (d) contained the word 'order' instead of 'notice'. This error has been rectified.

The *Electrical Workers and Contractors Act* is amended to remove a small number of references to the *Electricity Act*. In particular, section 4 defines an 'authorised person' as including an 'inspector'. The term 'inspector' means 'an inspector appointed under the *Electricity Act*'. The *Electricity Act* was repealed and replaced by the *Electricity Reform Act* in 2000 and makes no reference to an 'inspector'.

Based on consultation with NT WorkSafe and the Department of Lands and Planning, all references to an 'inspector' should be omitted and substituted with 'authorised officer' as defined by section 4(1) of the *Electricity Reform Act*. The bill achieves this by omitting the definitions 'authorised person' and 'inspector' from section 4 of the act, and inserting a new definition of 'authorised person', which includes an 'authorised officer'. All other references to the *Electricity Act* are omitted and substituted with references to the *Electricity Reform Act*.

The *Firearms Act* and the *Criminal Records (Spent Convictions) Act* are also amended. Both acts refer to the use of the National Exchange of Police Information Scheme (NEPI). Northern Territory Police, Fire and Emergency Services has advised that NEPI has not been used for the exchange of police information since the CrimTrac agency was established on 1 July 2001. As a result, the references to NEPI in both acts are

omitted and substituted with references to CrimTrac.

The bill omits the phrase 'unless the contrary intention appears' from the definitions sections of a number of acts. This is to reflect current drafting practice and ensure consistency across the statute book. These amendments will make no change to the interpretation of acts as, currently under section 18 of the *Interpretation Act*, the court will apply interpretation provisions except so far as the context or subject matter otherwise indicates requires.

All other amendments made by the bill are of a very minor nature and are generally self-explanatory.

I commend the bill to honourable members, and I table a copy of the explanatory statement.

Debate adjourned.

**SUSPENSION OF STANDING ORDERS**  
**Pass Bill through all Stages –**  
**Health Practitioner (National Uniform**  
**Legislation) Implementation Amendment Bill**  
**(Serial 107)**

**Mr VATSKALIS (Health):** Madam Speaker, I move - That so much of standing orders be suspended as would prevent the Health Practitioner (National Uniform Legislation) Implementation Amendment Bill 2010 (Serial 107) passing all stages on Thursday, 10 June 2010.

Motion agreed to.

**ENVIRONMENTAL OFFENCES AND**  
**PENALTIES AMENDMENT BILL**  
**(Serial 109)**

Bill presented and read a first time.

**Mr HAMPTON (Natural Resources, Environment and Heritage):** Madam Speaker, I move that the bill now be read a second time.

The purpose of this bill is to amend the *Environmental Offences and Penalties Act* to increase the penalties for environmental offences, and to ensure the amended penalties can be regularly updated.

The *Environmental Offences and Penalties Act* came into effect in 1997. The act establishes a framework for environmental offence levels and establishes a penalty regime for each level. Four environmental offence levels are created. Environmental Offence Level 1 establishes a current penalty of between \$125 000 and \$1.25m for a body corporate; while at the lower end,

Environmental Offence Level 4 current establishes a penalty of up to \$25 000 for a body corporate.

The *Environmental Offences and Penalties Act* does not of itself create offences; rather, the various environmental offence levels are referenced and picked up in specific environmental legislation such as the *Waste Management and Pollution Control Act*, the *Mine Management Act* and the *Water Act*. These statutes regulate activities and create the actual offences. The *Environmental Offences and Penalties Act* creates a consistent set of penalties, among these different environmental laws.

Recent spill incidents have highlighted the need for continued vigilance to protect our precious environment. I am determined to instil a culture of disclosure and environmental compliance within industry. A critical first step in changing corporate culture is to ensure our environmental laws provide sufficient penalty to deter inappropriate practices and behaviour; which is why I recently announced the government will be moving to double penalties for pollution offences.

Today I am bringing forward amendments to the *Environmental Offences and Penalties Act* that deliver on this commitment. The amendments will see penalties contained within all environmental offence levels, doubled. As a result, the Territory will have some of the toughest penalties for pollution in Australia, behind only Victoria and New South Wales.

These amendments I am presenting will, for example, see the offence of intentionally causing pollution resulting in serious environmental harm, be subject to a maximum penalty of slightly more than \$2.5m for a body corporate. In addition to doubling the penalties for pollution, the amendments will also introduce penalty units as provided in the *Penalty Units Act*. This will mean the immediate doubling of pollution fines established through this bill will, over time, be kept up-to-date with adjustments to the value of a penalty unit. The regular updating of penalties will mean our pollution fines will remain a significant deterrent over the longer term.

Some lower level offences can be treated by way of a smaller fine when an infringement notice is issued. The intent of this bill has been to double the fines for more serious offences; hence the fines for infringement notices have not been doubled. The bill does, however, provide for the existing fines to also be converted to penalty units, and consistent with the current legal policy, they have been subject to a modest increase of, as near as possible, 15%. I am determined those who flout our environmental laws face stiff penalties.

Madam Speaker, I commend the bill to honourable members, and table the explanatory statement to accompany the bill.

**Mr ELFERINK (Port Darwin):** Madam Speaker, I am going to break with the normal traditions of this House and speak to a bill I have not yet seen because it has not arrived on my table. I am prepared to take a risk on this occasion, because there are issues which need to be addressed in relation to what is underlying the bill.

Over recent months we have seen a calamitous decay ...

**Mr HAMPTON:** A point of order, Madam Speaker! There is a motion before the House this afternoon. I do not know if ...

**Mr ELFERINK:** I am speaking to the bill.

**Madam SPEAKER:** There is no point of order, minister.

**Mr ELFERINK:** This is indicative of a minister who wants to silence debate on this issue. Twitchy, scared, nervous ...

**Ms Lawrie:** Not at all.

**Mr ELFERINK:** Absolutely so. For that reason he has tried to use, within the first few minutes of me getting to my feet, the rules of this House to silence me.

**Ms Lawrie:** You did your best to gag me yesterday in Question Time.

**Madam SPEAKER:** Order!

**Mr ELFERINK:** This minister has had a monumental problem in relation to how Darwin Harbour is being treated.

I draw members' attention to page 2 of today's newspaper which talks about a 'poo-nami' in the harbour. I am deeply concerned this minister is using this legislative instrument - this is part of his: 'I am coming down like a ton of bricks' on perpetrators of these offences, when it is not reflected in truth, and not reflected in what he is doing.

His coming down like a ton of bricks included no less than the hiring of three new staff at short notice, and I suspect without any training whatsoever, to be entered onto a list inspectors under the legislation in a special notice in a *Gazette* so the next day he could say: 'I have these inspectors'. That demonstrates how desperate this government has been in positioning itself to say it is doing something about it.

The problem is we are seeing increasing discharges of all sorts of things into the harbour. The argument this minister is running of 'I am coming down like a ton of bricks' is not coherent. If he wants to come down like a ton of bricks on the Darwin Port Corporation why does he not speak to the owner of the Darwin Port Corporation, the person sitting about 4 m away from him to his immediate left. The Treasurer is the person who owns these corporations, and they are not government-owned corporations. The Darwin Port Corporation is a government business division - it is much closer to government.

Think about how these really tough fines he announced today will work in reality. He comes down like a ton of bricks on the Darwin Port Corporation, which government owns, so government will be suing government for the criminal liability of polluting the harbour. Government has to pay the fine to government after having been found guilty of this offence, and the Darwin Port Corporation, because they have been hammered by this really big fine, has a viability problem. Who do you think they will go to, to underwrite their viability problem? Government! This is a little in-house circle which makes no real or effective difference to the people of the Northern Territory other than to dress it up as: this is the Darwin Port Corporation over here, and this is government over here.

I urge members to look at the back of Budget Paper No 2 in relation to the separation of government from government. I point out, in the Appendix classification of entities in the Northern Territory, public non-financial corporations include - you have it - Darwin Port Corporation. We have this fanciful dress-up going on, and this is the problem this government carries forward into the future. It is all about how you make it look rather than how you do it.

The best example I can give you is this minister said: 'I am really coming down on the Darwin Port Corporation'. Yesterday, during Question Time, I heard about the Darwin Port Corporation and all this dreadful water coming. How many conditions did the minister have, when he was coming down like a ton of bricks, on the Darwin Port Corporation on the water discharge licence? How many conditions? The answer - zero - not a single condition.

**Ms Lawrie:** Under the CLP? Zero.

**Mr ELFERINK:** This is the minister who said: 'I am here to protect the harbour; I am going to come down like a ton of bricks'. However, when you examine what he has done when it comes to the water discharge licence, which says you may discharge water, as a corporation, into our harbour, and the following conditions apply - none.

Not a single condition applies because this government is more interested and inspired by what occurs on page 2 or page 1 of the newspaper, as the case may be, in its political self-protection, rather than attending to the issue of protecting the harbour.

**Ms Lawrie:** Not true.

**Mr ELFERINK:** I will pick up on that. 'Not true', says the Treasurer. It was not so long ago we were all complaining about the Larrakeyah outflow, more commonly and affectionately known as the poo-shooter, which pumps an Olympic-size swimming pool of untreated ...

**Ms Lawrie:** About which the CLP did nothing.

**Mr ELFERINK:** ... macerated sewage into our harbour every day. The solution offered by this government in relation to this is they will redirect that through the Ludmilla treatment facility. So, what happens? Do they then dig a trench? I see the trench is being dug, and it goes through Doctor's Gully and under, I presume, Mitchell Street out to the golf course where it can then link up to the treatment pipe going out to Ludmilla. This is the solution. The problem is that the ugly finger of suspicion is pointing directly at the Ludmilla treatment works as the source of the *E. coli* pollutants currently in our harbour. If that is the case, the government's solution is now part of the problem.

They are spending \$30m to fix a problem which we were assured would fix the discharge of sewage into our harbour, and the brown stain which appears at low tide on a neap tide in our harbour. The solution was going to be: 'We are going to send it out to Ludmilla'. The solution turns out to be the one which is probably polluting Mindil Beach and Vestey's Beach, if I recall the article in today's newspaper correctly.

That is a curious thing, because this government has a track record of stuffing up their solutions to these problems ...

**Ms Lawrie:** We had to fix up your mess.

**Mr ELFERINK:** Where they say they have fixes, what they have is band-aids on amputations.

The other thing I am curious about was 'the CLP' from the Treasurer. I have listened to that argument. When do you become responsible for running the Territory? You have been sitting there 10 years. If I employed someone in my business and five years later they were saying: 'Oh, look, the people who were here before were the problem', how long do you think my business would last? When do you become responsible for governing the Northern Territory?

**Ms Lawrie** interjecting.

**Madam SPEAKER:** Order!

**Mr ELFERINK:** When do you take up the mantle of responsibility and say: 'It was me'?

**Ms LAWRIE:** A point of order, Madam Speaker! I remind the member for Port Darwin to direct his speech through the Chair.

**Madam SPEAKER:** Comments through the Chair, yes. I ask you to do that.

**Mr ELFERINK:** Yes, Madam Speaker, I acknowledge my errant way. I did refer to the member directly but, as she continues to screech her denials, it is very difficult not to address the absurdity of her position.

This government's monumental stuff-up in the harbour, and ongoing stuff-up in the harbour, is going to be addressed - if this bill reflects the public comments we have heard so far of 'I am going to come down like a ton of bricks', it is just dressage. This is a con being perpetrated on the people of the Northern Territory. It is all about how they look, and nothing about the real and genuine protection of Darwin Harbour and other harbours in the Northern Territory. I seek leave to complete my comments at a later date.

Leave denied.

Debated adjourned.

**SUSPENSION OF STANDING ORDERS  
Pass Bill through all Stages - Building  
Legislation Amendment Bill 2010 (Serial 108)**

**Mr McCARTHY (Lands and Planning):** Madam Speaker, I move - That so much of standing orders be suspended as would prevent the Building Legislation Amendment Bill 2010 (Serial 108) being passed through all stages on Thursday, 10 June 2010.

Motion agreed to.

**FINANCIAL TRANSACTION REPORTS  
AMENDMENT BILL  
(Serial 101)**

Continued from 6 May 2010.

**Mr ELFERINK (Port Darwin):** Madam Speaker, this is fairly straightforward legislation which deals with the tracking and reporting of financial transactions, as the title of the bill would suggest. It does much to bring the Northern Territory legislative environment into the realm, and into accordance with federal legislation, not least of which is the *Anti-Money Laundering and*

*Counter Terrorism Financing Act 2006* - it has an acronym which I cannot pronounce; I will not try.

Basically, cash dealers will be required to report to AUSTRAC if they have a suspicion a transaction may be relevant to an offence against the law in the Territory, or in relation to enforcement of the *Criminal Property Forfeiture Act*. This is a requirement regardless of whether the transaction would require reporting under the *Anti-Money Laundering and Counter Terrorism Financing Act* that allows a cash dealer, such as a bank and building society, not to report.

Another purpose of the bill is to close a technical loophole in the *Financial Transaction Reports Act* that allows a cash dealer, such as a bank or building society, not to report a suspect transition if that report would incriminate the dealer of the offence. This is a matter of simply tracing money and asking financial institutions to report transactions which look unusual.

There may be occasions - in fact, I suspect there are often occasions in the financial world where there are transactions through bank accounts which look suspicious. Nevertheless, that does not necessarily mean any of those transactions automatically attract some type of criminal investigation, however, they warrant further investigation. An example of a transaction that may look suspicious at the outset would be the sudden arrival of several hundred thousand dollars in an account which has never had more than \$200 or \$300 in it. A reason that might occur is the person who has limited finances is suddenly the beneficiary of a bequest in a will; such a thing would be easily investigated very quickly and the investigator could be satisfied such a transaction was above board and did not breach any legislative instruments.

On the other hand, there are transactions which leave a trail and pointers and indicators to criminal activity. As a former criminal investigator myself, I know the usefulness of these transactions in developing a case around certain people. In the old days, of course - and I suspect it is still the case now - you were required to get warrants to go through people's bank accounts, and so it should be. However, that takes a proactive role on the part of the investigator.

This bill, however, places a different light on that process, and similar legislation has already operated successfully in this country in other jurisdictions. In this legislation, there is an actual and active requirement on the cash manager to report a transaction which is suspicious. The difference is, in the former case an investigator would have to form a suspicion, gain a warrant and obtain access to the bank account. Now, the financial transactor forms a suspicion and is

obliged to report to an investigator the nature of the transaction for further investigation. This does not mean that people's bank accounts will be rifled by the dark forces of government on a willy-nilly basis. It means people will be asked to account for their conduct, particularly when that conduct is indicative of a potential felony.

The position of the Country Liberals is this is in accordance with our philosophical approach. When in government, we did introduce similar legislation. This legislation has a history in the Northern Territory, and I do not wish to address anything further than to say this is useful legislation, and I hope it will be used in a discreet fashion by those people who are given the power.

I am always nervous, as a legislator, that the powers we give people are often substantial, and I call upon those people who are given those powers to use with discretion and - dare I even say it - a certain amount of judicial understanding, because these powers entitle investigators to achieve certain things for the good of the community as a whole.

I remind investigators, and the forces of government, that the other side of that coin is if this becomes a vehicle or an instrument of onerous government activity rather than a genuine attempt to identify crime, then it is a power that will be lost to those investigators.

In my experience, in the vast majority of instances investigators, no matter where they exist, have used that discretion wisely, and I hope that continues to be the case. However, I cannot but forebear to mention this is a privilege given to investigators. It is a power which is beyond the normal range of the investigative tools available, and I would hope it is used in that light.

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### Visitors

**Madam SPEAKER:** Honourable members, I draw your attention to the presence in the gallery of local, interstate and overseas visitors as part of the Parliament House Public Tour Program. On behalf of honourable members, I extend to you a very warm welcome.

**Members:** Hear, hear!

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**Mr WOOD (Nelson):** Madam Speaker, I concur with the member for Port Darwin in his comments regarding the act. I believe anyone who supports any scheme to combat organised and serious crime, including major drug dealing and terrorism, financing by monitoring suspicious financial transactions both nationally and

internationally, would not disagree we need this legislation.

I know there was a change in the order of the day. The Independents were not aware of that. I was expecting Item 1 to come ahead; I do not know what happened there.

**Ms Lawrie:** I am trying to find out too, Gerry.

**Mr WOOD:** I believe it is important we have these powers but, as the member for Port Darwin said, we have to ensure these powers are used wisely. People can receive money - and for all you know it could have been from Tattsлото - or a large sum of money through a death in the family. There are ways people can receive large amounts of money which have nothing to do with drug dealing or serious crime. Finding this balance between people's rights - that is to receive money from those honest processes - and balancing that against the government's desire to clamp down on drug dealers and serious crime organisers, etcetera, is the balance we always have to be aware of when dealing with these issues.

I am interested to know whether there are checks and balances in relation to how this bill is enforced to ensure those who are not involved in criminal matters are not swept up under this bill, or, if they are, dealt with quickly to see they do not pose any threat to our society.

I was also interested in the last section of the second reading in relation to a dealer who does not report a financial transaction under the NT act because it may incriminate him or her in another separate offence. It was interesting to see the new provision removes the anomaly of having honest financial institutions being required to report financial transactions, but dishonest ones not being required to report. That, on its own, is probably worth having in the act if that was the only amendment we were going to have. That change is most welcome.

I also support the bill; it is an important thing in our fight against crime. The new Police Commissioner has spoken on the importance of continuing the fight in these areas. The Northern Territory is not immune to drug trafficking. In some cases it may appear people are arrested for taking drugs into some of our communities - and I think it was in today's paper where they were referred to as parasites - I have no doubt they belong to, or are getting their drugs, from larger drug dealers in the south. If we can use this legislation to reduce the scourge of these people who cause major troubles in some of our remote communities I believe it is worth passing.

Madam Speaker, I support this bill before parliament today.

**Ms LAWRIE (Justice and Attorney-General):**

Madam Speaker, I thank you for your indulgence in allowing this debate to be brought on. I have members of the Department of Justice here for this debate, and it would have been a ridiculous waste of officers' time otherwise. I thank you, and my apologies to the member for Nelson, however I did say prior to this it had been expected to come on before the Appropriation Bill. I had not received a copy of the Notice Paper, so I was not able to see an error in the Notice Paper in time to alert all members. I thank the Speaker and the Assembly for their forbearance in this matter being brought on.

I thank the opposition for its support, and I thank the member for Nelson for his support of this bill which amends the Northern Territory's *Financial Transaction Reports Act* to bring it into line with the 2006 Commonwealth act. This act ensures our law enforcement agencies can continue to request further information and documentation about suspicious financial transactions reported to the Australian Transaction Analysis Centre, known as AUSTRAC, which is under the Commonwealth 2006 act. It amends our existing Northern Territory *Financial Transaction Reports Act*, it picks up the reporting provisions of the 2006 Commonwealth act, as well as maintaining the current reporting provisions of the old 1988 Commonwealth act; it keeps the Northern Territory up-to-date with the Commonwealth scheme for reporting suspicious financial transactions to AUSTRAC, and it is complementary legislation as part of that Commonwealth scheme to fight money laundering.

We know the original money laundering legislation of the Commonwealth came into place in 1988. The Commonwealth updated its legislation in 2006, and our amendments to this legislation bring it in line with the 2006 update by the Commonwealth.

AUSTRAC initiated the new legislation. They have discussed their moves with the Northern Territory Police, in particular with our Major Fraud Squad and the Asset Forfeiture Unit. The NT Police requested changes in the legislation to ensure their continuing ability to request further information of suspect transactions from financial institutions. Queensland has already enacted legislation to update their equivalent act. The Northern Territory is next cab off the rank in moving into line with the Commonwealth, and Victoria and South Australia are preparing, on advice, legislation to update their legislation similar to this bill. Other jurisdictions will follow in due course.

I do not propose to go into any great lengthy debate around this, as there is full support in the Chamber for this legislation. As I said, it is simply updating our legislation in line with the latest Commonwealth update in its fight against money laundering. It is simple and appropriate, and will give law enforcement agencies the modern tools to query suspect financial transactions. I know they are highly professional people, they are highly skilled, and I have no doubt whatsoever they exercise their roles fairly judiciously, and with the appropriate level of professionalism we would expect. They all undergo significant training.

Madam Speaker, I commend the bill to honourable members.

Motion agreed to; bill read a second time.

**Ms LAWRIE (Justice and Attorney-General) (by leave):** Madam Speaker, I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

#### **APPROPRIATION (2010-2011) BILL (Serial 99)**

Continued from 8 June 2010.

**Ms LAWRIE (Treasurer):** Madam Speaker, I believe all members - bar one - in this Chamber have contributed to this debate. I was waiting to see whether the remaining member was ...

**A member** interjecting.

**Ms LAWRIE:** I believe the member for Grotorex - on advice - has not contributed yet. I have not checked the list; that is what I was advised this morning. I was waiting to see if there was anyone else for the jump. Indeed, there is not, so I will wrap up debate.

As we all know, thorough scrutiny of the budget occurs through estimates. I am sure opposition scrutiny will be rigorous and Territorians can have some confidence in the democratic process of scrutinising the budget.

As Treasurer, I made it very clear Budget 2010-11 was focused on supporting families now and, importantly, investing in the Territory's future. It was a very tight budget; it was a financially responsible and focused budget. Key and underpinning the budget was that record \$1.8bn infrastructure spend critical to the growth of the Territory. It is focused on delivering better schools, better hospitals, more housing, and better roads. The budget also focused, importantly, on our plans for the Territory's future which was underpinned by supporting initiatives for the *Territory 2030* goals.

It delivers on *A Working Future* with that record \$980m spend across the bush, and the infrastructure spending has certainly been very strongly welcomed by industry. They recognise it supports some 3600 jobs. Graham Kemp from the Master Builders Association said it was vital for the health of the construction industry. He said: 'It will introduce 3600 extra jobs, but it will actually save existing jobs that are already here, and we need that for future projects'. The Chamber of Commerce gave the Budget an eight out of 10, with Chris Young saying, 'From the Chamber's point of view, we are very happy to see the way the budget has gone'.

Budget 2010-11 was also welcomed by families because it delivers for them with better schools, hospitals, more housing, and initiatives continuing to support families such as our Back to School program and, indeed, our subsidisation of power prices.

I have travelled throughout the Territory to present the budget to Territorians, including industry presentations to the Chamber of Commerce, the Property Council, the Master Builders Association, and the Palmerston Business Association. I have travelled to all regional centres - Alice Springs, Tennant Creek and Katherine. I have travelled to Nhulunbuy, Yirrkala, Yuendumu, Gapuwiyak, Galiwinku, Umbakumba and Angurugu to take the budget further than any Treasurer has in the past. My colleagues, the Chief Minister and the minister for Indigenous policy, have also travelled to many communities to discuss the budget, and *A Working Future* enshrined within the budget.

We made a deliberate decision to go into deficit in Budget 2009-10 to protect jobs. That decision has paid off. We saw some 6000 jobs created last year on the back of record infrastructure spending to shoulder that all-important construction sector. The Labor government has delivered seven consecutive budget surpluses; delivering an eighth would have simply been reckless and would have cost Territorians jobs. If you are in any doubt about that, look at what Spain is going through with the level of unemployment post-global financial crisis.

We have reduced the debt-to-revenue ratio inherited from the CLP. Under the CLP regime, there was a 61% debt-to-revenue ratio. The Northern Territory Labor government has reduced that nett debt-to-revenue ratio, and at 2010-11, we were predicting it standing at 26%. That shows our annual income is almost four times more than our nett debt.

The Chamber of Commerce has certainly backed our strategy. Chris Young said: 'I think it is a good type of debt. I mean, we cannot

reiterate enough the fact that it is the roads, the rail, the airports and the ports that have soared off, and then the power and water. Those are the infrastructure things that business needs; it makes it easier to do business'. I note the opposition does not agree with the Chamber of Commerce's view in this matter, nor, indeed, do they agree with the view of other key industry groups. They are out there on their own.

I also spoke to many business people during the budget week, and I can say they support, very strongly, our deliberate decision to go into deficit to fund infrastructure. They understand this is absolutely the right decision for the right time; it is simply good economics and good for their business.

Every jurisdiction in Australia has entered a cash deficit position to protect jobs. There is a furphy which has been kicking around by the CLP; they like to say other jurisdictions are in surplus, but we know they are talking about an operating surplus. The Northern Territory is in an operating surplus - that is not an issue. We talk about the cash position, and every jurisdiction in Australia is in a cash deficit.

The CLP has been running this line of even New South Wales has a surplus of \$101m. If you look at that, they have a \$3bn cash deficit. Yes, their operating surplus is \$101m. Ours is in excess of that in operating surplus. What the CLP refuse to acknowledge is every jurisdiction, including Western Australia - Western Australia has a \$2.2bn cash deficit, and if you look at how they have worsened post-global financial crisis, they have blown out by about 330%-odd in the worsening of their position. The CLP has no credibility because they like to pretend we are the only place with a deficit - we are not. We have an operating surplus, as some other jurisdictions do, and there are some jurisdictions in an operating deficit, however, like every jurisdiction in Australia, we have a cash deficit which was a deliberate decision to save jobs.

The CLP would rather shed jobs for the sake of a surplus, but, when questioned where they would find the savings, the Leader of the Opposition did not want to provide answers to the media. We know the track record of the CLP; there is a little razor gang sitting up there - Col Fuller is back on deck; he is sharpening up the razors again - the ERC of the past - they want to slash public service jobs, not through any analysis. Anyone who was around in the ERC days knows how foolhardy that little exercise Col Fuller headed up for the CLP government was. Well, he is back working for the opposition. They have brought the little razor man back, sharpening the razor; he wants to slash jobs. The CLP like to think they can get their mate, Col, back in and he

starts sharpening the razors and no one is going to mention it; it will not be recognised, not one is going to mention it.

Some of us understand what happened in the past; we saw what happened, we knew who the architect was, and we are still, as a Territory, paying for that. When you freeze police positions, arbitrarily freeze the recruitment of police, as they did for four years, you have a very big law and order issue coming at the end of that, and we are grappling with the result of that legacy. And, when you are slashing nurse positions, you have a declining health system. Madam Speaker, you more than anyone would understand how dire the health system was in 2001.

I know the opposition does not want to hear it. I know they do not want to know that for every action there is a reaction and a consequence, and if you slash public servants, freeze key recruitment areas such as police, there is a consequence; and we are wearing the consequences of that. We have rebuilt and repaired critical service delivery agencies such as health, education and police, however they have the razor boy in the back offices, and he is sharpening away - the toe cutter is back.

We have focused on ensuring we do not slash the public service as the CLP want us to. We ensured we have propped up the private sector post-global financial crisis so the economy is strong, so we have jobs within the private sector to support the major projects coming our way.

The federal Treasurer talks about a two-gear economy; the top gear is Western Australia, Northern Territory and Queensland, and we are strong and vibrant. That is not only what the Territory government is saying, Access Economics also predict we will be the fastest growing economy in the nation during the next five years; and they are certainly independent. Moody's also looked at our measures in the budget - we did have some austerity measures in the staffing cap across the public sector, in the efficiency dividends we put in place, and Moody's said our rating is stable, and we have a very moderate debt. Moody's have given us a tick to the direction we took in Budget 2010-11.

I cannot let my wrap go without touching on the abysmal budget response by the Opposition Leader. We did some talking up of it; we had some expectations they were going to come forward with some good ideas and policies, some plans - instead we got the worst ever budget reply. No details, no dollars, no direction except to cut \$4.8bn over four years. There were no plans and no creditability on the side of the economy; they simply went to cutting public spending which

would ensure sacking some 800 public servants who are Territorians, and who would work ...

**Mr Tollner:** Do not mislead the House. Do not mislead the House.

**Madam SPEAKER:** Order! Order!

**Mr Tollner:** You gammon girl.

**Madam SPEAKER:** Member for Fong Lim, I ask you to withdraw that comment.

**Mr TOLLNER:** Gammon girl?

**Madam SPEAKER:** Member for Fong Lim, withdraw the comment, thank you.

**Mr TOLLNER:** Comment withdrawn.

**Madam SPEAKER:** Thank you very much, member for Fong Lim.

**Ms LAWRIE:** It is interesting the member for Fong Lim is unscripted at the moment. Is it the gospel truth or not the gospel truth we will be hearing from him? He was sent into this House last night with strict orders: read from your script, do not deviate.

**Members** interjecting.

**Madam SPEAKER:** Order!

**Ms LAWRIE:** We were certainly entertained.

**Mr ELFERINK:** A point of order, Madam Speaker! You gave us very clear instructions recently that you would not allow substantial digression. This is a substantial digression.

**Madam SPEAKER:** Honourable members, digression of course, if you look at the standing order, does not refer to the Appropriation Bill. There is no point of order. Adjournment, Appropriation, and the Address-in-Reply. Minister, you have the call.

**Mr Tollner** interjecting.

**Madam SPEAKER:** I beg your pardon, member for Fong Lim, are you reflecting on the Chair?

**Mr TOLLNER:** No, Madam Speaker.

**Madam SPEAKER:** Thank you.

**Mr TOLLNER:** I was reflecting on the attitude of this House. We seem to make it up as we go along.

**Madam SPEAKER:** I refer you to Standing Order 67. There is no making up, member for Fong Lim.

**Mr TOLLNER:** There is not?

**Madam SPEAKER:** That is correct.

**Ms LAWRIE:** Madam Speaker, there is a saying: people in glass houses.

We have had a lengthy contribution from members opposite on the Appropriation Bill. There was a significant amount of digression from the Appropriation Bill in comments they made. What is good for the goose is not allowed to be good for the gander. They are allowed to digress, but we are not allowed to pick up on the clearly political responses the opposition made to the Appropriation Bill, which, as Treasurer, is what I am doing right now. No, try to gag the government because we do not like to hear what they are saying.

**Mr Tollner:** You know about gags, there is no doubt about that.

**Madam SPEAKER:** Order, member for Fong Lim!

**Ms LAWRIE:** They are very touchy on the subject of the CLP's budget response because they were canned by industry groups. Everyone found it a lacking response, and they do not like the fact we are exposing they are going to sack public servants. They are on the record, in a dissenting CTC report, that they are going to abolish the department of Local Government. That is interesting to every public servant working for the department of Local Government.

**Mr Tollner:** Stop misleading the House.

**Madam SPEAKER:** Order

**Mr Tollner:** Stop misleading the House.

**Madam SPEAKER:** Member for Fong Lim, cease interjecting.

**Ms LAWRIE:** When the CLP, in a dissenting report to parliament, says they are going to scrap the department of Local Government, all those public servants in that department find it important to them. It is their job. They are talking about sacking people from their job.

**Mr TOLLNER:** A point or order, Madam Speaker! The Treasurer is clearly misleading the House. I ask you to ask her to desist.

**Madam SPEAKER:** There is no point of order.

**Mr Tollner:** She is misleading the House

**Ms LAWRIE:** If he wants to make a personal explanation in relation to the CTC report tabled ...

**Mr Tollner:** She is misleading the House.

**Madam SPEAKER:** Member for Fong Lim, cease interjecting.

**Ms LAWRIE:** I know the member for Fong Lim is a little touchy. He was sent in last night with a scripted speech about how he is not going to be challenging the member for Blain - sent in with orders: 'There is your scripted speech, member for Fong Lim. Better make it; stick to the speech, do not ad lib, read your speech'.

We found it highly entertaining on this side of the House to watch the member for Fong Lim carefully reading from his scripted speech about how wonderful the member for Blain is - how wonderful he is. Gospel truth? Question: we are still asking ourselves was that the gospel truth? Was it a scripted speech or was it just a little phoney? I guess you can read between the lines of that scripted speech, member for Fong Lim; it was very entertaining.

Regarding the CLP and slashing jobs, the member for Fong Lim is very sensitive about this because ...

**Mr Tollner:** Well, it is just not true.

**Madam SPEAKER:** Order!

**Ms LAWRIE:** ... granted, he is going to challenge the member for Blain and is going to stand up to be the Leader of the Opposition, and he is going to face the polls in a couple of years time, so he is a little sensitive about this issue of sacking public servants. I can understand that ...

**Members** interjecting.

**Madam SPEAKER:** Order!

**Ms LAWRIE:** They have form. Not only do they have form in the CTC dissenting report saying they are going to scrap the department of Local Government, look at their CLP platform when they went to the polls in 2008. The CLP allowed for a general reduction of the public service of 700 positions over three years. This is equivalent to about 4.5% of our public service. Mr Mills said the positions would be through natural attrition ...

**Madam SPEAKER:** Treasurer, I remind you we refer to members by their titles.

**Ms LAWRIE:** Sorry, member for Blain.

**Madam SPEAKER:** Thank you.

**Ms LAWRIE:** The member for Blain said this would be through natural attrition. He also went on to say they would sell off the NT Fleet and the Government Printing Office. To all those public servants in NT Fleet and the Government Printing Office, your jobs are gone because they are being flogged off, they are being sold.

**Mr Elferink:** Redeployed!

**Madam SPEAKER:** Order!

**Ms LAWRIE:** I will also quote from the member for Port Darwin ...

**Members** interjecting.

**Madam SPEAKER:** Order! Order!

**Ms LAWRIE:** Standing Order 51.

**Mr KNIGHT:** A point of order, Madam Speaker! The Treasurer has speaking rights at the moment, and there seems to be constant interjection from the other side, and low-level murmuring from the member for Port Darwin.

**Madam SPEAKER:** Order! Honourable members! Please resume your seat, Treasurer. I remind you of Standing Order 51:

*No member may converse aloud or make any noise or disturbance which, in the opinion of the Speaker, is designed to interrupt, or has the effect of interrupting a member speaking.*

**Ms LAWRIE:** I was getting to the member for Port Darwin's public comments on the matter of sacking public servants, and their view on public servants. I will quote the member for Port Darwin from ABC *Mornings* program on 13 May 2010:

*Senior public servants are a different kettle of fish and we will deal with them independently as their contracts come up.*

That is interesting. Any cursory understanding of that message going out there is 'sackings'. That is what public servants have coming their way and ...

**Members** interjecting.

**Madam SPEAKER:** Order!

**Ms LAWRIE:** Questioned further on this subject, the member for Port Darwin, on ABC *Mornings* on 13 May, went on to say:

*I will certainly be keeping most of them but we will not be keeping all of them.*

There are public servants asking: 'Who is in? Who is out? Who has a job? Who does not have a job?' They know in Local Government they would all be sacked, because they have said that in their CTC report. You know they are going to put the knife through; the razor gang is going to sack 700-odd public servants because Col Fuller is back on deck sharpening the razor. You know 700 will be sacked. You know they are going to be going for public servants regardless – particularly those on contract. Well, hello, they are coming after the ones on contract, who are all interested in this debate, I have to say. Public servants are very interested in this debate. If you call the opposition out on their plans to cut jobs they get a little nervous and twitchy in this Chamber. They do not like being brought to account for what they say.

The CLP budget response had no plans in addressing the challenges of our economy, nothing for more housing other than this curious ghetto idea that appeared – the ghetto. The 'super ghetto' was how the media went on to describe it, which was a plan to accommodate some 150 dysfunctional families in one place. The non-government housing sector strongly criticised this. They said it is the wrong direction, it is a failed policy direction, you do not do it this way, and it is the wrong approach. That non-government housing sector certainly knew this was a ridiculous plan. There was no detail other than a location in Berrimah. They were going to corral 150 families together - ghettos, super ghettos ...

**Mr Mills:** Go on, say cattle trucks. Get it out of your system.

**Ms LAWRIE:** ... together, that was ...

**Mr Mills:** Come on, get it out of your system.

**Madam SPEAKER:** Order!

**Ms LAWRIE:** ... at the heart ...

**Mr Tollner:** Pardon me, but what do you call Runge Street in Coconut Grove, or Shiers Street in The Narrows? What do you call that?

**Madam SPEAKER:** Order, order!

**Ms LAWRIE:** Who built them?

**Ms PURICK:** They are pre-self government.

**Madam SPEAKER:** Order!

**Mr Elferink:** You have been there for 10 years now, why don't you fix them?

**Madam SPEAKER:** Order! Member for Goyder! Member for Port Darwin! Member for Fong Lim!

**Mr KNIGHT:** A point of order, Madam Speaker! There is constant interjecting on the other side. You have warned them once.

**Mr TOLLNER:** Speaking to the point of order, Madam Speaker. The member for Daly is probably the biggest offender. He constantly interjects. I am having a great deal of difficulty hearing the Treasurer over the member for Daly. He comes out with these pointless points of order about this side of the House interjecting, but he is ...

**Madam SPEAKER:** Member for Fong Lim, resume your seat. Member for Fong Lim! It would appear to me there have been a number of interjections on both sides, however mainly on the opposition side on this occasion. I ask that Standing Order 51 be noted. Treasurer, you have the call.

**Ms LAWRIE:** I was talking about this ridiculous super ghetto idea at the heart of the CLP budget response; a ridiculous plan absolutely lambasted by the housing non-government sector as not the way you address housing needs for Territorians.

The super ghetto at the heart of the CLP response was panned by the housing non-government organisations, and everyone was wondering where the details were? The details are that somewhere in Berrimah they are going to put a super ghetto, and in regard to costing, well, we could have driven a truck through the costing. What they allowed for in costing on this super ghetto for 150 families would provide accommodation for about a dozen. So, stupid plan, ridiculous idea, ridiculous approach, and the costing is wrong. That is a very interesting budget response, and they have a minus-10 from anyone who was looking at the budget response.

The CLP likes to be promising everything but not coming up with any details.

**Mr TOLLNER:** A point of order, Madam Deputy Speaker! That has to be the biggest load of hypocrisy I have ever heard: the CLP promises everything but delivers nothing. I mean ...

**Madam DEPUTY SPEAKER:** Member for Fong Lim, is this a point of order? There is no point of order.

**Mr TOLLNER:** ... she is misleading the House, Madam Deputy Speaker.

**Madam DEPUTY SPEAKER:** There is no point of order. Resume your seat, please.

**Mr TOLLNER:** We all know they have promised everything and delivered nothing.

**Madam DEPUTY SPEAKER:** Member for Fong Lim!

**Ms LAWRIE:** Dopey Dave is very sensitive today. Maybe it was the script he had to read last night.

**Madam DEPUTY SPEAKER:** Treasurer, I ask you to withdraw that.

**Ms LAWRIE:** I withdraw, Madam Deputy Speaker.

The member for Fong Lim is very sensitive today. Maybe it was because he was sent in here to read the script.

**Mr Tollner:** You mislead the House constantly. You seem to be unable to open your mouth without misleading the House.

**Madam DEPUTY SPEAKER:** Member for Fong Lim, cease interjecting!

**Ms LAWRIE:** Very sensitive.

**Members** interjecting.

**Madam DEPUTY SPEAKER:** Treasurer, you have the call.

**Ms LAWRIE:** Madam Deputy Speaker, big on promises; we will promise this and we will promise that, but when asked how they will make the savings, the Leader of the Opposition shuffles around and does not want to give a direct answer to how they are going to make any savings.

We know they plan to sack public servants; that has been articulated through the CTC in the dissenting report. Certainly, it was articulated in their platform going into the 2008 election - 700 public servants gone. It has been articulated on ABC morning radio by the member for Port Darwin when he talked about all those public servants on contracts: we are going to be sorting them out; those contracts will not be renewed.

I want to go to some of the un-costed, unworkable promises we have been hearing. The \$1bn housing promise is roughly equivalent to the cost of running Royal Darwin Hospital and our health system, however, there is no funding. They say they want more police, but there is no funding

allocated to the police, nor do they say where they would put the police. This is after they closed police recruitment for four years - somewhat absurd.

They say they want a bigger tourism budget, but there is no money allocated, and their shadow spokesperson would not say how much money they would allocate. How on earth do you expect to be seen with any credibility whatsoever, when shadow minister after shadow minister, in your budget responses, says: 'We will do this, we will do that', but not a single costing applied to it. There are no commensurate saving measures they would put in place other than this broad sacking of public servants which they have been beating the drum about. They say: 'There has to be more funding for roads', but they did not say what allocation to which road, and where, and how they would meet that within the budget parameters.

The credibility question is significant. When we came to government in 2001, the roads budget was \$80m - it is now at \$331m. It is where the rubber hits the road, it is where you get traction, where you put funding into roads; rebuilding, building up, resheeting and bituminising roads. We know we have a massive road task ahead of us in the Territory; 23% of the road network is sealed, and there is a great deal of dirt road kilometres across the Territory. We have had a constructive working relationship with the Rudd Commonwealth government which has attracted a doubling of the Commonwealth investment in roads funding in the Territory under Labor governments.

We know what happened in the past; the Liberal federal government was full of hot air about what they might deliver. Tiger Brennan Drive is the classic example of that, where they shuffled their feet, talked about it, but not a dollar was delivered to the Territory when the member for Fong Lim was the member for Solomon - not a dollar came to the Territory to build Tiger Brennan - not one dollar. The dollars started flowing when the new member for Solomon was elected, defeating the former member for Solomon.

**Mr Tollner:** Stop misleading the parliament again.

**Members** interjecting.

**Madam SPEAKER:** Order!

**Ms LAWRIE:** When the new member for Solomon was elected, the dollars started to flow, the project started, and we have this magnificent 7.5 km road construction called Tiger Brennan Drive extension which is going to be built within

project time frames. The money flowed when Labor won government federally, when the new member for Solomon, the man who delivers on promises, was elected.

We heard the member for Fong Lim, when he was the member for Solomon, promise oncology - not a dollar flowed. The new member for Solomon was elected - we have an oncology unit.

**Members** interjecting.

**Madam SPEAKER:** Order! Order!

**Ms LAWRIE:** Pretty simple - compare and contrast; all words no action, versus action and buildings constructed; real projects.

We have the super clinic in Palmerston, the oncology unit, Tiger Brennan Drive - real projects being delivered in the Territory under the new member for Solomon because there is a constructive working relationship between the Commonwealth government and Territory Labor government.

It was dysfunctional when the dysfunctional member for Fong Lim was operating in the federal sphere. There is a consistent theme to the CLP. They say whatever they like. They ramble across policy areas without a coherent policy direction and, in fact, any sector, such as the housing non-government sector says: 'Well, your policy is flawed'. Also, they do not put the money to it; they do not put the real cost and some real dollars to it, so there is no credibility in their budget response.

They complain about our government's deficit, yet, if you apply costings to their random promises, we would have the mother of all deficits in the Territory. If you applied the costings into the budget against the random promises you heard from members opposite during their budget responses, deficit would blow out.

We saw that is their track record; we inherited a blow out in deficit in 2001 and Professor Percy Allan had a good, hard look at the CLP's creative accounting books. We put the *Financial Management Act* in place to ensure Territorians could have confidence in the financial accounting of the Territory budget books. We put a new estimates scrutiny committee in place so Territorians could have confidence that parliamentarians ...

**Madam SPEAKER:** Excuse me, minister. I remind visitors in the gallery that no photography is allowed in the Chamber. Thank you.

**Ms LAWRIE:** We put an estimates process in place so Territorians could have confidence there would be appropriate scrutiny of the budget. I am

looking forward to the estimates process starting on Friday. It is an increased number of hours in which the budget will be scrutinised. I am very proud of the fact we do not shy away from scrutiny of the budget.

**Madam SPEAKER:** Excuse me, minister. I remind visitors to the gallery that no photography is allowed. Can we have a security person go to the galleries?

**Ms LAWRIE:** Madam Speaker, he may be of a non-English speaking background.

**Madam SPEAKER:** Maybe. There should be a security guard up there nevertheless.

**Ms LAWRIE:** The Territory budget and how we are tracking, I will recapture it.

Budget 2010-11 received an eight out of 10 tick from the Chamber of Commerce. All the industry groups said it was the right approach; the right budget hitting the needs of Territorians. Our focus was on health, education, housing, and on roads. We were able to ensure *A Working Future* received a record \$980m. We have a record \$1.8bn infrastructure program which is about supporting the construction sector ahead of major projects on the horizon. Everyone knows it is the right thing to do. We have managed our budgets well; we have delivered surplus after surplus. We made a deliberate decision to go into deficit this time around because we are post global financial crisis, and the private sector recovery has not yet kicked in.

Madam Speaker, I commend the bill to the House.

Motion agreed to; bill read a second time.

**Madam SPEAKER:** As we have already passed the process for moving this bill to the Estimates Committee, we move on with government business.

#### **MOTION**

#### **Note Paper – Council of Territory Cooperation - Second Report**

Continued from 6 May 2010.

**Mr WESTRA van HOLTHE (Katherine):** Madam Speaker, I had not intended my contribution to this debate to be a lengthy one, and I need not go down the path of levelling the same criticism of this report as levelled at the first report of the CTC. The reason is quite simple; it seems there was a little more cooperation displayed by all members of the CTC in the period between the first and second reports, and

certainly more cooperation around the sentiment and content, I might add, of the second report.

Unlike the first report of the CTC, the majority of submissions by the Country Liberals with respect to the body of the report were incorporated, and most of the Country Liberals recommendations were also incorporated. From my perspective, it is pleasing to see a report which is a little more balanced than the first one.

In general terms, the operation and conduct of the committee is standing on positive ground. I believe the newly constituted secretariat is assisting all members in their attempts to distil the salient points and pertinent information from a complex environment. That is proving to be valuable. I take the opportunity to thank Helen Campbell, Jan Whitehead, Karen Turner, Kim Cowcher and past staff members, Pat Hancock and Kay Parsons for their efforts to date.

The CTC has continued to canvass the topical issues of SIHIP, growth towns, and shire reform, along with some self-referenced matters such as gas supplies to the Weddell Power Station, and police statistical reporting. We seem to be having a win in making findings and recommendations on the issues the CTC is investigating. However, in my view, findings and recommendations on their own are not, should not, and cannot be the goals of this sessional committee. This committee must achieve something, must be able to see, hear or feel a tangible outcome for the work of the members and staff, and for the costs involved in the operation of the committee.

I have been on public record previously as being concerned with the cost of running this committee. On a number of occasions I have had to divert attention away from any suggestion it is purely a dollar cost to this committee which concerns me. More to the point, it is the value for money Territorians will derive from this committee that remains important, and I remain quite resolute on that issue.

I will turn my attention to the second report shortly, and there are several issues I wish to address. I note the Auditor-General's report on SIHIP was tabled in parliament yesterday and it would be remiss of me if I did not cover some of the issues raised about SIHIP by the Auditor-General. I will come back to those.

With respect to the report of the CTC, there are a few issues to address. In the first instance, it is useful to reference my remarks to recommendations of the CTC report relating to the Power and Water Corporation, and the gas supply to the Weddell Power Station. There has been a significant inquiry by the CTC into the supply of early off-specification gas - herein after I will refer

to that as EOSG for brevity - to Weddell. The CTC has found - and I refer to page 7 of the second report and I quote: 'The CTC believes that the introduction of EOSG was essentially a gamble'.

The supply of EOSG was brought about as a result of the late supply of on-specification gas by ENI, and I quote from page 9 of the report:

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

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

On the back of the ministers responsible declining to attend the CTC, a letter has been written to both ministers by the Chair requesting their attendance to explain - and I quote Recommendation 3 of the report:

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

The CTC is yet to receive a response to these requests despite them having been sent some time ago. This will very much go to the crux of the efficacy or effectiveness of this committee. The committee is requiring the Treasurer and the Minister for Essential Services to give evidence. Whilst ministers cannot be compelled to give evidence, what is at stake is the level of cooperation that may be given by the Chief Minister in providing full and frank disclosure by his government to the committee on this matter. If this cooperation from the Chief Minister is not forthcoming, this must leave the architect and

Chair of this committee, the member for Nelson, in somewhat of a conundrum.

All members of this committee, by virtue of Recommendation 3 of this report, are saying we have a belief the Treasurer and Minister for Essential Services should attend to give evidence the committee believes is vital to the deliberations of the committee. The committee, and its architect, the member for Nelson, should accept no less than the attendance of those ministers before the committee, and their full and frank disclosure of matters around the supply of EOSG to Weddell.

I move to the next issue: local government. This is an ongoing line of inquiry which will consume the time of the committee for many months to come. In general terms, the committee continues to hear evidence about the financial situation of shires, including the state of play at the time of the amalgamations in July 2008, and at the present time.

At amalgamation, the shires were effectively handed a shoebox of receipts from the subsumed community government councils and progress associations. This included incomplete and un-audited financial records, and un-acquitted grants. All this against a backdrop of promises made by the department of Local Government that the shires would, in fact, be handed up-to-date financial reports from all the subsumed entities. The shires were lied to, and the former minister for Local Government, the member for Daly, has left his fingerprints of incompetence all over the shire amalgamation mess.

Assets of the old councils were another huge part of this messy amalgamation. The shires were handed incomplete asset registers, assets were lost, stolen, or otherwise not found. Many of the assets were broken down and beyond economical repair, again, putting a huge dent in the value of the shires. This has resulted in shires having to buy new assets, despite being told at amalgamation they had all the working capital items they needed.

It was interesting to hear the current Minister for Local Government in Question Time yesterday talk about the amalgamations and how well things are going two years into the reform, and how we cannot have expected everything to be hunky-dory from day one. That is a fair call, minister, however did your predecessor have to hand over such an appalling state of affairs to the new shires? These amalgamations have been so poorly handled by the former minister it is a surprise the shires have managed to claw themselves into the position they are today. That does not say a great deal, because the shires are not well; there are some significant and very

serious issues around the financial sustainability of the shires. Frankly, I do not know how the former minister sleeps at night, knowing the hard work and misery his administration has visited upon the shires. He should be ashamed of himself.

Then there are the IT issues and the costs involved in fixing the Tech1 system; another deplorable impost placed upon the shires by the former minister. That the shires could not produce accurate financial records for the first 18 months of their lives beggars belief. Yes, current minister, maybe things cannot be hunky-dory in such a huge reform, however, no records for 18 months is unbelievable.

As mentioned before, the financial viability of the shires is an issue. I wait with bated breath to see the outcome of the report into the financial sustainability of the shires which the government is currently undertaking.

Recommendation 6 suggests the two other levels of government - the Commonwealth and the NT - re-establish offices to take some of the pressure off shires in providing non-core services; and Recommendation 9 says the NT government permit shires to develop an organisational structure without requiring approval from the government. This comes on the back of the NT government's interference in the corporate structure of the Tiwi Islands Shire Council some months ago.

The majority of the remainder of the recommendations focus around SIHIP, and I mentioned earlier the Auditor-General's report into SIHIP has been tabled.

In the time I have it would be impossible to do full justice to the Auditor-General's report into SIHIP. It will take time to digest the contents of the report and understand the implications of it. I can safely say the report details a litany of failures by the Northern Territory Labor government that led, amongst other things, to the federal intervention in this program during 2009. This report details the level of incompetence this government, and the former minister for Housing, have exhibited from day one of this program. SIHIP is proving itself to be the singularly most spectacular failure of both the NT and federal governments. While the argument is SIHIP is now delivering the promised new, rebuilt and refurbished houses, there remains much that can be criticised over the program, and the Auditor-General's report highlights many of those areas.

At page 9 of the Auditor-General's report - and I will quote inter alia from the report:

*At the end of 2008-09 I conducted a review of the former Department of Local Government and Housing ...*

*In a subsequent report to the department I commented that: corporate governance issues over the Strategic Indigenous Housing and Infrastructure Program need to be addressed and that poor corporate governance practices could lead to inadequate monitoring and controls over SIHIP activities.*

The red flags must have been flying after this report to the department. The minister for Housing at the time, the same minister for Local Government during the reforms, the beleaguered member for Daly, had been warned about the path SIHIP would take if those corporate governance issues were not addressed. What did he do? Apparently, nothing.

The litany of failures started, it seems, after the 2004 Productivity Council report titled *First Home Ownership* where it said:

*Even in a best practice supply chain it can take several years to bring new land on stream, to provide the associated infrastructure and to construct new dwellings.*

That comment must be viewed in the context of the Auditor-General's report where he says on page 9: ... 'fundamental issues such as land tenure had not been resolved', and that was a report on the early stages of SIHIP. Not only was it possible it was going to take years, according to the Productivity Council report to get new land on stream, here we had a situation where land tenure had not even been resolved. That is where, I suspect, the rot started.

Given the NT government is a part of the alliances set up under SIHIP, it fell upon them to ensure the very corporate governance issues the Auditor-General was talking about were addressed and, in reading this report and understanding the role of the NT government in the alliances, and in the failure to address those corporate governance issues, one can reasonably draw the conclusion that the NT government's lack of corporate governance capacity contributed to the demise of the Earth Connect Alliance. I say that because it is those very corporate governance issues that brought about the undoing of that alliance. The NT government is complicit in the demise of that particular alliance through their lack of adherence to correct corporate governance procedures, which has been clearly highlighted in the Auditor-General's report.

I turn to some other parts of the Auditor-General's report and look at the factors which led to some of the problems. I quote from the report:

*At the end of 2008-09 year I conducted a review of the former Department of Local Government and Housing ...*

*In a subsequent report to the department I commented that: corporate governance issues over the SIHIP program needed to be addressed and that poor governance practices could lead to inadequate monitoring and controls over SIHIP activities.*

That goes on to talk further about the land tenure issues and the Property Council report.

With reference to the review by the Auditor-General of the Department of Local Government and Housing - that is the end of year review of 2009 - I do not really have time to do this report justice, however the contents of this report shines a whole new light on SIHIP that will have to be forensically investigated by the CTC. I quote from the report:

*There was a lack of evidence to support the assertion that progress payment claims were being reviewed and approved prior to payments being made.*

That is talking about corporate governance.

We are finding bills were paid without being reviewed.

*... a lack of appropriate performance/monitoring reports being available to reflect the progress of SIHIP. During the review I requested a matrix or some other comparable reports to show the budget versus actual status of houses built, or refurbished/rebuilt compared to the budget, but none could be provided.*

It then says:

*For a project of this size and complexity I believe that sound systems and processes should have been established and documented at the outset of the program to provide the tools for management and the Joint Steering Committee, to monitor, manage, and report against key success criteria.*

I continue to quote:

*During the audit that is the subject of this report it was found that there were, and*

*continued to be, insufficient systems, processes, associated guidelines and procedure manuals to assist management and the Joint Steering Committee to perform their responsibilities in relation to the capturing ...*

**Mr BOHLIN:** A point of order, Madam Speaker! I move an extension of time pursuant to Standing Order 77.

Motion agreed to.

**Madam SPEAKER:** I will ask you continue after the luncheon adjournment.

Debate suspended.

### DISTINGUISHED VISITORS

**Madam SPEAKER:** Honourable members, it gives me great pleasure to draw your attention to the presence in the Speaker's Gallery of Mr Ted Egan AO, former Administrator of the Northern Territory, and Ms Nerys Evans. On behalf of honourable members, I extend to you a very warm welcome.

**Members:** Hear, hear!

**Madam SPEAKER:** It is very nice to see you in warm Darwin. I only seem to see you in Alice Springs.

Honourable members, I also draw your attention to the presence in the Speaker's Gallery of Mr John Price, former Deputy Speaker of the New South Wales Legislative Assembly, and also Mr Neil Bell, the former member for Macdonnell. On behalf of honourable members, I extend to you also a very warm welcome.

**Members:** Hear, hear!

### MOTION

#### Proposed Censure of Ministers responsible for SIHIP and the Chief Minister

**Mr GILES (Braitling):** Madam Speaker, I move – That this Assembly censure the current and former ministers in charge of SIHIP and the Chief Minister for lying, cover up and maladministration of SIHIP.

This is a very important censure motion because this is one of the biggest, or the biggest, failed programs in Australia. We have heard about the insulation program, the building revolution and education blowouts across the country, but SIHIP takes the cake and is fraught with maladministration. In 2006, what became the *Little Children Are Sacred* report commenced looking at child abuse and, when tabled in 2007,

showed housing was an important issue. We saw the start of the intervention and we have had announcements about housing programs. What have we seen from the Territory Labor government since that point in time? \$200m-plus spent for the building of 11 houses. You would think the government would get this right.

**Dr BURNS:** A point of order, Madam Speaker. I am waiting for the text of the censure.

**Madam SPEAKER:** Yes, the Deputy Clerk is getting that at the moment, thank you.

**Mr GILES:** You would think the government would get this right. No! We see the tabling of the Auditor-General's report last night, and it has some very revealing information. Many of my colleagues were quite surprised about how revealing it was. We thought it might be a puff piece, however, I had faith the Auditor-General would describe what was happening, and he did.

The minister for Housing made reference to certain things and put out a media release yesterday saying it is back on track. It is not on track. It might be the same as it was, but it is not on track. The minister quoted from the Auditor-General's report:

*SIHIP is an ambitious program and it should deliver most, if not all, that is expected by stakeholders.*

The Auditor-General is saying it should deliver 'most' - this is a program that is quite similar for five years and they have it so wrong. It goes on in the conclusions to say:

*... financing constraints may present an impediment to achieving the SIHIP objectives. The significant increases in the estimated costs of constructing new houses, and the estimated cost of refurbishments ... pose a risk.*

Pose a risk, however, they will tell you they will meet all the commitments they have spoken about. It goes on further to say:

*... funds provided under the National Partnerships Agreement will need to be diverted from other purposes to meet the costs of essential infrastructure. Equally, the lack of indexation of funds committed for SIHIP may mean that the ability of the program to deliver all that is expected of it may be compromised.*

The Auditor-General's report is highlighting SIHIP will not deliver what it is supposed to. There are pages and pages of condemnation of this government over SIHIP. It makes me wonder

how this government still stands. Under Achievements to Date, on page 48 of the report, it says:

*It is important to note that projected targets were still to be approved by the Joint Steering Committee at the time of the audit.*

Projected targets are still to be approved. We have the minister saying we are going to build 750 new houses, refurbish 2500 properties and rebuild 230 properties. This says the Joint Steering Committee has not even approved the projected targets. What is going on? Who is in charge? It takes the Auditor-General to point that out.

If you look at the information obtained under freedom of information from Senate estimates last year, on page G5, Program Overview:

*The Strategic Indigenous Housing Infrastructure Program is a \$672m program over five years which aims to build and replace up to 900 houses and refurbish 1300 houses in 73 communities.*

We know so far they only committed to build houses in six communities, and have only built 11 in two-and-a-half years for a cost of more than \$2.5m. Their own paperwork, obtained under freedom of information, talks about 1300 houses. The minister says 750 new houses and 2500 rebuilds, and the Auditor-General's report says no one has signed off on it. No one has signed off on those targets! If that is not maladministration I do not know what is. That is part of the case in point to be referring this to the federal police.

I go to page 41 of the Auditor-General's report where it says -and I will quote what the minister knows.

*Since the commencement of SIHIP in 2007-08, the Department of Local Government and Housing, (and its successor, the Department of Housing, Local Government and Regional Services) has claimed GST input credits in respect of expenditure incurred as part of the program.*

This is the point which sends it home:

*Some uncertainty exists as to whether all amounts claimed are consistent with the provisions of the A New Tax System (Goods and Services Tax) Act 1999.*

The Territory government does not know if it is paying the right tax or the wrong tax. It then says:

*At the time of the audit the department was well advanced in drafting of a request for a*

*private ruling from the Australian Taxation Office.*

Trying to get out of paying tax! Come on Jenny, do us a favour! Look under the heading, on page 40: How has the money been applied? This is where it refers to the independent review by the Department of Housing, and Local Government and Regional Services. It says:

*A review of the Auditor's report highlighted the issues in respect of progress payment claims submitted ... These include ...*

Listen to this for maladministration:

*... an absence of formal policies or guidelines for the allocation of alliance management activity costs to individual packages.*

An absence of formal policies and guidelines on how to pay money! The second point:

*failures to ensure that documentation in support of invoices and payroll rates were provided in a timely manner prior to the auditor's opinion being released;*

*incorrect calculation of payroll due to incorrect inclusion of on-costs;*

*incorrect calculation of expenditure and the absence of adequate supporting documentation ...*

This is a maladministered program which goes to the heart of the agreement between the Independent member for Nelson and the Chief Minister:

*incorrect calculation of expenditure and the absence of adequate supporting documentation;*

*lack of proper approval for expenditure incurred.*

Who was signing the cheques - the secretary? We do not have approval for the targets, and we do not know who is signing the cheques. No one had approval to sign the cheques.

Here is an interesting one for those people in Tennant Creek. This is how bad this government is. The previous minister for Housing, the member for Daly, the current minister for Housing, the Chief Minister and every Indigenous member on the other side does not give a buggler about housing Indigenous people in the bush ...

**Madam DEPUTY SPEAKER:** Member for Braitling! Member for Braitling!

**Mr GILES:** ... work on Tennant Creek ...

**Madam DEPUTY SPEAKER:** Member for Braitling! I do not believe that you did not hear me repeatedly call you.

**Mr GILES:** I did not hear you.

**Madam DEPUTY SPEAKER:** I ask you to withdraw the word you used, please.

**Mr GILES:** Being?

**Madam DEPUTY SPEAKER:** The rather offensive word beginning with 'B'

**Mr GILES:** I withdraw.

**Madam DEPUTY SPEAKER:** Thank you.

**Mr KNIGHT:** A point of order, Madam Speaker! The member for Fong Lim knows he cannot eat in this Chamber. Can he stop eating?

**Mr Tollner:** How many times have I seen you?

**Madam DEPUTY SPEAKER:** Member for Fong Lim ...

**Mr Conlan:** He has taken a leaf out of Bungles' book.

**Madam DEPUTY SPEAKER:** Excuse me, member for Greatorex. As you well know, member for Fong Lim, eating in the Chamber is not permitted.

**Mr TOLLNER:** My apologies, Madam Deputy Speaker, it was a mint.

**Madam DEPUTY SPEAKER:** Resume your seat. Member for Braitling, you have the call.

**Mr GILES:** It is very important the member for Daly jumps up, because he is the architect of this maladministration of SIHIP. I feel sorry for the minister for Housing. I believe he is a genuine bloke. He was kicked out of Health for making a mess after he took over another mess. They put him into exile into Business and Asian Relations, just like the member for Daly. They have brought him back as a junior minister, eating a sandwich that is made up of the same stuff floating in Darwin Harbour. Listen to this one:

*Work on the Tennant Creek package being undertaken prior to the finalisation of the Package Alliance Agreement ...*

They authorised people to start work without even signing them up - without even signing him up:

*... with the accompanying risk that progress claims made by alliances did not comply with the terms of the Package Alliance Agreement ...*

Did not comply!

*lack of supporting documents to enable an audit to be completed while some invoices ...*

This is the one I believe should be referred to the Federal Police:

*lack of supporting documents to enable an audit to be completed, while some invoices submitted as part of a claim differed from invoices held on the alliance partner's files.*

If ever you wanted to commit fraud that would be the way to do it.

**Dr Burns:** How about the last sentence on that page?

**Madam DEPUTY SPEAKER:** Order!

**Mr GILES:** We have the junior minister with the worst job in the world trying to sell SIHIP. He cannot do it, and he knows it has maladministration all over it. He knows this program goes to the heart of breaking the agreement between the member for Nelson and the Chief Minister. Maladministration: \$200m-plus to build 11 houses. Anyone else would hang their head in shame!

*The issues identified have resulted in some overpayments being claimed by the alliances. All overpayments have been recovered by the department.*

**Mr Elferink:** That is the issue; that really is the issue. You have recovered the money - how was it overpaid?

**Madam DEPUTY SPEAKER:** Order! Member for Port Darwin, you do not have the call.

**Mr GILES:** This is from page 30 of the report. The Auditor-General says:

*My end of year review of the former Department of Local Government and Housing that was conducted as part of the audit of the Treasurer's Annual Financial Statements for the 2008-09 financial year highlighted several issues in relation to the control systems and processes in place for SIHIP.*

Further, it then says:

*There was a lack of evidence to support the assertion that progress payment claims were being reviewed and approved prior to payment being made.*

*... lack of appropriate performance/ monitoring reports being available to reflect the progress of SIHIP. During the review I requested a matrix or some other comparable reports to show the budget versus actual status of houses built, or refurbished/rebuilt compared to the budget, but none could be provided.*

*... sound systems and processes should have been established and documented at the outset of the program to provide the tools for management and the Joint Steering Committee to monitor, manage and report against key success criteria.*

Further down:

*During the audit that is the subject of this report it was found that there were, and continue to be, insufficient systems, processes, associated guidelines and procedure manuals to assist management and the Joint Steering Committee to perform their responsibilities in relation to the capturing, storing, monitoring, management and reporting of the progress of SIHIP.*

Madam Speaker, no one is in charge of this. No one is in charge least of all the junior minister for Housing, or the previous minister for Housing, the member for Daly. No one is in charge of this *Titanic*. This is not just shifting the chairs on the *Titanic*. This is playing the music as the boat goes down.

The department also identified several breaches of processes and a lack of supporting documentation in respect of costs being claimed. Payments were made to the alliance partners without receiving the appropriate documentation. This is not administration - this is maladministration. This must be referred to the Australian Federal Police to see if it goes any further - full scrutiny of this program.

I cannot understand how any bush member can be a part of this government while this program is continuing. Eleven houses in two-and-a-half years for more than \$200m. The *Little Children are Sacred* report said we need 400 a year to keep up with demand for the next 20 years. You cannot even build 12 in two-and-a-half years. Eleven houses! This is maladministration; you know it and I know it. You have maladministration across all your portfolios. The member for Daly has much to answer for. It was

interesting reading this report. Things I have been quoting are current - not past.

What factors led to the problems experienced in 2009? Let me read a few out:

*A reporting framework developed by officers of both governments during December 2008 and January 2009 had not been properly implemented at the time of the audit and it was noted that there was a delay of almost 15 months after the initiation of the project until attention was given to the management reporting framework.*

Fifteen months. They started this program and sat for 15 months before they thought about it.

Weakness in SIHIP governance - and that is the heart of what is wrong with SIHIP. There are two things: there is a weakness in governance, and there is a weakness in financial administration - both by the government, not by the workers on the ground- it is by this mob who could not run a drink-up in a brewery. I thought long and hard when I read this: Weakness in SIHIP governance - low level management issues - Joint Steering Committee met only once a month. The report says:

*The Commonwealth government representatives had 'limited visibility of key issues and risks' in the program.*

It goes on further to say things such as:

*A lack of direction during the early life of the program as the Memorandum of Understanding and the National Partnership Agreement did not provide sufficient guidance around the objectives for SIHIP that might have permitted an effective and efficient implementation strategy.*

*An absence of a key project management processes as strategies ...*

You only have to look at that and it jogs your memory. Something comes straight at the heart, and I thought long and hard about what it was. I have looked through my computer and thought, what is that? Then I remembered the association in Timber Creek which sent a letter, on 6 March 2001, to an employee named Daniel Robert Knight. It is interesting, when you look at those claims about lack of direction, lack of ability to set priorities, lack of ability to set frameworks, and then you see the letter of termination to the member for Daly in his previous life. They said lack of ability to set priorities and manage and delegate decisions. Hello! Has anyone seen

this? Lack of ability to encourage team work; encourage staff and elected members; lack of ability to motivate others and manage conflict and lack of timeliness. We have heard about a 15-month delay without even thinking about the management frameworks - we have heard about two-and-a-half years to build 11 houses - lack of timeliness and clarity with which information of importance is communicated to other parties. I am sure Jenny Macklin might have liked to know Earth Alliance was about to be sacked before she said the day before that everything was back on track.

Let us look at back on track. We have heard those comments before; it is in the report. I do not know where the Auditor-General took those words from, and the minister for Housing - I am sure he got it - however, on the *7.30 Report* on 18 August 2009 the former minister for Housing, the terminated member over there: Rob Knight, NT Housing minister, archive footage from *Stateline* 24 July, it says:

*... shows that the program is on track ...*

That was on 24 July last year - on track. A transcript review for Jenny Macklin, the minister for Family, Housing and Community Services and Indigenous Affairs, from 31 August 2009 says: 'The review has found that the overall design of the program is sound. Is sound? She says, on 31 August 2009:

*The review has found that the overall design of SIHIP is sound ...*

Is sound. In an interview with Fran Kelly on ABC radio on 9 September 2009; she responded by saying:

*... which is why I sent a senior official of Darwin to go through this program line by line ...?*

Line by line, nearly 12 months ago; I am not sure how many lines she went through. On 15 September 2009, in a speech taken from minister Macklin's website, it says:

*Despite the misinformation around SIHIP, what is crystal clear is that we have not dropped the ball on Indigenous housing in the NT.*

We have not dropped the ball.

*We will be doing it efficiently and effectively.*

She goes on further to say - this is nearly 12 months ago:

*We have committed to major reforms ... in the way construction contracts are let and managed*

*And we have demonstrated our commitment to step in at an early stage to ensure programs administered by the states and territories stay on track.*

We are 'back on track'; we have 'stay on track', and we have 'they are all sound'.

Alice Brennan, on ABC, Alice Springs on 19 November last year asked the question: The Northern Territory opposition has called for a Royal Commission into the operation of SIHIP. Would you agree to that? Minister Macklin said:

*I think the problem with the opposition in the Northern Territory is that on one hand they say get on with it, and then they want more inquiries. We have had a major review into the operation of this program. That review found that there had been delays. It also indicated how we needed to make some changes to get some more effective results. Those changes have been made.*

They have done well; they have spent more than \$200m to build 11 houses - they are back on track - even as late as 14 April this year when the federal minister was on the Tiwi Islands talking about the review of SIHIP last year, she said: 'It is found that we are now back on track'.

**Mr Conlan:** Back on track to fail.

**Mr GILES:** Back on track. Even the minister's press release yesterday: back on track, back on track.

**Mr Conlan:** Back on track for failure.

**Madam SPEAKER:** Order, member for Greatorex.

**Mr GILES:** It says here, on 17 March 2010, in a joint media release between Chris Burns MLA, NT Minister for Public and Affordable Housing and Warren Snowdon MP, member for Lingiari:

*An assessment of SIHIP by independent consultants Dr Owen Donald and Julia Cantry-Waldron found that the changes and recommendations of the 2009 review have been implemented, and have put the program on track ....*

On track. It also says:

*The assessment found there had been improvements in the administration and*

*delivery of SIHIP as a result of changes implemented following the 2009 review.*

On 14 May 2010, only a couple of weeks ago, Jenny Macklin said that the independent reports say that we are now back on track. On 7 September 2009, Tony Abbott asked Jenny Macklin the question and she replied:

*The review has been conducted and made public, and the review has found the program design that we have put in place is sound ....*

She went on to say:

*... I am determined to make sure we address the bottlenecks and to make sure that we get the program meeting its targets. That is why I sent a senior official from my department to work with her Northern Territory counterpart to forensically examine the program and report to me on the changes needed to be made. She and her counterpart in the Northern Territory did an excellent piece of work for both governments and the review found that the SIHIP design is in fact sound.*

I would say it is not sound, Housing minister. The Housing minister would know the program is not sound. We have a minister who has been terminated for a failure to manage, failure to set directions, failure to set priorities and failure to communicate. That is what is identified in the Auditor-General's report as going wrong. The problem with the Auditor-General's report is it not a retrospective model. It is not looking back and saying: 'How did we go wrong so we can remember what happened and fix it'. It is saying here and now there are problems. Here and now!

Incorrect financial decisions are being made right now which you would not expect from a government in this day and age. The minister for Housing is asleep at the wheel. It is a hard ...

**Members** interjecting.

**Madam SPEAKER:** Member for Greatorex, cease interjecting.

**Mr GILES:** ... thing to allege corruption. It is hard to allege fraud; however, this is certain maladministration. This goes right to the heart of what the Independent member for Nelson signed up for with the member for Wanguri, the Chief Minister.

This is why the member for Macdonnell left the government as the Minister for Indigenous Affairs - because of SIHIP. She could see it coming like a freight train. It is unfortunate the

little rabbit with the bright blinking eyes cannot see it coming. He is in charge of this shambles. He took over from the previous minister, the member for Daly. He has control of this. They made him a junior minister and gave him terrible programs. He has to deal with it, and he has to take it on board. This government does not have the competence.

The member for Johnston, the member for Daly, and the Chief Minister are misleading Territorians in managing this project. They are lying about the administration of this project. \$200m to build 11 houses is a lie in anybody's language! It is a lie. The federal police need to look at this. Open up the books; give them all the documents and let us see if there is fraud. Let us have a good, hard look. There is no way you can spend \$200m to build 11 houses.

**Mr Conlan:** \$19m on consultants.

**Madam DEPUTY SPEAKER:** Order! Member for Greatorex!

**Mr GILES:** How do you do that? \$19m on consultancies; \$200m for 11 houses! We need someone to look at this. The Auditor-General has made a very good start; he has done his job. He could not go any further because the government would not show all the documents - they would not show everything. They would not open up their books - this is a desk top audit. There is not going to be enough money. Projected targets were still to be approved by the Joint Steering Committee. We are two-and-a-half years in. What have you been doing? Fiddling while Rome burns?

Lack of supporting documents to enable an audit to be completed, while some invoices submitted as part of a claim differed from invoices held on alliance partner files. What is happening there? We can talk about what happens on the ground and how there is no value for money from these refurbishments. We can talk about how money disappeared.

I feel sorry for the member for Johnston, the minister for Housing. He has picked this program up when it is half dead. He is trying to breathe life into this program. This program needs to be completely changed. You cannot go on like this. There is \$1.7bn of the National Partnership Agreement on remote Indigenous housing. We know this program is already up to \$1.3bn for the five years. That is looking at 480 houses in six communities, plus 85 in Alice Springs town camps. That comes from their documents. That comes from responses to Written Questions: 480, plus 85 in six communities.

There are 16 growth towns where new houses are to be built. We still have 10 to go. You have

to share 127 houses around 10 communities. Then you have the other 57 to make up the 73 from five Indigenous communities where they found child sexual abuse.

Child sexual abuse - that is what this housing program was supposed to fix. In 2006 it was an emergency - it is still an emergency in Liberal eyes. It is not an emergency in Labor's eyes. We know what the Labor Senator for the Northern Territory thought when she spoke about only 50 kids being abused in the Northern Territory. How many children need to be sexually abused in the Northern Territory before it becomes a problem? I would say one, and I am sure my Liberal colleagues would say the same. That is why we have to respond to this program.

People on the other side of the Chamber, the Labor government, talk about Indigenous affairs, but they do not care. They have failed across the board. They are liars, they are beggars, and they are thieves. We had the minister for Indigenous Affairs saying yesterday: 'We support real jobs'. Why then do you have the local government model so wrong that 500 Aboriginal Territorians are going to be sacked on 30 June? Five hundred Aboriginal people will be sacked on 30 June because the government has have done nothing about it!

What happened? At a LGANT function someone said: 'We are going to lose 500 staff', and we asked: 'What for?' The government members start scratching their heads; the minister for hum-ha, she starts asking what is going on. She rings up minister Macklin's office: 'We need some more money'. I can tell you the outcome of those conversations - not verbatim, but I can tell you minister Macklin's office is not too happy about getting that phone call. They have had three years to ensure the local government model is right so they can fund the \$8.5m to keep those 500 Aboriginal Territorians in jobs with superannuation, long service leave, sick pay, maternity leave. No, this government thinks it is all right to put them back onto CDEP. What is worse is that CDEP rules say you cannot go back on CDEP. You have to go on the dole. Here we are with Mr no-more-sit-down money trying to get people into work, and the no-more-work people trying to get people on the dole. Who is the friend of Aboriginal Territorians?

**Mr Conlan:** A good socialist model.

**Mr GILES:** The socialist communist lying, begging, cheating model. These people are not fit to run Aboriginal affairs, and are not fit to run SIHIP. Every word I have said has been absolutely true - every word, quoting right from this document. This is clear and present danger.

We spent a third of the original SIHIP budget to build 11 houses in two-and-a-half years.

The employment statistics were so bad at Ali Curung under SIHIP - because they had no one - they quickly said: 'Who can we get to do some work?' They cannot afford to pay Aboriginal people despite having a \$3.9m budget for Ali Curung to do shoddy fixes on houses, so they have found an empty site and said: 'We would like to fix this house. Can we ring the shire, get all those CDEP people. You are working on that house'. 'How did you go out there?' 'There is 25% employment in Ali Curung'. No one is getting sick pay, no one is getting holiday pay, no one is getting long service leave - no one is getting anything. These are the people who would like to help Aboriginal Territorians!

The Chief Minister spoke today about the Tiwi Islands and permits: 'Yes, we really want to negotiate'. Mate, I did not see anyone there when the Tiwi Land Council were trying to talk about it. I did not see the member for Arafura there - the person who sold out her own people on the Tiwis. I did not see that. You do not hear her talking about the failures of SIHIP. I do not hear the member for Barkly asking: 'What is happening in Ali Curung, in my communities? This is not good enough'.

**Mr ELFERINK:** Madam Deputy Speaker, I move an extension of time pursuant to Standing Order 77.

**Madam DEPUTY SPEAKER:** I am just going to refer that to the Clerk. It is my understanding that during censure motions, we do not normally allow an extension of time.

**Mr Elferink:** No, it is a motion like any other.

**Madam DEPUTY SPEAKER:** We are seeking leave of the House.

Motion agreed to.

**Mr GILES:** Thank you to the member for Port Darwin; he knows I have much to say.

Let us dig a little more into the housing situation in the Northern Territory. We heard how badly administered this program is. I want it investigated to see if there is real fraud, whether direct, perceived or otherwise. You do not have to deliberately steal \$10m to commit fraud - sheer incompetence, as mentioned in the dismissal notice for the previous Housing minister, the member for Daly, can bring about the same charges.

People say to me: 'Member for Brainting, how can it cost so much? Why are the alliances

charging so much?' I have a photocopy of a page dated Saturday, 22 May from the *Northern Territory News*. On page 63, there is an advertisement by Territory Alliance, one of the alliance contractors. We wonder why it costs so much:

*We are seeking applicants who:*

- *demonstrate the right attitude to safety*

That might mean you need to be a Labor Party member:

- *are committed to supporting the local Indigenous training employment programs*

That is, to talk to people on CDEP, or through a labour hire company:

- *want to be part of a team delivering quality housing on time and in budget*

**Members** interjecting.

**Mr GILES:** I had not read that before; it is quite funny. I should have read my notes before I came in - that is quite funny.

- *want to be part of a team delivering quality housing on time and in budget*

Well, do not work for the alliance; do not work for the Northern Territory government, because if the Northern Territory government thinks \$200m-plus and 11 houses in two-and-a-half years is on time and in budget, there are some problems there. I notice the minister for Housing is going to check exactly what I said to see if I made an assertion about the alliance. Let me assure you, minister for Housing, I was directing my comments at you, not the alliance.

**Dr Burns:** That is not the way it came out, old fellow.

**Mr GILES:** I saw you very sneakily there writing notes. Contracts administrators - that is what the Territory alliance need - minimum five years experience. Contracts administrators, assistant contracts administrators, administration for contracts, accounts payable, human resources assistants, foremen for building, civil safety advisors, architects, site engineers, and quality managers. I wonder why there is no money left to build a house, or to employ an Aboriginal Territorian. It seems crazy.

I made reference previously to how the Joint Steering Committee has not signed off on the targets. It is interesting when you look at documents produced on 14 May this year, they

talk about 600-plus houses being built, however, on 17 May, we get responses to questions which talk about only 480 plus 85 houses – that is because nobody knows what is going on.

Six communities are getting new houses, however if you live in Acacia, Ali Curung, Amanbidji, Amoonguna, Ampilatwatja, Areyonga, Barunga, Belyuen, Beswick, Bulman, Daguragu, Haasts Bluff, Hermannsburg at this stage, Docker River, Kintore, Lajamanu at this stage, Manyallaluk, Mt Liebig, Mutitjulu - I could go on – Palumpa, Papunya, Peppimenarti, Pigeon Hole, Six Mile, wherever, Santa Teresa, none of those people are having their housing problem solved – Elliott - the highest child sexual abuse in the Territory - no solutions for housing. A number of these are in the member for Barkly's electorate. You would think he would care, but he has not said a word about it.

I wonder what is going on. It is interesting, when looking through some of the Written Questions, to find some of the specific things that are happening, and reading what housing solutions government is providing in some of these communities. Looking at Indigenous housing in Papunya, and non-indigenous housing in Papunya, that is, public housing for public employees, people would be interested to know that 27% of all houses in Papunya are for employees of the Northern Territory government, not including federal employees. If you look at the growth towns, an average of 20% to 22% of every house in the community is for a public servant.

Looking at the government employee housing program, including the build factor and head lease factor, more non-Indigenous housing is going into growth towns. Indigenous housing is going backwards because they are knocking down dilapidated housing and building government employee housing. The percentage is becoming worse. Indigenous housing is going down and government employee housing is going up. The government employees are there to solve child abuse. Hang on - the child abuse report says you have to build houses. What is going on? Is this the chicken and the egg? Are we going around in circles? These are significant problems, and at the heart of the maladministration of this program.

I am surprised the bush members of this parliament do not care. I am surprised they do not speak up - these people do not care. There has been a litany of maladministration surrounding the scheme from the start. The government has remained silent on the problems within the scheme which were not identified until the member for Macdonnell took a stand.

The member for Stuart does not have the gumption to take a stand. There have not been

any houses built in his electorate; nothing at Yuendumu, nothing at Lajamanu, Katherine, Daguragu, nothing!

The Henderson government was frog-marched by the Commonwealth into taking part in a review of this program last year. The review was damning and pointed to serious failures in funding and administration outcomes. That remains the same. The most damning failure was not building a single house despite the expenditure of \$50m; the member for Macdonnell walked out at that point.

At the centre of all failures is the Henderson government and, in particular, the member for Daly. The Chief Minister has dumped the member for Daly from Housing; inexcusably, he remains in the ministry. Anywhere else a minister with that track record would be dumped; he should be dumped from the party, let alone from the ministry, to the backbench.

The Auditor-General's report points to the continued failings of SIHIP which make a mockery of the assertions by the minister that it is on track. Eleven houses have been completed; a third of the money has been spent - more than \$200m, or about \$18m per house.

The government's media release and the comments by minister Burns gloss over the continued problems surrounding the scheme. It is serious business when invoices submitted do not match those held by the alliance. It is serious business when the Auditor-General says there has been an incorrect calculation of expenditure and an absence of adequate supporting documentation. It is also serious when the government does not pay GST and has to apply to the Commonwealth for exemptions. It is serious when indexation could potentially strip away 15% of funding for the scheme. The government continues to fail the basic tests of transparency surrounding this scheme.

You were there, member for Nelson, when bureaucrat, Andrew Kirkman told the Council of Territory Cooperation an additional \$140m had secretly been added to the scheme. I was there when the CEO of the department said \$400m was being taken out of the NPA to subsidise the tenancy management of SIHIP houses by the Territory government - 400m out of a \$1.7bn program, plus the \$672m, plus the \$140m plus all the land servicing. This is already at \$1.3bn, and I estimate it will head up to \$1.67bn for the five year program. Why do you think the government did not announce that initial \$140m? They knew; same stuff, different day.

Member for Nelson, the opposition wants to see SIHIP succeed. We want to build new houses

for Aboriginal people. We would not get in this mess; we would not be employing nurses and everyone else you need to employ. We would get the job done, as we did for the 27 years the CLP was in government. We would build more than 11 houses for \$4m.

**Members** interjecting.

**Madam SPEAKER:** Order! Order!

**Mr GILES:** I want the member for Nelson to join the Country Liberals and work to get these houses built under SIHIP.

This report needs to go to the federal police for investigation.

**Mr Conlan** interjecting.

**Madam SPEAKER:** Order! Member for Greatorex!

**Mr GILES:** This needs to go to the federal police. I will refer this to the federal police and ask them to identify further fraud. This is a maladministered program; the government should hang its head in shame, and every bush member should be ashamed. The member for Daly should cut his throat and resign from parliament. He should not be in the ministry. He was heading this when it went wrong. I feel sorry for the member for Johnston ...

**Madam SPEAKER:** Member for Braitling, your time has expired.

**Dr BURNS (Public and Affordable Housing):** Madam Speaker, I welcome the report compiled and published by our Auditor-General. I am more than happy to speak to that report in the context of this censure motion, because when I read it I have a different outlook to the member for Braitling. I do, and have, acknowledged this report identified serious problems with SIHIP from the outset. It also outlines the challenges which remain. At the end of the day, I come back to what the Auditor-General said in his concluding comments, which is very important:

*As I have suggested elsewhere in this report, SIHIP is an ambitious program and it should deliver most, if not all, that is expected by stakeholders.*

In relation to the management control systems the member for Braitling alluded to, the Auditor-General says on page 47 of his conclusion:

*While management control systems still are incomplete, work is well advanced towards rectifying this matter.*

There is an acknowledgement of the problems, and there is an acknowledgement of fixing those problems.

I was glad when the member for Braitling read page 40. I share his alarm in the issues raised by the Auditor-General in the review of the capital works expenditure. He did have the charity at the end, with a bit of prodding from me, to read the last paragraph by the Auditor-General:

*The issues identified had resulted in some overpayments being claimed by the alliances.*

Then, crucially:

*All overpayments have been recovered by the department.*

Problems, yes! Issues have been identified and rectified. Issues and challenges identified for the ongoing part of this program to reach its targets, which I hope everyone supports - the 750 new houses, 230 rebuilds and 2500 refurbishments.

Turning to the report - and I have identified some of the issues - let us look at the statement made by the Auditor-General in relation to large projects per se. On page 9 he says:

*As the Productivity Council noted in its 2004 report titled First Name Ownership, 'Even in the best practice supply chain, it can take several years to bring new land on-stream to provide the associated infrastructure and to construct new dwellings'*

The Auditor-General acknowledges the challenges of very large projects. Moreover, this project has used the alliancing model, which has been used elsewhere. It is used, I believe, in Defence procurement. It has had its problems in Defence procurement, not only under a Labor government, also a coalition government. There are some advantages in an alliance model; there are some disadvantages. The Auditor-General canvasses some of those things. He says it has been suggested:

*... the alliance model can avoid disputes, improve non-cost outcomes and lead to projects commencing earlier than do other, more traditional, methods. At the same time that experience also suggests that cost estimates at the business case stage of a project tend to be less reliable than is the case for other approaches.*

He acknowledged up-front there had been an under-estimation of costs in this program; he says

that quite clearly. He also talks about the positives and negatives of an alliance model.

The opposition should remember the alliance model was insisted on by Mal Brough as part of the agreement this government signed with Mal Brough, from memory, in about 2007. I remember, around the Cabinet table, there being several conditions. One was the alliance model, and the other one was the Northern Territory government would take responsibility for outstations even though the cost of taking those assets on and servicing them was unknown. Mal Brough was a take-no-prisoners bloke, and gun-to-the-head, and the government agreed to his terms, albeit under some duress.

We have seen one alliance partner exit the project. I am looking for the quote, if members bear with me here. The opposition raised a whole range of issues around Earth Connect. No doubt you will do so next week, and I welcome that in the estimates process. The Auditor-General said on page 11:

*The Alliance Participation Agreement with Earth Connect Alliance was brought to an end in March 2010 following concerns identified by the Territory and Commonwealth governments regarding the quality and capacity of Earth Connect's management. These deficiencies had manifested themselves in areas such as site preparation for new housing, the quality of construction and the quality of construction materials used.*

*The process by which the relationship with Alliance Participation Agreement with Earth Connect was ended by mutual agreement, and which culminated in the execution of a Transition Agreement between the affected parties, was examined during the course of the audit. In my view the approach adopted was sound and defensible.*

The Auditor-General is saying the approach for the exit of Earth Connect was sound and defensible.

Let us turn to some of the main allegations made by the member for Braitling. He is alleging maladministration at one level, and he has also used the word 'corruption', I believe, on a number of levels. He is not only levelling that against government, indirectly and probably even directly, he is pointing the finger at the alliance partners, one which consists of well-known Territory companies that have been around much longer than the member for Braitling. They have been here for generations and have established businesses. I am not going to name them; everyone knows who they are. They are

reputable people. They are people who contributed, over decades, to the economic and social benefit of the Northern Territory.

The member for Braitling said he is going to the federal police. I say: member for Braitling, go to the federal police, make your allegations, and let there be an investigation by the federal police. Let there be an investigation, because you are pointing the finger. I am not sure whether he is pointing the finger at me, as minister, for being corrupt - possibly he is. He is definitely pointing the finger at me, as minister, and my predecessor, for maladministration. Well, that is the hurly-burly of politics. He can do that. However, he needs to be careful in what he says about reputable companies and citizens in the Northern Territory.

The alliance partners strongly believe in what they are doing - the right and good of what they are doing building and refurbishing houses for Indigenous people across the Territory. They are providing employment for Indigenous people.

The member for Braitling spoke about CDEP and lack of employment. He, obviously, did not read the part in the report which talked about the success of Indigenous employment across the program - the success in Indigenous employment and training I have seen on the Tiwi Islands. He certainly did not acknowledge that.

On page 38 of the report there is a table which shows the percentage of expenditure within this program for various categories. The Auditor-General said:

*As shown above, capital works constituted 84.7% of the total expenditure as at 30 April 2010, with the following amounts having been incurred in respect of the alliances ...*

He then detailed what has been paid to each alliance. He also said:

*It is important to put forward a caveat at this point. The amounts paid to the alliance partners are not confined to the direct costs of constructing or renovating houses, but also include the costs incurred in establishing workforces in remote locations, the costs of travel and accommodating those workforces, the costs of freight incurred in transporting materials to sites, and all the attendant costs that are incurred in operating any business.*

Nearly 85% has been spent on capital works - that has been the majority of the expenditure. Elsewhere in the report - if I can find it, I have marked many parts - he talked about 8% of the

program budget being administrative costs, and he believes:

*The most recent information made available to me indicated that administrative expenses (comprising salaries, consultants' expenses and operational expenses) had declined below the 8% target giving some credence to management's assertions in this regard.*

That was a pivotal issue in the debate in this House regarding this program.

He then talks about costs. The member for Braitling waltzes in here saying \$200m and 11 houses, however he does not take into account those mammoth set-up costs involved in this project. I quote again from the Auditor-General's report, page 33:

*Management costs were found to be unavoidably higher during the critical establishment phase of the program. SIHIP representatives have advised that while the program and management costs were considered high during the early stage of the program, it is expected that they will decline in relative terms as the level of the capital works increases to the budgeted level.*

It is a furphy for the member for Braitling to come to this House and make assertions about what has and has not been done - value for money, and all the rest of it. I keep emphasising the targets for this five-year project - and I hark back to the original comments made by the Auditor-General about large projects and the lead time in mainstream housing projects. We are dealing with projects which require lease negotiations, require many other things to be ticked off and nailed down before the building can commence. It is more complex than large mainstream housing projects.

I believe the member for Braitling is quite deliberately obscuring the fact and not treating this report in an even way.

I will let the House know where we are with the progress report. The project is currently working in 30 communities; 11 new houses are complete and 83 under way; 350 rebuilds and refurbishments have been completed or under way. I can inform the House that is 80 more than reported in the April/May sittings. By the end of the year, as I have said on the public record, SIHIP aims to have 150 new dwellings complete, and 1000 rebuilds and refurbishments across the Territory. That is where we are at present.

I suppose the member for Braitling has his own political agenda. When I read this report I see something different. I see the problems which arose early in the project, because of its mammoth size, the expectations placed on the project, and the people managing the project, to move it along quickly. Some of the administrative issues highlighted by the Auditor-General result from the pressures to get the work started quickly. He has named Tennant Creek as one of those places, and I have inspected those houses. They are beautiful; they are very nice. Very nice work has been done by the alliance in Tennant Creek. I see it quite differently to the member for Braitling.

During Question Time he raised the issue of GST. Any of us who have been in business know there is often dialogue between business and the Australian Tax Office regarding tax. Businesses of any size often seek rulings from the tax department about treatment under the tax regime.

As I have pointed out in Question Time today, this is a complex project - it is \$672m. There is a complex flow of goods and services through this project, and it is not surprising there would be dialogue between the Australian Tax Office and the department to clarify what is subject to GST and what is not. Businesses do that all the time; it is nothing to resile from. This is part of a large project - these issues will be resolved. We are working through these issues with the Australian Tax Office. However, to come into this House and assert somehow the Northern Territory government and, by imputation, the alliance partners, are tax avoiders is drawing a long bow.

All of us try to minimise our tax. I always remember the famous saying by Kerry Packer: anyone who pays more tax than they should is a mug - I think those were his exact words. We all remember he asked for a cup of coffee when he was appearing before a Senate Estimates Committee - or some other committee. Kerry Packer reflected a feeling most Australians, and most Australian businesses, have about paying tax. However, as a government, we try to be scrupulous - and public servants try to be scrupulous - about our tax obligations. It would not matter if the CLP or Labor were in government; I believe public servants always try to adhere to the law. It is a bit rich for the member for Braitling to assert somehow we are tax evaders and in the same class as Al Capone; that was the inference I took.

This is a very important issue, a very important debate, and I will come back to the MPI we discussed last week. I believe it is a bit rich for the opposition - I understand the member for Braitling's passion on this issue; he is working hard. He is talking to people around the Territory; he is bringing things to my attention, and the

department's attention, and I thank him for that. However, I remind the member for Braitling of this: with all the pictures you take, etcetera, it is easy to go around this big Territory and find squalor and all types of disheartening images. The hard part is to make a change, to do something. That is what we, as a government, are trying to do.

I understand, as someone who is very active in the opposition in this area - and I know it goes across Indigenous affairs and housing - I commend you for that member for Braitling. You are very active in this area. It is easy to find the squalor, the wretched pictures, I know them only too well; I am about trying to fix it.

I believe it is hypocritical of members of the opposition - and I will repeat what I said last night - I cannot recall, as a member in the Assembly from 2001 to 2005, and from 2005 to 2008, the opposition ever bringing a matter of public importance about Indigenous housing. I may stand corrected, particularly as I also said last night I do not remember the former member for Macdonnell bringing on a matter of public importance on Indigenous housing. He would have known front and centre because I know he moved around his electorate but he never brought it into parliament.

I believe it is a bit rich, particularly as I said last night, in the last four or five years of the CLP's 27 year reign, they were spending approximately \$4m a year on Indigenous housing.

**A member:** So were you.

**Dr BURNS:** That is what you spent, and you can point the finger at us for putting in \$140m worth of infrastructure and headworks on Indigenous communities. Obviously you do not want them to have those headworks, you do not want the growth towns to occur, and you do not want development in remote parts of the Territory. You want to see the continual drift of Indigenous people into our major centres. That was a very undesirable effect of the intervention, and one I tried to communicate to Mal Brough, and did so, but he was not a very good listener. Senator David Johnston, I think, came here ...

**A member:** He was a man of action.

**Dr BURNS:** He came in with his Sherman tank - I had a conversation with him at Mutitjulu. He said: 'I am not interested in generational change. I am interested in change in two to three years'. He wanted solutions in two to three years. What I said in reply was: 'Well, Mal, if the answers were easy it would have been solved years ago'. There have been many people of good faith over many decades from both sides of politics - Fred Chaney and others, from both sides

of politics, and outside politics, people who have worked as nurses, doctors, teachers, worked in local government for decades, and we have all met them - people of good faith who want to see change. However, those people who have been there a long time know how hard it is. It is easier said than done.

I said to Mal Brough on that day at Mutitjulu: 'It is as though you are in a Sherman tank; one of these days you are going to come up against a brick wall and you are not going to push through'. That brick wall, for Mal Brough, was the 2007 federal election. I believe he had a 13% swing against him in that election. He is no longer the member for Longman, and I think his electorate felt that here is this bloke swanning around putting police stations here and there and whatever, and it did not wash with them. He lost his seat; hence my friendly advice to the member for Braitling who has tried so hard to enter politics: service your electorate of Braitling.

I know you are very disappointed that you were not elected member for Lingiari. I know you had a 13% swing and more during that time, however it seems you are still trying to be the member for Lingiari. You could be the member for Lingiari if you wanted to resign from this parliament, put your hand up for the next federal election and ask the party to make you the candidate. Why don't you do that? That is the space you are in, member for Braitling.

Once again I compliment you for being there, for going around the Territory and bringing these issues to my attention. I am prepared to work with you and take the issues you raised with me seriously and question the department because there is an issue with the department of Housing. I have said that on the public record. The issue is for decades they have focused on public housing; that has been their work. Things have moved on from that time. The department now has to deal with major projects such as SIHIP, and I believe this report is correct - they were not equipped to take on a project of this size.

I agree with the conclusions of the Auditor-General in this respect, which is why I am working hard with the CEO of the Housing department to change the structure and function of the department; to give the department a business plan not only for SIHIP, for tenancy management, asset management, evictions - for a whole range of things. That is what I am doing as minister. I am focused on that, and I hope I can be successful because the area of public housing is of such crucial importance and the challenges are large. The issue of Indigenous housing is large; we have a project, and that is SIHIP.

It is a wonderful step. There have been problems with it; however I believe we need to persist. We need to learn from what has happened, learn from the problems identified by the Auditor-General. He is also saying systems are in place to address this issue - more work to be done, he identifies that - and I am focused on that. I believe we all need to focus on getting positive results.

If I could come back to the member for Braitling, it comes down to how you view this report and SIHIP. We had a debate - I believe it was in October 2009 - the glass half full/half empty debate. The Chief Minister said he was a glass half full sort of bloke and an optimist looking forward. The member for Braitling, in response to that, said - this is the *Hansard*:

*I do not think the question is about the glass being half empty or half full; it is about the size of the glass. The Northern Territory government might like to use a shot glass; we would like to use a bucket.*

So said the member for Braitling. Then, at the end of his speech:

*Our job is to be in government to build the Territory, and solve the problems of the Territory. Madam Deputy Speaker, we have a bucket and we will fill it up.*

Member for Braitling, I know what your bucket is full of, ostensibly - what you did here today. I know politics is politics, however, if you could put your bucket down and engage we could work together - we will work together. I hope you have not put that bucket in Darwin Harbour, member for Braitling. I ask you to leave the bucket behind, become a glass-half-full bloke, and let us work together to solve some of these problems in a cooperative and collaborative way.

**Mr ELFERINK (Port Darwin):** Madam Deputy Speaker, the Leader of Government Business is an extraordinary fellow to listen to. Every so often he remembers one of his functions in this House is to pillory and criticise, both politically and unreasonably, members on this side of the House. Inside the mind of that man still resides the irrepressible scientist who cannot but continue to return to considered thought and logic, despite his best efforts not to. I congratulate the inner minister ...

**Mr Tollner:** The inner man.

**Mr ELFERINK:** ... the inner man for resisting the desire to do the unreasonable things his position requires. He started with the usual and predictable assertions and allegations and, as time went on, I became increasingly impressed

with what he was saying, which is something I rarely hear from members in this House. That is, a minister who is seriously thinking about directing his department in certain ways. That is good. It is such a rare quality in this government I cannot but acknowledge it when I see it. If this minister is true to his word, there is capacity for him to become a good minister and achieve a few things in the portfolios he has recently received.

He has learned much since his time as the Health minister, where his original argument was: 'I was never told'. The argument goes: 'I did not ask, I was not told', which is what I have become used to hearing from ministers opposite. However, there is a third part, which is when Churchill made an error during World War II. He said three things: 'I did not ask, I was not told, I should have asked'. The minister has finally taken that step. That last statement implies, 'I am responsible, it is my job'. If he is true to what he has said, I have greater comfort than I did half-an-hour ago about the future of this program.

Nevertheless, he is left with a legacy from a minister who, frankly, was so far departed from those essential principles of governance that this program was nobbled from day one. Whilst the former minister, Mal Brough - God bless his cotton socks - was motivated by genuine intentions to deal with housing problems in the bush, unfortunately, when it was handed to the Northern Territory government under the original arrangements for SIHIP, certain problems arose.

Last night the minister said there was no problem with this report. Today he acknowledges serious problems were identified in this report. He has now qualified it by saying: 'The future is brighter'. The problems that arose originally - and it comes from page 7 of the Auditor-General's report into SIHIP - were:

- *unreliable initial estimates of the cost of building new houses and refurbishing existing houses. Those estimates have since been revised;*
- *delays in developing information systems, policies and processes that are essential if the Joint Steering Committee and others are to discharge their responsibilities;*
- *an absence of key staff within the then Department Local Government and Housing that, in turn, led to weaknesses in control over capital works expenditure;*
- *weaknesses in the SIHIP governance model; and*

- *delays in commencing capital works as a result of delays in completing key planning documents. At the time of the audit, packages for the construction of 127 new houses and 957 rebuilds or refurbishments were still to be allocated.*

The government of the day had this program taken away from them by the federal government, particularly Jenny Macklin, when day after day she was looking at the front page of *The Australian* and discovering this program was running into major and calamitous failure. That major and calamitous failure manifested itself in all manner of ways, not least of which were reports from their own auditors, which were independently attached to the department. I refer honourable members to page 40 of this review:

*The Department of Housing, Local Government and Regional Services has engaged a prominent accounting firm to fill the role of alliance financial auditor for SIHIP. A review of the auditor's reports highlighted the issues in respect of progress payment claims submitted by and paid to all three alliance partners. These included:*

- *an absence of formal policies or guidelines for the allocation of alliance management activity costs to individual packages. The financial auditor was informed that cost overruns were being incurred on the alliance management activity budget;*
- *failures to ensure that documentation in support of invoices and payroll rates were provided in a timely manner prior to the auditor's opinion being release;*
- *incorrect calculation of payroll due to incorrect inclusion of on-costs;*
- *incorrect calculation of expenditure and the absence of adequate supporting documentation;*
- *lack of proper approval for expenditure incurred;*
- *work on the Tennant Creek package being undertaken prior to the finalisation of the Package Alliance Agreement, with the accompanying risk that progress claims made by alliances did not comply with the terms of the Package Alliance Agreement for this package; and*

- *lack of supporting documents to enable an audit to be completed, while some invoices submitted as part of a claim differed from invoices held on the alliance partner's files.*

*The issues identified had resulted in some overpayments being claimed by the alliances. All overpayments have been recovered by the department.*

I pick up on the fact that the minister dwelt on this point before I return to some of the other issues. The minister dwelt on this point because he said all overpayments have been recovered by the department and that is the end of it. However, this is where the member for Braitling was going: what caused those overpayments in the first place? They have been recovered, fine. What was the structural defamation which occurred which forced those overpayments to be recovered?

The member for Braitling has asked for those audit processes, and the results, to be made public. The government has refused to do so. It was asked during Question Time today, and the minister has refused to do so. Basically, he was asked the question and answered another question. What comfort is available for taxpayers of the Northern Territory, and indeed Australia, that these overpayments were made as the result of some errant situation or something worse?

Reading the rest of the document, the answer is probably not clear to the minister himself. Through the rest of the document, the government's models proposed and used by the joint committee are not yet complete. We do not know where those government models are incomplete.

I now pause briefly to break up the pre-review and post-review period. Pre-review is the point where the Northern Territory government had its second intervention - the intervention by minister Macklin on SIHIP when she took control from the Northern Territory government. Pre-review, those governance structures were not in place at all. They were still coming down the pipeline and you can read it in the report. There was no capacity to know, from the minister's perspective, that any of these payments were made with the required integrity and what level that integrity demanded.

On one level it is certain overpayment to the alliances for invoices would be one of straightforward maladministration. That is the starting point. You have problems with the muck-ups of administration. What is not clear in the Auditor-General's report is the source of that maladministration. Was it in the alliances, or was it in the department itself? If it rested in the

department, what went wrong? Who in the department was responsible for those processes and, when those overpayments were made, where did they go? If the invoices were wrong - and I am concerned about the differential between the invoices held by the alliances and the government - what is the cause of those differences? Were they mere error, or were they something much worse. That is point the member for Brainting is trying to make.

The minister can clear the air by describing those shortcomings. It is one thing for the minister to say: 'We have a wonderful future ahead, SIHIP is on track' - and I will come back to that shortly. That was the title of the media release put out last night - it was all back on track. If this was a railroad, you would have to offload it with this many derailments. However, it is back on track and the minister wants to concentrate on that. If something has occurred in the past which is demonstrative of crushing or serious maladministration - no matter where it is on the scale of maladministration - it is not a matter of doing a Pontius Pilate, cleaning your hands and saying: 'Well, all that went wrong', and getting on with it.

If there is something seriously wrong it needs to be addressed - which is what the member for Brainting is calling for. I have heard nothing today from the minister which addresses that issue. What the minister wants to address and lock onto - and I can well imagine why because he has been handed this puppy - is the future is looking better than the past. That is fine, but you are not coming off a particularly high base to make that assertion. Realistically speaking, if this was a high jump competition you would be better off playing limbo with the bar.

The next point I would like to draw to the minister's attention goes directly to what he said when he was being reasonable, towards the end of his contribution, which was: 'I am responsible for making this happen. I have to re-gear my department so they understand there is a brave new world out there'. This is not the same as they are used to; this is much more complex, more difficult, and it has different expectations tied to it. It is hard to shift bureaucracy.

One of the great joys of being in opposition is it is like being in a PT boat around a battleship. The battleship is government, which is fine if it is heading in a particular direction, however it is very hard to get it to change course, and the minister has acknowledged that. Opposition, of course, means I do not have a department to worry about, and I can readjust my position as and when required. There you go - honest admission.

I point out to the minister the three points in the Auditor-General's conclusion.

*Without an increase in financial commitments by both governments, funds provided under the National Partnerships Agreement will need to be diverted from other purposes to meet the costs of essential infrastructure.*

Let us stop there. That basically says they are going to have to redirect funds from other purposes. The minister says he is proud of the extra \$140m which has to be spent. He is proud it is to improve infrastructure, and I can understand him saying that because he wants to help. However, the truth is the Territory's commitment to the package initially was \$100m - the extra \$140m has to be redirected from other purposes. Consequently, whilst he may be proud of what he is doing for infrastructure as a result of the Territory commitment blowing out by \$140m, that is \$140m from some other expenditure he, or some other minister, will not be proud of. That is the challenge ahead for this government.

If SIHIP had been effectively managed from the outset, properly looked after the way Mal Brough intended the Northern Territory government to, the \$140m which will now proudly be spent by this minister could be spent elsewhere, or, shock horror, be used to reduce debt. Who knows?

The second point is:

*Equally, the lack of indexation of funds committed for SIHIP may mean that the ability of the program to deliver all that is expected of it may be compromised.*

I have heard nothing from the minister in relation to this important issue.

This is a five-year program now being rolled into a 10-year program - the overall housing package. The minister must be aware even 2.5% over five years has a substantial effect on the money available at the end of the process to build houses.

Costs are going to go up - particularly if the mining industry passes on extra costs they may have to incur - onto building materials. That will also have an effect. These indexations are a matter of concern no attention appears to have been placed on this, and the minister's absence of comment on the issue is something I am concerned about.

Three:

*This again highlights the need for good information systems to enable the Joint Steering Committee to have available to it the information that it needs to manage the program within tight constraints and to avoid 'last minute' crises that can emerge when it becomes apparent a gap has emerged between what remains to be completed and the resources that remain available to achieve the task.*

This is a system still under construction. The minister's challenge, and the reason I am particularly supportive of this censure motion, is not so much against the current minister; it has almost everything to do with management prior to the change of ministries.

The absolute and utter lack of attention by the former minister to this most vital and important project, which has led to everything in the pre-review process being described as a calamity in an environment which was motivated by urgency, is a reprehensible and lamentable failure and shame. The former minister should hang his head in shame. If he had a shred of integrity in relation to how he had performed in getting this program up and running, and keeping the quality of leadership the current minister espouses to what was then SIHIP with an infrastructure component included in that program, I suspect the travesty we see in the bush would not be as calamitous as it continues to be today.

I pick up on what the current minister said; I am aware of what is happening in the bush - he acknowledges that. He mentioned I have been in the bush, and he knows I have travelled those electorates. The frustrating thing for me is I do not like seeing taxpayer's money spent on building free houses. I would like to see people buy their own homes - that is another debate. However, when this money became available it should have been effectively used by the government of the day, the Northern Territory government and its minister, to fix this problem.

Sadly, this most important program was handed by the Chief Minister - and this is why he deserves censure today - to the least capable and least competent minister on the government benches. His failure to see leaving this program in charge of that minister would produce this result shows a lack of foresight which deserves censure.

The former minister's performance in this area is awful, as it continues to be in other areas. The former minister's performance in this area is inexcusable. The loss of so much money, haemorrhaged out of this program to so many individuals and organisations that produced nothing practical for the people in the bush, is

lamentable and reprehensible. It is for that reason this government deserves censure.

The subsequent lies told by this government - particularly by the former minister - to cover these mistakes do nothing for the people in the bush. One of the great problems - and I fall into this trap all the time, and I am sure many in this House do if they are honest - is we are, as politicians, often driven by ego where it becomes about me: I am in the centre of the storm, I have to worry about it, that sort of thing. That is precisely where this minister's head never moves from.

However, it should not be about us, our egos and reputations. It should be about those kids mentioned in the *Little Children are Sacred* report. It is so easy to fall back into that trap. I do it; I believe any person in this House who is honest with themselves does it regularly. It is one of those factors of human nature. However, in our clear and wiser moments we should be saying to ourselves, as leaders in the community: 'This is our responsibility'.

The former minister for Housing has never extracted himself from that world view. That is why this program failed so dismally. I hope and pray the next minister who, whilst he has to cover for his colleague, does much better. The former minister, I am on the verge of calling - I am adding it up - he is very close to becoming the \$400m minister. That is how much his ineptitude has cost taxpayers of the Northern Territory in this, and other areas.

I support this motion because there are too many unanswered questions from the report. Things need to be looked at, investigated, and further explored. The absence of a direct allegation by the Auditor-General can only lead one to think everything appeared to be okay. However, the Auditor-General and the other independent auditors in this program were deprived of supporting documentation to enable an audit to be completed. There is missing paperwork - it needs to be further investigated.

I urge the minister to make available, for the taxpayer of Australia, as well as the Northern Territory, those issues and elements which are still missing and were not available to the Auditor-General. If he can do that ...

**Madam DEPUTY SPEAKER:** Your time has expired, member for Port Darwin.

**Mr ELFERINK:** I am sorry, Madam Deputy Speaker, there was no run down on the clock. It still has a minute.

**Madam DEPUTY SPEAKER:** I have checked with the Deputy Clerk; it has expired.

**Mr ELFERINK:** I am relying on the clock, Madam Deputy Speaker. There is no run down on the clock.

**Madam DEPUTY SPEAKER:** It has expired.

**Mr TOLLNER:** Madam Deputy Speaker, I move that the member be given an extension of time ...

**Mr Knight:** It has expired, sit down.

**Ms Carney:** Not according to the clock.

**Mr ELFERINK:** Not according to the clock. There is no run down, and ...

**Dr Burns:** Oh, let him go.

**Mr ELFERINK:** It is going to take me two minutes, so get over it, guys.

**Mr TOLLNER:** Madam Deputy Speaker ...

**Madam DEPUTY SPEAKER:** Resume your seat. Member for Port Darwin, given any difficulties we are having with the clock, yes, you may have additional time to finish your remarks.

**Mr ELFERINK:** I genuinely believe, Madam Deputy Speaker, this government deserves censure on what has happened in the past. The jury is out on the future however, on the past alone, it deserves censure. Frankly, I am stunned, shocked, and amazed that the member for Daly still holds a seat in the Cabinet of the Northern Territory. His incapacity has been utterly and completely disgraceful, and has cost the Territory hundreds of millions of dollars.

**Ms SCRYMGOUR (Arafura):** Madam Deputy Speaker, I do not support this censure motion.

I listened to the member for Braitling's speech and his passion. With his filibustering, and his words, one would think he was the only one in this House who could speak on this issue. If he toned it down and stopped politicising - I was listening to the member for Port Darwin, who said we should go beyond our egos and politics if we are truly committed to addressing these issues.

I often hear CLP members say: 'You have had nine or 10 years'. It has been less than nine years - it is the treachery and the way the CLP stretch the truth; it has been less than nine years we have been in government. They do not like acknowledging their role in remote Aboriginal communities in the Northern Territory. Yes, I believe it was a challenge in the past for the CLP, and it is certainly a challenge for this Labor government. Trying to make these programs happen has been difficult for our government, and

the member for Braitling is kidding himself if he thinks if the CLP was in charge they would have been rolling out houses.

Let us look at the landscape in these remote Aboriginal communities prior to SIHIP happening. The CLP's ideological position for many years was not to take out leasing in remote Aboriginal communities, let alone put one dollar towards surveys for housing in remote communities.

**Mr Tollner:** Wrong, wrong, wrong.

**Madam DEPUTY SPEAKER:** Order! Order!

**Ms SCRYMGOUR:** No, I am not wrong, member for Fong Lim. The CLP had an ideological opposition to leasing in remote communities; they only need to look at the Papunya power strike which happened in the 1980s under the then Chief Minister, Shane Stone. I believe the member for Macdonnell was CEO of the council at that time - she would very well remember the fight between Papunya Council and the then CLP government over power and leasing issues.

Let us fast forward to the same time in the 1980s and 1990s and the Barunga water supply dispute in the early 1980s. The CLP government's position on leasing of Aboriginal land was made crystal clear at that time. Because of their objection to the *Land Rights Act* and land councils, which went back to the commencement of self-government, successive CLP governments would not acknowledge the status of traditional owners by entering into government leases over land where new community infrastructure was to be constructed.

**Mr Tollner:** Rubbish.

**Ms SCRYMGOUR:** I will pick up on the interjection. I am not talking rubbish. If the member for Fong Lim could get his head out of the sand and talk to communities, to traditional owners, about the contempt the CLP government had for traditional owners regarding lease agreements or arrangements, the contempt by the CLP ...

**Mr Tollner** interjecting.

**Madam DEPUTY SPEAKER:** Order! Member for Fong Lim!

**Ms SCRYMGOUR:** ... over many years of this dispute - the history is there.

The land council, on behalf of relevant tradition owners, tried to dig its heels in on these issues, but as far as the CLP government was concerned the community could simply go without. What

usually happened was the land council's traditional owners would back down, and the infrastructure would be built without a lease.

Fast forward to what we have now in communities where there were no leases - the member for Fong Lim often accuses my colleagues on this side of the House saying: 'You are misleading', or 'You are lying'. The member for Fong Lim is the person who constantly says: 'You hate Mal Brough. You hate the intervention and everything that comes with it'. If I was the member for ...

**Members** interjecting.

**Madam DEPUTY SPEAKER:** Order!

**Ms SCRYMGOUR:** ... Fong Lim I would read my Charles Perkins oration speech - great speech by the way. I could provide you with the 5000 responses I received from that speech - people applauding what I thought was a great speech. I do not resile from anything I said in that speech. If you fast forward to today and look at the mess we have in some of those communities - well, read the speech, member for Fong Lim; it might educate you.

In that speech I said I supported extra policing in certain areas - that was certainly a welcome intervention in remote Indigenous communities. The issues regarding child protection - I remember an interview in 2007 when I appeared before the Senate regarding the demise of CDEP under the Howard government - if you want to protect a child and give it a decent education, build housing. I was howled down by not only Mal Brough, but also Liberal senators. The member for Fong Lim, who at that time was the federal member for Solomon, criticised me on ABC radio. This is the same member who criticised me about the intervention, and about saying housing was probably the most important issue in the protection and education of children. Let us get serious about putting money for housing on the table in an open, transparent way.

This is the same member who applauded the 500 pages of legislation for the Northern Territory intervention, and when I went on radio and asked if he had read it his response was: no, however he trusted the people who briefed him. He did not even bother reading the 500 pages of the intervention and what it contained! This is the same person who accuses us of spin; he does so much spinning that one day he is going to knock himself out.

What the Northern Territory government has always set out to do is negotiate long-term SIHIP leases, which has taken some time because it is really important before the commencement of

construction of new houses and infrastructure, which was never an option previously. Often I am accused of not supporting leases in Aboriginal communities. That is not true; I have always supported block or strategic leasing. There is nothing wrong with block or strategic leasing. Yes, I have an opposition to township leasing - I have never hidden that. The member for Fong Lim bleats like it is a new thing. That is my position. I have never said leasing on Aboriginal communities is not an option. It is an important option, and one that needed pursuing.

For SIHIP, it was important for this government to negotiate and ensure leasing, surveying - all the planning which needed to be done relevant to the size of the construction program occurring.

In relation to the SIHIP target of communities in my electorate, all those areas have reached finalisation stage and the SIHIP roll-out has not been delayed. I constantly hear CLP members say: 'You have only built 11 houses'. The last time I visited the Tiwi Islands there were substantial houses - new houses which have been constructed and handed over - and the program continues. The refurbishment programs at Nguuu, Milikapiti and Pirlangimpi are proceeding. In Gunbalanya both new and refurbished houses have been finalised. I suggested to the minister it would be great to get him out to Maningrida because there are up to 10 newly constructed houses. I believe the housing program at Maningrida is about 109.

The member for Braiting has travelled into some of these communities. I visited Ali Curung, Elliott, and around Tennant Creek. At Ali Curung the people were quite upset. They said they were getting a little tired of watching different politicians come and go. The reason was the day before Senator Nigel Scullion had landed at Ali Curung with some media people without permission from the people - did not ask the people. People have to ask my permission if they want to take photographs in my house. Here we have federal members who think they can go into an Aboriginal community, with the media, without asking Aboriginal people. This is common courtesy and respect; asking people: 'Can I have a look ...'

**Members** interjecting.

**Ms SCRYMGOUR:** I know you think it is a joke ...

**Mr Tollner:** You are making it up!

**Madam DEPUTY SPEAKER:** Member for Fong Lim, cease interjecting, please.

**Mr GILES:** A point of order, Madam Deputy Speaker! The member for Arafura is misleading

parliament. I was with the Senator on that day. We did not fly in there, and we had permission to be there.

**Madam DEPUTY SPEAKER:** There is no point of order, member for Braitling. If you wish to approach the Chair about an explanation you may do so. Member for Arafura, you have the call.

**Ms SCRYMGOUR:** I do not think I am misleading anyone. These two bully boys are the only ones who ...

**Mr TOLLNER:** A point of order, Madam Deputy Speaker! That was a rude and unparliamentary comment. I ask the member to please withdraw it.

**Madam DEPUTY SPEAKER:** Member for Arafura, I ask you to withdraw that remark, thank you.

**Ms SCRYMGOUR:** I withdraw, Madam Deputy Speaker, but he is a bully.

**Mr GILES:** A point of order, Madam Deputy Speaker! I ask that she withdraw, and you sanction the member because she is repeating. I ask she withdraw.

**Ms SCRYMGOUR:** Madam Deputy Speaker, I withdraw. I will say he loves being aggressive because ...

**Mr TOLLNER:** A point of order, Madam Deputy Speaker! She continues with these unparliamentary comments. Please ask her to withdraw that one.

**Ms Scrymgour:** What is unparliamentary about aggressive?

**Madam DEPUTY SPEAKER:** There are so many points of order and interjections I did not hear what the member for Arafura said at that time.

**Mr TOLLNER:** Madam Deputy Speaker, it is not whether you hear it. She made an offensive comment towards me, and I ask her to withdraw.

**Ms SCRYMGOUR:** Madam Deputy Speaker, what I said to the member for Fong Lim was he is aggressive in relation to certain issues.

**Mr Tollner:** You called me a bully boy, and then you withdrew that and said I was aggressive. You are the one being aggressive here.

**Ms SCRYMGOUR:** Look at you. I am not being aggressive; look at you!

**Madam DEPUTY SPEAKER:** There is no point of order. Member for Arafura, please be mindful of your language.

**Ms SCRYMGOUR:** I will, Madam Deputy Speaker, and I am sorry. They become a little touchy on the other side when some of this is put back to them.

I arrived the day after Senator Nigel Scullion had visited Ali Curung. Residents of that community were quick to point out they were not happy for this Liberal senator to go in without permission for photos and other things ...

**Mr Tollner:** All white people look the same.

**Madam DEPUTY SPEAKER:** Order! Order, please!

**Ms SCRYMGOUR:** I am sure Senator Scullion would not think that, member for Fong Lim.

**Mr Tollner:** Sometimes you have to stand your own ground.

**Madam DEPUTY SPEAKER:** Order!

**Ms SCRYMGOUR:** Residents of Ali Curung were not happy with the photos, what had happened, and the visit by Senator Scullion. It is not only in Ali Curung. When I move through the Northern Territory looking at some of these houses – the member for Braitling is not the only one who has the high moral ground on this. When you move throughout the Northern Territory looking at these issues, having discussions with people in communities, looking at those houses - I was with the member for Braitling looking at some of the houses in Elliott. We do have to address the issue of houses in both town camps in Elliott, and leasing issues in Elliott need to be addressed.

Nevertheless, there are many areas where SIHIP has delivered. For the CLP to bring a censure motion making the accusations they have is a bit cute by two halves. SIHIP is the single largest undertaking to improve housing in the bush, and we are the only government in Northern Territory history which has attempted to address the concerns of Indigenous Territorians. SIHIP's five-year \$672m as part of the National Partnership Agreement of \$1.7bn ...

**Dr BURNS:** A point of order, Madam Speaker! I ask that the member be given an extension of time pursuant to Standing Order 77. There have been a number of extensions given during this debate.

**Madam SPEAKER:** It is very unusual in a censure debate.

Motion agreed to.

**Ms SCRYMGOUR:** As the minister said 750 new homes, 230 rebuilds, 2500 refurbishments by 2013 operating in 30 communities across the Territory. We heard the minister before say that \$4m was the CLP's contribution into remote Indigenous communities. Not ...

**Members** interjecting.

**Madam SPEAKER:** Order! Member for Braitling!

**Ms SCRYMGOUR:** ... one Aboriginal child in any of our remote communities graduated Year 12. The history of the CLP stands condemned, I can tell you.

It was quite interesting to see you, member for Fong Lim, and the Senator for the Northern Territory, on the Tiwi Islands recently for the opening of the college. I found a new friend, Madam Speaker, in the form of Mal Brough. It was interesting to discuss housing and other issues with the intervention with Mal Brough. Unlike these guys whose egos cannot fit because they are bigger than Ben Hur, and who cannot see let alone work in a bipartisan way with the government to overcome a number of challenges we see in those communities. They stand here with this hypocrisy saying it is about the *Little Children are Sacred* report and saving children. Politics is not going to save children. Working together, being an effective MLA, working with government, with communities, not politicising the issue, working with all levels of government to get the best outcome for that child is what we are about on this side of the House.

We can allow our egos to go beyond that, however, it is not about individual members in this parliament. It is about the very people who elect us to represent them in a frank and fearless way. As the member for Arafura, I take great offence to people going into communities in my electorate wanting to politicise issues. People in my electorate are telling me they are sick to death of politicians politicising these issues and, at the end of the day, does anything change for people in those communities? No, it does not, and we can say all we want - it is not about politics; it is about achieving the outcomes.

The whole SIHIP model is based on an Indigenous self-determination model, Indigenous people ...

**A member** interjecting.

**Ms SCRYMGOUR:** You can scoff and laugh all you want about that ...

**Mr Giles:** The Auditor-General's report says it is not.

**Madam SPEAKER:** Member for Braitling!

**Ms SCRYMGOUR:** This is the same person who bleats about CDEP and how bad it was, yet ran it when he was a federal candidate. He said: 'No more sit down money'. You know you are a joke.

**Mr Giles:** Give people jobs, not sack them like the member for Arnhem is doing. There are 500 people being sacked.

**Madam SPEAKER:** Order, order! Member for Braitling!

**Ms SCRYMGOUR:** Indigenous people are involved in the decision-making process on housing and the infrastructure program that not only builds the houses, manages them into the future. Julalikari Council in Tennant Creek is making decisions about refurbishing the existing housing stocks for the first phase of SIHIP. They are also making decisions to create a new suburb of Tennant Creek through the SIHIP initiative. They are engaging local Indigenous Territorians in both civil and civic stages of the project, and are creating a future workforce where training and mentoring is conducted with professional construction workforce. This takes time, energy and goodwill, including adding costs to the project.

The sole objective of the member for Braitling, when he visits SIHIP sites like Ali Curung, is to sensationalise and polarise the community by focusing on the negatives. He has been known to take photos of people's houses and brandish them in the media as the perceived failure of the Northern Territory government, offering no support to the people, only baseless promises; grandstanding in parliament under privilege and quoting half sentences from reports to create half truths in a vain attempt to get media grabs. Politics based on ego, far removed from the interests of, particularly, my constituents. However, I speak on behalf of all members on this side of the House who hold bush electorates - cheap shots to entertain his CLP colleagues as opposed to building the positives.

In comparison, what the Chief Minister and previous ministers have been attempting to do, is have an honest approach when working with people, gain insight into the issues, and manage the situation by using resources from within the communities, including the shires.

Having a private air-conditioner refitted into a window after a SIHIP refurbishment can be achieved by good communication, networking, and advice where local people are supported, not

used as political footballs. There can be a positive approach for education and awareness, as opposed to cheap one line grabs that use Indigenous people for his own personal political ambitions.

I cannot call the member for Braitling a liar, no. He is consistently careless with the truth, and when this relates to the lives and wellbeing of Indigenous Australians, the member for Braitling is a disgrace. I offer the challenge to the member for Braitling: get out to these communities, sit down and talk to people. Rather than trying to get headlines in the newspapers, try to achieve some good outcomes for people.

Member for Katherine and member for Port Darwin, it has been interesting being part of the CTC under the stewardship of the member for Nelson, with the member for Nhulunbuy. I have seen a complete change in the two CLP members looking at the issues of leasing, confronting the disadvantage we see in communities, and I can see genuineness in the approach of the members. Sometimes the member for Nelson must scratch his head when we have debates and discussions on this issue. Nevertheless, I am not saying I am the only one taking a high moral ground; I am not saying any of us do. It is imperative for all members of this parliament to stop the political grandstanding for headlines when it comes to dealing with Indigenous disadvantage and the effective roll-out of SIHIP.

In the short time I have left, I acknowledge the alliance partners; Territory Alliance, whom I deal with in my electorate, and New Futures Alliance, which deals with places like Wadeye. When you look at Wadeye, it is booming. Things are happening in Wadeye which involves the Thamarrurr Development Corporation building capacity and employing local Indigenous people. I particularly acknowledge the public servants who have been involved in this project: CEO Ken Davies, Andrew Kirkman from the minister's office, and Ian Boyson, the Commonwealth representative. All public servants involved in this program have been open and transparent, and have provided information to the Council of Territory Cooperation when questioned in relation to the program.

When we have visited communities, we have had honesty from many Aboriginal people ...

**Madam SPEAKER:** Member for Arafura, your time has expired.

**Mr WOOD (Nelson):** Madam Speaker, in some ways it is disappointing such an important issue has come to this parliament in the form of a censure motion at the same time we have the Auditor-General's report before us. I say that

because the tone of censure motions, not just this one, is always aggressive. It always says things you normally cannot say in parliament, and tends to set off the debate in an aggressive mood.

We are dealing with an extremely important subject: SIHIP; Aboriginal housing. We have an Auditor-General's report which cannot be looked at page-by-page; it has to be looked at overall. We are also finishing off the debate on the Council of Territory Cooperation which, if people have read the reports and looked at the recommendations, a bipartisan report except for the first one. In relation to SIHIP I believe it was bipartisan, and we have produced a series of recommendations to help the program work.

There is no doubt this particular program has caused much heat and debate, not only in this parliament, but in the media. It certainly needs good debate because it is such an important issue and deals with one of the most important projects in the Territory's history: the reduction of overcrowding in Indigenous communities. I believe we need to step above the political rhetoric and look at the issues as a unified parliament. I do not believe one side of politics is the be-all-and-end-all when it comes to this difficult program.

I feel, having read the Auditor-General's report - and I suppose it is a feeling I have had for a long time - to a large extent this program got off on the wrong foot. In mid-2007, under the previous Commonwealth government, both Northern Territory government public servants and Commonwealth public servants discussed the process of setting up this program. They had a consulting firm specialising in Indigenous issues, they looked at a range of methodologies - a traditional, fully documented lump sum; design and construct lump sum; contracting management; alliance design, build, operate and maintain; public private partnership; and framework contracting.

In 2007 they came up with an alliance program and, as the Auditor-General said:

*... members of the working group representing FaCSIA and the Northern Territory government unanimously consider that the alliance panel is the contracting methodology that gives the program the opportunity to deliver the program objectives for the Strategic Interventions Housing Program.*

That program, of course, was supposed to produce efficiencies. I have yet to see any documentation, outside buying some stoves and fridges, which show those efficiencies occurred. I believe it has been very difficult to obtain costings

from the alliance project. In fact, the Auditor-General has some costings which are probably the first I have seen in relation to the total program. Trying to get some idea of costs or, in the case of houses which have been refurbished as a small package at Milikapiti, Melville Island, has been extremely difficult under the alliance system.

Also, I believe there has been political pressure to make this program work within a budget. There would be X number of buildings refurbished, or new houses built or even rebuilt, set within a target frame over a particular amount of time - I believe that has failed as well. It did not take into consideration proper costings for new houses. I do not believe it realistically looked at the cost of refurbishments, or the cost, through inflation, over the five years this program is going to exist. There has to be some allowance for inflation - a house built now, and a house built in three years time under this program, is not going to be the same price.

The other thing, which is part of the reason we are here today, is there have been issues in relation to the governance of this program. Again, I go back to the alliance process. It is new; never been tried in the Territory before; never used for housing before. My understanding from talking to the Auditor-General is that it has only been used in the mining industry. It may have been used for some large construction projects, however, in relation to the Northern Territory, it is a new system. We need to ask if we had the right people from the Territory who knew how this process worked. Page 24 of the Auditor-General's report talks about lack of management information systems. It said:

*The systems and processes, and associated guidelines and process manuals that can be viewed as essential if the program was to have been managed properly were not in place during the early life of the program and were being developed at the time of the audit.*

That gives you the impression government has said: We are going to do this program; we are going to set up SIHIP under the alliance system. We set up three alliance partners, but have not set up proper management plans. We do not know what we are going to do. We have not worked out proper governance controls; a range of things have not been put into place. They are only now coming into place.

You can see the problems caused by those things not being sufficiently in place in time in the Auditor-General's report. The program has been operating ahead of regulations needed to ensure it was running as it should. When you go through

some of the recordings spoken about today - for instance page 40 and 41, which highlight deficiencies in the way the program has been run - there is an absence of formal policies or guidelines, failure to ensure documentation, incorrect calculation of payroll, incorrect calculation of expenditure - and it goes on. The Auditor-General said these issues are now being sorted through because those programs which should have been in place much earlier, are now being put in place.

On one hand, yes, you can criticise the government for what is happening; I do not have a problem with that. We have to do an audit at the end of this to see if the alliance system is the way we should go. Being a member of the CTC, it has been extremely hard to get facts and figures on how much the alliance program is costing because you do not talk in houses, you talk in packages. You have this difficulty when you ask how much a house costs to build. Do you ask how much it costs structurally? With a few labourers and materials, how much does that cost? Do you need to work out, over the period of the program, what the cost of the house is plus the scoping, the planning, the infrastructure, all the discussions with people at the beginning, the travel, etcetera? What is the real cost? The government says these houses should be around \$450 000. If they say that, we need to know that is the case. That has been one of the failures of the alliance system because you have not been able to easily pull that figure out.

The closest I have come is the Auditor-General's figures on page 38. They are fairly broad figures and, in themselves, lead to many other questions. What was the \$5457 on consultant fees in 2009-10? Have we not finished with the consultants?

**Mr Tollner:** \$5m.

**Mr WOOD:** Sorry, what did I say?

**Mr Tollner:** \$5000.

**Mr WOOD:** I would not be complaining if it was \$5000 - \$5.457m in 2009-10. You wonder why we still need consultants - we have specialist people in these alliances. I have been in the office of Territory Alliance and seen the people working there; they have plans for new houses, they obviously know their business. You would wonder why we still need consultants. That is an area where we have to dig deeper, and I see that as a role for the CTC. I am not saying it is not a role of the parliament, however, I believe there are certain areas we need to chase up.

It would be nice if we had a little more time to look at this auditor's report. Obviously, it has

some areas people would like to highlight, because they show the government in a bad light. With SIHIP, if you are on one side of politics you try to make it look as bad as possible, because that is good for that side of politics. On the other side, you say everything is rosy. I believe the truth is somewhere in between. When you read the Auditor-General's report in full you see that. He is saying there are problems; we seem to be coming through those problems, and things should be working better.

That does not mean you take your eye off the ball. I believe there are many issues we need to ensure are not blowing out. We also need to see whether delivery of these houses is as efficient as possible. I will give you an example: on Bathurst Island they build houses using a type of frame which is taken over on a barge, and is full of air. Bathurst Island has to get its sand from Darwin, so they bring the sand and cement over in another barge. Is that efficient? Why not send some Tiwis to work in Darwin, pour the sand and cement into those pre-formed frames, and put the completed walls on the barge? There needs to be some work done on analysing whether the systems being used to build houses are as efficient as possible, and I believe that is a classic example. We need to dig deep to see whether we are building houses as efficiently and as cost-effectively as possible.

In summary, I appreciate this has come before the parliament for debate. I believe, although there are criticisms, the CTC is a good way to bring both sides together. The CTC has looked at some of the issues raised today. We have seen problems at Nguiu where refurbishments were only for a shower and toilet. I gave photographs of those houses to the department and, several weeks later, we found the houses had been cleaned up, repaired and painted. I hope that is more than a one-off because I believe one of the big issues in this program - and we have seen it as we have travelled around - is whether the refurbishments are adequate. I believe the federal government has to look at places like Santa Teresa and Bathurst Island and tell me whether you believe you should be handing over these houses.

It is interesting to note, when talking about refurbishments, the Auditor-General goes back to the original MOU which spoke about second order priority, which I think is another name for refurbishments.

It said:

*... repairs and upgrades to acceptable standards.*

As soon as you use 'acceptable', you can argue the case any way you want. 'Functionality' is used now. However, if I had charge of a building program which refurbished a house - we fixed the toilet and shower; they were spotless, and the rest of the house was a mess, the windows were broken, the floor was rough concrete, could you say welcome to your house? Consider yourself the person living in that house thinking the government has promised to refurbish houses, and I look forward to this. I have been asked to live in another house for a few days; I go back to this house and it is only partly refurbished.

It might fit Commonwealth government requirements but I believe it sends the wrong message - it sends a message you do not really care. The Commonwealth government has been driving this program, especially refurbishments; they have now cut refurbishment costs in half. One of our recommendations is they need to reinstate that value to ensure houses are refurbished properly, otherwise you get results such as at Santa Teresa where they are saying: 'How come our house is not fixed the same as the house in Alice Springs?' You could probably argue you will not pay as much rent as those people, however that does not wash because people see a house which has been fixed differently in Alice Springs - there will be relations in Alice Springs - and not fixed the same in Santa Teresa.

The Commonwealth government needs to think it through because minister Macklin might achieve her targets; she might say: yes, we built this many houses and refurbished this many houses. If those houses have been refurbished to a poor quality you are not going to get the support of the community; the support you need to ensure the houses will be maintained well. If you give them half a house I believe you are asking for trouble in the long run and will find it costs more to fix it up later.

There is much I could say regarding SIHIP. There are several groups of people you could blame - this goes back to the Howard government days in 2007 and the people who, along with Northern Territory government public servants, decided on an alliance model. I ask: who was representing the Territory when the alliance system was thought through? Were there engineers? Were there people who understood contracting? Were there people who understood the difficulties in building houses in remote communities? Why did they pick the alliance program? I believe that is part of the cause of our problems?

Of course there have been other problems which have been highlighted by the Auditor-General; but you have to look at the

Auditor-General's report as a whole. The Auditor-General has drawn conclusions; he has accepted there are problems, accepted there are issues, and has drawn a conclusion. He says:

*While management control systems are still incomplete ...*

which is what I talked about before:

*... work is well advanced towards rectifying this matter. It is unfortunate that the burden of developing systems to permit proper management of the program must be borne by a management team that, at the same time, is required to move the project forward in an expeditious manner to meet established timetables.*

Again, we set timetables up which may not have been realistic ...

**Dr BURNS:** A point of order, Madam Speaker! I move that the member be given an extension of time pursuant to Standing Order 77.

Motion agreed to.

**Mr WOOD:** Yes, there are issues; yes, we have problems, however sometimes we have to move away from the negatives and work to the positives. In the end, whether we like it or not, this program is about delivering houses for Indigenous communities in remote areas. We need to ensure that happens; we can argue in this House until the cows come home, we can throw insults across the table, but who are we really helping? We need to help people in those communities get houses; that is what we should aim for. By all means criticise - constructive criticism is always good, however we need to ensure this program does achieve its goal, and I believe parliament needs to work together to achieve that.

**Mr TOLLNER (Fong Lim):** Madam Speaker, it goes without saying that I support this motion. It is a good motion, and I fully agree this audit report, together with as much other information as we could possibly lay our hands on, should go to federal police. Clearly, the best case scenario is we have seen a gross case of maladministration. We can say that with absolute certainty. The numbers involved, and the circumstances involved, also highlight very real potential for gross graft, corruption and crime occurring within this program. As the member for Braitling said, look at the headline straight up, two-and-a-half years, almost \$0.75bn and 11 houses.

We have seen, by the Auditor-General's own report, almost \$204m spent for a grand total of 11 houses, and somewhere around 200 refurbishments or rebuilds have been completed. That does not

equate, in anyone's language, to any positive program, and as hard as members opposite try, you cannot gild the lily on this one: \$200m-plus over two-and-a-half years for a grand total of 11 houses highlights is, without doubt, a serious case of maladministration.

Listening to the counter arguments put by members of the other side it is as though they are throwing themselves on the floor and asking for mercy. There is nowhere to run and nowhere to hide on this issue. The information is out there, and police should be called in to start looking at some of these things. The member for Braitling did a great job over the last two days, and has done a fantastic job over the last 12 to 18 months in highlighting some of the problems occurring within this program, and some of the issues concerning people in remote areas.

When I look at pictures of what a refurb means in some communities - I have no idea where they are - I am horrified when I look at them and see a sink and stove could possibly add up to a \$75 000 refurb. As the member for Braitling said, you could probably buy the stove for \$500 or \$600 in Alice Springs; the stainless steel sink and kitchen you could probably pick up for \$1000 at the most. It might be several thousand dollars to install, but it is impossible to see where \$70 000-odd goes in something like that.

We hear the minister talk about refurbishments, however this picture tells a fantastic story. You can see brand new paint on the walls, but they have painted the inside of the hole. You would think if you refurbish and repair a house to a living condition you would patch the hole before you painted it. The member for Braitling has a range of photographs taken on his travels around the Territory, and I believe all members have acknowledged the member for Braitling's commitment to this issue, and his great interest in it.

Without the member for Braitling shining a spotlight on these issues we could quite easily be romanced into believing all is fine; although I cannot understand how anyone could be romanced into believing all is fine when you see those end line figures - \$203 696 000 spent to complete 11 houses. It is not 11 houses according to the Auditor-General, bearing in mind this was done in April 2010 - at that stage it was seven houses and 186 refurbishments. The member for Johnston, the minister, says: 'You have not taken into account a whole range of headworks and other developments which are required'. You talk about 750 houses - I do not know how many houses are going into Bellamack, however I am sure it has not cost the government close to \$1bn to do the headworks and program development, or other things, for Bellamack.

While I am on the subject of Bellamack, you can understand how it has taken government two-and-a-half years to build 11 houses. Bellamack has been in the pipeline for close to a decade under this government. Goodness me, it is lucky the people in Palmerston are not living 25 to a house waiting on Bellamack to be developed; they would be waiting a long time. I do not know whether they have started selling land there. Has anybody laid a brick in Bellamack - 10 years after it was first announced? I do not think so. These guys at Palmerston, have they built a house in Bellamack?

**Mr Elferink:** No, I do not think so.

**Mr TOLLNER:** No. Have they laid a slab of concrete in Bellamack? Unlikely – unlikely!

The member for Nelson commented on the alliance contracting. I can tell the member for Nelson that Defence uses that model because some of their acquisitions are extraordinarily complex and difficult to deliver. For instance, the air warfare destroyers are being built by half a dozen different companies, and goodness knows how many different contracting organisations are involved. However, they have issues of national security, of intellectual property, and a range of other security-based issues which means a very high level of complexity to build and develop something like that. I do not know how many businesses we have in Darwin, Alice Springs, Tennant Creek, and Katherine devoted to building houses. Building a house is far simpler than building a naval air warfare destroyer. To build houses, I cannot understand why you would adopt a model used for building naval air warfare destroyers.

As the member for Nelson mentioned, you cannot obtain costings; they have serious governance problems. The left hand does not know what the right hand is doing. It is all adding up to very bad maladministration, in the words of the member for Braitling.

We have seen the defensive government in this instance. The member for Arafura did not even try to defend the program. She slid back into form and started criticising previous Country Liberal governments, saying we were opposed to leases, we did not want to build houses, and all the other nonsense. The CLP, in the last few years of government, built more houses on Indigenous communities than this government has built in a decade. Their idea that the CLP opposed leasing - what could be further from the truth?

Let us think about what happened with the intervention initially. We found atrocities occurring in remote communities with little children, and a

breakdown in law and order. We talked, yesterday, about Clare Martin and Labor's involvement and how they tried to sweep those problems under the carpet. However, when the federal government outlined its plans, we heard screams of blue murder from the Northern Territory government. They said it was wrong; they said we could not do what we were doing; it was a bull-at-a-gate proposal. What were we trying to do? The first thing the Commonwealth did was put police into the Northern Territory. Some 60-odd police donated from various states, and the federal police, were brought into the Northern Territory to reassert the rule of law in communities which previously had no police.

The minister for Housing, the member for Johnston, made a bizarre comment that Mal Brough should have been looking after his own seat rather than putting police stations into the Northern Territory. He should have been in Caboolture looking after his own electorate rather than concerning himself with the problems of little children and lawlessness in the Northern Territory.

**Members** interjecting.

**Madam SPEAKER:** Order! Member for Greatorex!

**Mr TOLLNER:** He went on to say that whilst he applauded the member for Braitling for getting out and seeing things, he is really trying to be the member for Lingiari. He should not be doing this as the member for Braitling, because he should be in the role as the member for Lingiari. That raises the question: what is the current member for Lingiari doing about this? Absolutely nothing!

**Members** interjecting.

**Madam SPEAKER:** Order! Leader of Government Business!

**Mr TOLLNER:** We have heard absolutely nothing from the member for Lingiari. The man is a complete and absolute joke. Twenty-odd years in the job and he has allowed these problems to fester and boil on his watch; said not a damn word. It is good to see the member for Wanguri believes the member for Braitling should be the member for Lingiari. In that regard, member for Johnston, I more or less agree with you. The member for Braitling would do a much better job as the member for Lingiari than the current member - without a doubt. It is like let us tell all these people raising concerns they should not be doing it; they should be doing something else.

Mal Brough should be looking after the good citizens of Longman. He should not be running around the Northern Territory building police stations, or houses, and the member for Braitling

should not be running around the bush checking houses because his job is as member for Braitling and he should stick to the suburban areas of Alice Springs. That would make the problem go away as far as this government is concerned. That is the lame defence we hear from the government.

Getting back to the intervention, police were introduced to communities which previously had no police. I recall at the time the member for Johnston saying it was no good because we were seeing an urban drift. We are getting ratbags turning up in Darwin, Katherine and Alice Springs, causing all sorts of crime and social problems in our urban centres in Darwin. It is all right when they in remote communities causing grief for people who live there; let us leave them out there; let us ignore the problem. The Northern Territory government would not put police out there. No, the Commonwealth did. The Commonwealth scared them all into town and this is an atrocity. This is terrible, because in Darwin, Katherine, Alice Springs and Tennant Creek we are seeing some of the problems people put up with in remote communities.

The other thing the federal government did with the intervention was put compulsory five-year leases on townships. Odd thing to do for conservatives who do not believe in leasing, isn't it? When Mal Brough was running around the Northern Territory encouraging land councils and communities to seriously consider long-term leasing of their townships – 100 year leases or 99 year leases - another odd thing to do for people who do not believe in leases, the member for Arafura is quite prepared to rewrite history.

The government removed the permit system which opened up townships to people to visit; for example, contractors - people who might build houses would no longer need a permit to drive to the community, to the plot of land where the house was to be built - all good sensible stuff. The government put in place government business managers. These were serious blokes, or serious ladies in some cases, who would take control of things in the community which pertained to both Commonwealth and Northern Territory government departments; a single person who could be held responsible for all government business whether it be Commonwealth or Territory government. This was about clearing the road blocks to allow development in those townships, allow houses to be built - to allow no encumbrances to get in the way of getting things done.

At the time the Northern Territory Labor government was opposed to that - they said it was paternalistic, they did not need these bully boy tactics, there was not enough consultation, and we were acting out of ignorance - the list goes on

and on. It was not only this government; federal Labor was saying the same thing - it was paternalistic.

I will never forget a speech I heard in a committee room in federal parliament by Noel Pearson, who was one of the few Aboriginal people in Australia supportive of the intervention. Noel Pearson said: 'Paternalism, mate, paternalism. Well, ask the little kid who is shivering and crying in the corner as mum and dad are blind drunk belting each other over the head with sticks and lumps of wood and rocks, whether he wants a little paternalism'. Noel Pearson could see it clearly; he knew what was happening on remote communities and wanted people to act, and he supported this action.

We have had a change of government; the momentum has been lost. We have a group of non-believers who, for political reasons, think they need to support the intervention; that is the only reason they are in this, however their hearts are not in it at all. They are not interested in building houses. SIHIP is nothing but a great big slush fund for ex-Labor hacks, and any other poor person who wants to have a free feeding frenzy on a big wad of taxpayer's money ...

**A member:** Snouts in troughs.

**Mr TOLLNER:** Snouts in the trough - miles of it. The other side say: 'No, we need Aboriginal employment. Demand 20% Aboriginal employment'. Almost \$5m over the last two-and-a-half years has gone to personal wages and salaries - about a quarter of the \$20m went to consultants; they are the ones feeding on this program - \$5m over two-and-a-half years goes to wages and salaries, 20% of that is for Indigenous workers. Around \$1m over the last two years has gone to wages for Indigenous workers. Not a great deal of money considering we have spent \$203 696 000 - that is a lot of money. This whole program has been nothing but a rort; it has been rorted by so many people involved with it. After two-and-a-half years and almost \$204m, we have 11 houses and almost 200 upgrades and refurbishments. It is an absolute joke.

This is obvious maladministration. It is obvious to even the biggest fool there is maladministration in this program. What is probably not so obvious, and what we want to get to the bottom of, is has there been crime as well? Has there been deceit? Has there been fraud? That is a matter for the police to investigate. And it should be the federal police considering it is largely a federal program with federal government money being tied up.

**Ms ANDERSON:** Madam Speaker, I move an extension of time to allow the member for Fong

Lim to complete his remarks, pursuant to Standing Order 77.

Motion agreed to.

**Mr TOLLNER:** Thank you, Madam Speaker, and I thank the member for Macdonnell. I will not take up any more time; I know there are other speakers, and I am sure the member for Braitling might want to sum up in this debate.

**Members** interjecting.

**Mr TOLLNER:** Nothing in this program looks good. There is a big stink everywhere, and something needs to be done. We have to get to the bottom of it. I believe the Auditor-General has done a reasonable job in shining the torch on some aspects of it; however he readily admits he cannot get to the bottom of it. The member for Nelson was the same in his contribution. He said the CTC, something which has full government support and access to everyone, cannot get to the bottom of things here. I believe the only thing to do now is refer this whole program to the federal police for a full scale investigation and find out exactly where this money is going - whether there has been fraud; whether there has been corruption; whether there has been graft, or vice, or crime. They are matters for the federal police and we should support this motion.

**Members:** Hear! Hear!

**Madam SPEAKER:** The question is that the motion as moved by the member for Braitling be agreed to.

The Assembly divided:

Ayes 12	Noes 12
Ms Anderson	Mrs Aagaard
Mr Bohlin	Dr Burns
Ms Carney	Mr Gunner
Mr Chandler	Mr Hampton
Mr Conlan	Mr Henderson
Mr Elferink	Mr Knight
Mr Giles	Ms Lawrie
Mr Mills	Mr McCarthy
Ms Purick	Ms McCarthy
Mr Styles	Ms Scrymgour
Mr Tollner	Mr Vatskalis
Mr Westra van Holthe	Ms Walker

**Madam SPEAKER:** Honourable members, there being 12 Ayes and 12 Noes, there is an equality of votes. Pursuant to section 27(1) of the *Northern Territory (Self-Government) Act*, as there is not a majority of votes, the question is resolved in the negative.

Motion negatived.

**PUBLIC INTEREST DISCLOSURE  
AMENDMENT BILL  
(Serial 112)**

Bill presented and read a first time.

**Mr MILLS (Opposition Leader):** Madam Speaker, I move that the bill be now read a second time.

In May, I gave notice of my intention to amend the *Public Interest Disclosure Act* to provide additional protection to whistleblowers who are driven to make their disclosures to a journalist, or to an MLA, when this government, or any government fails to act on their earlier disclosure.

The catalyst for the introduction of this amendment was the government's failure to prevent the leaking of copper concentrate into the harbour. The bill is not just a political knee-jerk reaction to one incident. It did, however, prompt me to review an amendment I introduced during the second reading debate of the *Public Interest Disclosure Act* in November 2008. At that time, the government did not support the amendment to allow a person to escalate their disclosure to an MLA or a journalist. However, the former Attorney-General made some valid and constructive comments I have taken on board for the purpose of developing this bill:

- (a) they should be centred around the definition of a journalist;
- (b) that only public officials could make the escalated disclosure rather than anyone else eligible to make a disclosure; and
- (c) the fact that the MLA or journalist may not be aware of the reasons the commissioner did not begin to complete the investigation,

I have taken those into consideration, and I acknowledge the contribution made by the former Attorney-General in bringing this matter to this new stage.

I am confident these concerns have now been addressed by this bill. The ability for allowing a person to retain protection and escalate their disclosure to a journalist or MLA in certain circumstances currently exists in the *Protected Disclosure Act 1994* New South Wales, and was recommended by the Whistling While They Work project commissioned by the federal government and carried out by Griffith University.

As previously mentioned by the member for Johnston, the provision is in fact rarely used in New South Wales; perhaps this is due to a

looming spectre of public exposure which compels the government to deal with a disclosure in a timely, comprehensive and purposeful manner - it provides the motivation for that necessary action, holding government to their word to be honest, open and accountable - an additional mechanism. In this case - if that be the case - disclosure to the media or an MLA is not required.

In November 2009, the New South Wales Parliamentary Committee on the Independent Commission Against Corruption commented, in the report on the Protection of Public Sector Whistleblower Employees, it would appear that, and I quote:

*... the provisions are working in the way they were intended to be used, that is, as a last resort for whistleblowers who have exhausted relevant internal or external disclosure avenues.*

The House of Representatives Committee on Legal and Constitutional Affairs recommended that members of parliament be recognised as an alternative third party that disclosures could be made to, and disclosures to the media should be protected. I quote:

*... where the matter has been disclosed internally and externally, and has not been acted on in a reasonable time having regard to the nature of the matter, and the matter threatens immediate serious harm to public health and safety.*

I also chose to incorporate another amendment that formed part of my committee stage amendments at the introduction of this act, and that is a person with a disclosure related to an MLA be allowed to choose to take that disclosure either to the Speaker, as is currently allowed, or to the Commissioner. It is an odd situation within the act where a response to a disclosure about an MLA to the Speaker - the Speaker is under no obligation to investigate the matter, respond to the person making the disclosure, or advise them of any decision regarding that disclosure. I would like to reiterate this in no way reflects on the current Speaker, however is a genuine attempt to provide, on every occasion, the perception of a conflict of interest being dealt with by this mechanism.

I will address the provisions of the bill.

Clause 3 inserts a new provision to section 4 - Definitions, defining the term 'journalist' as used in clause 4. I have chosen to incorporate this definition to allay the former Attorney-General's fears about the possible disclosure of government information to a shady, fringe dwelling Internet blogger bearing the title 'journalist'. The

bill categorises a 'journalist' as: 'a person engaged in the occupation of writing or editing material intended for publication in the print or electronic news media'. This is the same definition that exists in the New South Wales *Protected Disclosures Act*.

Clause 4 repeals and replaces the existing section 11 of the act with new provisions relating to making public interest disclosures. Section 11(1) will allow a person making a disclosure about an MLA the option of making the disclosure to either the Speaker or the Commissioner. The intention of this provision is simply to provide a person not to disparage the reputation of the Speaker, etcetera. Again, I do not accept the reasons given by the former Attorney-General that it would be inappropriate for the Commissioner to reflect on the conduct of a parliamentarian. Disclosure about the Speaker can be made to the Commissioner; why that could not extend to any other member of this House is beyond me.

There are a number of reasons why confidence in an internal disclosure could be undermined, particularly given the size of our parliament and the NT public sector. The amendment is about giving options. This act is about giving protection and peace of mind to a person who is so troubled by the conduct of a parliamentarian they have either exhausted the available internal channels, or feel they cannot rely on the external channels to address that conduct. For the government to say a parliamentarian should not be held up to the same degree of accountability as any other public servant, or their actions are above investigation by the Commissioner, is simply unacceptable.

A new section 11(2) allows a person to take their disclosure to an MLA or journalist if:

- 1 they have already made an earlier disclosure and their disclosure to the MLA or the journalist is about substantially the same material;
- 2 there has been inadequate or inappropriate action in response to their disclosure, or
- 3 there has been no action on their disclosure within six months of making the disclosure;
- 4 a disclosure can only be made to a journalist if there is a significant risk of damage or harm to the environment or an individual as a result of a lack of action or lack of adequate or appropriate action;

- 5 the person making the disclosure must provide the documentation and correspondence from the Commissioner to the journalist or MLA; and
- 6 the person making the disclosure cannot be making the escalated disclosure for personal gain such as providing disciplinary action or dismissal.

As I mentioned earlier, I introduced these amendments with similar provisions when the *Public Interest Disclosure Act* was first introduced to parliament. I believe the concerns raised then by the former Attorney-General have been addressed.

The lack of additional external avenues for a whistleblower has been identified as a serious deficiency in Australian whistleblower legislation. This legislation is about providing the ultimate protection for people who have the courage to stand up and speak on serious misconduct and corruption in the Northern Territory public sector, and they deserve the support of this parliament.

I commend the bill to the House and table the explanatory statement.

Debate adjourned.

### **MOTION** **Resources Sector Investment**

**Mr MILLS (Opposition Leader):** Madam Deputy Speaker, this motion, as notified yesterday, has been responded to by a suggested change put forward by the member for Nelson. That change has been accepted by the Territory opposition. I will now read the motion.

I move - That the Northern Territory parliament -

- (a) recognises that the resources sector makes up 26.5% of the Northern Territory's gross state product and is responsible for many thousands of direct and indirect jobs, and that the projects that this sector invests in require significant up-front capital;
- (b) recognises that resource companies provide significant community contributions in both financial and infrastructure investment in the Territory, for instance in power generation and other infrastructure on Groote Eylandt;

Madam Deputy Speaker, I seek leave to amend the motion in the terms circulated, and as follows:

Omit existing (c) as per the Notice Paper and replace with the following:

- (c) does not support any federal mining tax regime which threatens the viability of existing mines and the development of new mines in the Territory, and, to this end
- (d) calls on the federal government to halt the implementation of the proposed super profits tax in its current form.

I thank the member for Nelson for his contribution to that motion; we accept the amendment.

This is a matter which has confounded and alarmed many across our community and, surprisingly, at so many different levels.

It is as though the Prime Minister, in being thwarted with his grand plan to impose a big, new tax on everything with the ETS, had to find something else. As we saw on *Four Corners* the other night the federal Treasurer goes to the beach and reads the Henry tax review ...

**Madam DEPUTY SPEAKER:** Forgive me, if I could just interrupt you. I have been advised by the Speaker that you need to seek leave to amend the motion. Is leave granted to amend the motion?

Leave granted.

**Mr MILLS:** That is a relief. Thank you, honourable members. The federal Treasurer is at the beach; he reads the Henry tax review and all those recommendations and spots the opportunity, or so the story goes. The alarm bells started ringing. I went to a Treasury briefing and while we were waiting to hear more detail on the announcement that had already been made - the implementation of a super profits tax - when it was revealed the detail was still being worked on, I thought we now have the same problem. We have a Labor spin machine that has devised a slogan for the next election, however, the important detail and effect of that would be worked out as we go along.

That seemed to be plain, and I give credit to the Territory community from the multinationals, those who work for them, all the way down to the grass roots, those who work in Winnellie and those who have superannuation funds, began to weigh this. Those alarm bells rang very clearly, very loudly because they do not believe the spin - they do not believe the Prime Minister any more. They do not trust that which has been managed by slogans; it is now a rhetoric revolution. Words and slogans, and the substance, is lacking.

When we test this initiative of the Prime Minister and this Labor government, we find it wanting and very concerning for the future of the Northern Territory. It is astonishing to find concerns have been raised from all the resource-rich states which depend to such a large degree on the resources sector - from Queensland, from South Australia, and from Western Australia. We have nothing from this Chief Minister; from the very jurisdiction that has the most exposure to the effect of this big new tax.

This is not the first time we have had this Chief Minister roll over and allow the interests of HQ in Canberra to hold sway over his judgment and obligation to stand up for the best interests of the Northern Territory and to, at the very least, create an impression you are in there fighting. To ask everyone to be cool and calm and collected is another way of saying we are not going to do anything. Let us calm down - let Kev have his way.

It appears to me, in this marginal seat of Solomon, and all the extraordinary and unusual activities of members opposite as recently as today, this is still about politics. It is about the protection of one single job leaving exposed those who are employed; those with family businesses across the Northern Territory, to repay their mortgages, to dream of a future and take risks and make investments - to heck with them. There is only one person concerned here, that is the candidate, Damian Hale. That is the only job this Chief Minister is determined to protect and I say: 'Shame on him,' because at least we need a fight. At least we need a contest; at least we need a check.

The member for Casuarina yesterday made a confounding statement regarding the 18% or 20% and: do not worry about that; the feds are going to take 40%, they get 20% back so what is the drama? For someone who takes a risk, makes an investment, and may make a profit, 40% tax is 40% tax whomever you pay it to. The odd interpretation is: do not worry, 20% is coming back. To whom? Back to the one who has taken the risk? No, they are paying the tax; it is coming back to the Territory government. They do not care where it is going; the fact is they are having 100% increase in their tax - from 20% to 40%. However, there is a concern, and I ask the Treasurer to clarify this point of contention: currently 18%, and I acknowledge we have a profit-based system in the Territory. What is 18% currently will move to 20%. The announcement of 40% has been made. Is the rebate of the 18%, or is it of the 20%? Can you guarantee which it is due ...

**Ms Lawrie:** 20%

**Mr MILLS:** You need to explain how that mechanism works. I trust you will be responding and have an explanation. There is a question mark over whether that rebate, and its timing, will be affected by the passage of this appropriation - 18% to 20%. Either way, it is 40%; it could be 42%. Perhaps the member for Casuarina does not recognise this - as far as a business is concerned it is 40% - it is 100% increase.

Members opposite, in trotting out quotes from the *Four Corners* program, failed to mention Mr Swan admitting when it is worked through it could mean up to 58% increase in tax. That quote was not cited by those opposite, and shame on you. Nor have you provided any costing or modelling on how this, in real terms, affects those in the Territory economy and those who depend first-, second- and third-hand on the mining sector. You are able to stand up on your hind legs and trot out all the big figures, the slogans and the stuff to make us feel good, however, you are not able to, when it comes to the time you are held to account, provide a clear and coherent explanation of how this will work. Worse than that, just as support for Prime Minister Kevin Rudd has collapsed because they have seen him a fraud and a phoney, we have the same proposition in the Northern Territory.

I predict Territorians will find their capacity to support this Labor administration erode and evaporate because of this issue before you, and you are ignoring it - you have presented a budget premised on future growth. There is no effort to make savings to date - no rigour, no discipline, no challenge you place on yourself. You do not challenge yourself in any political way. You do not try to find savings today; you offload them into the future in the sweet bye and bye and, at the same time, you have a Chief Minister who will not check or stand up in any way and contest how this big new tax will affect the Northern Territory.

Worse, you have a Treasurer who is able to make big announcements about spending premised on future growth, yet this is sitting there as a threat, and you have provided no coherent explanation or defence. Why is it that all around the country Premiers or Treasurers are contesting this? They have some moral fibre; some character. They have a sense of responsibility to defend the interests of their own jurisdictions. We have had no explanation; no fight; no contest.

It was surprising to hear in a previous debate a reference to ideology. It appears to me, as confirmed by the Chief Minister, that the mining sector can and should pay more taxes. I suspect the politics of envy; the politics of the left - those who have must have it taken from them. Those who make, you have to tax them. If they make more, tax them more. That is the thinking of the

left, and I find that the position of this Labor administration. They are more interested in taxing the pie, rather than understanding how the pie can be increased in size. I believe there is this lurking ideology - the ideology of the left, the ideology of the politics of envy, sitting in the left with a desire to tax wealth. You tax the pie rather than increase the size of the pie. You would like to take rather than increase.

Interestingly, a great friend until recent times of the Prime Minister, Mr Andrew Forrest, made a statement today in Perth. I believe it is a very insightful statement. It is going to create some reaction on the other side. It goes to what sits behind this - different thinking. He says the effect of this big new tax is one that is going to deal with a future problem, which is the great fear Labor has that interest rates will rise. You have to do something now to bolster your war chest, so you increase taxes. You do not go the other way and increase the economy - if it makes more profits, tax it more. Andrew Forrest, head of Fortescue Metals Group, at a protest meeting in Perth, accused Mr Rudd of becoming a communist in imposing the tax while communist China moved the other way. This is what he said, and it is a very interesting quote:

*In China right now there is a fierce debate about how to lower their resources tax to encourage the mining industry.*

Interesting approach from the communists! Australia was doing the opposite Mr Forrest said:

*I ask you which communist is turning capitalist and which capitalist is turning communist.*

One is trying to increase the wealth by reducing the burden and unshackling those that can create wealth, yet in the Northern Territory, right across this great country, you have a move to restrict that. It is peculiar thinking; no wonder it has created hostility, and you would love more than anything if it was just the multinationals you could attack. I believe in your naïve posturing you thought that was going to be the case, however you have had superannuants - people who have depended on their superannuation funds calling this for what it is. The amount this government thought they were going to get from this big new tax has already been lost from the share market - directly from those who are depending on that superannuation.

This motion calls for this to be halted. It must be stopped on a fundamental until we find a Chief Minister who has the courage to stand up and contest, and if he honestly believes this is in the best interests of the Northern Territory, make his case. I trust he will come into this House and

make his case - show us he is a leader and make his case. Explain to the people across the Northern Territory who depend, directly or indirectly, on the mining sector this will not affect them. Also, there is the opportunity for the Treasurer to explain the level of exposure on this budget's framing, and the management of the risk into the future.

I appreciate the support the member for Nelson has provided to this motion by the inclusion of additional amendments. I call on honourable members to support this motion because of the significance of its effect, and the weakness of the leadership of this Labor administration to contest or challenge it in any way. It is not good enough to have such a situation presented to the Northern Territory and it be allowed without challenge. It must be challenged. It is the right thing to do, and I expect members opposite to make their case, because the case needs to be put. I believe the case will have great difficulty being supported by Territorians and, sad to say, it is not about the multinationals. It is about mums and dads; it is about those depending on their superannuation, and those who work throughout Winnellie.

Madam Deputy Speaker, it is about recognising how wealth is created; what benefits can be gained by taking a different approach. Persist with the politics of the left and you will find you will tax that which moves, and it will not move any further. The benefits which flow into the Northern Territory will be reduced, and the great capacity of the Northern Territory will be further hindered if this is allowed to continue.

**Ms LAWRIE (Treasurer):** Madam Deputy Speaker, it is one of those wonderful moments where you hear the Henry tax review expert panel being described as members of the left and all manner of things by the Leader of the Opposition. I would not mind being described as a member of the left, because I am left in my political leanings - unashamedly. I do not have the list. I wish I had the list of the Henry tax review expert panel members at my fingertips; I did not bring it to the Chamber for the debate because I did not know the Leader of the Opposition would presume to suggest their politics were to the left, and I will not presume to say they are to the far right. What I can say is they are highly experienced experts in taxation law and I would not think ...

**Mr Westra van Holthe** interjecting.

**Madam DEPUTY SPEAKER:** Order! Cease interjecting.

**Ms LAWRIE:** The member for Katherine would not have a clue about the Henry tax review recommendations, or the work done and the

economic model. He wants to make puerile interjections, which are embarrassing for him. I will return to what I was saying before the puerile interjections from the member Katherine.

The Henry tax review expert panel provided the recommendations around the resources super profit tax. That recommendation was picked up, adopted and accepted by the federal government, and announced prior to the federal budget. Since then, there has been a great raging debate around that tax; there is no doubt about that.

The announcement on Sunday, 2 May, put the cat amongst the pigeons. If you are going to have a blue, it is a brave government which has a blue with the top end of town; with the mining companies who have very deep pockets, and who will not go quietly with how much of their profits are going to be taken through a tax. As I have said in this Chamber, no one wants a tax, no one is going to agree to a tax; there will be a great deal of argument, a great deal of heat, and many negotiations around the new tax and where that falls which nobody could have predicted, and that is currently what we are experiencing around our great nation.

All the major mining companies have very strong and ardent views about it. We have a variety of experts, and a variety of opinions were voiced in the *Four Corners* program. We were able to quote a former CEO of mining in the Chamber yesterday who was very clear this tax was not going to be a big impediment to industry. John Hewson is supportive of this as well.

Regardless of where you sit on the political spectrum views are held. Sir Rod Eddington, who heads Infrastructure Australia for the federal government, is in favour of the big major mining companies - no surprise there - a Rio Tinto Board member. Individuals are going to have a view on this as well, whether or not they are shareholders of a particular company. Australians who are not shareholders are probably going to be less focused on it, and many people will be confused by the debate that is going on.

The approach I have taken as Treasurer, quite appropriately, is to stick to the facts around the resource super profits tax and explain it to Territorians, and I have done this. I have travelled across the Territory and delivered my budget because the Henry tax review, and the government's response to it, was announced a few days prior to my budget.

That goes to the question reasonably and appropriately the Leader of the Opposition has asked regarding the extent of the royalties rebate which will be paid to mining companies - whether it is an 18% or 20% rebate coming from the

Territory's royalties regime. I can confirm I had already written to the federal Treasurer pointing out we made the decision regarding our royalties rate increase prior to the 2 May announcement, and indeed the Budget Papers were signed off prior to that announcement. We cut in before the others and the full 20% is in the rebate zone. That is a better outcome for the Territory than other jurisdictions which would have wanted increases to be taken into account.

I note whilst this debate is raging, no one opposite is mentioning the Western Australian intention to increase their tax take on mining companies. It is interesting that they do not want to go there but ...

**Mr ELFERINK:** A point of order, Madam Speaker! I do not mean to be cute, but are you able to table that response from Wayne Swan in relation to this?

**Ms LAWRIE:** There is no point of order ...

**Mr Elferink:** There is no point of order, I appreciate that.

**Ms LAWRIE:** ... and that was cute. We can have a discussion at estimates if you want to go to and fro, and I am sure it will be lengthy.

**Madam DEPUTY SPEAKER:** Thank you, member for Port Darwin. As the Treasurer said, there is no point of order. You have the call, Treasurer.

**Mr Elferink:** No, it is all right. I am not trying to be cute; I am honestly not.

**Ms LAWRIE:** Yes, that is okay, you are. We get it. We get it because if you can obfuscate, you will obfuscate.

**Mr Elferink:** I am honestly not. I just want to see this letter.

**Ms LAWRIE:** Budget Cabinet made a decision. We had our budget books signed off prior to 2 May, fortuitously as it turns out, and we meet the required time for a full rebate of the Territory scheme.

I pick up on the point made by the member for Blain, the Leader of the Opposition, the mining companies have an issue with paying a 40% profit based royalty tax - and that is what the argument is all about - and 40% is 40% whether or not 20% is rebated to another entity, such as the Northern Territory, they are paying 40% - that is right.

Let us put this in context; I know it is a context members opposite do not want to hear. 40% is currently being paid in an offshore profits regime.

That has been the case and we have seen significant growth in offshore production in Australia. We have Gorgon in Western Australia, the nation's largest oil and gas production. They made that decision based on a 40% profit regime. Equally, INPEX has recognised it is not attracting the 40% resource super profits tax because it is in the 40% offshore regime. It has done its modelling around the project, and is comfortable with being able to pay that. We have had an existing 40% profit regime sitting offshore.

The federal government has announced an onshore regime. It is correct to say we are a resource state. If you look at a two-gear economy, Western Australia, the Northern Territory and Queensland are the top gear because we are resource rich jurisdictions and attract wealth from that, as well as international attention. In the context of this debate and 2012, if indeed this scheme comes in as proposed, there will be a rebate to the mining companies of what they are paying in state and territory royalty regimes. Ours is profit-based; others around the nation are ad valorem.

The Northern Territory receives 26.5% of its GSP from the resources sector. If you want to look at the 2008-09 split, 45.7% of that resources contribution to the GSP came from offshore. So, 45% of our rich - 26% of our GSP is coming from a regime which already attracts a 40% profit-based tax. Yet here we are, Henny Penny; the sky is going to fall down around our heads if 40% is brought in to our great nation; it will stop everything as we know it; it is a threat, it is a threat.

What a load of utter nonsense! You do not understand the negotiations occurring. You are choosing not to understand significant transition arrangements need to be made, mine by mine for those legacy mines, particularly in the jurisdictions which will be most affected. It is an easier process in the Territory because our mines are already operating on a profit-based regime. The mines know who is going to be in and who is going to be out, because they are already either in the profit zone or they are not for the treatment and payment of royalties.

Look at the Territory context. If we have a dozen mines operating now, half of those - and I am using approximations because it is not for the public record who pays royalties and who does not. If you have a dozen mines operating in the Territory now, you will have about half paying royalties. That is the point of a profit-based regime; it is fair. The mining companies recognise it is the fairest approach to take and the Resources Council, locally and nationally, agree if you have a tax regime on mining ensure it is

profit-based rather than the ad valorem schemes which exist in other jurisdictions.

Very clearly, this government has been saying if there is to be a federal tax profit-based is the best approach to take. There will be argument, and the argument is raging fairly and squarely now around the detail in the uplift factor; whether it should be at 6% as proposed, or whether it should go up to 11% as is the uplift factor in the offshore royalties' regime. The reason it is at 6% is because the current scheme is proposing a payment for losses for mines in loss. That seems to be missing from the debate at the moment. The mining sector will sort through the pros and cons and, no doubt, lobby the federal government.

Obviously, putting protections into the losses side of the scenario would help investment with smaller mining companies. The larger mining companies are going to benefit if you take that off the table and go to a larger uplift factor. That will all be part of the negotiations, positioning and bargaining occurring between the major mining companies and the federal government, which we have no intention of buying into.

Setting aside the rhetoric, 26% of our economy will be affected by the taxes - a line the CLP is trying to run. That is clearly misleading because of the 26% about 50% are already paying a 40% royalties scheme on the offshore. Sometimes you have to look at the real, rubber-hitting-the-road aspects of these debates. This comes down to jobs, and the prosperity of jobs in the mining sector. We stand on our record. We have worked proactively, progressively, and constructively as a Labor government in the Territory with the mining sector. We have seen dramatic growth in mining exploration since Labor has been in government. We unlocked the freeze on mining exploration; we have signed off on exploration licences, and are seeing the fruits of that labour. We have been helping the industry bring forward Territory discovery-type initiatives which help with exploration. We are predicting, at this stage, there will be something like 17 operating mines by 2012 - quite an increase on the status at the moment. I predict of those 17, eight will probably be paying royalties come 2012, when the RSPT is proposed to take effect.

We know, and the reality is, no one likes to pay tax; however, the reality is the mining industry does pay tax. It pays tax currently across state and territory bases - across different levels. The modelling which occurred in the Henry tax review and led to the 40% rate was around the share of profits in a mineral tax, or royalties, going back 10 years, and what is the share of profits now as we are entering a commodities boom. I know the opposition did not want to hear this yesterday

because they kept interrupting; now we are in a debate I will step people through it.

In 1999-2000, the percentage share of tax to profits was 40%. Over time, profits have increased. If you like, the red bar shows the increase in profit occurring in the last decade - the white is based on commodity prices and volume production increases. It is now sitting around 14% of a share of profit of the royalty tax take on mining. In 1999, the industry did not see 40% as a barrier to entry into the industry; it did not stop them opening mines and getting into production. It was not a barrier to entry at all, and mines have grown and flourished through this period. However, you have had an erosion of the percentage of mining tax take as a percentage of share to profit. The Henry tax review expert panel did the economic modelling necessary for the readjustment to get it back to the 40% it was. That is where they have landed as an approach for the detail around the uplift factors. I have no doubt that will be part of the negotiations and positioning occurring across the mining sector with the federal government.

You also have to look at what the Henry tax review panel said, how the federal government responded, and how the federal government packaged what it would do with the \$12bn-odd this tax would realise. First of all they will rebate the state and territory royalties. I call that element of it a win/win - the mining companies are not getting the double whammy; they do not have to pay 40% to the feds and 20% to us, they will get a 20% rebate. However, we get to keep our own royalties and we use those for real infrastructure gains - roads obviously being a critical area of need in infrastructure. We will continue to invest the money we receive from royalties in the Territory into critical infrastructure, which is a real outcome for improving regional development. The mines are in the regions, so it is critically important to regional Northern Territory.

Apart from that, the federal government has said it will cut the company tax rate from 30% to 28% effective immediately for small businesses, and will provide tax write-off for small business assets up to \$5000. It has announced a superannuation increase for all Australians from 9%, staggered over a 10-year period, to 12%. That is a good thing for our nation - forced savings. You can have a philosophical view, however from an economic point of view it is a very good thing. Also, there is the all important exploration rebate, which is part of the package.

The CLP's policy in this debate has been if you do not want to pay a tax you should not have to. We had a curious interjection yesterday during Question Time from the would-be Treasurer, the shadow Treasurer, the member for Port Darwin,

saying: 'Did they ask them if they want to pay it?' As Treasurer, ask anyone if they want to pay tax; I will give you the tip, the answer is going to be no. No one wants to pay tax. However, there is a point to tax - it is about providing the services our great nation needs, whether it is infrastructure for schools, roads, hospitals, etcetera. The opposition has a bizarre position - oppose tax; any tax is not on.

Looking at the actions - and actions often speak louder than words - of the CLP, quite a different story emerges. The Chief Minister made the point in debate during Question Time yesterday that it was a bipartisan approach to introduce the royalties scheme - the profit-based scheme - in the Territory in 1982. There was enough maturity from the government of the day, the CLP, and the opposition of the day, the Labor Party, to recognise it would be to the benefit of Territorians to have a tax regime for mining royalties. They had the combined wisdom to realise a profit-based scheme was the right approach to take, and it is interesting to look back at that debate.

This is a fact the CLP likes to ignore. The CLP proposed a resource profit-based tax at 35%. The CLP, in 1982, said: We are going to introduce a mining royalties scheme which will be profit-based, and it is going to be 35%. The same CLP which today is saying: The sky is going to fall in; mining as we know it will stop if you have 40%. You thought, in 1982, 35% was a fair cop - industry would pay 35% no problem. You were not saying at the same time you were going to cut business taxes; you were not saying at the same time you would establish an infrastructure fund to build better roads; you were not saying at the same time you would introduce superannuation.

None of the benefits which exist within the proposed resource super profits tax scheme were contained in the CLP resources proposal in 1982 when they said 35% was fine. No write-offs in business taxes - thank you very much; we will take 35% in royalties from the mining companies in the Territory. It was okay in 1982 - guess what happened? The mining companies kicked back; there was argy-bargy and they slashed their rate. That is why we have an 18% rate. They wanted 35%, they were biffed about the head by the major mining companies, and they cut down to 18%.

It is good to read from *Hansard* of the time, and I will refer to the debate in the Territory parliament back in 1982. I have to refer to her by name, because I cannot recall the electorate; Mrs Padgham-Purich in debate on the mineral royalty bill said, and I quote:

*Mr Speaker, a decision has been made to introduce this bill to impose a profit-based*

*royalty on minerals recovered in the Northern Territory. Great opposition has been mounted against this. After a very slow start, it gained momentum as the months went by when a royalty of 35% was put forward. In considering this legislation, I take the philosophic view that the states tax the mining industry to varying degrees, some more and some less than we intend to do. It is only natural that the mining industry in the Northern Territory resents this imposition on its profits. No one welcomes having to pay a new tax or a further tax but we all continue to live with these unpleasant facts.*

*I hope the brains behind this bill have done their homework accurately and that it will not sound the death knell of the mining industry as some prophets of doom in the Chamber of Mines are foretelling.*

It is interesting that back in 1982 Mrs Padgham-Purich expressed those views in the debate on the introduction of a mining tax in the Territory. It is interesting there are still prophets of doom coming from the mining sector, coming from the CLP - the same CLP which tried to introduce a 35% royalties scheme in the Territory. It is interesting a member took the view states should tax the mining industry to varying degrees - pointed out no one welcomes a new tax; no one welcomes further taxes - these are unpleasant facts we all live with - how instructive. Mrs Padgham-Purich's hopes were realised, and it was not the death knell of the mining industry at all. In fact, we have seen many successful mines flourish in the Territory and expand.

We have seen the G3 expansion in your own electorate, Madam Deputy Speaker; we have seen the GEMCO expansion; we have seen the decision for mines to go ahead in the Territory in the context of this federal debate about a tax, but the mines are saying - Croc Gold - tick, they are going to proceed. Minemakers announced it intends to proceed to the next step in developing a phosphate mine in the Territory.

**Mr Westra van Holthe** interjecting.

**Ms LAWRIE:** I pick up on the mumblings from the member for Katherine: 'If they can get finance'. The minister for Resources has had an incredibly successful China engagement strategy on behalf of our government; so successful the investor forums held in China on his most recent visit had over 200 people attend, and we have made a national coup in bringing the Vice President of China to the Territory in the near future to do what? I can give you a tip. He is not here to hunt crocodiles.

The Vice President of China is coming here because the Chinese know there are real investment opportunities in resources. As Treasurer, I get to sign off on whether we put a submission in for Chinese investment increasing in mining exploration firms in the Territory. Chinese investment is alive and thriving in the Territory. In the same way as everyone else, they want to move on from the uncertainty of the current debate. Where is that uncertainty? It is where the detail of this resource super profits tax will land. What will be the uplift factor? Will there be the 40% on loss, which is still in the package, and transition arrangements for each of the mines, and so forth.

To capture this debate in a nutshell, we are not being apologists for anyone - we are being sensible. If there is going to be a tax regime it should be profits-based. If there is going to be a federal regime, it is good they are rebating all state and territory royalties. That has to happen. We are delighted there is an infrastructure component into the expenditure from the revenue out of such a regime - that is critical to the Territory. We are delighted it is going to be a volume and production based split of that infrastructure fund. Again, that advantages the Territory because we are about 10% of the nation's production, so we get about 10% of that money in the first year - 2012. That is expected to be \$700m total so we will get \$70m to put into our roads. Anyone who has driven on the Territory roads system knows how welcome \$70m is going to be for regional roads.

They are all useful things. We are pleased there is a business cut in there - both the company tax and the asset write-off for small businesses. You can have a charged political scare debate. The CLP, in 1982, thought 35% was fair without any business tax cuts whatsoever and without any investment going back into infrastructure to support mines and our regions. In 1982 it was okay for the CLP to take 35% of the mines, but no, today, it is 40%, and they think Henny Penny and the sky will fall in. It is hypocrisy coming from the CLP. There was a maturity in this Chamber in 1982 for a bipartisan approach to royalties. That maturity seems to have escaped with the current bunch sitting on the opposition benches. It is a shame, however it does not surprise the government they are unable to approach this in a mature manner.

In talking to the Resources Council, I am confident the good relationship the Territory government has with it will continue. They understand our position. They are not being alarmist. They see where opportunities exist with resources flourishing in the Territory. They are particularly appreciative of our China and Japan engagement strategies.

Madam Deputy Speaker, this motion is politics at play in the Chamber today, and the government will not be supporting it.

**Mr WESTRA van HOLTHE (Katherine):** Madam Deputy Speaker, I support this motion because the Country Liberals do not support the imposition of the proposed 40% super profits tax on miners in the Territory and across Australia.

Given what I have come to expect from this government and its ministers, I am not surprised - disappointed, but not surprised - by the comments made by the Treasurer in her contribution to this debate. Clearly, the Chief Minister, the Treasurer and the Labor government are all too willing to put politics ahead of Territory miners and jobs for Territorians. Clearly, the Treasurer's contribution tonight was nothing more than regurgitating political rhetoric of the Australian Labor Party. Clearly, the Chief Minister is more focused on not upsetting his mate, Kevin Rudd, and trying to protect the job of Damian Hale than he is on long-term growth for the mining sector and the economy of the Northern Territory. The other thing which does surprise me a little is the arrogance and ignorance of the Chief Minister, the Treasurer and the minister for Resources around the implications of what the Prime Minister and the federal Treasurer are proposing.

This proposed great big new tax on mining was announced some weeks ago. There are a number of simultaneous arguments and concerns running around this new tax. It is not just a case of the Prime Minister wants it and the miners oppose it; it is far more complex than that. Anyone suggesting this is a case of tit-for-tat or a he-said-she-said type of argument is a fool.

The first matter to canvass is the uncertainty around this new tax. Let us look at how it was announced and what precipitated it. The proposal has been floating around for a while, and was rumoured to be a fairly big part of the Henry tax review prior to that report being released. When the report was released, a super profits tax was one of the 138 recommendations contained in it. Of those 138 recommendations, the federal government chose to adopt five. It rejected 29 out of hand, and is sitting on the remaining 114. Interestingly, given the level of expertise of the Henry tax review panel and, indeed, Mr Henry himself, I am sure these recommendations were not made one by one in isolation. They would have been part of a much larger package.

Unfortunately for everyone in the country, when this new tax was announced no one - not the Prime Minister; the federal Treasurer; Anna Bligh, Premier of Queensland; Andrew Forrest, nor certainly the Chief Minister - no one, not a single person - knew the details of this tax and

how it would look. We still do not. There would be another argument around that and the way Kevin Rudd conducts his business - that is for another day.

Not surprisingly, the lack of detail creates an enormous amount of uncertainty, and no one likes uncertainty. I do not; I like to know I am getting a pay cheque every fortnight. Mums and dads like to know they will have a job tomorrow and, similarly, mining companies and their shareholders also like to know the value of their company will continue to grow and, along with that, their shares will continue to grow in value.

What was the first effect when this new tax was announced? A plunge in the stock market based around the mining sector. Fear caused by uncertainty took hold and the markets plunged. Given mining in the Territory contributes 26.5% of our gross state product I was absolutely underwhelmed by the response, even in those early stages, of the Chief Minister and the Resources minister. In fact, the only coherent comment I have heard from this government is we have to keep a cool head. That is in direct contrast to other mineral rich states. I quote from ABC *Online* on 10 May 2010, from Anna Bligh who said:

*You cannot expect international companies to make those investment decisions unless they have got absolute certainty about the costs of doing business.*

Yet, the only piece of literary dalliance from this government was to keep a cool head. That is the first part of the cop-out by this government, however there are other comments by the Labor MPs, and even Labor candidates across Australia, and if this government and the federal government will not take heed of opposition concerns about the tax, they might listen to what others within their own ranks have to say about it.

Kevin Rudd had said warnings were predictable, however Resources Minister, Martin Ferguson refused to rule out the tax jeopardising future projects. I quote Mr Ferguson:

*No one can give that undertaking because each budget is finely balanced.*

This is a pearler - I quote from the *AM* program of 11 May, from Kevin Foley, the Treasurer of South Australia:

*It is the architecture, the design, the implementation that needs to be fixed, rearranged, readjusted.*

That is tantamount to the South Australian Treasurer saying screw this rubbish up, throw it in

the bin where it belongs, and come back with something else.

Tom Kenyon, Labor MP in South Australia in the *Adelaide Advertiser* of 14 May this year:

*If an investor ... is faced with the prospect of having money in the bank at six percent or risking all of that money in the construction of a mine for a six percent return before hitting super profits ... they are not going to do it.*

The only thing the Chief Minister wants us to do is keep a cool head. He is not out there defending our miners; not out there asking for changes, for reviews, or a scrapping of the tax - he is asking for a cool head. What a gutless cop-out, and rhetoric, Chief Minister! Brilliant - just brilliant!

Let us move to the tax itself. Simply put, a 40% slug on mining companies is excessive and unwarranted. This tax will make Australia uncompetitive in the global resources sector, and let us see how that works in the context of the Petroleum Resource Rent Tax, and the resource super profits tax. Yesterday in this House, and again today, in debate a few moments ago, the Treasurer tried her very best to hoodwink the public into believing the Petroleum Resource Tax and the proposed mining super profits tax were the same. She said several times offshore is already paying 40%. They might be paying 40%, Treasurer, however that is where the similarity ends. I am a little surprised - I cannot figure out whether the Treasurer is simply ignorant of the facts around the petroleum rent resource tax, or is simply attempting to mislead Territorians. You can never trust the government; they are masters of spin. You always have to do your research, and again the government has been caught playing with the truth.

First, let me quote the Premier of Western Australia, from the much touted *Four Corners* program earlier this week. Talking about petroleum tax:

*The Petroleum Resource Rent Tax has been in place since 1987. It is 40%. But the international taxation levels for petroleum are about 40%, that is in line. The international level of taxation of mineral mining is nowhere near 40%, that is why it suffers.*

I have compared these two taxes, and I am now going to read into *Hansard* a very clear and concise explanation of the differences from Blake Dawson, an Australian law firm, from 2009:

*At first glance, the RSPT appears to resemble the PRRT, which currently applies to most offshore petroleum projects. Both impose tax on profits from the project, that is, a tax that only begins to apply after the project begins to generate a return.*

*The name of the new tax, a super profits tax, suggests that the tax will only apply on profits made above normal or expected returns much in the same way that the PRRT currently applies.*

*On closer inspection the differences between the RSPT and the PRRT are quite stark and, importantly, it is questionable whether the RSPT is a super profits tax. One significant difference is the uplift rate used to accumulate past expenditure that is carried forward to offset future income. Under the PRRT the uplift rate is generally based on the 10-year government bond rate plus a premium of either 5% of the project expenditure, or 15% for exploration expenditure. This provides a proxy for the project required rate of return - a risk-free rate, plus a premium to compensate for project risk. In this way, the PRRT regime ensures that the tax is levied only on a project's profits above normal returns, ie super profits.*

*In contrast, the RSPT uses the 10-year government bond rate as the uplift rate for accumulation of past expenditure. The government justifies this approach by pointing out that it shares the project's risk as it will provide a rebate for 40% of any past expenditure should the project fail.*

*The government's logic is questionable, particularly in respect of the transitional arrangements for existing projects. The absence of any risk premium means that the tax is imposed on project profits above the risk-free rate of return. As such, the RSPT resembles more of a tax on the project's profits rather than on its super tax.*

Treasurer, this explanation shows you have been caught out spinning the truth once again.

The proposed RSPT will make Australia's mining tax regime uncompetitive in the global economy. Yesterday the Treasurer made the startling admission she considered the competitiveness of the Territory's mining tax regime best measured against other Australian states and territories. This is an astonishing admission, however unsurprising, from a Treasurer who is recorded as wanting to introduce income taxes on Territorians. The mining industry is a global industry. Territory resources,

investment and jobs are competing against not only other Australian jurisdictions, but Canada, Russia, China, Africa and the Americas. Labor's mining tax will make Australia the highest taxed mining industry in the world.

Let us look at the comparison. Here is a graph I am happy to show everyone on this side of the House: Canada 23%; Chile 25%; Russia and China 30% each; Peru 32%; South Africa 33%; Brazil 38%; America 14%, and Australia is coming at a whopping 58%. These jurisdictions are now rubbing their hands and counting the investments which will flow, and they are telling us so. Canada's finance minister, Jim Flaherty, said:

*If it is what it appears to be, a significant tax increase, that is another competitive advantage for Canada. We are reducing our corporate rates.*

Executive Director of the Papua New Guinea Chamber of Mines and Petroleum, Greg Anderson, said in *The Australian* on 18 May 2010:

*I am delighted the Australian government is driving companies offshore, because we are going to pick some of them up. It loads the dice in our favour.*

In Question Time yesterday, the Resources minister showed his ignorance when answering a question about this new mining tax. He started talking about the 58%, which we now know is correct because 40% of the Territory's royalties would be rebated back to the federal government. Minister, a quick lesson for you - notwithstanding any rebates, if this new tax goes through it will be 40%, irrespective of what is rebated to the Territory, and when you add company and other tax payable by mining companies, the total comes to 58%. We know this 58% model is right because the federal Treasurer, Wayne Swan, said so. I go back to the *Four Corners* program on 7 June 2010, where Treasurer Wayne Swan said:

*This tax is designed to be a profits-based tax, and the more profitable the company is, then the more tax it will pay.*

He also said:

*... there would be some super profitable companies that could reach that level.*

We know it is 58% for some companies, and it beggars belief this Northern Territory government would support a tax regime which would introduce a 58% tax to miners in the Northern Territory.

I am going to change tack a little here. I am no expert on the whys and wherefores of the socialist left, however I would like to explain one of the

fundamental differences between the conservative liberal and the socialist left doctrines. In all the debate around there being little difference between the major parties these days regarding economic policy, this super tax is a cracker. This would have to rate as one of the defining differences between the left and the right, and it all comes down to the distribution of wealth.

That this super tax is a re-distribution of wealth through taxation is a fairly simple concept. Bearing in mind the need and requirement for governments to raise revenue through taxes, a conservative liberal approach lends itself to business; in this case big business, getting out there in the fields, doing what they do best - mining and running a profitable company for their shareholders.

The distribution of wealth comes in many forms - dividends for shareholders and capital growth of the company, jobs, contracts for small businesses, spending on infrastructure and community programs. There is a raft of ways wealth is distributed within the country, and it makes perfect sense to operate this way. Companies take risk and are sometimes - not always - rewarded through profitable returns. The socialist view of wealth distribution is to tax the life out of big business and inject that money into social programs such as unemployment benefits and sometimes infrastructure. However, I say that cautiously and not necessarily in the context of the circumstances we find ourselves in today.

In the case of this super tax on miners, the Prime Minister has said the tax will be used to reduce company tax thereby allowing companies to have the additional revenue required to increase the compulsory superannuation payments to 12%. The Prime Minister's argument is flawed and uninformed. A reduction in company tax is only good if there are companies who will pay company tax.

Two points: first, many small businesses are not companies; they are partnerships and sole traders. Those partnerships and sole traders employ people but do not fall under the company tax regime. They will still be hit with the additional cost of 12% superannuation, yet will receive no benefit from the reduction of company tax rate. Second, we are all already seeing signs of contraction in the mining sector. Planned projects are being shelved; jobs are at risk. Many of the people working at mine sites are contractors; some are even companies which might benefit from the reduction in the company tax rate.

If a mine scales back its operations, closes, or does not open the doors, where will the small contractors and their employees be? We saw it at McArthur River. The mine scaled back its

operations, and the first to get it in the neck were the contractors. Small business with employees, and all of a sudden there were more unemployed people in the Borroloola region. I can confirm that because I was there when it was going on.

If the Prime Minister's tax closes mines and contractors and ultimately employees are out of work, the mining super tax will have to be channelled into the ages-old social program called unemployment benefits to take up the unemployed as a result of job losses in the mining sector.

Fundamentally, people will agree with one or other of those doctrines.

**Mr BOHLIN:** Madam Speaker, I move that the member be given an extension of time, pursuant to Standing Order 77.

Motion agreed to.

**Mr WESTRA van HOLTHE:** Thank you, Madam Speaker, and thank you to my parliamentary colleagues.

Fundamentally, people will agree with one or other of those doctrines. If you agree with the conservative liberal approach you set a reasonable taxation regime on the mining company, and 58% is not reasonable. Allow the company to do what it does best and allow the distribution of wealth as described above.

If you agree with the socialist view, you only need to decide on a few things. The first is whether you would like to see such a significant slice of taxation taken from the mining companies. The second is whether you can trust the federal government to spend the money on those social programs I described above. We know the taxes raised from this new tax on miners will be put to retire the massive deficit the Rudd Labor government has visited upon Australians in the two very short years it have been in power.

Labor, at both the federal and Territory level, too readily dismiss the concerns of the mining industry as a scare campaign. It is easy rhetoric. However, the government's reckless approach will be paid for by the workers who lose their jobs and the investment which is redirected to more competitive environments. These concerns are real; they are genuine, and they are warranted.

I urge members opposite to support this motion. The tax is excessive. The tax will, and has, caused a contraction in the mining sector. The tax will render not only the Northern Territory - the whole of Australia - uncompetitive in the global resources sector. This tax will cost Territorians their jobs. The final nail in the coffin

for this tax comes in the form of the liability visited upon taxpayers in the case of a mining environmental disaster. I quote from an article in *The Australian* today. The article reads:

*Taxpayers would be forced to contribute 40% of the cost of a BP-style environmental disaster under the Rudd government's plan to refund project losses as part of its proposed resource super profits tax.*

*During a teleconference briefing on the RSPT with about 40 institutional investors in Melbourne and Sydney last Friday, senior Treasury officials confirmed the government would guarantee 40% of a company's losses sustained through a major environmental incident.*

The government is going to underwrite that type of loss through an environmental disaster:

*The Australian has spoken to several conference participants who confirmed the officials' comments in response to a question that cited the BP oil spill in the Gulf of Mexico*

*It is understood many of the investors were shocked to learn of the potential extent of the government's liability for environmental clean-ups.*

*'If you get a massive liability problem like BP in the US, which by some estimates will cost up to \$10bn, that means the government will put its hand in its pocket for \$4bn', one of the investors said.*

I have not couched every aspect of this super tax on miners, such as the capacity of small and large companies to acquire venture capital. That will be a big issue for companies because venture capitalists have already said they would be reluctant to lend money to grow mining operations, given the change in the rate of return, should this tax come in. I have not touched on how this tax will affect the sand, gravel, lime, and cement industries, not only in the Northern Territory, across Australia, and how increases in their taxation regime will cost Territorians more to build a house. These are the sort of implications yet to be explained by the federal government to the public.

The implications of this tax are broad and they will be far-reaching. Despite assertions by the Treasurer this is a scare campaign. We are all about doom and gloom. That is simply not the case. Almost every credible commentator on this - anyone who has any nous in respect of the mining sector, any business acumen - condemns

this tax as inappropriate to Australia, given its situation in the global resources sector.

I would like to leave the last few words on this to a few senior executives in mining companies. Jan du Plessis, the Chairman of Rio Tinto, said:

*We are concerned that the proposed resources super tax will erode Australia's competitiveness, severely curtail investment and limit job growth.*

Andrew Forrest, the Chief Executive of Fortescue Metals Group, said:

*As this industry moves offshore, it will hurt the blue collar workers more than the white collar workers.*

He further goes on to say in another quote:

*You will see a wholesale change in the resources sector ownership from the mums and dads of Australia to Chinese foreign governments, or other foreign governments, because they are the only ones with the money now.*

Madam Speaker, I urge all members of this House to support this motion. This parliament, certainly the Chief Minister, the Treasurer, and the minister for Resources, need to stand up for Territory miners. They need to have the guts, the intestinal fortitude, and the courage of their convictions not to back the Prime Minister's proposed tax just because of politics. They need to support this motion and get in behind Territory miners. This will affect jobs in the Northern Territory. It is a bad tax, and Australia does not need it in the context of global competitiveness.

**Ms PURICK (Goyder):** Madam Speaker, here we go again. Another backdoor attempt by the federal government to put an even bigger tap into the resource sector's veins at the expense of the territories, states and companies which have historically played such a valuable role in ensuring the ongoing strength of the Australian economy. If it is not enough for the federal government to suck from our richest revenue veins, now it wants to drain another, which constitutionally belongs to the territories and the states.

The often-used statement by Prime Minister Rudd and Mr Henry that the minerals are owned by all Australians is patently incorrect at best and, at worst, misleading and mischievous, and merely an attempt to deceive Australians. Minerals are territory and state-owned, and are administered by the territories and states regarding tenement, grant and access, environmental regulation and oversight, mining approvals, and safety

requirements, as well as paying royalty payments to government and other groups.

Members opposite might like to revisit the *Australian Constitutions Act* of 1850, an act which reserved all waste lands to the Crown. We live daily with the fallacy of *terra nullius*. We have moved beyond 1850. We recognise there were no waste lands; there were, and continue to be, Indigenous land rights and ownership; there is the bundle of rights which make up native title. We know the Crown, which has now introduced ownership claims of all minerals in the land, cannot own that which was owned by those who were granted titles to the land before enactment of relevant state legislation which excluded mineral ownership. The federal government may claim ownership, but it is the states and territories that enacted the control.

This new tax proposal is, for all intents and purposes, a resource rent tax, with one small hurdle for the federal government. They do not have any onshore resources to rent, and hence this convoluted and complex resource super profits tax to exploit a path through the constitutional hurdles.

In talking on this important issue facing the Territory I have gathered an enormous amount of information from minerals industry people, exploration and mining companies, finance people working with the companies, specifically the bankers and financiers, the underwriters of risk, including a well recognised qualified geologist and geochemist of 35 years standing in the industry, from Perth, Mr Doug Bright. Moreover, I have sourced information from the writings of very informed people such as the former Premier and Treasurer of Western Australia, Richard Court, who has written articles and letters on this proposed tax, and overwhelmingly, all say the proposed tax needs rescinding, not negotiation. It is flawed and broken from the start.

From the very first time this tax was proposed, it was blatantly clear the federal Labor government, and this Labor government, had and has no clear understanding of how the mineral industry operates. Throughout most of the debate Labor has resorted to inaccurate and, at times, vicious rhetoric against a sector that underpins the Australian economy. Their desperation is highlighted and reflected in their melodramatic declaration of a national emergency to justify reversing their stance against government advertising, and their unforgivable waste of \$38m in taxpayer-funded advertising to bolster their case.

From the outset, Labor has tried to paint the miners and the mining industry as some kind of rich thief; an alien force that has descended upon

the land and stolen the millions of dollars belonging to the local inhabitants. It is curious that the federal Labor government is virtually accusing the resource industry of theft on one hand and, on the other hand, wants it to provide the life boat to rescue the government from a financial maelstrom of its own creation, and also to fund its unrealistic and poorly considered budget promises.

While the federal Labor government is currently trying to portray the industry in a dim light, it was not too long ago it was singing its praises. Let me provide some quotations from none other than Mr Kevin Rudd, *Sydney Morning Herald*, 25 July 2009:

*From 2004-05 the mining boom delivered \$334bn in extra Commonwealth revenue.*

10 May, 2007 budget and reply speech, Parliament House Canberra, Kevin Rudd:

*The mining boom, driven entirely by factors beyond Australia's control, has pumped hundreds of billions of dollars into our national economy.*

Prime Minister, Kevin Rudd, *Sydney Morning Herald*, 14 September 2009:

*The mining boom filled government coffers, generated back to back budget surpluses, and presented an historic opportunity to invest the proceeds of the boom in Australia's future to set us up for the next decade and beyond.*

*Herald Sun*, 1 March 2008.

*I believe the (Howard government's) record is poor and masked by the avalanche of foreign cash rolling into this economy off the back of the resources boom.*

Further on:

*Mr Rudd quotes leading economist, Saul Eslake, who estimates his predecessors enjoyed a windfall of \$400bn from the mining boom, but failed to invest any of it in areas that would help productivity.*

The federal Labor government has conveniently overlooked some of the hard, yet salient facts, about the industry and they are: it employs thousands of people locally; pays enormous territory and state taxes such as payroll tax, stamp duty, rent, fees, rates to shires and councils; procures billions of dollars worth of goods and services, and all the indirect benefits that flow to almost each and every Australian whether they realise it or not. Those who claim

otherwise must have either been asleep like Rip Van Winkle, or had their heads buried in the sand. The Labor government does not understand issues relating to risk capital; it has no clear understanding of sovereign risk or lead times to develop a project. The item of sovereign risk is probably the most important oversight of Mr Henry and Prime Minister Rudd.

Let us look at sovereign risk. It can have many aspects to its definition; however, I will give one which I think highlights clearly why this proposed tax will impact on the sovereign risk of this country. Sovereign risk is, and I quote:

*Risk to a participant in a project that an action or actions by a government action will cause losses to an investor in that government's country which could not have been foreseen when the project was committed to and which has no adequate legal remedy or recourse available.*

Until now, Australia has ranked very well in this area and it is perceived as one of the best places to invest. In other words, its sovereign risk is zero as shown in various international reports and surveys such as the World Investment Risk Survey 2005 onwards, and studies by the Fraser Institute. In fact, in 2005, according to the World Investment Risk Survey, Australia was ranked equal first with America, way ahead of all other countries in the world which are minerals competitive.

I am not the only one saying that the Labor government's proposed tax has overnight changed Australia's position as one of the most desirable places to invest. There are a number of professionally acclaimed experts. I quote two leading financial analysts, first Robert Gottlieb in the *Business Spectator* of 12 May 2010 headed, 'Finance is drying up':

*The enormous investment Swan predicts for mining in coming years depends on overseas and local banks funding at least half of every major project, and that backing depends on detailed cash flow estimates. However, in the last week bankers have told scores of miners not to bother asking for funds until they know the cash implications of Swan's resource super profit tax.*

Then there was Alan Kohler from *Alan's Weekend Briefing*, 8 May 2010:

*The resource rent tax was first dribbled out in leaks in January and mining company executives began wearing grooves between Perth, Melbourne, Sydney and Canberra from that time on pleading for*

*sense. Deaf ears are what their pleas fell upon, however Wayne Swan and Kevin Rudd took Treasury economists word for it that resource rent taxes are widely accepted and no big deal and blazed ahead. The result is a major cock-up with lots of damage to Australia. Swan and Rudd have managed to look like blithering idiots to the rest of the world.*

Back to risk capital - the NT Labor government, and its federal counterpart, appear ignorant of the marginality of mineral resources and the significant distinction between resources and reserves. Whilst 'resource' refers to an inground mineral tonnage and grade, the terms 'reserve' and 'ore' have economic connotations and are only applied after exhaustive feasibility studies into the cost of, and returns, for mineral recovery. There is a direct relationship between the cost of recovery and the effect that has on reserves and that relationship is not necessarily linear, nor usually so. Wherever there is increase in recovery cost, however small, the tonnage or grade, or both, of a reserve is reduced until a point is reached where, if recovery becomes too expensive, the biggest resource in the world may still have no ore to mine. It is simple. Production costs exceed revenue - no ore; no mine; no employment; no royalties, and no trickle down benefits. It is as simple as that - no benefits for anyone.

I turn my comments to other pertinent issues surrounding this proposed mining tax which relate to the exploration sector of the resource industry. New mines do not come about by chance. They do not pop out of the ground; they do not fall off trees. The nature of the exploration industry is high risk, high return activity and, on the other side, high risk, high failure activity. The federal Labor government fails to understand exploration, as does the NT Labor government. They do not understand the risk, they do not understand the probabilities of success, and they do not understand the need for capital and support of the financial sector.

Exploration is an economic activity involving risk and uncertainty, so risk also must be defined in an economic context. Any items which impact on the economic context will directly impact on the probability of an explorative mining project being developed. Exploration is an ongoing activity required for continued discovery and extraction of resources. No exploration equals no mining. With current ore bodies depleting quickly across the country this proposed new tax could have a severe detrimental impact on the whole country and economies therein.

So far in this debate I have seen little reference to exploration requirements, particularly

finance, which has dried up very quickly around the globe. Only last week I had a meeting with a serious and major Northern Territory explorer who told me their London financiers are now saying: 'Forget it, your country is now too risky to invest in'. That does not auger well for the Territory with at least five projects in the pipeline, two being Phosphate Australia's Highlands Project, and Minemakers' Wonarah Project. These two in particular could be hit hard as phosphate industries are already fighting against stiff international competition. A higher cost structure, courtesy of the federal government's new proposed tax, is really the last thing they, or the projects, need.

Other Territory projects include Arafura Resources' Nolans Bore project, and Western Resources' Roper Bar project. Where is the government's support for these projects? Where is the government's acknowledgement these projects will be affected, if not delayed indefinitely?

Talking to a Territory junior explorer with a potential project, they say if they have to pay royalties and tax upwards of 58% it will not be worth small companies going into mining. If there is no reason to go into mining, why explore? If a company finds something worth mining, who will finance the project? Certainly not the banks, as the internal rate of return and the nett present value figures after the government has taken out tax and royalties will look terrible. Similarly, shareholders will be wary of risking their money to pay most of the profits to the government. Even now, before the super tax, it is almost impossible for small to medium mining companies to raise cash from banks or investors. How hard will it be in 2012? I suspect the tax will be particularly damaging to the NT as most of the new projects onshore seem to have been developed by small companies.

It should be noted that the three major mines currently operating in the Territory being Alcan, GEMCO and McArthur River were products of the 1960's exploration boom. This boom was quite broadly based, however, the key parts were sharp increases in the mining of coal and iron ore, and the development of oil and bauxite discoveries. The background to this boom was both the global and domestic economies were becoming increasingly stretched with rising commodity prices and rising inflation. Particularly important for Australia and the Territory during this period was economic development in Japan. As well as adding to the global demand for resources, this had particular significance for Australia because Japan's proximity lowered transport costs and made certain mineral discoveries economically viable. By the mid-1970s, both the Australian economy and the global economy were

experiencing severe difficulties, primarily flowing from the adverse consequences of very high inflation. The boom ended, mining investment fell to low levels, and commodity prices stagnated.

I have one other item I wish to highlight. No one is talking about the extractive industries and the impact of this tax on that sector. This proposed new mining tax will impact on the extractive industries; that is, those companies which extract gravel, stone, sand, crushed rock, gypsum and clay - to name a few commodities. While some of these products are sold directly onto the open market, much of the product owned by companies is used to feed their own operations to manufacture items such as steel. Application of the proposed new tax to iron ore, dolomite and limestone resources will increase the cost of the raw material and, therefore, steel making or any other industrial manufacturing operation. While this may not be such a big item for the Northern Territory, there is potential to impact on limestone extraction at Mataranka, for example, and I do not think this Labor government has thought about that.

This new tax is proposed to be retrospective, which is outrageous. The rules have changed after investment decisions have been made. Any tax proposed by the government should only apply to new investments, not retrospectively to existing investments. The new tax, as proposed, is a retrospective tax which unfairly takes away from shareholders the level of return which formed the basis for investment decisions made in the past. Again, such a substantial change to the tax rule, retrospectively, is unfair to shareholders and seriously damages Australia's attractiveness as an investment destination.

This Territory Labor government has failed Territorians across all fronts and in every possible way. This example of cowardly behaviour in not standing up to 'Ken Doll' Kevin Rudd shows how weak the government is. It should be ashamed of itself and forgo the right to govern the Territory. I support the motion, Madam Speaker.

**Mr WOOD (Nelson):** Madam Speaker, I could be classed as one of those who belong to the 23% uncommitted. Then again, maybe I am part of the 17% who are somewhat in favour, or maybe I am part of the 16% who are somewhat against the proposed super profits tax. I take that from the breakdown by Newspoll, which did a poll on behalf of the mining industry. If you put that together, I could say I am talking on behalf of about 56% of Australians who find this tax bewildering. It is very difficult for the average person to understand what the proposed 40% super tax is all about. We may support the idea that good companies mining the country's natural resources should pay tax, and to pay tax on profit as is done in the Territory. It

seems a good way to do things; it means companies are not taxed as they are developing, or are in lean times. This could put me in the 'somewhat in favour' group.

On the other hand, mining is a diverse industry which not only varies in the product mined, how it is mined, the environmental conditions affecting the mine, the price received for the product, and the distance required to get the product from the mine to the market. All these things involve large expense and risk. Part of that expense is tax. Obviously, if you add another tax you add more expense. If there are too many expenses, the viability or development of a mine is at risk. This could put me in the 'somewhat not in favour' group.

In short, I am unsure of this tax because I hear so many different points of view. If you are in Mr Rudd's camp and want to show solidarity with him, knowing there is an election soon, you may, even though you have little idea on how this tax works, support it. On the other hand, if you are a member of the Tony Abbott fan club, you might oppose a super tax, regardless of whether you know anything about it - simply because of party solidarity. However, even if you belong to a party you have confusion.

For instance, John Hewson was quoted in *Sky News*:

*But the government found an unlikely ally in former Liberal leader, John Hewson, who defended the intention of the tax and said what was required was not 'posturing' but a sensible discussion about detail.*

*You've got to listen to the mining companies because they do have a valid point of view. But equally, they're going to squeal and say that, you know, no tax is the only outcome, which is not sensible from the point of view of the national interest, which is what Wayne Swan was saying, Dr Hewson told Sky News.*

You also had Anna Bligh from the Labor Party, saying the tax is bad for Queensland.

If one is to make an assessment of what all this means based on knowledge rather than whether you belong to one side or the other, it is not very clear or easy. Here is an example of what I mean - this is an article written by Glenda Kwek in the *Sydney Morning Herald* on 11 May 2010. It was headed 'The Resources Super Profits Tax -what is it?' and I will read this article.

*The Resources Super Profits Tax is a 40% tax on mining profits, which is in addition to*

the usual company income tax. It is planned to start on July 1, 2012.

How does it work?

Mining companies are allowed to subtract a tax-free allowance of 6% from their existing earnings - called the RSPT allowance. In the first five years of the scheme, they can also subtract an accelerated rate of depreciation. The remaining amount is taxed at 40% - the 'super tax'. The remaining amount is taxed again, at 28%.

For example: Revenue = \$100 and Expenses = \$50; your profit = \$50. You can then subtract depreciation, with the allowance - set at 6%.

So if RSPT allowance = \$3, you are left with \$50 - \$3 = \$47. The \$47 is taxed at 40% (the super tax). So  $\$47 \times 0.4 = \$18.80$  and you are left with \$28.20. The \$28.20 is taxed again at 28% (the company tax). So  $\$28.20 \times 0.28 = \$7.90$  and you are left with \$20.30. That adds up to about a total tax of about 57%.

How does it differ from the old tax regime?

- the royalties that resource companies have to pay to states now will be refunded by the federal government. Miners could argue that the royalties introduced uncertainty into the market as they were subject to change without notice.
- company tax will be lowered from 30% to 28%.
- resource companies can claim accelerated depreciation before the super tax kicks in, on prior investments in the first five years.

All new investment will be subject to the normal depreciation. The 6% rate is applied here.

So do other industries have a similar tax regime? Yes. The petroleum industry is one example. It has been operating under such a regime since the 1990s. The difference is that it has a higher allowance - 11%.

So why are there points of contention with the RSPT?

- it's not a super profits tax.

Miners argue that the government is not just taxing more when it's boom time, but taxing more all the time.

'At the moment, it doesn't appear that there is this premium that comes in and out depending on whether these companies are making super or normal profits', UBS Chief Economist Scott Haslem says. 'That's the issue. It just appears like we have a higher marginal tax rate on every dollar forever'.

- 6% allowance is too low.

Back to our earlier use of numbers. What's at issue is the \$3 (6% of \$50). This 6% is too low, miners say. It's how much return you get on an ultra-safe investment. But their investments cost a lot and are highly risky. They say they should have a higher allowance (which means a lower amount of money is taxed after the allowance is subtracted).

Petroleum companies, as mentioned above, have an allowance of 11%. The resources companies are not arguing for such a high rate - but they do want something between 6% and 11%. (Note: The 6% is calculated from the government's long-term bond rate.)

- \$9 billion tax take a year

The resource companies dispute the government's figures that it will get \$9 billion a year in super tax on miners. \$9 billion 'is not a steady state long-term growth estimate', Haslem says. It's a lower tax take calculated when accelerated depreciation is taken into account. That means that if today's profits are replicated in five years after the regime kicks in, mining companies would be paying even more tax.

Madam Speaker, for those who are not *au fait* with mining, company and payroll tax, it is not surprising so many are uncommitted to, or not supporting either side strongly. That is why I say to the federal government this parliament does not support any tax, super or otherwise, which threatens the viability of existing mines and the development of new mines in the Northern Territory. I wonder what would happen if we had the carbon tax.

The bottom line is that if the federal government introduces the tax and does all the things we spoke about, I imagine it would suffer at the ballot box because the mining industry is the Territory's biggest industry and many people rely,

directly or indirectly, on that industry for employment.

The federal government has not explained this super tax to the 56% of people who are either uncommitted, or only mildly for or against it. It has not shown it will not affect Territory mining. If you use the concept of the precautionary principle, I believe the federal government should not go ahead with this tax until it can show the 50% to 60% Territory mining is not at risk. I have not been shown that it will not affect mining in my area, which is mainly extractive - the gravel and sand industry, which is very important for the development of Darwin for construction purposes as in buildings, or construction purposes as in roads and other types of development.

Looking at the motion the Leader of the Opposition put forward, it is, I believe, a non-threatening motion in the sense (a) and (b) state the facts - I do not think anyone can disagree with that - and (c) and (d) are basically using the precautionary principle; we do not want a tax regime which could threaten the viability of existing mines and the development of new mines; and (d) is not saying completely abandon the idea of a proposed super profits tax, because it already exists to some extent, in the petroleum industry; it says halt it, look at what is being put in place and the effect of the tax.

I am concerned that it does not take into account that not all mines are the same. For instance, the phosphate mine on the Barkly Highway is going to require 300 km of rail and that is a pretty big cost; whether the mine is an open-cut mine; and whether it is easy to take material from the surface. For instance, the rare earths mine at Aileron is quite close to the surface and the risk of mining there is probably much less than Jabiru or Bootu Creek where you have to remove huge amounts of soil and top material before you get into the manganese.

Mining cannot be looked at as just an industry. It is an industry where there is much risk; it is an industry subject to changes in prices. Look at the gold industry in the Northern Territory. We have had ups and downs ever since the Chinese came to the Northern Territory; it is certainly affected by price. We all know what has happened in the Pine Creek and Tennant Creek regions from time to time. Some of those places have boom and gloom economies because of changes in prices.

I support this motion. It sends a signal to the federal government that the Territory is concerned about an industry which is our largest income earner, which employs many people in the Territory, which also affects other industries in the Northern Territory - service industries and, therefore, it is important we ensure there is no risk

to the industry by this tax. Until the federal government can show there is no risk to Territory jobs, Territory mines and the development of new mines I would say please do not bring the super profits tax in, in its current form. I support the motion before us today.

**Members:** Hear! Hear!

**Mr MILLS (Opposition Leader):** Madam Speaker, the argument has been put. The government has been found wanting. I move that the motion be put.

**Madam SPEAKER:** The question is that the motion be put.

Motion agreed to.

**Madam SPEAKER:** The question is that the motion be agreed to.

Motion agreed to.

**MOTION**  
**Environmental Operations of the Port of Darwin, East Arm, and Gove**

**Mr CHANDLER (Brennan):** Madam Speaker, I move – That -

1. Pursuant to clause 4A of the *Inquiries Act*, the Legislative Assembly establish an independent inquiry to report on breaches of environmental standards within the Northern Territory;
2. The inquiry have specific reference to the Port of Darwin and operations at East Arm, the Port of Gove and operations, and the discharge of sewage from outfalls in Darwin Harbour;
3. The inquiry is also to look at the matter of the appropriateness of the current EIS provisions and make specific recommendations on changes that are needed in the EIS process and other environmental standard, regulations and laws so as to strengthen the protection of our environment;
4. It is recommended that the Administrator appoint the Independent EPA to undertake the inquiry and provide it with the powers inferred by the *Inquiries Act*;
5. The Northern Territory government provide the necessary resources to undertake this inquiry; and

6. The inquiry report to this parliament no later than 31 December 2010.

Let us not waste time in beating around the bush. This Henderson government's environmental credentials are in tatters and their only defence is to come out and blame the previous government not in power for nearly a decade. They blame the people who now make up the new Country Liberals and for something we had no control over; as if we were the very people responsible for a previous administration's policies and procedures. If that is the best defence the minister for the Environment and the Chief Minister have, heaven help our environment under this current Labor administration which, strangely enough, does not consider it is responsible for anything, and has a demonstrated record of acting only after it is broken and after an issue has been raised publicly, and only after a third party raises a serious issue sometimes occurring right under their noses.

If my own father does something great in the community - and he has on many occasions over the years - I do not ride on his coat tails and take credit for his great work. Conversely, if he had done something bad I, as his son, am not accountable for his actions - past, present or future. I am judged for who I am, for my actions, and for what I say and do.

The current Henderson government continually defrays issues of the day by blaming the 11 members on this side of the House for the doings, good and not so good, of the previous administration - which has not been in government for nearly a decade - the alleged deeds of the past based on their own opinion of history, which they love to rewrite whenever they get the opportunity, to deflect any responsibility they have as the government of the day. When will this government, the Henderson government, accept responsibility for anything other than media releases and glossy announcements?

Conversely, I will not sit here in this House and take credit for the many wonderful achievements of the previous CLP government - a government charged with the responsibility to manage and grow this wonderful part of our country. No one on this side of the House takes credit for the wonderful foundations provided by the previous CLP government. No. In government, we will be judged for who we are; a Country Liberals' government will be judged for what we say and do to improve the lives of Territorians.

The minister for the Environment is either asleep at the wheel or does not have a sincere passion for our environment. I seriously think the truth is the latter, because his real passion is sport. Nothing wrong with sport but, unless a

person is passionate about a particular subject, you are not going to give it your all; you are not going to care as much as other subjects you do have an interest in. There is nothing wrong with that; it is a human trait we all have. You have to admit the minister for the Environment is a nice bloke, a seemingly caring bloke and a person I would be happy to have a beer with. However, my concern is if you do not have or see the environment as a priority, perhaps you are not the right person to have the role of caretaker.

The minister for Mines is so mucked up and off somewhere with the fairies he does not even understand a super tax applied to our mining industry would have a direct and negative effect on jobs now and in the future. With less revenue made by the mining industry - and accounting for this government's track record on monitoring our environment, there is a real potential even more risks will be taken by an industry looking at ways to reduce costs. This minister will not, does not, and cannot see the wider implications of this tax which has the real potential to have a negative effect on our environment.

We have a Chief Minister who lacks the courage to stand up for the Territory, exposing the fact he is nothing more than a glove puppet for Prime Minister Rudd. We have seen other Labor Premiers stand up publicly to the Prime Minister; stand up for their respective states and for their constituents and denounce this super tax.

The Labor government just does not get it. I am more than certain they rely heavily on the notion that many unfortunate souls out there still think a vote for Labor is a vote for our environment. That notion needs to change because it is not true. I ask anyone out there who still believes the Labor government cares for our environment to look at their track record. Look at some of the recent poor processes they have allowed to happen to our environment; it has been raped and pillaged under their very eyes. Open your eyes and see how they have actually acted to protect our environment, to protect our harbour, to protect our future. Just look, and take the time to consider how important the Australian Labor Party really considers our environment.

Look at them walk away from the greatest moral and economic challenge of our time because it got a bit tough, and you will see why I have moved this motion today. This is why I am calling for an independent inquiry backed up by the powers of the *Inquiries Act* - backed up with adequate resources to ensure any review undertaken is at arm's length from this government, from these ministers, and any undue pressure; and at arm's length from a bureaucratic focus more interested in protecting themselves than our environment.

While I commend this government for finally getting around to establishing an EPA, it was not until the sustained attack from the Country Liberals that the EPA was allowed to evolve into the agency it is today, backed up by an improvement in legislation and more in the budget to deliver its views on environmental processes. But, is it enough? I must say it is a misnomer of this government to think it dreamed up the EPA. Just to demonstrate, an EPA was on the previous CLP government's agenda. I quote from the previous CLP member for Katherine, Fay Miller, who said in 2007:

*When the CLP was in government, we supported the development of an EPA. It was very important to us and for the future generations to protect our environment and we did ...*

I sincerely think the NT's EPA still suffers an identity crisis, because most people you speak to do not understand what it does. This motion, this task, may demonstrate to the average person what our EPA can do. Most people do not appreciate the EPA's high level oversight of environmental processes. Why? Because most EPAs around the world are the environmental police; they are the active people on the ground with authorised officers who can actually shut down an operation.

As I said in a debate in the House last year, perhaps the name is wrong, perhaps the term EPA - Environmental Protection Authority - should better reflect what they do to make it clear to the average person. Perhaps the name should be changed to something like the Environmental Advisory Board. That is a debate for another day, and focusing on this motion will provide a valuable opportunity for the EPA to earn its stripes, to lift its public profile and demonstrate how, in its current form, it can provide a scientific assessment of our environmental processes, and a practical and sensible strategy for the government to consider which will result in our harbour and the wider community protected by the very best protocols available.

You do not have to look back very far in history to see firsthand how well this government has managed environmental processes to the severe detriment of our environment, and clearly demonstrates why this motion should be supported today. Unlike the minister for the Environment and the minister for Mines and Energy who, from time to time, bring out photos of the same old mine site, I could mention just a few of the horrendous tragedies which have occurred to our environment and to which this government has contributed through poor management practices, poor resourcing, and taking their eye off the ball when it comes to protecting our

environment. I truly hope both the Independent members in this House today demonstrate their commitment to our environment by supporting this motion.

Let us look at a recent list. I do not have to go back too far. I do not have to research back to when Labor took the reins in the Northern Territory nearly a decade ago. These are just a few of the more recent issues: Buffalo Creek; Ludmilla outfall; Larrakeyah poo shooter; currently approved wastewater discharge licences; Montara offshore oil rig explosion and subsequent oil spill into the Arafura Sea; Darwin Port Corporation copper concentrate; Gove Port alumina spill; and the latest report of *E. coli* at East Point, Lake Alexander, and now Vestey's Beach and Mindil Beach - and the list goes on. All have the fingerprints of this government all over them and, rather than stand up like a leader is expected to and take responsibility for the mess, backed by a commitment to review and apply recommendations, we have a government scratching around looking to blame whoever they can, and falling on their only real defence of blaming an administration which had approximately a quarter of the budget to manage the Northern Territory nearly a decade ago.

That is their only defence. Not a sitting of parliament has gone past since I have been in this House where I have not heard the same old rhetoric, the same old game of smoke and mirrors, the same old game where ministers, time and time again, fail to take responsibility the Crown and the people of the Northern Territory have vested in them.

It was interesting to read the report card for Darwin Harbour showing all As, although there was some criticism of Buffalo Creek and Power and Water's licence to release effluent into it. What I find more interesting, however, is a government that says the environment is important to them, a minister who says he will come down like a ton of bricks on anyone who is found to pollute the harbour, but does not actually demand any particular discharge regime conditions, as can be seen in section 9, Table 3, discharge regime conditions of the current approved Power and Water Waste Discharge Licence - licence No 150 which expires on 31 October 2011.

Section 9, quoting from the licence:

*The Licensee must ensure that wastewater discharged at authorised discharge point LUDMILLA OUTFALL 01 is discharged to provide the greatest opportunities for dilution of pollutants in the receiving environment. Discharge must be undertaken in accordance with Table 3.*

That sounds all very clear. However, let us look at Table 3, the conditions approved by this government which tells people it is working hard to protect our environment. Let us just look at these hard conditions that apply on Table 3 of licence No 150:

*Discharge Regime Conditions. Tide – No conditions set. Seasonal - No conditions set. Rainfall - No conditions set. Discharge ratio - No conditions set. Flow - No conditions set. Gauging Station Stage Height - No conditions set.*

Fair dinkum, how can we seriously accept anything this government or this current minister for the Environment says in regard to protecting our environment? Why? Because as has been said time and again in this House: judge them on what they do, not on what they say.

An independent review can and will provide a clear objective view of the way things are done around here; a clear view of just how this government really treats the subject of our environment. A review is, perhaps, past due, given the recent series of breaches of environmental protocols.

Just last week, we have seen high levels of *E. coli* in the harbour, perhaps partly due to the fact we have had neap tides. Perhaps if we had a government serious about protecting our harbour, a condition that waste cannot be released on neap tides or on other days of small tidal movements would form just one of the conditions a licence needs to adhere to, to better protect our harbour, and demonstrate we have a government that is serious about protecting our environment and not just a government which speaks about it. Unless we have regular, widespread monitoring over a period of time - perhaps this government did not know neap or small tidal movements have an effect on *E. coli* or other pathogens in the harbour; another reason we need a detailed and open review which will suggest this as a recommendation.

Setting no conditions to the level of discharge or taking into consideration high rainfall again highlights this government's failure to protect our harbour, protect our environment and, again, clearly demonstrates their apparent disregard or understanding of what is damaging and can damage our pristine environment. Actions speak louder than words and, as I said, we should judge them on what they do, not what they say.

Let us look at the Darwin Port. Again, we are presented with a serious threat to our environment and this government, through the minister responsible, is caught short - a threat to our environment you can see even from the fifth floor.

So, right under their noses a serious threat to our environment and, had it not been for the local media, this government would not have known about it. Why? Because it does not have a plan. It does not have effective processes in place to protect our environment or anywhere around our harbour. It does not have, and has not provided, adequate resources to NRETAS to provide this much needed inspectoral role and, instead, relies on a system of self-reporting; self-policing, if you like. I am not suggesting we have a culture of cover-up or a culture of underbelly-style management here, but let us not hide the fact the port authority has openly admitted it failed to notify - as is its legal responsibility - a serious threat to our environment and to our harbour. Only a fully independent review undertaken by the EPA, backed up by the power of the *Inquiries Act*, can provide an open and accountable view of events and provide recommendations to fix the rot.

Listening to the previous Minister for Lands and Planning yesterday, detailing how the previous CLP government was to blame for the current pollution problems at East Arm port - again blaming a previous government which has not been in power for nearly a decade - all the while the current minister for Environment was sitting behind him nodding his head and perhaps feeling 'It is not my fault, I do not have to take responsibility for the current situation - it is all their fault - they failed to provide adequate drainage 10 years ago'. Well, guess what? It is your fault, and what the minister for new eras failed to mention yesterday was the truth which was a little fact the minister failed to mention: it was not until around 2004 that the port was first used to load and transport concentrates. Up until that time the port was primarily used for containers and livestock.

What the minister failed to expose is it was this government which shifted the goal posts in regard to the port. Who approved concentrates to be loaded at the port? Not the former CLP government; it was under the watch of this government - this government which must have undertaken environmental impact assessments prior to concentrates being loaded at the port; this government which provided all recommendations to the port before approving the loading of concentrates and other ores from the port. If anyone has failed Territorians and our environment, it is this current Labor government that has stood by and watched things go pear-shaped while privately realising their own policies, resources, and focus has not been on protecting our environment.

They are now scratching around looking for whoever they can to blame, spending valuable resources on witch-hunts; looking for those who have had the guts to stand up to this mob and

raise issues where they felt government has let them down - let Territorians and our environment down - by wasting valuable resources which could be put to better use. May I recommend those resources be used on strategies to protect our environment, not on witch-hunts.

I draw the House's attention to a couple of workplace instructions provided by the Darwin Port Corporation. I believe this reflects on the Port of Darwin's environmental policy approved by the board in March 2002, and signed off by the then Chief Executive Officer in May 2002. This was taken from the Port of Darwin's website only yesterday, 8 June 2010:

*As a commercial port operator, Darwin Port Corporation plays a pivotal role in the Northern Territory's future growth and provides a gateway which links Australia's trade, communication, transport and logistic networks to those of South-East Asia and beyond.*

*Due consideration of the environmental setting is also essential to ensure a high level of environmental performance. Through continual improvement of our systems, and an appreciation of the community needs and the values attached to the natural and physical resources of the region, the Corporation will promote, assist and facilitate the use and development of the Port in an environmentally sustainable manner for the benefit of present and future generations.*

*To achieve this Darwin Port Corporation will:*

- in conjunction with other accountable parties, give due regard to environmental concerns in all facets of Port planning, development and operation in accordance with all applicable environmental laws, policies and regulation;*

De dum:

- develop and maintain systems to identify and minimise the risk of environmental harm from Port development and operation;*

De dum:

- minimise pollution resulting from port development and operation:*

Again, fail:

- develop and maintain a framework which sets environmental objectives and targets consistent with the Corporation's activities and services;*
- maintain a high level of environmental management through the development and implementation of environmental monitoring, and measuring programs associated with Port development and operation;*
- communicate to staff, community and interested parties, the Corporation's progress in meeting the targets defined in our Environmental Management Systems (EMS); and*
- through continual improvement of the Corporation's EMS, provide a platform for environmental sustainability in all facets of our activities and services.*

*Darwin Port Corporation will hold employees, contractors and those otherwise engaged by the Corporation accountable for the implementation of this environmental policy.*

*This policy will be reviewed ...*

And it goes on; signed off by the then CEO.

This is a policy from 2002. Since then, we have witnessed major changes to the port and the type of products moved in and out. What the document clearly demonstrates to me is a shining example of how this government treats our environment - all words and no action. This government comes out strongly with words about action they fail to deliver. Nothing in the port's environmental policy is particularly wrong, bar one simple thing: it was not followed. The instructions, the policy, in effect, was not worth the paper it was printed on. What makes it worse is it was not followed by the very people who should be leading the way.

The last point demonstrates my point:

*Darwin Port Corporation will hold employees, contractors and those otherwise engaged by the Corporation accountable for the implementation of this environmental policy.*

Accountable! Show me where to date someone - anyone - has been made accountable for breaching this policy; breaching waste water licence conditions; breaching any pollution control

act, and being held accountable for risking our harbour, our environment. The answer is no one.

It should be noted whilst this government boasts about what it is doing, what it has done, and what it is going to do, to ensure our environment is protected, many people are, perhaps, not aware organisations such as mines are specifically excluded under section 6 of the *Waste Management and Pollution Control Act*. The act, in its current form, has no effect on containments or waste generated by mining activities, petroleum exploration, or extraction activities. The minister for Environment recently stated he would come down like a ton of bricks on anyone found polluting our environment, and is committed to employing additional enforcement officers within NRETAS.

I would appreciate knowing how the minister, through employing additional NRETAS compliance officers, will have any effect on reducing pollution by mining companies. Perhaps what we have seen in the press lately is only the tip of the iceberg. Madam Speaker, what do you think the public would think of the government's environmental credentials if they are aware of the 4.5 million tonnes of pollution generated every year by Darwin LNG, the sulphuric acid residues at Jabiru, the arsenic and cyanide waste left over from heat leaching, or the obvious pollution caused by burning 850 million litres of bunker oil at Gove?

These are just some of the numerous examples of government refusing to recognise, manage, and provide a clear picture of how important a priority this government gives our environment, and is why this motion is so important. I implore members from both sides of the House and, of course, our Independent members, to support this motion.

To finish, I am aware an amendment to this motion will be proposed today to remove reference to two areas. The first is point 3: that the inquiry is also to look at the matter of the appropriateness of the current EAS provisions. Given the EPA has already provided the recommendations in regard to the EIS process, I am happy to concede this; there is no point in duplication of a process, or going over old ground. So, I will be moving an amendment to this motion, which will be to remove reference to point 3:

3. *The inquiry is also to look at the matter of the appropriateness of the current EIS provisions and make specific recommendations on changes that are needed in the EIS process and other environmental standard, regulations and laws so as to strengthen the protection of our environment;*

As I said, the EPA has already provided its advice on this, and there is no reason to repeat the exercise. However, I am aware the second amendment is to remove the recommendation to use the *Inquiries Act* and allow the EPA to undertake the investigation using their legislation. I have to agree this would provide a wonderful test for the EPA, and test the water - perhaps not the appropriate term in this case - but a test, nonetheless, of their own legislative framework. In this case, I strongly recommend the *Inquiries Act* as the right instrument in this case. It provides a proven framework, the ability to order additional resources above what the EPA has been budgeted for, the power to ensure this inquiry will be done in a timely manner and, through the EPA, will ensure the inquiry remains at arms length from this government.

Today, we have an opportunity to demonstrate the importance of the environment. Let us remove the politics, people. Let us make a stand and be remembered as the Territory's Eleventh Assembly, the parliament that took a stand today for our environment.

Madam Speaker, I commend the amended motion, removing point 3, to the House.

**Madam SPEAKER:** Member for Brennan, you actually need to move the motion and sign it and have it circulated. It needs to be written.

**Mr CHANDLER:** Would this do with that crossed out and signed?

**Madam SPEAKER:** You need to move it as in 'I move the removal of' or whatever it is.

**Mr CHANDLER:** I move the motion and remove point 3 from that motion ...

**Madam SPEAKER:** Move the amendment.

**Mr CHANDLER:** I move the amendment, Madam Speaker.

**Madam SPEAKER:** You need to sign it and have it circulated. It is signed and circulated, is it?

**Mr CHANDLER:** Madam Speaker, I will have it circulated.

**Madam SPEAKER:** All right, so moved. Have you finished, member for Brennan?

**Mr CHANDLER:** Yes, Madam Speaker.

**Madam SPEAKER:** Member for Nelson, I advise you we are now speaking to the original motion with the amendment, for all further speakers.

**Mr WOOD (Nelson):** Madam Speaker, I will talk on the amended motion, but I also would ...

**Madam SPEAKER:** It is not an amended motion, member for Nelson, because it has not been put to the House. The member has moved a motion, which is still to be put. You are speaking to the two original motions.

**Mr WOOD:** I will see if I can make it easier. I would like to move a motion to the original motion. I will talk about the reasons I cannot support that motion but ...

**Madam SPEAKER:** Can you move the motion and sign it, and we will have it circulated, please.

**Mr WOOD:** Yes, Madam Speaker. I move the following amendment to the motion:

Omit all words after 'That' and insert in their stead:

1. The Assembly requests the EPA inquire into the following:
  - Breach of environmental standards at the Port of Darwin including its operations at East Arm; and the Port of Gove and its operations; and
  - The discharge of sewage from outfalls into Darwin Harbour.
2. The Northern Territory government provide the necessary resources to undertake this inquiry.
3. The Environmental Protection Authority report to this parliament during the first sittings of 2001.

I have signed that, and we have some copies circulating.

**Madam SPEAKER:** Let us get that circulated.

**Dr Burns:** What about Part 1?

**Madam SPEAKER:** No, Leader of Government Business, all words after 'that' replaced the entire first motion with whatever it was the member for Nelson has just said.

**Mr WOOD:** Madam Speaker, speaking to my motion, I will give the reasons why I do not support the member for Brennan's motion, even though I agree with much of the sentiment behind it, and I believe what he is trying to do is a good thing. There are some issues out there the EPA could look at. They have been the subject of debate in this parliament, and they appear to

me - if I could put it in this way - concrete ideas the EPA can literally get its teeth into.

The EPA has now revised the *Environment Protection Authority Act* and, if you read that act, you will see it does have sufficient power to do an inquiry. I was speaking to Andrew Tupper, the chief of the EPA, this morning, and he was quite supportive of the EPA leading its own inquiry, which would actually send the signal the EPA is independent, and also be a test case to see if the powers in this act are sufficient to carry out its own inquiry.

The powers the EPA has under section 6 of the act says:

- (1) *The Authority may do all things necessary or convenient to enable it to perform its function.*
- (2) *Without limiting subsection (1), the Authority may do the following:*
  - (a) *conduct the inquiries it considers appropriate;*
  - (b) *by written notice, require a person to give it relevant information within a reasonable period stated in the notice.*
- (3) *The Authority may ask a person having special knowledge or experience relevant to a particular inquiry to help it conduct the inquiry.*

Section 7, How Authority acts says:

- (1) *In exercising its powers and performing its function, the Authority must consult with Agencies, businesses and the community in the way it considers appropriate;*
- (2) *In addition, the Authority must have regard for the following:*
  - (a) *the principles of ecologically sustainable development;*
  - (b) *the need to adopt objectives, targets and standards for environmental management that are:*
    - (i) *soundly and scientifically based;*
    - (ii) *consistent with best practices;*

- (c) *the need to promote integration, certainty and reduced duplication of government processes;*
- (d) *the principle decision-making processes and framework should effectively integrate both long-term and short-term economic environmental and social equity considerations;*
- (e) *the need to consider:*
  - (i) *the global dimension and environmental impacts of actions and policies; and*
  - (ii) *regional variations in the environment;*
- (f) *the need to develop a strong, growing and diversified economy and a well informed and engaged private sector that can enhance the capacity and protection of the environment;*
- (g) *the need to maintain and enhance international competitiveness in an environmentally sound way;*
- (h) *the need to adopt cost-effective and flexible policy instruments, including, for example, improved valuation, pricing and incentive mechanisms;*
- (i) *the need to facilitate community involvement (reflecting the diversity of the community) relating to issues affecting the community;*
- (j) *the need to be transparent in information availability and decision-making and to monitor and report on outputs and outcomes;*
- (k) *government economic policies and priorities for the Territory.*

The advantage of the EPA conducting an inquiry is, built into the act, are environmental clauses that suit the EPA. They have built in there, you might say, the parameters which you

would expect an EPA to use in the case of an inquiry.

For me, the disadvantage in having the EPA working through the *Inquiries Act* is it sends a message it is not good enough to do it under its own steam under the *Environmental Assessment Act*; and we are saying for it to perform its function properly it will need extra teeth, and the only way it will get those extra teeth is through the *Inquiries Act*.

I understand the member's logic, but I believe this is a time we should say the EPA is independent; it does not need a helping hand; it has a new, revised act; it has the powers of inquiry within Division 1 of the act which is about establishment, function, powers and independence; and it is independent.

I heard the member for Brennan say he believed, by putting it through the *Inquiries Act*, it would be more independent. However, if we believe what we have said all along - that this is an independent Environmental Protection Agency - then we should put our money where our mouths are and say: 'You do it on your own and come back to this parliament with an independent assessment of the issues the member for Brennan has raised'. I have no problem with those issues, and I believe that is the better way to do it. I believe it will send the right message to the public that the EPA, if it does this inquiry, can stand on its own feet and do the things people expect the EPA to do, especially since we have the changes to the *Environment Protection Authority Act*.

I note the member for Brennan has taken out section 3 of the original motion, which is very good, because the EPA has done a report. I know the member for Brennan had a go at them one day about a small report, but this is a pretty substantial report, actually. It covers many issues and has many recommendations. It is quite a substantial document, and they certainly have put a great deal of effort into it. Why I say that is because environmental assessment includes the concept of environmental impact statements - the two go together. The overarching concept is environmental assessment, and environmental impact statements are, basically, used in a planning sense as part of a project occurring in the Northern Territory. So, I am glad that particular issue is removed.

Section 4 is, basically, backing up section 1:

*it is recommended the Administrator appoint an independent EPA to undertake the inquiry and provide it with powers inferred by the Inquiries Act.*

I have argued why I do not believe it should be through the *Inquiries Act*.

I included section 5 because, although we have increased the budget for the EPA - I am hoping the EPA could keep within budget - if there is a shortfall and there is not enough money in budget - and we do not want it to blow out too much on its yearly budget - there is a clause to allow that to happen.

I have changed the clause 6 in the original motion which says the inquiry report to this parliament no later than 31 December 2010 because I felt that it needs to report to parliament at particular sittings, and parliament is not sitting on 31 December. That is why I had the change in mind that the EPA report to this parliament in the first sittings of 2011. You could argue the toss whether that should be in the last sittings of 2010, but I believe the report needs to come at a particular sittings of parliament.

What the member is talking about is important. It is interesting one of the items he is suggesting be investigated by the EPA is the issue of sewage into Darwin Harbour. Believe it or not, back in my days on the Litchfield Shire, it was a topic raised quite often because of the issue of damning Darwin Harbour, which was quite a hot topic. From that came more awareness about the protections we should have for Darwin Harbour.

When you look at the development of Darwin Harbour under the Darwin Regional Land Use Structure Plan, I believe it was intended to have at least 16 sewage outfalls on the whole harbour. The argument then, and probably the present argument, is because of the quantity of water in Darwin Harbour there should be sufficient dilution of sewage not to have any major effect. The only thing I can say about that is that Darwin Harbour does not flush out - not the right word to use in this case. What that really means is the water does not move completely out of the harbour in one sweep; it comes in and goes out, so the influx of sewage is not necessarily moved out and diluted further out at sea instantly - it may take some time.

There is a proposal for sewage ponds at the new city of Weddell. The interesting thing about those sewage ponds is they are actually downstream from the prawn farm, which might now be use for barramundi, on the Blackmore River. The problem with that is they pump their water out of the Blackmore upstream from the proposed sewage ponds. How that was going to work was mentioned during the planning stage because we certainly do not want polluted water in the ponds from which the prawns or fish are going to market; they might have been a bit tastier than

normal, but I do not think it would be a good idea to sell them.

There are a number of ponds - at Berrimah, Palmerston, Ludmilla, and Buffalo Creek. I mentioned to the EPA today there is also one on the prison land which does not come up in the licensing requirements for release of water from these ponds under the Power and Water discharge licence. They said they would have a look at it. Perhaps it is a pond with no licence or it comes under the Department of Justice - which goes to show we need to ensure there are adequate controls over what goes into the harbour.

Eventually, we will have to look at new technology. I mentioned this in a debate at the Botanical Gardens on Sunday when we were talking about water and the reuse of water. I believe, in Bakewell, there is talk about having extra reticulation there to reuse grey water, and I believe that will happen in Weddell. We have to find a balance between putting that extra cost on to a person who wants to buy a block of land in those suburbs, and the savings from grey water or even treated sewage going back into the harbour. Sometimes, a simple idea in practice can be expensive and quite costly to people who think it is an easy way not to pollute the harbour, but the actual technological solution might be quite difficult.

In the inquiry the EPA is doing, some of those issues might be looked at as well, because I believe the planning for the whole Darwin region, especially now the Kenbi Land Claim might finally be settled, should be considered. We could have cities around the harbour, some facing the sea, and the whole idea of what we do with sewage is something we need to keep an open mind about. Presently, we do it, as in Ludmilla where it is treated and pumped out to sea, or we move it straight into the sea without any treatment, as at Larrakeyah, or as is standard in most places, we build sewage ponds. Sewage ponds, if they work properly, are certainly an appropriate way to dispose of sewage. However, if we can find a use for that water and it is cost-effective, then I believe we should be looking at that as an alternative; and the EPA could look at that.

I know the EPA is looking at the Port of Darwin at the present time, and I mentioned that to Andrew Tucker this morning. I do not think there is any problem with assimilating the existing report into this total report. They are the same people doing the same report and, if it was moved in as a part of the overall report, I do not believe that would make a great difference.

Certainly I am concerned about the port and where we are going in relation to the future of the

port, and the way minerals are left uncovered. I believe copper concentrate was originally meant to be covered. I have not been down there for some time and I am not sure if it is; but we do stockpile concentrates from various mines. Not only is there a risk of pollution when it is being loaded onto ships, but is there a risk of pollution from the uncovered pile blowing into the sea? If you look at the angle of the port in relation to Darwin city, the city is on the right angle for the south-easterly winds during the Dry Season. I believe matters relating to the storage of mining commodities on the harbour need to be considered.

The other issue in relation to the port is live cattle export; there have been some concerns about the amount of manure washed into the sea. Obviously, there will be some pollution because it is a working harbour and a working port, but the issue we really need to look at is how we can reduce what is happening to a practical minimum. It would be unrealistic to say we are not going to have some pollution, but we have to work on reducing that so it has minimal effect on the environment in that area.

There are not only issues with Darwin Port, of course, but Darwin Port is being developed. On the road to Palmerston, there is industrial development in the mangroves which are very close to the sea as well. We have not just the issue of the port, but the issue of other industries with requirements to be close to the water, and other places beside the port where barges, such as where the Tiwi barge, come in. There are other areas around the port which should be part of the inquiry.

Darwin Port also includes the Stokes Hill Wharf and, although the loading and unloading of cattle and other materials like sulphur does not happen there anymore, there are issues in relation to the build-up of residential development in the area, such as the waterfront. There are a considerable number of people now living on the waterfront. We have had issues of water coming off the escarpment and flooding places, so there is potential for pollution in the waterfront zone as well. We still have industry there: Perkins Shipping, Paspaley Pearling Company, Fishermen's Wharf, and Dinah Beach. There are industries that involve cleaning the hulls of ships where fairly potent chemicals are used at times, and we have unloading and loading of dangerous goods at places like Perkins Shipping that deliver to outback communities. There is a range of potential spots in the harbour where pollution can occur.

Of course, we all remember the black striped mussel. There are two marinas in the Darwin Port area - one at Tipperary Waters and one at

Bayview Canal - both are enclosed waters and both have the potential for some effect on the harbour. It is not just about minerals, which we talked about; there are other potential hot spots for polluting the harbour.

Madam Speaker, whilst I understand the sentiments of the member for Brennan, I will not be supporting his motion. I believe the EPA is big enough to stand on its own feet and does not need to go through the *Inquiries Act*. It would serve the EPA well to do its own thing, and would cover the issues highlighted by the member for Brennan which he is concerned about, which many people, especially in the Darwin region, are also concerned about.

**Mr HAMPTON (Natural Resources, Environment and Heritage):** Madam Speaker, it has become a little complicated, so bear with me. I will be calling on advice from you, the Clerk, and Deputy Clerk's as we go through this ...

**Madam SPEAKER:** Minister, I advise that you are speaking to the original motion and the two amendments.

**Mr HAMPTON:** That is right. I start by thanking the member for Brennan for bringing this motion to the House. I also thank the member for Nelson for his contribution. As I said, it has become somewhat complicated, given the member for Brennan's late concession to the motion, in particular No 3. I acknowledge the member for Nelson's amendment to the motion as well.

That is why I, as the minister, and this government, will not be supporting the motion. Having the member for Brennan, at late notice, dropping off part of his motion demonstrates to me he clearly does not understand exactly the role of the EPA and the huge amount of work the EPA has undertaken. The particular part of the motion he has decided to remove in relation to the environmental assessment process review the EPA has done on the current EIS provisions, is a case in point which really does weaken his motion. This has been a large body of work and I acknowledge the EPA and the board on the work they have done. The report from the review is available on their website; it is there for the public to see. When the member for Brennan decided to take that amendment out, it signalled to me this motion is really not worthy of support.

As I said, the shadow minister really does not understand the role of the EPA; when this government introduced new powers of inquiry for the EPA, the opposition said they would support it. What we have in front of us today is the CLP trying to block the EPA from using those very powers of inquiry the CLP said they supported.

As the Chief Minister said this week, you judge the CLP on their actions, not on their words.

It could not be clearer from the actions of the opposition their words in support of the EPA were a sham; they have never wanted an independent EPA. As my colleague, the member for Casuarina said, the leopard has not changed its spots. As the Chief Minister said, their actions here today expose the sham. To come into this House and put forward a motion that the Legislative Assembly direct the independent EPA to conduct an inquiry under other legislation is an extraordinary act of hypocrisy and ignorance. It is hypocrisy to talk about independence while acting to direct the very same organisation. What type of signal does this send to the community and the EPA about the independence this House created with the *Environment Protection Authority Act* when, at the first fork in the road, the Legislative Assembly acts to push an inquiry onto the EPA?

It is not the first time the member for Brennan has demonstrated he does not understand the concept of independence, or the EPA. It is hypocrisy because, not so long ago, the member for Brennan was calling the EPA lazy. As I said, a large body of work here in their review of the environmental assessment process. It is absolutely disgraceful that the member for Brennan called the EPA lazy. It is hypocrisy because the member for Brennan has consistently shown he does not understand how investigations are carried out; he calls for the port corporation to be prosecuted before a thorough investigation has even been completed. It is hypocrisy because the Deputy Leader of the Opposition does not even believe in an EPA or independence, and the member for Port Darwin, in a breathtaking moment of hypocrisy, signalled the opposition supports polluters by opposing a bill that will double penalties for environmental offences - a bill he admits he has not even looked at.

On this side of this House, we understand the concept of independence. For some time, the EPA has been undertaking a substantial body of work on the necessary regulatory framework to support sustainable development in the harbour. More recently, the EPA has formally used its powers to investigate the copper concentrate incidents. These are the actions of an independent EPA created by this government.

We welcome their work, and we look forward to receiving their findings; which leads to my second point that this motion shows extraordinary ignorance of the work the EPA is already doing. As I said, part 2 of the motion seeks an inquiry into the East Arm port and the Port of Gove operations, and the discharge of sewage from outfalls in the Darwin Harbour. The EPA, in its media release of 30 April, announced it was

already investigating the copper incidents at the port, and that is also available on their website. On 26 May, the EPA announced terms of reference for this particular investigation; and I am happy to table that document.

I am further advised the EPA has written to the department of Resources regarding the Gove incident and will, depending on the information supplied, make a decision on whether a formal investigation is warranted.

On the issue of sewage, the EPA has been undertaking work on the regulatory frameworks for the Darwin Harbour; again, it is there for everyone to see on the EPA's website. I am advised issues concerning sewage can be accommodated. There is also a serious question about the basis for such an element to the inquiry, given the Health Minister has today given quite categorical assurance the *E. coli* issues are not caused by sewage treatment plants - that is the science. Apart from the false proposition implicating sewage treatment and the East Point issue, I see no other reason for this element of the inquiry; it is a poorly prosecuted argument by the opposition.

The third part of this motion asks the inquiry look into the current EIS provisions and recommends appropriate changes. As I said - and I have it here in front of me -- the EPA has already undertaken very substantial work on this very issue. The EPA announced the findings of this review on 28 April, and all this is discoverable on the EPA's website. However, just in case, I will also table a full and very detailed report as well.

It is quite extraordinary the member for Brennan, who brings this motion to the House, would not recall this particular work given he was invited by the EPA, on 23 April, to attend the public launch of the report at Brown's Mart.

What are we to believe here? Do they want the EPA to do the report again? Do they not like recommendations? Is the CLP's idea of independence; that they have done some work, but we do not like it, so go away and do it again? The EPA has produced this document reviewing the EIS process in the Territory under its own independent powers, so Territorians should be asking if there something else in there which does not suit the CLP?

Alternatively, are we to believe the member for Brennan's purported outrage at recent incidents is of such a scale he has ignored or forgotten one of the most important reviews undertaken on one of the most critical environmental laws in the Territory?

Parts 1 and 4 of this motion propose the EPA be directed under this inquiry, under the *Inquiries*

*Act*. I also acknowledge what the member for Nelson said on this particular point. Why does the member for Brennan want the EPA to conduct this inquiry under the *Inquiries Act*, rather than under the EPA's own independent powers under the *Environment Protection Authority Act*? The *Inquiries Act* is a fine instrument for some activities; for example, this government recently used it to excellent effect in the child protection inquiry we conducted. However, as any tradesperson, doctor, or lawyer knows, you should use the right instrument for the job if you want the best outcome. The *Inquiries Act* simply is not the right instrument for the job the EPA has said it wants to do in relation to this matter. This is important; the job the EPA says it wants to do is under its new powers where it sets its own parameters for investigation and its own terms of reference. As we see from the CLP's motion, the opposition wants to set the terms of reference for the inquiry.

The member for Brennan and other members of the opposition came into this House earlier this year and supported the EPA amendment bill that provided the EPA's new powers of independent inquiry. The member for Brennan actually sat down and talked to the EPA Chair about the amendments and we reached what I thought was agreement and bipartisanship on this issue. But, at the first hurdle, the CLP is trying to take that independent power away from the EPA's inquiry with this motion. That is why the EPA's own powers are the right tool for this job, not the *Inquiries Act*. Unlike the child protection inquiry, the EPA already has its own independent powers - powers the CLP said they supported, but their actions clearly show they do not.

As we have said continuously on this side, the leopard has not changed its spots; judge them by their actions on the environment, not by their words, because their words cannot be believed.

The CLP's decision to move this motion is curious in another respect - the *Inquiries Act* is, in many respects, weaker than the EPA's powers. Under the *Inquiries Act*, the penalty for failing to attend is \$100, the penalty for failing to produce documents is \$100, the penalty for refusing to be sworn is \$100, and the penalty for refusing to give evidence is \$100. That is, if you do not want to give evidence to the inquiry under the *Inquiries Act*, \$100 is how much your pass will cost - and that is it. What happens if a person is asked for information by the EPA under the CLP's motion? If they do not answer, the penalty is \$100. If the EPA, under the CLP's motion, asks for a document and the person does not wish to hand it over, what happens? \$100 - done. That is what the CLP is saying should happen.

By contrast, penalties under the EPA investigation are much higher. If the EPA asks for information and a person decides they do not want to give it, the penalty is \$6500; for a company, that amount is multiplied five times to \$32 500. Each time the information is not supplied within a reasonable time, the penalty can be applied again. That adds up much faster than hits of \$100, or even \$500, a pop.

Unlike the child protection inquiry, the EPA has indicated, under its independent power, it may include requiring information from corporations, which is common in the type of work independent environmental watchdogs such as the EPA do around the world. That is why this government gave it powers designed to let it do its job. That is why the EPA's own powers are the right instrument for the job, and the *Inquiries Act* is not.

Territorians must ask themselves: why does the opposition wish to substitute a tool specifically designed for the job with an inferior tool for this work? As I said, the leopard has not changed its spots. Is the CLP simply confused? Is there a leadership problem? Is this just another ill-thought gimmick on the environment from the member for Brennan? Or, is it simply their own actions to undermine the EPA have exposed their true colours - colours that do not include any shade of green at all. This is from the party which had had no budget for an EPA, because they did not have one.

The Deputy Leader of the Opposition actually opposed the EPA, called the EPA lazy and denigrated the professionalism of compliance officers, and seeks to prejudice active compliance investigations to score a cheap political point.

Whatever bought this motion on - leadership troubles, confusion, or the member for Brennan simply making a meal of things - the CLP has not changed. They are still the same environmental vandals they always were. This motion is an attempt to wreck the independent EPA once and for all. An independent EPA they have never wanted, and this motion exposes the CLP for what they are - environmental wreckers.

Madam Speaker, I oppose this motion because it does not send the right signals about the independence of the EPA and, in many respects, is redundant because it seeks to use the wrong tools for the job. But, most importantly, I oppose it because it is a cynical attempt to grab attention by an opposition which pretends to care about the environment but, through its actions, clearly does not.

Regarding the member for Nelson's amendment, as I said at the start, I do not support this amendment for the following reasons. I have

already stated the EPA is independent; that is how this House established the EPA through its legislation. I believe it sends the wrong message for this Assembly to be directing work of the EPA. It is particularly important when the EPA is demonstrating its work on the very issue which is the subject of this amendment. The EPA should be allowed to get on with the work it already has under way and provide its advice independently, as it has been set up to do.

**Mr CHANDLER (Brennan):** Madam Speaker, I would like to put the motion be amended to omit clause 3.

**Mr Elferink:** He wants to deal with his amendment first, Madam Speaker.

**Madam SPEAKER:** Yes, I know the process, thank you member for Port Darwin. Resume your seat, member for Brennan. Thank you.

There are two amendments before the Chair, plus an original motion. We will put forward the motion for the amendment from the member for Nelson first.

The question is the amendment moved by the member for Nelson, which is: all words after 'That' be inserted in their stead, be agreed to.

Amendment negatived.

**Madam SPEAKER:** The question is the amendment moved by the member for Brennan be agreed to.

Amendment negatived.

**Madam SPEAKER:** The question now is that the original motion, without amendment, be agreed to.

Motion negatived.

### **MOTION Children in Sport**

**Mr BOHLIN (Drysdale):** Madam Speaker, I move – That the Territory parliament –

- (a) acknowledges the costs associated with the involvement of children in sport in the Northern Territory;
- (b) further recognises that it can cost families hundred of dollars per child, per sport to register, insure and outfit children to take part in sporting clubs in the Northern Territory and this can be a heavy impost on the family budget; and

- (c) calls on the Territory and federal governments to take immediate steps to reduce the cost of sports participation for Territory families and such steps ensure, as far as possible, that any child who wants to play sport can play sport and is not prevented from doing so due to cost.

**Dr Burns:** My son wants to run Formula One racing cars. Is that all right?

**Mr BOHLIN:** Do not be silly. Madam Speaker, tonight I talk to this motion ...

**Members** interjecting.

**Madam SPEAKER:** Order! I am sorry. I did not hear what was said.

**Mr BOHLIN:** General rabble, Madam Speaker, they are very disorganised tonight.

Madam Speaker, sports participation for our children is a vital part of their upbringing, and no one would argue. The Better Health website established by the Victorian state government in the late 1990s during the Kennett era, clearly outlined benefits of sport for children: reduced risk of obesity, increased cardiovascular fitness, improved coordination and balance, improved social skills, improved sleep, all leading to improved educational outcomes.

The 2006 ABS statistics showed 66.5% of Northern Territory children aged between five and 14 participated in organised sport. In 2007, the first national survey - this is only the front cover of the survey, but it is an indication there is such a survey -- of Australian children's nutrition intake since 1995, and first national physical activity survey since 1985, was undertaken for the Australian government and involved more than 4000 children aged between two and 16 years from both metropolitan and regional Australia.

This survey highlighted concerns about older children's physical activity levels and the levels of underweight, overweight, and obesity. Both need to be addressed given their association with poor health outcomes. I note these horrific statistics: an estimated 1.5 million people under the age of 18 are considered overweight or obese, which means about 20% to 25% of Australian children are overweight or obese.

In today's newspaper, under the by-line: 'Kids end up paying price', the Darwin Basketball Association said it may have to revisit the issue of registration fees in the light of soaring utility costs. It states the acting executive officer said: 'Our power bill for the year has risen by 20%'.

Madam Speaker, in the pursuance of time, I seek leave to continue my remarks at a later hour.

Leave granted.

Debate adjourned.

**INFORMATION AMENDMENT  
(INTER-ORGANISATION DISCLOSURE) BILL  
(Serial 105)**

Continued from 5 April 2010.

**Ms LAWRIE (Justice and Attorney-General):**

Madam Speaker, the opposition bill proposes to amend the *Information Act* to allow public sector entities to disclose confidential information to each other that would otherwise be prohibited - for example, by secrecy provisions under specified legislation - by inserting a new Part 5A setting out the circumstances in which a public sector organisation may disclose confidential information where directly related to a legislative or administrative responsibility of the public sector entity, and for child protection information. The disclosure is for the protection of a child from harm or exploitation.

As mentioned briefly in the second reading speech, problems can arise in the sharing of information between government agencies, and the Opposition Leader particularly refers to sharing information that would prevent the ongoing abuse or exploitation of children.

The bill proposes expanding the objects of the *Information Act* beyond the current community access to government information, and protecting the privacy of personal information held by public sector organisations to provide for disclosure of confidential information between public sector entities.

The bill proposes a new class of information defined as confidential information, which is considerably wider than personal information which is subject to the protection of privacy provisions and principles under the *Information Act*.

The bill's proposed section 84C, sets out the relevant laws for which confidential information may be disclosed under this bill. Relevant law is defined to include: *Care and Protection of Children Act*; *Child Protection (Offender Reporting and Registration) Act*; *Coroners Act*; *Domestic and Family Violence Act*; *Education Act*; *Health and Community Services Complaints Act*; *Ombudsman Act*; *Public Interest Disclosure Act*; *Volatile Substance Abuse Prevention Act*, or a law prescribed by regulations. Some of these relevant laws apply to independent statutory officeholders where it may not be appropriate to treat them as

government agencies, or the information they hold is the property of the government in the wider sense; for example, the *Public Interest Disclosure Act*.

The issue of sharing of information should be considered in the context of the specific legislation and, although this may seem more inefficient than a general provision, it would allow for more specific consideration to be given to the circumstances in which confidential information should be shared beyond the purposes of the legislation for which the confidential information is collected.

The bill covers a Commonwealth or state entity defined as an entity established under the law of the Commonwealth or state or another territory. There is no guarantee as to what happens to the information after it has been shared across jurisdictions; that is, no requirement of corresponding privacy legislation.

The considerations for disclosing confidential information should include considerations currently in section 81 of the *Information Act*, which allows the Information Commission to authorise a public sector organisation to collect, use, or disclose personal information in a manner which would otherwise contravene, or be inconsistent with, the information privacy principles, if satisfied the public interest and benefit to individuals of disclosing information outweighs the infringement of the person's privacy.

The proposed section 84B also moves the decision to disclose confidential information to the holding entities, unlike section 81 where the decision to disclose personal information is made by the commissioner.

The introduction of additional definitions makes the bill cumbersome and difficult to navigate. The bill also involves a complex interplay of various sections and legislation. This could be avoided if disclosure of confidential information was allowed as an exception to the confidentiality provision in the relevant legislation.

If confidential information is required for certain purposes beyond the exclusions provided in the specific legislation; for example, exercise of a power or performance of a function under or in the administration of the legislation with consent of the persons, approved by the CEO in the public interest for research purposes. See *Care and Protection of Children Act*, section 38.

A widening of those exclusions to the confidentiality provisions may alleviate concerns of breaching confidentiality by disclosing

government agency without complex procedures and review mechanisms.

The opposition bill is, therefore, not supported by the government.

**Mr MILLS (Opposition Leader):** Madam Speaker, in conclusion, it is a shame the spirit of this motion has not been understood and consequently has not been ...

**Ms Lawrie:** It is technically flawed legislation.

**Mr MILLS:** This bill was to ensure that information - and we say knowledge is power - that knowledge is used to ensure it serves its true purpose. In many cases, we have found the sharing of information, or the failure to share information, has resulted in harm. That is the intent of the bill.

It is of great concern government has not found the capacity to provide that support at this time. I believe we need to give members of this House the opportunity to make their decision on this.

Motion negated.

#### ADJOURNMENT

**Mr VATSKALIS (Health):** Madam Speaker, I move that the Assembly do now adjourn.

It was with great sadness, once again, to hear a member of the opposition - namely, the member for Fong Lim - resorting to the use of unparliamentary language, calling upon me to speak English, commenting on my language skills, inferring that my accent sometimes is not good for this Chamber. This is not the first time I have been subjected to this type of comment; in the past they have been made by the ex-Leader of the Opposition.

I was not the only target. Some members opposite used to target the ex-member for Barkly, Elliot McAdam, joking about the way he spoke, inferring he was not as educated as they were.

I do have an accent. It is common knowledge among people who specialise in language that people who grow up in another language environment keep their accent forever if they move to a place where another language is spoken and are older than 10-years of age. The Premier of New South Wales is a case in point.

The member opposite often makes these types of comments and I usually ignore them, but I must stand up this time. This is not about me personally. After all, many people I interact with and talk to have never expressed any concern

about my accent. My own constituents are very happy to have discussions with me; they are more interested to hear what I have to say and not the way I say it.

I have to stand up for the hundreds of Territorians who speak with an accent. They came to the Territory for various reasons; some came here as young migrants, others as spouses, and some to escape war and persecution. Many of them did not have the chance to learn to speak the Queen's English; they dedicated their time to working hard to provide a better future for their families.

I have to stand up for these people with an accent who, in the past 50 years, grew and developed the Territory: the Greeks, the Italians, the Filipinos, the Indonesians, the Vietnamese and others. These are the people who, in most cases, still speak with an accent but that does not stop them from being good Australians and good Territorians.

This weekend we celebrate the Greek Glenti, a celebration of Greek culture in the Territory. Many Greek families will contribute to the success of the Glenti either by cooking food in their homes, helping in the stalls, showcasing dances and the culture of their homeland, and most of these first-generation Greeks still speak with an accent.

The attitude of the member for Fong Lim is a sad indictment for the CLP and its leader. The member for Fong Lim and his colleagues may think his comments are funny. They are not; they are discriminatory and racist.

The member for Fong Lim has aspirations to become the Chief Minister of the Northern Territory, but God help all Territorians if he ever becomes the Chief Minister of the Northern Territory. His divisive attitude and his unparliamentary comments are proof he is not worthy of such a position.

I have had my political differences with CLP members prior to 2001, but none of these members ever used such comments because they knew it was the vast migrant population of the Territory, speaking with an accent, that made this place what it is today, and they were not prepared to degrade these people with these types of comments.

I call upon the member for Fong Lim to apologise to all Territorians who speak with an accent. Speaking with an accent is not a disadvantage; it is what makes this place a rich, multicultural, tolerant society envied by many.

The member for Fong Lim, whose electorate bears the name of one of the Chinese families

who have been here for many years and whose forefathers spoke with an accent, shows no respect to Territorians who have come from another country and made the Territory their home.

The Leader of the Opposition must request the member for Fong Lim apologise for his insensitive comments and never repeat them again. However, I am afraid he is unable to do so, and neither is the member for Fong Lim prepared to listen to his leader.

They may say 'God Save the Queen', but I do not know what will save the Territory if David Tollner, member for Fong Lim, ever becomes the Chief Minister.

**Mrs AAGAARD (Nightcliff):** Madam Deputy Speaker, it is my pleasure to speak tonight of the 2010 Rose of Tralee Pageant.

It was my pleasure to host the 2010 Rose of Tralee Pageant reception at Parliament House for the Chief Minister on 25 May 2010. The Rose of Tralee Pageant, in its 26<sup>th</sup> year in Darwin and 51<sup>st</sup> year internationally, is described as a celebration of the aspirations, ambitions, intellect and social responsibility of young women with Irish heritage.

This year, seven young, vibrant and poised women were entrants in the Darwin pageant: Ms Valerie O'Halloran, Ms Erin Dunne, Ms Michelle O'Leary, Ms Oragh Lynch, Ms Kahli-May Gepp, Ms Camille Woodhouse and Ms Jenny Donnelly. Each of these young women was exceptionally presented and gave a speech thanking their sponsors, demonstrating the skills learned and improved through their participation in the pageant.

It would have been very difficult to choose the 2010 Rose of Tralee, as each young woman was outstanding as an individual. I can only imagine that it was a very close contest.

The 2010 Rose was Ms Valerie O'Halloran, who was announced at the Rose of Tralee Gala at SKYCITY Casino on 29 May 2010. Valerie is a registered nurse and has completed a Bachelor of Science and Honours Degree at the Institute of Technology of Tralee in Ireland. In fact, she came to Australia and the Northern Territory in 2008 and works in the accident and emergency ward at the Royal Darwin Hospital. I have no doubt Valerie will represent the Northern Territory to a very high standard at the Rose of Tralee International Festival in County Kerry later this year.

Also in attendance at the function was the Irish Ambassador to Australia, His Excellency, Máirtín Ó Fainín, the 2009 International Rose of

Tralee, Ms Charmaine Kenny, and the 2009 Darwin Rose, Ms Anne McNamee.

Through a multitude of fundraising events, the entrants raised \$8000 in the last two weeks of the pageant, of which \$5000 will benefit the Starlight Children's Foundation which brightens the lives of seriously ill children. I hope all entrants will continue their valuable contribution to the community.

I note, at the function in Parliament House, a former Rose of Tralee, Ms Jess McNeill, known very well to the Clerk of this parliament as his daughter, was in attendance. She has continued the good work of the Rose of Tralee by her very heavy involvement in the Starlight Foundation Ball. I add my congratulations to that wonderful ball, which I was unable to attend this year ...

**Mr Bohlin:** I went for you, Madam Speaker

**Ms AAGAARD:** The member for Drysdale went. I know it was an excellent occasion and they raised much money for a wonderful cause.

I commend the Northern Territory Irish Association's President, Mrs Julia Baxter, and committee members, and the sponsors of the young women whose generous support provides such a fantastic opportunity to young women.

**Ms PURICK (Goyder):** Madam Deputy Speaker, again I wish to talk on Wongabilla, which I have spoken on previously in adjournment. Also, this morning I tabled a petition from over 900 people who are concerned about the future of the Wongabilla Equestrian Centre.

What I would like to do this evening is read into the *Parliament Record* some of the comments from the families who have been associated with Wongabilla to show how concerned and upset they are with the prospect of the police being taken out of the Police and Citizens Youth Club, and the Police Commissioner's aim or objective to privatise that centre.

I read from the first e-mail which was sent to the Chief Minister, me and others. I will not give this person's name:

*... writing this e-mail to you hoping that you can help with an injustice that is going to happen to the Wongabilla Equestrian Centre.*

*'What is Wongabilla?' you might ask. It is a place where all children can go to learn the principles of horsemanship. They learn also respect for authority (the policewoman who works there is shown respect and admiration from all the children who*

*attend - around 100. I cannot think of any other police officers up here who are thought of in such a way), patience and team work. It is run by the Police and Citizens Youth Club with one full-time police officer who runs it. She does also a lot of volunteer work on her own time. Wongabilla also covers private lessons (for anyone young or old). This is run as youth programs, school holiday programs, VET in School programs, youth diversion, and handles alternate education, disengaged children, and family services.*

*By having Wongabilla run by PCYC, children who do not own a horse can learn all aspects of riding at a reasonable cost. I am told that there used to be three or four riding schools in the Darwin area. There is only one now - Wongabilla. Yes, there are pony clubs around but the children need to own a horse before they can join. In these financially limited times, who can afford to own their own horse? That is why Wongabilla is needed to run as it gives all children a chance to enjoy the pleasures of riding - not the well-off few.*

*The problem is our recently appointed Commissioner of Police has decided to take the police out of the Police and Citizen's Youth Club. Should it continue to operate the equestrian centre will come under the umbrella of CYC. The commissioner has also mentioned he is considering privatising Wongabilla. There is also a proposal to build a fire station on this property near the prison facing Tivendale Road ...*

I will not go into that issue because it is a completely separate issue. This is still the same e-mail from the same gentleman:

*The government of the Northern Territory signed a contract on 13 April 1987 agreeing to provide the PCYC with two constables. Wongabilla has been around for a long time and should be around for the next generation to enjoy. The last time Wongabilla was allowed to be managed by a civilian committee in the early 1990s it nearly closed because all the committee members had their own agendas.*

*In closing, all the commissioner is thinking of is money, not the children or the kids who might want to do this in the future but will not get the chance. Can you tell me how to tell my nine and six-year-old that they will not be riding anymore because I cannot afford the costs because they have*

*increased because of privatisation? Thank you for taking the time to read this.*

Madam Deputy Speaker, I read what another parent sent to the Chief Minister, Wayne Zerbe, James Burke, Delia Lawrie and me:

*As a parent who has a child that attends Wongabilla and has for the past five years, it has turned into a passion of my daughters that is just as important as any other sport. My daughter loves those horses and the trainers and the arenas and every aspect of Wongabilla. Ever since Skateworld was knocked down, we have tried to occupy our children with other activities on offer around Darwin. Some kids do not like playing team sports, some kids would like to own a horse but do not have property. Some kids like learning how to take care of animals as sometimes they are nicer than adults. We need to beg, voice and whatever it takes to keep this facility open.*

*My daughter goes twice a week, volunteers on weekends where she can, has had birthday parties there, goes to the holiday school programs, and helps with fundraisers, and she is only ten years old. Do we want to take that away from her and the many children she has brought to Wongabilla, let alone the friendships she has made in good clean fun? Please do what you can, and other senior members, to keep Wongabilla untouched. We owe it to our children and to the staff who go over and above what is expected from them to run a first-class facility. Please leave Wongabilla alone.*

*Thanks*

*Yours sincerely*

Another e-mail to Mr Henderson, copy to me, Wayne Zerbe, James Burke and Gerry Wood.

*Hello Mr Henderson,*

*I have heard that the NT government is thinking about closing the Wongabilla Equestrian Centre that is currently run by the NT Police. This would be a grave mistake, as many of our youth, including my daughter, currently attend this centre and benefit from the wonderful guidance and the instruction on offer. My daughter does not make friends easily and, as such, dealing with the horses, riding, feeding and caring for them one day a week has been greatly beneficial to her personal development. Over time, she has made friends and developed skills that will support her for life.*

*She attends also the vacation care program. As you are most probably aware, most vacation care programs in school only offer care to children up to twelve years of age. I do not understand what working parents are supposed to do about care for their children once they turn thirteen if there is no family to care for them, as I consider thirteen too young for my daughter to be left alone. I therefore find the vacation care option invaluable, and feel there should be, in fact, more wonderful government-run programs like this for our youth.*

*Wongabilla has been a wonderful learning and growing experience for my daughter, and I hope that it continues to operate for many years to come for the great benefit of our youth. I urge you to keep Wongabilla open for the sake of our youth.  
Yours hopefully*

Again, from another family, addressed to Paul Henderson, copy to me, Wayne Zerbe, James Burke and the electorate of Katherine:

*It is with great concern that as a parent of a child attending Wongabilla and long-term supporter of the PCYC, including being a volunteer at Blue Light Discos in remote communities for the last fifteen years, that I have been informed that the new Commissioner of Police is considering building a fire station on the grounds of PCYC activities, as well as removing police from their roles as PCYCs to become operational.*

*Removing police from community-related activities to be seen on the street goes against the NT concept of community policing and diminishes the already tenuous relationship the NT youth have with police. Is it not better that serving police work at building relationships within the community in a non-confrontational manner, rather than the only contact NT residents have with the police being in circumstances of turmoil or wrongdoing. The two prior Commissioners of Police spent money and time building and supporting the growth of programs and networks across the Territory to give our force the unique relationship with the community that it has.*

*The removing and reducing of social and non-confrontational activities with the NT Police will not only in the long term see an increase in youth-related crime, but will also support the widening rather than the closure of the gap with our community with*

*a reduction in healthy lifestyle programs available at little or no cost.*

*Please do not hesitate to contact me.  
Sincerely yours*

This is from another family person involved with Wongabilla, and was addressed to the Chief Minister and copied to all members of government, including me and Gerry Wood:

*Dear Chief Minister,*

*I heard Commissioner McRoberts on ABC Local Radio 27<sup>th</sup> May 2010 saying he was considering (pulling resources from community-based programs). How does someone reach the rank of Police Commissioner and not understand the long-term value of police in community groups? It seems here we have another example of power and position taking precedence over common sense and the wishes of the people; and here we go again, a newcomer telling Territorians what is best for them.*

*Good policing is not all about frontline performance. Invaluable public relations work is done in the community by police behind the scenes, for example, school-based officers, the police cadet scheme, Blue Light disco events, the police presence and support in many voluntary organisations like Wongabilla Equestrian Centre.*

*Any compromise to the current operations at Wongabilla will have a detrimental effect on those who use it and those who support it.*

*I urge your government to reject any plans to build a fire station there and to ensure the present level of police involvement is at least maintained.*

There is one more. This is from a grandmother and was sent to the Chief Minister, Gerry Wood, me and, I think, copied to Charlie Phillips and Karl Hampton:

*Dear Chief Minister,*

*I am saddened by the thought that Wongabilla may be having the police presence taken away and the centre may be put out to private interest. The move, I believe, is a recipe for disaster as I take my granddaughter there each week to learn how to ride and care for animals, and I do not think this will be achieved if the centre is in private, commercial hands.*

*This is not a centre for horse princesses, and plays an important role in teaching children respect for animals and how to learn tolerance and work with other children. The presence of the policewoman helps children understand the role of police in our community and also to understand and respect the law and authority.*

*Chief Minister, have you been to Wongabilla to see how the children enjoy the horses? I suggest you take the time to come to the centre and see firsthand what is achieved with these children, including children who are in the youth diversion programs.  
Thank you*

That is just a sample of the e-mails I have been receiving from people who are exceptionally concerned and worried about the new Police Commissioner's comments regarding the Police and Citizens Youth Club, in particular, the Wongabilla Equestrian Centre, which I have mainly spoken about, not in regard to any other programs.

The other thing which has been disappointing is dealing with the committee of the Wongabilla centre; they have sent any number of e-mails ...

**Madam DEPUTY SPEAKER:** Member for Goyder, your time has expired.

**Mr McCARTHY (Barkly):** Madam Deputy Speaker, I wish to talk tonight about the retirement on 28 May 2010 of one of our highly valued public servants, Mr Ken Grattan, following 40 years of dedicated public service.

Mr Grattan began working with the Northern Territory Public Service on 3 March 1969 as a Commonwealth government engineering cadet. In 1972 he moved to the Country Roads Section of the Department of Works, and in 1978 he was appointed to the Roads Division of the then Department of Transport and Works. Since 1992, Mr Grattan was part of the Road Network Division of the current Department of Lands and Planning, and retired from the position of Director, Network Development.

Mr Grattan's work as a road planner has been instrumental in the development of the Territory, in particular the urban arterial roads in Palmerston and Darwin. He has been involved in countless road projects, but the one project that exemplifies Mr Grattan is his involvement with the \$110m Tiger Brennan Drive project. Mr Grattan has been involved in this long-term project linking Darwin and Palmerston since its inception.

In the ensuing years, the project has progressed incrementally to keep pace with development and population. Work is well under way on Stage 2 of the Tiger Brennan Drive extension project, one of the most significant road projects in the Territory's history. It will be completed by the end of the year, and I look forward to seeing Mr Grattan at the opening.

Mr Grattan has earned a reputation as a man of integrity, intelligence, determination and imagination, and his skills and expertise have ensured our road networks will continue to serve us well in the decades to come. His professional advice to both the Northern Territory and Australian governments is held in high esteem. It is also worth highlighting his expertise in road management and engineering is recognised and respected at a national level, through his long-term representation on the various Austroads working committees.

On 10 December 2009, Mr Grattan was the worthy recipient of the 2009 Chief Minister's Public Sector Medal for meritorious service to significant road design and planning in the Northern Territory.

After four decades of working life on roads and being the primary specialist, from a professional civil engineering perspective, for design standards and parameters for all road projects throughout the Territory, Mr Grattan's retirement is well deserved.

I was honoured to attend a retirement morning tea for Mr Grattan in Parliament House on Monday, 31 May 2010, and I am sure my colleagues, the members for Johnston and Nelson, who were also present, both agree the turnout of friends, family, and colleagues was a clear indication of the respect Mr Grattan has earned during his career.

Madam Deputy Speaker, I put on record and take the opportunity to thank Mr Grattan for his significant contribution to the public sector, working tirelessly for over 40 years with great commitment.

Mr Grattan is affectionately known to many by the nickname of Hondo. My colleague, the member for Johnston, coined another term for Mr Grattan at his retirement which will also be known to many - 'Grattanised'. To be 'Grattanised' is to ask what appears to be a relatively simple road question of Mr Grattan. However, this is a professional field and I have personally been told: 'To answer that we need to understand how we got to where we are'. The following briefing would be magnificent; the questioner would be gifted with a detailed knowledge of the history of the road, adjoining

linkages, the traffic movements, growth in traffic numbers, and important details about road 'chainages', a term I am still not completely comfortable with. His knowledge is remarkable, and I will miss the opportunity to be briefed by him.

His retirement has created a significant hole in our Road Network Division, and he will be missed. Hondo's long-term strategic vision for the Territory's road network will be a lasting legacy, and I extend to him and his family my very best wishes for a long and enjoyable retirement.

**Mr TOLLNER (Fong Lim):** Madam Deputy Speaker, I was not going to say too much tonight in the adjournment debate, but I was watching television in my office and saw the lively member for Casuarina jump up and cast all sorts of racist assertions my way. I felt I had no other choice but respond as quickly as I possibly could, which is why I am on my feet now.

The member for Casuarina has asserted I am, somehow, a racist for pointing out the fact I have difficulty understanding him speak. From the outset, I say with the utmost sincerity if the member for Casuarina feels I have racially vilified him, I sincerely apologise. It is certainly not my intention to cast any aspersions on the member for Casuarina's race or ethnicity. That is not the case at all.

In fact, my father immigrated to Australia from Europe. He faced significant criticism and gibing in the 1950s when he arrived in Australia, and I am well and truly aware of the way those sort of attacks concern people.

To suggest I am some sort of a racist is wrong of the member for Casuarina. The fact is I have grown up in an ethnic family; I live next door to Greeks and they are some of my very best friends. I grew up in Australia and we are surrounded in this wonderful multicultural country by people from all races, creeds, colours, backgrounds and so on. Some of my best friends are Indigenous; I make no apology for that, and I make no apology for having friends from Asian, Greek, Italian and German backgrounds - the whole gamut of ethnic backgrounds.

I do, however, feel the member for Casuarina was not necessarily motivated to make his speech tonight because of the offence he took to my comments. Just to backtrack what the minister, the member for Casuarina, was so offended about was in Question Time today, my good friend, the member for Brennan, in asking a question asked about faecal contamination and he pronounced it 'facial' contamination - quite an easy mistake to make. I am not the best at pronouncing some words myself and I can understand how some

people can make mistakes with their pronunciation.

For the member for Casuarina to be the one to pull him up and deride the member for Brennan for making such a poor attempt at pronouncing a word that is not very common in the English language, I find to be extremely hypocritical, given the member for Casuarina is the least understandable person in the parliament. That is not a racist comment to make; that he is the least understandable person in the parliament. One only has to talk to the people in Hansard who actually have to try to transcribe what he is saying; they have all sorts of difficulty. Most of the time when the member for Casuarina is making a speech or comments in Question Time, it is not until the *Hansard* drafts are passed around the next day I can read what he said and find out what he was talking about. He is very difficult to understand.

If people asking him to slow down, or speak louder, or take his time, he perceives as a racist attack, he is sadly misguided. The fact is there are many people in Australia who have difficulty being understood and just because somebody says: 'What is he saying?' or 'Excuse me, can you repeat that?' I do not think is a racist attack at all.

I believe the member for Casuarina has motives for making the comments he did tonight in the adjournment debate. I believe he has already briefed elements of the media about his speech tonight, and it will be interesting to see in tomorrow's media what is covered and whether, in fact, this speech I am making right now will be covered in the same way the member for Casuarina's speech is covered. I may stand corrected; there may not be any mention at all in any of the media tomorrow, but I do not think that will be the case.

The fact is the member for Casuarina is simply doing the government's dirty work tonight. He is deflecting attention from the government's faults and trying to focus attention somewhere else. I do not think they really care. I do not feel victimised; I just happened to be in the wrong spot at the wrong time. It could have happened to anyone here. The government is so very desperate to deflect attention from its own shortcomings it is prepared to do and say anything.

That was reinforced to me last week and over the weekend with the newspaper coverage containing what we all know is phoney, concocted Labor Party polling. Why, in goodness name, would the Labor Party be releasing polling to the newspaper? It does not make sense at all - apart from the fact they are trying to create a story, create a diversion, and take the focus off

themselves, their own ineptitude, and their own appalling mismanagement.

The fact is we are in parliament at the moment; we have heard what has been debated over the last couple of days, and we have seen the complete failure of SIHIP as outlined by the Auditor-General. We have seen programs everywhere going awry. We are coming up to estimates, and the government knows they are on toast and they are doing anything they can to deflect attention away from their own shortcomings.

It is a sad day when members of government have to walk in here with concocted stories about racist attacks and a legend that they have some lofty standard of political correctness that we, on this side, do not share. I have often pleaded guilty to the fact I am not seen as the most politically correct person in society; in fact, in some cases, I tend to shun political correctness because I believe it is bad for society - we should be able to say the things we want to say.

The word 'faecal' is a case in point. Without political correctness and what is acceptable in the parliament there would be more words to describe that which are far more commonly used in the English language than 'faecal'. Those words are considered unparliamentary not by the wider community, but by the parliament, and they cannot be used.

I feel sorry for my good friend, the member for Brennan. It is not a common word and it is easy to mispronounce, particularly in the hurly burly of Question Time. For the minister to attack him for his failure to pronounce one word correctly, I believe is wrong.

To come in here with his lofty stance and say: 'I am from Greek descent and I am a bit difficult to understand' - well, we all know he is difficult to understand. As I said, I have Greek friends who are difficult to understand, but it does not mean I do not like them. In fact, I quite like the member for Casuarina on a personal level; some of his ideas are a bit whacky and way out, and I do not think he is the best minister we have ever had in the Northern Territory, but he is not the worst either.

I have to say, there are plenty on the other side ...

**Madam DEPUTY SPEAKER:** Member for Fong Lim, your time has expired.

**Mr HAMPTON (Stuart):** Madam Deputy Speaker, I wish to inform the House and congratulate the Desert Knowledge Cooperative Research Centre on an extremely successful Pathfinders - The Innovators Conference and

awards held in Alice Springs last month. I believe it is the first time the awards and the conference were held outside a capital city. More than 400 delegates attended the conference, which attracted a host of prominent speakers and presenters.

I congratulate Jan Ferguson and her team on winning one of the prestigious awards for excellence for the production of the world-first *Aboriginal Knowledge and Intellectual Property Protocol Community Guide*.

The guide, produced in partnership with Waltja Tjutangku Palyapayi, illustrates complex issues of intellectual property negotiation using Aboriginal dot paintings and plain language. It has been created to assist partnerships between Aboriginal people and researchers working in areas which aim to close the gap of Aboriginal social disadvantage, or wishing to learn more about the culture, traditions, and other information held by Aboriginal communities.

The guide has already been used by government departments and researchers to improve cooperative relationships with Aboriginal people and to avoid confusion, misunderstanding, and mistrust in addressing the key issues of Aboriginal disadvantage in Australia today.

I have already used the guide by passing it on to other members of the community. A gentleman I know at Deakin University is looking at undertaking research in relation to football and the broader terms of how important football is to remote communities. It was my pleasure to pass information about the guide to the gentleman at Deakin University.

The *Aboriginal Knowledge and Intellectual Property Protocol Community Guide* will be used extensively in the work of the new CRC for Remote Economic Participation, which takes over from the Desert Knowledge CRC on 1 July this year, with the goal of helping close the gap for Aboriginal and other remote Australians.

Over the seven years of its existence, the Desert Knowledge CRC achieved a significant output of new knowledge and technology to help desert people in their daily lives; and also businesses, especially in the formulation of better policies for our desert regions. Australians, and especially Australian governments, now have a clearer idea of what desert people confront in their day-to-day work and lives, the issues they have to deal with, and the need to give them a greater say in their futures.

The Desert Knowledge CRC pioneered research in many areas, including investigations showing how remote communities can manage

their own water supplies; profiles of desert communities to enable better policy making; new knowledge of desert fire patterns and controls; an Australian first study profiling the damage caused by feral camels; a study on water saving technologies for the pastoral industry; a profile of the rapidly growing four-wheel drive tourism industry; and a host of other research papers and projects. It is an impressive track record and we should pay tribute to the hundreds of scientists, researchers, students and private sector, industry and government departments involved in the CRC's work to date.

Jan Ferguson and her team, guided by the Board of Desert Knowledge CRC and its Chair, Paul Wand, leave an unprecedented legacy that will create a solid foundation for the new CRC for Remote Economic Participation, whose task it is to conduct research to expand business opportunities, jobs and livelihoods across remote Australia. I believe there are around 41 CRC's across the country, and I also acknowledge some of the other award winners.

I attended the awards at the Desert Park, and I would like to thank my staff at the Desert Park for putting on a wonderful show in such a wonderful setting.

The other CRC winners of the awards included the Hearing CRC, which won an award for its role in the development of the cochlear hybrid system. The system extends greatly the number of people who can benefit from cochlear implant technology, previously limited to patients with complete hearing loss.

The Australian Seafood CRC was presented with the award for research which has set the scene for the growth of a sustainable tuna aquaculture industry, particularly in Port Lincoln. The breeding and rearing of the prized southern bluefin tuna in hatcheries will reduce and eliminate the dependence on the fragile wild stocks.

The CAST CRC won an award for new moulds and fitting systems for making aluminium ingots.

It has also been a very busy time at the Desert Knowledge Precinct in Alice Springs with the Desert People's Centre opened on 28 May 2010 by the Deputy Prime Minister, Julia Gillard. It was my pleasure to attend the opening and speak as the Minister for Central Australia of my personal background and involvement with the Desert People's Centre, which goes back some 10 years before I entered politics.

This government has provided \$10.4m and the Australian government \$8.4m towards the Desert People's Centre, in joint partnership with the Batchelor Institute and the Centre for Appropriate

Technology, which I believe will deliver real outcomes for Indigenous education in the future. These new facilities will develop students' skills, develop economic opportunities and grow our local workforce.

The Desert Knowledge Precinct held a very successful open day on 29 May 2010, where hundreds of Central Australians had the opportunity to see firsthand how the area has grown and developed.

On another note, I congratulate all those who participated in the Cancer Council's fundraiser, Australia's Biggest Morning Tea, in Alice Springs where businesses across Alice Springs enthusiastically got into the fundraising spirit. I was able to call into the function, hosted by Mr Doug Fraser of LJ Hooker at their offices in Alice Springs, where a very impressive array of cakes was auctioned off. Unfortunately, I arrived a bit late so I missed out on the auction, but I can say the cakes looked absolutely beautiful. The event raised some \$10 500 for the Cancer Council, and I know many local businesses, such as Headlines, our local hairdresser in Alice Springs, also held morning teas and raised significant sums of money.

Madam Deputy Speaker, this is the sort of community spirit that makes Alice Springs a great town to live and work in.

**Mr ELFERINK (Port Darwin):** Madam Deputy Speaker, tonight I wish to deal with an issue which, ultimately, rests in the federal domain but, nevertheless, causes me some concern because it does touch quite heavily on my electorate.

It deals with the number of people who live in my electorate who work in foreign jurisdictions. I believe members of this House would be quite surprised to discover how many people live in our respective electorates and work in other countries on a regular basis. In this age of multinational corporations, expertise is drawn from all around the world.

It was not so long ago - and I do not know if they still do - St John Ambulance in the Northern Territory sold paramedics to a Norwegian company called PGS, which ran Ramform vessels, which are seismic vessels, all around the world. These paramedics working for St John were taxed in Australia because they did not pay tax in other jurisdictions. If a Ramform vessel, an oil rig, or some other form of foreign work was being conducted by a person living in my electorate up until 30 June 2009, they paid tax in that country - and I am talking about places like Mozambique, Botswana, some South American countries, Venezuela and off the coast of Peru, China, Mongolia and Russia, to name a few.

When those people fly out of Darwin to work in those places, they have to pay tax locally. The tax arrangements up until 30 June 2009, under section 23AG of the *Income Tax Assessment Act 1936*, is if you work for 91 days or more in a foreign jurisdiction and pay tax locally, you are exempt from paying tax in Australia. All you had to demonstrate to the Australian Tax Office was you worked in this foreign jurisdiction and paid tax in that foreign jurisdiction and you had some sort of letter or authority saying you had paid tax. It did not matter how much you had paid, the money was earned in that jurisdiction and the tax was paid to that jurisdiction.

Now, as at 1 July 2009, the rules changed, and no one will notice that rule change until 1 July 2010 when the new rules apply. The new rules under section 23AG of the *Income Tax Assessment Act 1936* require the following:

*Where a person in a foreign jurisdiction pays taxation to that jurisdiction, they are not exempt from paying taxation in Australia.*

The new rule demands that in the new jurisdiction - that is, in Australia - you have to demonstrate to the Australian Tax Office how much you paid in tax in that foreign jurisdiction, and that is then deducted from the normal income tax rate you will be charged in Australia.

The reason this is important is twofold. First, this presents the taxpayer with an administrative nightmare. I suggest if someone had paid X number of yuan in China for tax and received a certificate, no one would know what that certificate said simply because it would be in Chinese script, with the range of ideograms that apply to that sort of script. Moreover, many of these employees work in multiple jurisdictions, so they will have paid tax in Botswana, Mozambique, and China in the same tax year. The challenge from the Australian Tax Office to these workers is not only do you have to prove this but you have to get from Botswana, Mozambique, and China three certificates saying how much tax you paid in each jurisdiction to deduct that from your taxpayer bill in Australia.

Whilst we enjoy an ATO in Australia which is reasonably efficient at its job, I suspect places like Mozambique, less so Botswana and other jurisdictions, would pose enormous challenges in extracting any form of paperwork in any timely fashion.

What has occurred in the past is normally the employer provides some sort of certification to the employee to demonstrate to the Australian Tax Office that tax had been paid in the other jurisdiction. One would hope this would continue,

but it appears not to be the case. So, unless you prove with some demonstrable organ - namely, a certificate of tax payment from the government of Botswana, Mozambique, China, Mongolia, or Iceland - you will end up paying tax not only in that jurisdiction, but in the Australian jurisdiction.

This then presents people with double tax bills, because they will not get some of this documentation. The capacity of governments in some of these jurisdictions is not what it is in Australia and, I can tell you, getting paperwork out of the Australian Tax Office can be challenging at times.

This is important also because we are trying to build an offshore industry that works in international waters off the Australian coast, and we are at the hub of that. We have a whole bunch of experts living in Darwin, with expertise in all sorts of offshore experience and work: seismologists, geologists, paramedics associated with that sort of work, people who run the drill rigs themselves, the drillers, the computer boffins who work on these ships and in remote and foreign place all travel. This work is only attractive because it pays reasonably well. It is not brilliant, but it pays reasonably well. However, if we are now going to say to these people they will be taxed twice as a jurisdiction, they will stop going; it will not be worth their while.

This world travel sounds like fun, but it wears off very quickly and it is just bloody hard work. The nature of this work is you work for six weeks - and you work very hard for six weeks - on 12-, 14-hour shifts, go and get a camp; you have nowhere to sleep because you are sitting on a rig in the middle of nowhere, and you then go and work your next 14-hour shift. You then go to your downtime, and the first three days of your downtime are spent flying, catching planes from different airports and, finally, getting home. Then, you have to travel for three days back. So, even your downtime is affected by the work you do. Whilst it sounds romantic, those people who are in the industry will very quickly tell you it is not that romantic, it is just hard yakka.

This government should be saying to their five federal colleagues - and the federal colleagues, according to the Treasurer in the Northern Territory are listening to them; they have a result on the super tax - 'Do not do this, or at least put a hiatus in place so those people living in the Northern Territory - expertise we have collected over years, and people who chose voluntarily to live in the Northern Territory - will continue living in the Territory. I can tell you what is going to happen: they are going to choof off overseas because, once you can demonstrate to the Australian Tax Office you are a true expat, you have no assets in Australia, you hold no bank

accounts and that sort of thing, and you are living in Malaysia, you are no longer taxable.

That is where those people will go. They will go to these other environments, and it will be Malaysia, not Darwin, that supplies employees to the offshore drilling rigs, gas projects, and expansion of the mining industry in international waters off the north coast of Australia. That poses a direct threat to Darwin as a support base for all these very important industries.

I call upon the Treasurer of the Northern Territory to speak to her Labor mate, Wayne Swan, in Canberra; and I call upon the federal government to at least, if nothing else, soften the rules of this new arrangement so these people will get a fairer outcome because, otherwise, Darwin in particular, will be negatively affected by a series of tax decisions which will drive the expertise we need to run our offshore industries, offshore themselves. A failure from this government to respond to that is a massive failure, indeed.

**Mr GUNNER (Fannie Bay):** Madam Deputy Speaker, Darwin High School is a great school that consistently produces high academic results, top sporting results, and contributes to the Darwin cultural scene. They produced the excellent art award winner this year and last year. I had the pleasure of seeing Darwin High's classy production of *Grease* the other day. I would be shocked if there was a member in the House who has never seen the original movie – isn't that right?

**Mr Tollner:** Can you repeat that?

**Mr GUNNER:** I would be shocked if there was a member of the House who has not seen the original movie, *Grease*.

**Mr Tollner:** Yes.

**Mr GUNNER:** The production was a huge undertaking for the staff and students, and they pulled it together in only 16 weeks. That kind of stress and hard work by a strong team is a bonding experience, and there are always a few stories to emerge. Louise de Dassel was director of *Grease*, and I will use her words:

*About two weeks before show night, Sean Hutton, who played lead role of Danny Zuko, wrote on his Facebook page that he had broken his leg at soccer training which, as you could imagine, brought everyone's hearts to a momentarily standstill. The Darwin High School team had invested a huge amount emotionally, physically, and financially to get the show to the stage ...*

*but they since learned that Sean loves a good practical joke and the show went on.*

The main character of Sandy, made famous by Olivia Newton-John, was played by Alisha Thompson. Alisha had a story of her own:

*The characters of Rizzo (Yuliana Pascoe) and Kenickie (Ned Dorman) had to kiss and make out passionately in a couple of scenes in Grease. The two students refused to do this in rehearsals, continually assuring that they would 'do it on the night'. In the week before they went on stage, the director showed them how to appear to be kissing without actually touching lips to give the appearance of 'making out'. They practised this and off course the students were in hysterics. Yuliana and Ned used the strategy during the performance - and pleasantly didn't have to 'hook up'... as they call it these days.*

While shows like these are great fun, they also have great benefits for students during those tough teenage years. Alisha wrote a review of her experience:

*Being a part of Grease was a truly amazing experience. It allowed me to work with inspirational directors, actors and choreographers. We wouldn't have been able to put on the show without the support from parents, friends, sponsors and teachers especially our director, Ms de Dassel, who put an overwhelming amount of effort to make this show a success! I am so grateful for all the people who helped give me this opportunity!*

*Throughout the production of Grease, I further developed skills that I will use for life. I learnt so much in all of the lessons and rehearsals that were the highlight of my school days for 16 weeks! This opportunity has allowed me to embrace my known love for musical theatre and has reinspired me to continue performing.*

*Grease has not only been a lot of fun and a great experience, but a life lesson of self-confidence and bravery. This production gave me a great sense of accomplishment and made me incredibly happy! Through Grease, I have made so many great friendships and I loved every minute of it. Grease will surely be remembered as one of the highlights of my schooling. I will never forget this incredible experience!*

Madam Deputy Speaker, we often hear about sport, and I love sport, but it is important to

remember the positive effect arts and drama can have. They may not get the back pages, but it is great to hear how a high school production can inspire and grow confidence, and that is what a school experience should be about.

Congratulations to the whole cast and crew for treating myself, and several hundred others, to a fantastic night of theatre. There were three performances in all, and I understand they were all packed. It was crowded the night I was there, and it was easy to tell how much work had been put in by everyone.

To the cast: Sandy and Danny, who were played by Alisha Thompson and Sean Hutton; Betty, Kenickie, and Frenchie, played by Yuliana Pascoe, Ned Dorman and Lauren Thompson; Doody, Marty, and Rodger, played by Toby Phelps, Kimberley Harding and Jack Reedy; Jan, Sonny, and Patty, played by Katie Rehrmann, Olivier Hasan-Fourcard and Atthiyah Haakmeester; Eugene, Cha-Cha Di Gregorio, and Miss Lynch, were played by Rhyss Lee-Jones, Kristen Kennedy and Briana Harding; Johnny, Vince, and Teen Angel, played by Regan Lynch, Stephen Billias and Sean Hutton; Stefan, Marvin, and Pamela, played by Stephanie Falls, Dorian Mclean and Pieta Hawke; and Mary-Sue, Katrina, Eloise, and Georgina, played by Mikaela Cacciotti, Ebony Cvirn, Enggar Daranindra and Georgia Watkinson. You all did an amazing job.

Like any good show, it cannot be done without the production staff. A big wrap must go to the director, Louise de Dassel, who put in many long days and sleepless nights for her team. Congratulations to the rest of the crew: Penelope Strachan, Peter Stretton, Kathryn Laurence, Jenelle Saunders, Marinda Tapsell, Chris Knights, Betchay Mondragon, Garry Ferguson, Peter Coulter, Napoleao Da Silva, Doug Loft, Marty Roberts and Techy Masero. They all did a great job, and they continued Darwin High's excellent reputation of producing fantastic performances, whether academic, sporting, or in the arts.

Motion agreed to; the Assembly adjourned.