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**HOUSE OF
REPRESENTATIVES**

JOINT SELECT COMMITTEE ON NORTHERN AUSTRALIA

Development of northern Australia

(Public)

MONDAY, 19 MAY 2014

ALICE SPRINGS

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HOUSE OF REPRESENTATIVES

JOINT SELECT COMMITTEE ON NORTHERN AUSTRALIA

Monday, 19 May 2014

Members in attendance: Senators O'Neill and Mr Christensen, Mr Entsch, Mrs Griggs, Ms O'Neil, Mr Snowdon.

Terms of Reference for the Inquiry:

To inquire into and report on:

Policies for developing the parts of Australia which lie north of the Tropic of Capricorn, spanning Western Australia, Northern Territory and Queensland, and in doing so:

- examine the potential for development of the region's mineral, energy, agricultural, tourism, defence and other industries;
- provide recommendations to:
 - enhance trade and other investment links with the Asia-Pacific;
 - establish a conducive regulatory, taxation and economic environment;
 - address impediments to growth; and
 - set conditions for private investment and innovation;
- identify the critical economic and social infrastructure needed to support the long term growth of the region, and ways to support planning and investment in that infrastructure.

The Committee to also present to the Parliament its recommendation for a white paper which would detail government action needed to be taken to implement the committee's recommendations, setting out how the recommendations were to be implemented, by which government entity they were to be implemented, a timetable for implementation and how and when any government funding would be sourced.

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FURBER, Mr Harold, Lhere Artepe Aboriginal Corporation**Committee met at 08:35**

CHAIR (Mr Entsch): Let us kick off by first of all acknowledging the traditional owners of the land upon which we meet and pay respects to elders past and present. Thank you for your attendance. The Joint Standing Committee on Northern Australia is travelling around Northern Australia to communities, hearing ideas and aspirations on where communities see themselves into the future. We are feeding into the Northern Australia task force. A white paper is expected by the end of the year. We are looking at what opportunities we can capture by growing Northern Australia, north of the Tropic of Capricorn. The tropical zone in Australia has 40 per cent of the land mass and four per cent of the population. The tropical world is expected to have over 50 per cent of the world's population by 2050. So, we talk about agriculture, we talk about resources and mining and we talk about other opportunities—tropical expertise—across a broad range of spectrums. That will be of immense benefit to a tropical world, which is primarily Third World and developing countries. Whether it be in health, education, governance or environment—across the whole spectrum—tropical expertise will be a premium. So we are looking to see how we can capture that in our region. To do that we are going to need to grow our population from four per cent. How do we grow that population? And how do we retain people, how do we keep them here for the long term so that we can keep that expertise up here?

So, we are looking at what we need to do, whether it be legislative or regulative changes or what infrastructure is necessary to be able to build on what we have here, what services. At this stage we have travelled up eastern Australia. We have been up to the Torres Strait, we have been across to the Pilbara and the Kimberley, and we are now moving through the Northern Territory. Over the next week we will be here—Darwin, Gove, Nhulunbuy, Borroloola and Katherine. Such has been the interest in the Territory that we will be coming back a second time to Darwin to talk to all those who want to submit. We have been out to Mount Isa, but we still have around the lower gulf area to do as well, plus we have hearings in Brisbane.

So we have been quite extensive; we have covered the area pretty well. The one thing we are finding, I think it is fair to say, is that we have a lot of commonalities. There are a lot of challenges that we are seeing in areas like Mackay that are the same as what they are in the Pilbara, in the Kimberley and in Cape York, and I am sure we will find those same commonalities here.

We have here Warren Snowdon, the member for Lingjari. I am the member for Leichhardt, which is from Cairns right up to the Torres Strait and mainland Papua New Guinea. And we have George Christensen, who is the member for Dawson, the electorate around the Mackay area and going up to Townsville. So, we are all Northern Australian members. We also have the deputy chair, Alannah MacTiernan, who is the member for Perth and who will be here shortly. And I think Senator Siewert will be here a little bit later on, as will Natasha Griggs, the member for Solomon, and I think Nova Peris, the senator for Western Australia, will also be here. As you can see, this is a joint standing committee. It is across the political divide, and we are all trying to work together to put up some recommendations that will see some great opportunities realised for our home area as well. I welcome Harold Furber from the Lhere Artepe Aboriginal Corporation. Would you like to make an opening statement?

Mr Furber: Lhere Artepe means the Todd River—'Lhere' means river, and 'Artepe' is the Todd. And it is the name of the native title holding group for the three estate groups that hold native title within the Alice Springs Town Council area. There was a native title claim on Alice Springs back in the 1990s—the first urban one. The Territory government did not actually oppose it, so it was just a hearing, basically. It is the Central Arrernte people, but the corporation got its name from the river. As I said, the Northern Territory government did not oppose it. There is acknowledgement that Aboriginal people, and the Arrernte people in particular, have been in the Alice Springs district for over 150 years, so I would have thought it would have been unwise to oppose anything, seeing as we worked together on a lot of things anyway. The development of the town itself over the last 30 years has been fairly unique in Australia in that the sacred site issues have been dealt with as the town has expanded. For example, what now appears to be an urban area is a sacred site but also an urban development for an open-space area. So both domains have managed to coexist—Arrernte and the expansion of the town.

That has been going on for about 30 years, probably unbeknown to most people. So, I am here representing them. I am sorry, but I did not get much notice, so I am not sure how much detail I will go into. But I would just like to welcome you all here. It is great to see you here at the precinct and in Central Australia. I must say that we regard ourselves as Central Australians, not Northern Australians. There is a long history of that, and I think it needs to be taken into consideration in the deliberations of this committee and the northern development discussions—not just because it is historic but also because I believe Central Australia and Alice Springs has a slightly different economic imperative to that of Northern Australia, particularly, say, Darwin, which is a port city

now with a rail line going through here and elsewhere and looking at Asia. We basically have a huge two-speed economy in the Northern Territory, and we are at the tail end of it.

Alice Springs is different, because it has a focus here in Central Australia. It is a hub city for a huge range of communities that stretch over the border into Western Australia, South Australia and Queensland, but particularly Western Australia and South Australia. It is a hub for Central Australia, so I hope it does not get lost, if you like, in the whole northern Australia thing. It is good to be part of this inquiry, I think, but that critical issue needs to be part of it; how it is done, I am not sure.

We have had a long history of trying to do things here and raise the issues I have just raised. This precinct itself is but a symbolic example of that, where we have seen that we need to work together differently over the last 30 years. I will not go into too much detail about it because I think that other organisations based here are hearing evidence about it. Lhere Artepe, this land that we stand on here, is part of an Indigenous land use agreement, signed off by Lhere Artepe and the Central Land Council—and it does acknowledge Australia and the Northern Territory government—to develop a precinct that is cutting edge, is different, brings people together and can be a focus for some of the economic development that I guess this committee is possibly looking at. So we see Alice Springs as a central hub to all those sorts of things, and this precinct here is part of that.

I have a 2½-minute video, which I referred to earlier. It is a welcome to the Desert Knowledge Precinct. It gives a brief outline of what the precinct is about. I mention that so it can be included on the record.

CHAIR: Before we start with questions, do you have a copy of the video?

Mr Furber: Yes.

CHAIR: If you would make that available to the committee we will make sure we have it incorporated onto the record. That would be greatly appreciated. We certainly understand—actually, you are just below the Tropic of Capricorn. But we were very much encouraged to come to Alice Springs, the southernmost point to which the committee is travelling, recognising, of course, your unique situation but also recognising that, as you said, you are a hub. You are also a hub to the north, so you do play a role in it and it is important to hear where you see yourselves as a community. I am also interested in where you see you are going and where your priorities are, and whether there are problems or impediments from a federal perspective that need to be eased off to allow you to capture that opportunity. Where do you see yourself developing? I see that you have a supermarket board and I would be interested in how many businesses you operate and where you see yourself going into the future.

Mr Furber: Again, as I say, I did not come necessarily prepared for Lhere Artepe, but I will talk on the strength of my involvement in the town and with the central Arrernte people, but, yes, Lhere Artepe does have interests in three IGA supermarkets in town. There are quite a number of other interests that organisations in town have. Unbeknownst, I think, to a lot of people, we have gotten on with business here in Central Australia and Alice Springs. I think most Australians do not realise it—we get all the negatives—but we have gotten on with business. We have to; no-one else is going to do it for us. These are philosophical imperatives for what we have had to do. No-one else is going to do it for us. The east coast is not going to do it for us, so we have to do it ourselves. Amongst our communities, we have built up the strength and resilience to do things, here out of Alice Springs and in Central Australia. Economic opportunities are coming. We have a number of shops around town, Lhere Artepe and other organisations. We have families scattered around the world who fly planes and work for Foreign Affairs. I have nephews in Jakarta at the moment. They go off to universities in the south mainly, not the north. So we have people scattered everywhere, and they all regard Alice Springs—and Lhere Artepe and [inaudible]—as their home. We have a spiritual home here.

In line with that, our next big step is to develop this precinct a bit further and to develop a national centre, utilising the expertise we have here. We believe this is the place to do it. Alice Springs is the iconic centre of Australia. It is the iconic hub for Aboriginal Australia, so we will work towards developing a national approach. That is the way we are going, and we call on people to support that. We do not have the economic opportunities—as has been known for the last hundred years—that you have in Northern Australia, with the rivers and sea, and mines are few and far between. If they come on board, that is great; I am not sure that is going to have such an impact on Alice Springs because they will be filling the railway line heading north or south.

There will be some work opportunities but I doubt that would be—we need to talk about our trying to develop Alice Springs as a hub town for the mining industry, including Lhere Artepe and other Aboriginal organisations here. I do not think you can talk about Alice Springs without talking about Lhere Artepe and the Aboriginal community. We are part and parcel of the same thing. We are part of this community; we always have been. We built it up along with everybody else. I think that is recognised here, to a certain extent, but to keep that

recognition going is proving to be somewhat difficult sometimes—when you have a turnover of people coming from the south and elsewhere.

Mr SNOWDON: Can we explore further the role of Desert Knowledge and Alice Springs's role as a hub for the region, including communities within the Northern Territory, South Australia, Western Australia and, in some part, Queensland and what pressures that places on the town, from your perspective?

Mr Furber: It is incredible pressure. It is one of those things that is not widely known. We have these invisible lines occurring across the desert. Aboriginal people and camels certainly do not take any notice of them. So Alice Springs is this hub town that services communities across the border. The hospital is probably the best example. It is a hub hospital. Without knowing all the details, the hospital is getting funded to quiet an extent. It is because we are a hub town and people come here—the dialysis issues, right across desert Australia and remote Australia. Alice Springs has to be seen in that context, that it is a hub city. It has to be seen outside the context of its boundary being only 500 kays. In fact, it is a hub for at least 1,000 kays.

One of the problems we have here with our families—when I say families, I mean Aboriginal people, whether they be Pitjantjatjara, Yankuntjatjara or Arrernte or whatever—is that when they wander across, say, the Western Australian border from here and something happens, and they go to hospital, they end up in Perth or Kalgoorlie, which is one hell of a long way. And they need to try and get back here. Then the problem is often trying to get them back to a safer environment, in Alice Springs, where their relatives are. The same thing happens in South Australia, where you have another government south of the border purportedly looking after people north of Port Augusta and Coober Pedy who often come here for social occasions and a whole range of other things. To build Alice Springs would be of benefit to remote Australia in that it could help alleviate the social and economic stresses that create these problems. That is partly what Desert Knowledge was about, to try to get past these jurisdictions and try to get past the silos. It is about building critical mass and bringing people together. That is what we are trying to do here.

CHAIR: Fair enough.

Mr SNOWDON: I am trying to think about the pressures on Lhere Artepe itself.

Mr Furber: The pressures on Lhere Artepe in town is that people feel very uncomfortable when they pick up a daily newspaper and someone was stabbed, killed or there have been some problems down the street and tourists are upset. The majority of those people are not Lhere Artepe people. They are not Central Arrernte people. They would mostly be from outside. By looking at most of the glue sniffers you can see where they come from. I took Brian through town the other day and there were all these young people who had apparently hit the streets again. They are Pitjantjatjara people. They are people from down the south-west. They are getting out of their home communities. This is the place people come to socialise. They are left behind after the football carnivals or whatever else and they are all in town. So apparently to a lot of people the pressure is on Lhere Artepe to look after all this. It is a nonsense. You cannot. Lhere Artepe did not create the problem. So the pressure is on Lhere Artepe and others to try and come up with the big statements or something about domestic violence and everything else. They have not created the problem.

Mr SNOWDON: Are there protocols?

Mr Furber: No.

Mr SNOWDON: Should there be protocols?

Mr Furber: Absolutely—some protocols for everyone. That includes anybody who does not come from here. When I say 'everybody', I mean white fellas too. A lot of white fellas do not acknowledge and do nothing. They come through the gate over there and do not recognise they are on Aboriginal land. It is legal. It is both Aboriginal acknowledged and Western acknowledged when you come through that gate. People come here and do not acknowledge the traditional owners. Outside they do, but they do not in reality. I have seen it. It is a protocol for everyone. Let's be real about it. This might not sound politically correct, but I am a little bit past the Welcome to Country things, when in fact you know they are not going to do it. I go to Darwin. I know who they are. They know who I am. They know I acknowledge who they are. I have known them for 30 or 40 years. I would like to see it fair dinkum, not just words that people say and then they turn around and kick you in the guts with the next sentence. That stuff is out.

Mr SNOWDON: We know that in Alice Springs the Aboriginal population is probably around 25 per cent. In the broader population in the bush it is closer to 90 per cent. Are there issues around poverty or circumstances in the bush which impact upon the town?

Mr Furber: Absolutely. That is the critical point. For Alice Springs it is poverty, dispossession and dislocation of the entire group of people from their homelands, from their traditions, right across Central

Australia, Alice Springs and, to a certain extent, Tennant Creek and other little towns up the highway. That is the central core where those people go. It has been happening for some time. It sped up during the pastoral wages case when Aboriginal people lost their jobs on the cattle stations. That sped it up to a certain extent. Whole communities then grew up on the edges of town. What we are seeing is a continuation of that in different ways.

Lhere Artepe and Aboriginal organisations in town are being completely overwhelmed. The protocols do not exist. How it is enforced I am not sure, but what we do know is that people in Alice Springs feel they always get targeted. We are always targeted. If there is a killing, a stabbing, a knifing, we are all the same. If we get picked up by the police, we are all the same. I have got to the point now where, just two days ago, I was driving my family around and I said: 'You mob, be careful. Don't do this; don't do that. With respect, you can that see everybody in this car is black. You're not white folk. You're going to be treated differently.' When you have got someone like me talking like that, it is not good. It is not good at all.

Senator O'NEILL: Can I just ask a question about education and literacy? One of the things that we have been hearing is that, because there has been limited access to resources in communities, and people have been living the sorts of life experiences that you have just been talking about, a lot of young people do not have the literacy that they need to get to school. Education is at the heart of any real transformation. If we get the highways and the big infrastructure, it is all good, but you cannot get a job if you cannot get your licence or you cannot read the instructions and those sorts of issues. I would really like to hear about your perspective. It sounds like you are drawing on insights into lots of communities, about education in particular.

Mr Furber: Just a rider before that: a lot of people do not seem to realise that I actually grew up on a mission in Arnhem Land. I was one of the kids that were transported from here as a four-year-old. From the stuff we are finding out, that is actually critical to what is going on at this meeting, about the economic development stuff. It was not just taking the kids away for family and social; what we are picking up now is that it was also because of the lack of a future here. So we were sent to Arnhem Land. That seems to be what is coming out now with some of the work a lot of families are doing. That all hit home.

I grew up on a mission. I learnt the three R's and all the rest of it and all the social issues that are learned about around the world, but it was different because of the particular mission I was at, I suppose. It was the Methodist and Uniting Church which told us all these other things that were going on. But I got a basic education. I went to high school in Darwin. I grew up at Croker Island. The other kids from Arnhem Land, from Croker Island, who were in my class, did not come with me. Some of the other kids from Central Australia did, but not the other kids. We were split at grade 7. They went to a boarding school in East Arnhem—back to boarding schools again. It was called Shepherdson. I went to Darwin High School. There were some other kids from the bush there, but not many. So there was this division going on back then.

I also worked at Yipirinya School, helping put that together—it is a bilingual, bicultural school—working closely with the philosophies from East Arnhem, the Yolngu people. The Yolngu people were doing this, and we were trying to do something here which was very, very similar. Those programs are costly to run. They are not about teaching you to how to speak in Arrernte or Yolngu or whatever; it is a start in it. And then, over time, your competency in English increases. The whole argument about bilingual education gets mixed. It was actually starting kids in their first language, and, over time, that creates a better starting point for you to learn in English or another language. That is what it was all about. But it seems to have chopped and changed over many years. I would say another generation sort of went through it and gave up.

People are still battling on, but there is an issue now, I think, with Aboriginal people and education in the bush. People have been so demoralised, for a whole heap of reasons. I have seen it. It has happened to me. I have been to university twice, but it still happened to me. It can happen to all our relatives. The demonisation and the demoralisation that have happened and all that are going to be difficult to get around for, I am guessing, another generation, in the bush. To try and talk about this education stuff is going to be difficult. That is just my broad-brush statement.

Mr CHRISTENSEN: Mr Furber, thanks very much for your presentation here today and congratulations to Lhere Artepe on its entrepreneurial spirit here about those supermarkets you own and the other business activities that you are involved in. It is very good. This morning we have talked a lot about the disadvantages. I want to know from you what you see as the opportunities. What can government do or what can give government get rid of that would create business opportunities that will help your people? What do you think is the best way forward for government in doing something that will help your people?

Mr Furber: Again, this might upset some people and it is probably politically incorrect, but I think that Central Australia and remote Australia is going to be seen in a different light to the east coast. That is partly why we set this place up. It is about resources and where those resources go. It is about the ability to take advantage of

those resources. When I say 'resources,' I am talking about the fact you have cities the size of Sydney, Brisbane, Melbourne and little towns all up and down the east coast where Aboriginal people and others can take advantage of them. And they are. You do not have that opportunity here. So the whole thing is place based. We do not have those opportunities here in remote Australia. Unless that divide is talked about seriously and taken on board, then I am not sure we are going to deal with these issues that we face in remote and desert Australia in the next 20 years. It is a divide. I am including Aboriginal people in this divide.

CHAIR: Thank you very much for your time here; it is greatly appreciated. We would appreciate if you could give that video to one of the secretariat and we will make sure it is incorporated into *Hansard*.

Mr Furber: Thank you.

Eade, Ms Kay, Executive Officer, The Chamber of Commerce Northern Territory

[09:08]

CHAIR: As the next witness is coming forward, I would like to acknowledge our mayor, Damien Ryan. It is nice to see you here. I would also like to acknowledge former colleague Tony Cook, former member for O'Connor. I did not expect to see you turning up in Alice Springs. I also welcome senator Deborah O'Neill, who has arrived. She is a senator from New South Wales. Nice to see you here as well.

Welcome, Ms Eade. Do you have any comments to make on the capacity in which you appear?

Ms Eade: I am the executive officer for The Chamber of Commerce NT, Central Australian region. It incorporates the regions from Elliott down to the border and across. That is about 750 kilometres north and across the borders and down to the SA-NT border.

CHAIR: Just as a formality, these hearings are in fact formal proceedings of the parliament and the giving of false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament. The evidence today, as I said, is recorded by Hansard and does attract parliamentary privilege.

I now invite you to make a brief opening statement and then I will turn it over to members to fire off some questions.

Ms Eade: Our members' point of view is that, within the region, the help we need to help economic growth in this region is infrastructure. Obviously, on the east-west corridor there are a lot of resources available there. The cost of freight and doing business in Central Australia is very cumbersome because we have dirt roads and, because of the costs for freight companies to send their trucks east-west, they need a \$3 kilometre surcharge for their freight. At the end of the day, when their trucks come back, they have to weld them back together, put new wheels, tyres and axles on et cetera. That would also open up the mining industry and investment to come here. To explore and mine is very expensive because of those costs. There is a lack of infrastructure in the regions, particularly the remote regions.

Another thing that the chamber would also like to see in the regions is the matter of land tenure addressed because of the Indigenous communities. Alice Springs services about 260 communities and, if there is no private enterprise in these communities, these communities will just be that, a community, and not be self-sustaining as a town et cetera. Businesses from Alice Springs travel to those communities to service them. We feel that if that was open to private enterprise there could be training and employment for Indigenous people in those communities, as well as opening up tourism in those regions. I think the east-west corridor is very vital to Alice Springs. It will bring tourism from the east to the west straight across and, with Alice Springs being the hub, we could also service the tourists going through. That would assist everything. You have the Indigenous communities out that way and the resource industries that are exploring there—gas, oil and also tourism. For many of our members the cost of doing business here is due to the lack of infrastructure going towards those 260 communities.

CHAIR: Can I just ask a quick question: you talk about infrastructure, so do you have a view about extending the rail, say, from Mount Isa to Tennant Creek as part of the rail network?

Ms Eade: We would really welcome that. Wonarah mine, which is on the Barkly Highway, is about 270 kilometres from Tennant Creek. Mount Isa Mines were interested in extending the rail from Mount Isa across. They were going to partner with Wonarah into Tennant Creek, mainly because the narrow gauge in Queensland loses a lot of buckets. The ports on the east coast are very congested. It was their wish to partner with Wonarah to mine and bring the buckets to Tennant Creek, because there is a spur at the old Warrego mine, which would save them a lot of money. They could also go up to the north, into Darwin, for the ports there. That would be welcomed by the NT, to bring more business through the Northern Territory.

CHAIR: There is always a challenge with the different gauges but you wonder where you could have that transition, whether you have Mount Isa as the hub, where you go for a wider gauge to connect into the Darwin line or whether you take it to Tennant Creek and have that as the hub. Connectivity is just one of those things. At the moment, to put a parcel on the rail to go from, for example, Cairns to Darwin you have to go all the way around the eastern seaboard. It is not practical, whereas if you had that central line it would possibly—

Mr SNOWDON: Harold talked about a two-speed economy in the Northern Territory. How would you describe the current state of business in Alice Springs?

Ms Eade: It is not real good at the moment. It is on a down scale. As you say, we had a two-speed economy in 2010-11 we had the stimulus packages happening. We had the intervention, plus we had the SHIP program. We had three lots of projects in Alice Springs, so therefore businesses had to gear up their workforce to cater for all

these jobs. Now that has all dried up, so they really have to go back to what it was prior to that. So there have been a lot of redundancies and retrenchments, and a lot of businesses are failing at the moment.

Mr SNOWDON: What is driving the economy?

Ms Eade: To be honest, I think the staple in Alice Springs would be the Indigenous service organisations. We do have a lot of organisations for the health and welfare of the Indigenous and I think that keeps the service industry, retail et cetera plugging along quite nicely.

Mr SNOWDON: Are there any private sector opportunities or alternative stimulus measures for the economy coming out of the private sector? In the Top End we have oil and gas. You have talked about transport. By the way, when we were in the Pilbara we heard that they wanted the Tanami Road done. In the Kimberley we heard they want the Tanami Road done, for a whole range of reasons, not the least of which is to service the mining industry through the north-west, and the cattle industry as well. So there are some issues there around the economics of transport. But what do you see as options for future economic opportunity for the town of Alice Springs?

Ms Eade: It is a bit difficult because we have one airline at the moment that services Alice Springs, so the cost of airfares is quite large. That affects tourism. Tourism is quite high on our list of economic outcomes, but the cost of getting here is quite a deterrent. We have lost our budget airline, which may affect the backpackers. Our fuel in the NT is quite expensive. It is \$1.87 or something like that today. It is costly to come here, so that is a deterrent for tourism in Central Australia. I think the cost of living and the cost of getting here is the biggest deterrent to doing business and also for tourism.

Mr SNOWDON: How are property prices holding up?

Ms Eade: Property is steady. It was quite high at one stage, when we had that two-speed economy, and it pushed all the prices up. They are just starting to stabilise now and maybe decrease a little bit, which will be good for the young people getting into the market and for keeping them here. We do have some land release, which will benefit the town. Our biggest issue is trying to keep our young people here. They go to university and then they do not come back. But back in the 1980s, when I came to the Territory, there were a lot of incentives for people to come to the Territory to work and live. All that has gone now.

Mr SNOWDON: Can you give us some examples of what those incentives were?

Ms Eade: You would get electricity rebates. You would also get flights back home once a year. There were a lot of different initiatives like that. There were rental rebates. They were not huge things but they were an incentive. It is quite amazing. You can offer somebody a \$5,000 increase in their wages and that is okay—they will look at it—but you offer them a flight back home to their family and they are over the moon. I do not know how that works. I think it is a psychological thing.

CHAIR: Was there a zonal tax or a zonal rebate?

Ms Eade: That has not changed forever and I do not think that is—

CHAIR: Is that an incentive?

Ms Eade: No.

CHAIR: Could that be an incentive?

Ms Eade: It could be an incentive. I do not think it has increased for quite a while, with the cost of living and everything else going up.

CHAIR: We have had evidence to suggest that, had it been linked to CPI, we would be talking about a figure closer to \$20,000 a year as a remote rebate. We have had submissions coming through suggesting that a rebate kicking off at \$10,000 would be seen as a serious incentive, because part of building opportunities here is attracting people or increasing our population and then, once we have got them here, retaining them here. You talk about flights home. We are looking more towards this being home and so incentives to call this home. I would be interested in the chamber's view in relation to bringing back a zonal tax incentive in that range that has been suggested, between 10 and 20. Would that be something you believe would attract people here? What infrastructure deficits are here? What drives people away after a period of time? Is there anything to do with infrastructure or services that government could look at that would make sure they stay? They say it is three generations before people can genuinely say that they have put down roots and intend to stay in a region. Do you have any thoughts on where the deficits are, whether it be health, education or other areas, so people would say at some stage in their lives, 'Well, we really don't have to move out of our region, because we are adequately service to stay here permanently'? I would be interested in your view.

Ms Eade: I think for the younger generation now, the ones that go to university, their careers take them elsewhere. Although, in saying that, Alice Springs gives those people a great opportunity: people will employ a person fresh out of university and give them a go. They can do quite nicely. But then there are not a lot of big organisations here, or big corporates here, to keep them if they are a career minded person. I do not think we want for a lot of things. There are some things that I think will enhance people's desire to stay. We lose the children that go to university and we lose the people who are semi-retired, between age 55 and 60. They have run businesses here for 30 or 40 years but there is nothing here for them afterwards. There is one retirement home which is more or less God's waiting room—that's what they call it.

Mr SNOWDON: It's not bad, though.

Ms Eade: I don't know. I've not been—have you?

Mr SNOWDON: I've not been to stay there, but I have seen it.

Ms Eade: There are no lifestyle villages. Do you know the over-50s lifestyle villages that are everywhere? That is a massive industry in Australia at the moment, around the east coast. We have the same climate as America's Palm Springs. That may be an opportunity that we can grow—having an over-50s lifestyle. There are a lot of those little things.

Mr SNOWDON: What about the heaps of people who were here last week?

CHAIR: The Ulysses bike club.

Ms Eade: Yes, if we could capture those and keep them here, that would be wonderful. We lose a lot of our knowledge when these people go.

CHAIR: What are your thoughts on the tax incentive?

Ms Eade: I think any incentive is helpful. I know the federal government did not have, also, a relocation scheme for people to find work. I do not think that is marketed as well as it could be. If we can attract people that are unemployed on the eastern seaboard and get them to relocate here, that would be a great incentive.

CHAIR: Provided they have the skills that you need here for the jobs that are available.

Ms Eade: We were looking for workers. It was so dire at one stage. Unemployment was under one per cent. The old saying was that if you had a heartbeat and a pulse you could get a job. Everyone was willing to give people a go and to train them.

Mr CHRISTENSEN: I was surprised to hear about the loss of that low-cost carrier you had here. How long ago was that? Was there rationale behind why they pulled out?

Ms Eade: They said it was not commercially viable.

Mr CHRISTENSEN: In Alice Springs. That sounds bizarre.

Ms Eade: Yes, I do not understand that either. Somebody in the tourism industry may be able to help you with that. Their flights were quite full, actually. I cannot think of anyone who said it had empty flights.

CHAIR: It was Tiger. You've got Virgin now.

Ms Eade: I know Tourism NT supported Tiger quite well with funding to try and keep them here. What I do not understand is why they are pulling out right in the middle of the peak tourism season, because that is when everyone comes here to get out of the cold.

Mr CHRISTENSEN: I just wanted to ask that because it bewildered me. There are two other things that I want to get a bit more feedback about. Looking at your submission, which the chamber has provided, I see that there are two concepts that you have put forward that you believe would have a positive impact on investment and jobs in this region. One is a designated area migration agreement, or a northern Australia investor visa scheme. I am wondering if you could say a little bit more about that and how you think that would assist. You have also mentioned reviewing the eligibility for international students to apply for skilled visas. How would that assist? How would both of those schemes assist in the development of this region?

Ms Eade: We have relied on 457 visas quite heavily in the last 10 years in Alice Springs. The decisions made by the federal government with the guidelines of what makes a 457 visa and everything like that are okay on the eastern seaboard, where unemployment is climbing. We were really screaming out for workers, and in Alice Springs the skilled labour and the manufacturing are what kept us alive. A lot of the businesses could not grow because they did not have the workforce, so, for those businesses to have the capability to take on work, they relied on 457 visas.

There was talk about regional migration at one stage, and they were going to talk about that. They were going to start in the pilot program in Darwin, but that has not come to fruition as yet. So I think there needs to be an

overhaul of the migration in the regions because it is a lot different to what it is in the eastern seaboard. I know that they made a few decisions on, I suppose, fraudulent applications for businesses on the east coast. We have not found that anywhere in the NT at all. Businesses just genuinely need that skilled labour, and I think more so in Darwin at the moment because of the resources, the gas and oil, up there. But, yes, I think the regional agreement would be beneficial to the NT. What was the other question, sorry?

Mr CHRISTENSEN: On the US investor visa, you said that there could be a similar scheme here where people who want to move here are required to have \$1 million and the obligation to create 10 jobs within two years—like a million-dollar investment, or something like that.

Ms Eade: Where was that one, sorry?

Mr CHRISTENSEN: It is in your submission on page 3, in the middle there, just above point 3.

Ms Eade: I cannot really comment on that too much. It was our CEO, Greg Bicknell, who input that. I am not aware of that area or whether he is talking about Darwin, which it would benefit more. Regional migration is what would assist Central Australia.

Senator O'NEILL: One of the things that we have been finding out—and I guess you alluded to it in a way when you were talking about the need for skilled people to be in the area—is about education gaps at a number of levels. There is the disincentive for families to move to the coast when they have young children and cannot access quality child care and waiting places; concern about literacy standards in ordinary schools, primary schools and secondary schools; then a mismatch or an inability to get proper training in the postschool period for local industries that are growing; and then again the next stage of integration with universities in a way that enables local commerce and community to grow. I am particularly interested in education as part of this mix of transforming the area, and I would be very interested in your views, from the chamber's perspective, about the adequacy of access to proper education at every level.

Ms Eade: I think Alice Springs has a very good education system. Did you want me to talk about remote?

Senator O'NEILL: Whatever you can shed light on would be very helpful, Ms Eade.

Ms Eade: In the remote areas there are schools, but they are not well attended. I think that is a big issue. But there is no incentive to have an education because there are no jobs in the communities. Maybe some people can get jobs within the councils in that region, but, at the end of the day, if you do not see employment or anywhere to work at the end of it, there is no incentive. That is where the homeland people live. They are not going to go anywhere else. So, if there are no employment opportunities in their regions, I feel that there is no incentive to get an education, because they cannot see, outside their little bubble, what opportunities there are.

Senator O'NEILL: They want to stay in their community. Is that why you were referring earlier to issues about land tenure—

Ms Eade: Yes.

Senator O'NEILL: for individuals in that community to establish their own businesses and industry?

Ms Eade: Yes. It would need an experienced businessperson to start the business. We have plumbers, electricians et cetera going there on a daily basis. If they had the opportunity to have tenure over a block of land to build a workshop et cetera, if they could open up a business there on the proviso that they take on Indigenous trainees or apprentices—and you need bookkeepers et cetera like that—that is the start of private enterprise in the regions. Some of these communities have a large population mass. They do not have the norm like everyone else. They do not have the hairdressers. They may have a convenience store for groceries, but that is about it. Until you have all the services, or even a few, to create employment, there is no reason for them to go to school.

Senator O'NEILL: What about in Alice, because we have just been hearing about it as a magnet town, bringing in lots and lots of different communities? How does that interact? Do people come here for education? Is there, within the Northern Territory, a boarding school system for those communities to support them?

Ms Eade: There is. There is Yirara. That is a boarding school type of thing. But, then again, they come in and do the education and then they go back to community, so there is nothing there at the end of the day. I am not saying all; this is just the majority, I would say, at the moment. There is another boarding school here for high school. I think that is mainly pastoralists, and there are some Indigenous also who come and board and get their education here. You have the School of the Air and things like that. A lot of the children on pastoral properties, I think, tend to come in in their senior years to board, but in primary they will most probably do School of the Air, so they would not come into Alice Springs.

Senator O'NEILL: How many of your business owners in your chamber—and in the town, if there is a difference—would be Indigenous people?

Ms Eade: There would be—I am plucking this out of my head—I think about three per cent, not many at all. For that to grow, I think there needs to be a bit more of the mentoring side of things, because there is not that. The Indigenous do not go to university and do a business degree or anything like that, but there are a lot of upskill workshops where they can learn along the way. But I think in a mentoring manner it could be a lot more successful. But there is a different way of doing things, and it cannot be so when it is business. When it is commerce, there is one rule, pretty much. It is that business is business, and that is the way it is done because of the legalities, the BAS, the Fair Work Act and everything else. So you cannot be lenient with the way you do business.

Senator O'NEILL: Is there any cultural education to bridge that gap that you have just identified there?

Ms Eade: No, I do not believe so. There used to be a hub here. It was a mentoring hub for Indigenous tourism operators. If they wanted paperwork done, they could go there and somebody could help them. They would have all the computers there and people could show them how to do that. If they needed a marketing plan, somebody would help them with a marketing plan. I do not believe that exists anymore, but something like that would be beneficial, maybe with people with business degrees et cetera. It could be for people just starting out, not going straight in fully literate.

I know we were talking at one stage to the university—I think they may have actually established it now—about a cert I in business management, managing small businesses, especially designed for Indigenous people. It was more or less an overview of what you need to do to start a business. You need your marketing and you need your financials et cetera. It gave them an overview of what is needed in a business, not the actual doing but alerting them to the fact.

CHAIR: Is insurance an issue in relation to affordability and accessibility? Is it a factor for businesses in Alice Springs?

Ms Eade: Some say yes; some say no. It is mainly the social groups that are finding events very difficult.

CHAIR: I am talking about property insurance.

Ms Eade: No.

CHAIR: So it is not having an effect?

Ms Eade: It has not been brought to my attention. They have not said it has an effect.

CHAIR: The cyclone belt is to the north.

Ms Eade: Yes. We do not have cyclones—none.

Mr SNOWDON: We do have floods.

Ms Eade: Yes.

Mr SNOWDON: Insurance was an issue.

Ms Eade: It was, yes. But any time something like that happens the insurance goes through the roof anyway. Business people in Central Australia are quite innovative and they are quite resilient. But the costs sometimes are a little bit prohibitive. I was speaking to somebody the other day who said regulatory matters before they actually start building could cost up to half a million dollars. That is even before they start building, so that is a deterrent to building infrastructure.

CHAIR: Thank you very much indeed for your time and for answering the questions. It is greatly appreciated.

Ms Eade: Thank you.

CROOK, Mr Tony, Consultant, Metals X Ltd

FERRIS, Mr Alan, Project Manager, Central Musgrave Project, Metals X Ltd

LEWIS, Ms Helen, General Manger, Outback Highway Development Council

RYAN, Councillor Damien, Deputy Chair, Outback Highway Development Council

[09:38]

CHAIR: Welcome. Do you have any comments to make on the capacity in which you appear?

Mr Crook: I work as a consultant with Metals X but also other junior mining companies out in the Musgrave region of Western Australia and the Northern Territory and South Australia.

Councillor Ryan: I am the Mayor of Alice Springs but I appear here today as the Deputy Chair of the Outback Way.

CHAIR: Thank you very much indeed for appearing here today. As I said earlier, this hearing is a formal proceeding of the parliament. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. The evidence given today will be recorded by Hansard and it does attract parliamentary privilege. I invite you to make a short opening statement and then I will open it up to members for questions.

Councillor Ryan: I appear here today in relation to the Outback Highway Development Council. We are a conglomeration of seven local governments across a roadway that would basically link Perth to Cairns. We run from Laverton in Western Australia through Ngaanyatjarra Council, the MacDonnell Shire Council, my own council here in Alice Springs, the Central Desert Shire Council, Boulia and Winton. We have been advocating since the late 1990s to seal this road for an array of reasons that would help. It has been referred to in parliament at different times as the third crossing of Australia east to west.

We recognise that this road that has only small patches of bitumen on it is very difficult, whether it be for the mining industry, the pastoral industry or the Indigenous communities that were spoken about here earlier this morning and connecting them. Here in Alice Springs we are at the centre of that Outback Way. We are very determined to keep working. We are hoping that history will repeat itself. I remember my father a long time ago working on the Port Augusta to Alice Springs sealed road association. Things take time. We aim to seal this road. We have had different commitments over the last dozen years. We are here to continue the discussion of how important we believe the Outback Way is and, through our submission, to sealing that road.

Ms Lewis: It is 2,800 kilometres and 1,700 require sealing. It will produce an increase in productivity for a consolidating mining and freight sector, diversify market access for the cattle industry, provide Indigenous access and equity and be a new adventure self-drive tourism route. With the funding of \$33 million over three years from the federal government we will be upgrading 230 kilometres, which will be lifting roads from below ground surface, and we will be sealing 180 kilometres.

The mining sector is also developing along this route. We have three very prominent mining organisations starting to produce and are seriously looking at it. We had Metals X as a representative of one of those mining interests, Jervois minerals on the Plenty Highway and Central Petroleum now based in Alice and Boulia. With an upgraded Outback Way there will be 260,000 tonnes of freight and potentially 704,000 tonnes of cattle moving on that route every year.

It closes the gaps for Indigenous communities. With 13 Indigenous communities directly along the route and 39 communities surrounding the route, this route will be of value. It provides delivery of essential fresh food and increases health outcomes and continuity of health and education services, building trust with the service providers. Longer term relationships can really make a difference regarding changing lifestyle choices.

In relation to Indigenous training initiatives, we are working with the RJCP, the Remote Jobs and Communities Program, and also the Indigenous training college at Yulara, which is training Indigenous people in all facets. We are seeing the Outback Way as a critical link to create tourism and roadwork skills for Indigenous communities along the entire route. We are fostering arrangements with them to ensure that they are delivered on the road as we improve the Outback Way.

We will see a quadrupling of tourism numbers with an upgraded Outback Way. It is a new tourism route. It will allow people to finally zigzag the nation. It is an alternative grey nomad route. Every two years they want a new way to go and this provides that for them. We have had three new tourism business developments due to the increased traffic over the last 18 months along the Plenty Highway particularly.

It links the over-the-horizon defence units in WA at Cosmo Newberry to Pine Gap and the rail links in Kalgoorlie, Alice Springs and Winton, so it takes it right through to Longreach with the over-the-horizon radars. The combined cost-benefit return is about \$4.70. So all in all the route has enormous potential and enables a lot of development, a lot of economic growth and in particular a lot of social outcomes. I would like to invite Metals X to put their context in regard to the development of this route.

Mr Ferris: Thanks. Metals X Limited is a publicly listed company based in Perth. The company is in tin mining, goldmining and nickel mining. The Wingellina project is a project that has been around since the 1950s, and as far back as that there have been discussions with the Indigenous population about the development of a mine, so they have been a little sceptical about when this is actually going to happen. Metals X has been the owner of the project since around 2006 and, since then, has taken it from the stage of exploration to now a definitive feasibility study. The project is around four to five years from producing metal at this point in time, so we would be looking to be ready for construction in about 18 months time. The timing on getting that started is, as always, going to be driven by the metal commodity market, which for nickel is looking increasingly positive.

One of the key issues for us is the infrastructure. The process in the mine, the engineering and design of those, is fairly well known, it is fairly well established, so the ore body is very well defined. The life of the mine is around 40 years. There are further tenements that Metals X has in South Australia which would extend that another 40 years. So the process plan has a prospective life of around 80 years. It will employ a workforce of about 400 and a construction workforce of about 1,200 once it gets going.

The key issue for infrastructure is roads. There are three routes that have been part of the feasibility study. The one that we are working on developing is the route that goes from Wingellina to a point on the Lasseter Highway between Yulara and the Stuart Highway around—

Ms Lewis: Curtin Springs.

Mr Ferris: Curtin Springs—that is about 350 kilometres, what is generally known as the Telstra track, which is really an unformed road under the Lasseter Highway and then conceptually to Alice Springs, out onto the rail at Alice Springs and then out through Darwin. There are round 500,000 tonnes a year of raw materials to be brought in from a port—predominately sulphur, for the sulphur process—and around 120,000 tonnes of product to go out, so it is quite significant. That is around 15 triples per day, one every half-hour. Compare that with the road between Newman and Port Hedland, where there is a quad every six minutes. It is quite a bit of additional movement.

Certainly, logistics are a real challenge for Metals X—to get to the site. We have permanent people at the site. They fly Perth-Sydney to Yulara and then drive to the site. The alternative is to fly Perth to Alice Springs and then by charter, depending on the number of people that are going.

CHAIR: It is FIFO, is it, out of Perth?

Mr Ferris: The mine will be FIFO. Where we FIFO from, we have not locked that in.

CHAIR: You could consider Alice Springs as a—

Mr Ferris: Yes. Certainly, from the point of view of transportation—those 15 trucks—that is a workforce of about 60 to 80 that could potentially be resident in Alice Springs. So we would be looking to transfer road to rail in Alice.

CHAIR: There were a lot of negative comments by small towns in the Pilbara and other areas about them being overlooked in relation to FIFO, with basing in major capital cities, and the huge negative social and economic impact that it is having on towns like Karratha, Tom Price, Paraburdoo—places like that that have all the infrastructure, facilities and businesses there, but they put a FIFO camp out there. They are almost like fringe dwellers, sucking out the social resources of the town but putting nothing into the economy there, because they fly in directly. I know it has been a major issue raised as we have travelled around. There has been an argument that there should be tax incentives to encourage the establishment of workforces in the closest town rather than those incentives being put into capital cities. I am interested in your view on that.

Mr Crook: That was covered extensively during the last parliament, with the regional Australia committee on FIFO and drive-in drive-out.

CHAIR: It certainly raised its head in Bowen, Mackay, across the Pilbara—all of those small towns have experienced very serious negative impacts by not changing policy settings to encourage it. That is why I was interested in this one here, if Alice Springs is the closest town.

Mr Crook: There is a really strong element of the Metals X project that links Indigenous employment to this prospect and this mine. As we all know, education and opportunity are the two key drivers that provide incentive

for people to move on. A major mining precinct, together with the serious establishment of infrastructure—that is, in this case, roads—to facilitate this mining will go a long way to enhancing education and opportunity. It is all very well to provide it, but as we know it is about people taking it up. That is one of the biggest issues with Closing the Gap, isn't it?

CHAIR: Last night I met with an individual who is working through the Minerals Council and funded by PM&C, working on a project for FIFO out of Indigenous communities into places where there is work—so, where there is no work, bringing them to it. He has had some pretty good success with that. That would be something you guys could tap into, I would assume. He is based here in Alice Springs.

Mr Ferris: We would still have to FIFO from Alice Springs for the workforce at the site. Having a camp—an accommodation facility or village—at Wingellina is a necessity. The options are open as to where that workforce is drawn from. Typically, it would be drawn from a workforce based on the skills that are available. That is better for the productivity of the mine.

CHAIR: When we were in Newman we noticed there was a mining company that was opening up an operation in the area. They were advertising for staff nationally. Part of the deal was that all staff had to be prepared to relocate their families to Newman and operate out of Newman—100 per cent of staff—which was rather interesting and very much different to what has happened in the past.

Mr Crook: This project that Alan is talking about we need to be mindful also that there are nine other junior miners out there that I have been working with to look at facilitating infrastructure in what we are calling the Central Australia infrastructure initiative. Potentially, three or four mines could open up out there. I have got a little sample of what one of them has got an 80-kilometre strike load. It is just phenomenal, or 50 per cent iron. Potentially it is huge. For those projects to proceed, infrastructure is going to be the biggest single issue. That is why they got me on board when I left the last parliament.

Mr SNOWDON: A real job.

Mr Crook: That is not the reason, Warren.

Interjector: You had real work to do.

Mr Crook: It was obviously part of my electorate of O'Connor. I really struck up an affinity going out there and living in Kalgoorlie. We have already heard evidence today about Alice Springs and the impact of the people coming in from the lands. I would like to formally acknowledge, Warren Snowdon, your impact on Opal fuel out there. I lobbied you pretty hard on that. It has been effective, but the trouble we have now is that people are moving. It is happening in Alice Springs. It is happening in Kalgoorlie. We are getting an influx of people wanting to get access to aromatic fuel. They are getting access to drugs, such as ganja and the whole works. The elders in particular would like to see their people stay on the lands. That is where education and opportunity is critical. That is where I think a major mining precinct can be a major part of that. They can be significant players in the education part. My daughter works in the prison system as a teacher in Kalgoorlie. She has had 35-year-old men in tears because of their Keys for Life driving program. It is the first time anybody has invested some time and energy in them to get them a ticket to drive a car. Ironically, they are in jail for driving offences.

Senator O'NEILL: You cannot get your licence if you cannot take the test.

Mr Crook: Yes. There is a whole spin-off from that now with these projects proceeding out there and making education key. We can get in there at the early ages—nine and 10—to say, 'There is a future. There is a job. It is close to home. It pays good money.' There have been people here talking about tenure of property. Maybe that needs to be something considered in this process as well. If you give people access and tenure in how they live, they will therefore need a job to sustain their tenure. There is a whole snowballing effect that is really quite critical.

I think the infrastructure part of is the most important one now, particularly for Metals X, who are really looking to proceed with their project. At the end of the day, as Alan said, it is 500,000 tonnes in and 120,000 tonnes out. That is a huge logistical ask. That is through the port of Darwin, although it could be Adelaide or Perth. Logic tells you that this is the direction that these companies need to come. Infrastructure, particularly roads, is going to be key. For us to join Outback Way in the submission today is very poignant because there could be no better economic driver to help push the Outback Way than a major mining precinct.

Mr SNOWDON: I have a couple of issues. One is: where are you going to spend the money for 130,000 kilometres out of the \$33 million?

Ms Lewis: All of the main road departments have come together and prioritised their sections. They are based on the ones that affect connectivity. The worst sections are the ones that are getting some funding to maintain the connectivity of the whole route.

Mr SNOWDON: Where are the worst sections?

Ms Lewis: Certainly parts of the Plenty Highway and Dock River. One of the issues we have in regards to the Northern Territory roads development is that it is double the money in the Northern Territory than in Queensland or WA because they contract everything. The contracting rate is \$500,000 a kilometre instead of \$250,000 a kilometre. If we could fix that—

Mr SNOWDON: So having a main roads department doing the job as opposed to contracting out would save a lot of money?

Ms Lewis: Yes. In the contracting out in Queensland and WA they can build a road from below ground surface to a sealed centimetre road for \$250,000 kilometre. It is a big difference. We could double the number of kilometres we do for the money. We are very excited that the Northern Territory government is going to match federal money 100 per cent. That is great. But there is significant work needing to be done on the Dock River Road over near the Olgas. That is a section that needs some work. Also the Plenty Highway is a long road that needs a lot of work for the cattle industry to transfer cattle to Queensland. If the WA road was also done, that would differentiate the marketing into WA. That could happen if that road was upgraded. We would take away the pressure and improve the marketing capacity of the Central Australian cattle industry because their market would diversify, which would increase price.

Mr SNOWDON: And soon they will have a Darwin export market as well.

Ms Lewis: Yes.

Mr SNOWDON: Can I just ask about your road, though? I used to live at Pipalyatjara in the late 1970s, and I was aware of the mining activity around Wingellina and Pipalyatjara in the seventies. But I am interested that, with your road, you want to go from Wingellina straight across to Curtin Springs.

Ms Lewis: There is a road along the border, isn't there?

Mr SNOWDON: There is not. There are a couple of bush tracks.

Mr Ferris: The option of going parallel to the border, straight across the Stuart Highway, has been looked at. That is an option.

Mr SNOWDON: That goes from the Top End to South Australia.

Mr Ferris: It would go on the Northern Territory side of the border and connect into the cattle roads that are close to—

Mr SNOWDON: There are no cattle roads. I might be wrong about this but I do not think I am. The only road that goes directly across, underneath the border, goes from Wingellina to Pipalyatjara to Amata up into Curtin Springs. I am just wondering why, if you are going to be developing the road from Yulara to Docker, you would not just go directly north?

Mr Ferris: There are several options. The preferred road is to go from Wingellina to the Lasseter Highway, just on the east side of Yulara. So that is the preferred road. That is about 350 kilometres of new road construction—

Mr SNOWDON: There is no gazetted road there at the moment?

Mr Ferris: There is what is known as a Telstra track. That is the only one.

Mr SNOWDON: That is all Aboriginal land.

Mr Ferris: That is correct.

Mr SNOWDON: So if you were to go from Wingellina, because there is a road already that goes up to Blackstone and then turns right and goes across to Docker, the only piece of new road—of extra bitumen road—you would have to develop, apart from the outback highway, would be the road going from Wingellina to join the Lasseter Highway west of Docker?

Mr Ferris: That is right. So we have talked to the Northern Territory government about that route, and also about what might be required to upgrade the Lasseter Highway to accommodate triple road trains. There have been some discussions around those and they are moving very slowly. Metals X expects that this would be a public-private discussion, because in the capex budget there is allowance for that. Metals X is not looking for a public handout. It is part of the viability of the project.

Mr SNOWDON: I appreciate that.

Mr Ferris: As to what Helen was saying, our budget is based on Leighton Contractors, who were at \$1.2 million per kilometre for bitumen, and \$800,000 per kilometre for gravel. Those are the sorts of numbers that the large road construction companies use.

Mr SNOWDON: Whereas you say you can get it done for \$250,000?

Ms Lewis: Yes.

Councillor Ryan: Working with the shires from Queensland and WA.

Mr SNOWDON: But sufficient to take a triple-body road train?

Ms Lewis: Yes. They are taking road trains.

Mr SNOWDON: Yes, I know, but—

Ms Lewis: Seven metres wide, sealed.

Mr Ferris: They build it to the engineering standards that they require.

Mr SNOWDON: We should be asking Leighton how come they charge \$1.2 million—five times the cost.

Ms Lewis: There are issues with the contract in the Northern Territory.

Mr CHRISTENSEN: Can I just jump in there and ask: who has mandated that it has got to be contracted rather than go through the department of main roads?

Councillor Ryan: In the Northern Territory that is how it is done.

Mr CHRISTENSEN: Is it due to a lack of resourcing or is there some other reason?

Councillor Ryan: Local governments do not have a works group like they do in Queensland and Western Australia.

Mr CHRISTENSEN: So there is just no resourcing capability to actually do it—is that the reason? And how do we fix that?

Councillor Ryan: It is a process that has disappeared over time and become a situation where private contractors do it. Yes, we would fully support it trying to be restructured. At this stage, the MacDonnell and the Central Desert regional councils, who would be the most in that area, would need a lot of infrastructure investment to do that.

Mr CHRISTENSEN: What sort of investment are we talking about?

Councillor Ryan: They have no road-making equipment whatsoever. They have the ability to employ local people, but they do not have that structure. When you look at the local governments in those two areas, you see they do not even have a rates base to work from. It is very limited in that area—totally different from the municipals.

Mr SNOWDON: Harold and I will remember, when the last programs started in the nineties, trying to fund Aboriginal communities using their own plant to do roads out from Papunya using an Aboriginal based form out of Darwin. But the Northern Territory historically had the department of transport and works who did this work. They have now gone to contract for all their work. Historically, shires apart from community government councils have never had the capacity or the resources to do the roads; they have been done by the next level of government—the Northern Territory government—which has now chosen to contract all of their resources, so they do not have the same resources they once had. I guess the question we have to ask is: if the Northern Territory government had its own transport and works division as they used to, would the price be any different?

Councillor Ryan: In our investigations, yes. A lot of the cost structure is around the relocation of camps. You allow 10 kilometres out at the 220 mark, and then your next outlay is at the 180-kilometre mark. It is massive cost in shifting those camps, and that is the figure it always reflects.

Ms Lewis: And the procurement process is very bureaucratic and costs a lot of money. There is always cream taken off the top. Everyone along the chain takes their bit. It just adds cost.

Mr SNOWDON: So what is the answer?

Ms Lewis: Shire roads.

Mr SNOWDON: But then you have to get the shire to buy all the plant.

Senator O'NEILL: They might be able to do maintenance afterward and keep some locals employed.

Ms Lewis: But the NT government could also. It would probably save them a lot of money, so they could contribute to that.

Mr SNOWDON: This is a very interesting ideological question we are pursuing here; the idea of governments actually investing in things went out the window some time ago.

Ms Lewis: Yes. It is interesting.

Mr CHRISTENSEN: I am trying to understand why it is that private enterprise is costing a lot more. Is it because of competition with other construction priorities in the resources sector? In my home state of Queensland we are finding the complete opposite; the government estimates are 40 per cent above what the private sector is able to deliver it for.

Ms Lewis: The Northern Territory also has a national accreditation process. Whether or not there are not that many people who are accredited, we are actually trying to seek accreditation for Boulia Shire, Winton Shire, Ngaanyatjaraku Shire and Laverton Shire so they can do the works in the Territory. Boulia did some works in the territory just about three months ago because they are right there. They just went over the border and did it for them. It is just about the accreditation process and whether or not that has some blockages to it. I guess we have talked about some of the bureaucratic processes.

Mr CHRISTENSEN: I appreciate that. What I am asking, though, is if your organisation understands why it is that these cost blow-outs are coming from the private sector. Is it simply because of the competition with construction and the resources sector? Is that the main reason?

Ms Lewis: I do not know the pricing structures or the contractors. I do not know why they are charging so much. I do not know whether or not there is enough scrutiny with regard to their contracting. I think that is a Northern Territory contractor discussion.

Mr SNOWDON: Is it worthwhile having a discussion about scale and interjurisdictional regulation? They are clearly issues which impact upon both these things. Maybe there is commonality in approach to contracting. If you have a road which is going to go from Boulia to Jervois, you contract for the one piece of road. If you go to the Boulia side, you are doing it with the shire. If you go to the other side of the border, you have to deal with someone else, which seems a bit bizarre.

Ms Lewis: Yes, that is right. It is also about commonality. If the Queensland and WA shires are building it to state road conditions and requirements—which they are—why couldn't they do work in the territory if they can deliver it for a cheaper price?

CHAIR: This gets back to cross-border organisation.

Ms Lewis: Exactly.

Mr Crook: The Laverton Shire, which is doing the western end of your road, do the work, don't they?

Ms Lewis: Yes.

Mr Crook: I have driven along a couple of those sections of new road and they do a good job. As Helen just said, they built it to the Main Roads standards.

Ms Lewis: The Main Roads Commission went out there and has been elated by the standard of road. We are on target when it comes to quality.

Mr SNOWDON: Bitumen or gravel?

Ms Lewis: Bitumen and also formed type 3 ready for seal at the moment. We will now move to seal.

CHAIR: The Peninsula Developmental Road is about 500 kilometres going up to Weipa and that is a combination of Main Roads and the local shire, and they are estimating a minimum of \$1 million a kilometre to seal that road. I am interested in the \$250,000. That is what they are telling us.

Ms Lewis: Fortunately, WA has good road building materials and that is probably part of it. They have road building materials available. Previously, over the last 20 or 30 years, Boulia has put water points in and has arrangements with the stations to have water access. They have all done some forward planning and they have all done some good work. Whenever they notice a gravel pit, they grab it and sort it out. They are proactive with regard to knowing they have to allow for the road-building, but the actual doing is much cheaper.

Mr SNOWDON: What is your view about the implied competition from the Pilbara and the Kimberley?

Ms Lewis: I think it just adds to the value. This is what I think is really important about this whole notion of developing northern Australia: it is not about today and tomorrow; it is actually about the future. Everything will come online eventually. It is about having a plan. The Tanami will get some and we will get some. It is about continual growth and continuity regarding all the infrastructure required. That is the value of this project: it feeds the Adelaide to Darwin railway and it is supported by MITEZ. We alleviate the issue of gauges because you have road connection from Mount Isa down through to Boulia and out to here, and you have a rural and remote

coordinator for health in Mount Isa, Sabrina Knight, who has seen some really massive benefits. We link in with the Tanami, because that is another access to another area of economic growth. The whole dimension of building Northern Australia is about the linkages for the future, and that is what this is about. All infrastructure complements each other. It is about building it and being proactive about the development rather than it being too little too late.

Senator O'NEILL: There is such breadth of experience sitting at the table. We keep hearing about skill deficits here. I am finding it hard to understand why there is no centre where great training is going on of local people across the north to connect them with the jobs that are clearly emerging in the mining industry. What are the blocks and the gaps?

Ms Lewis: The National Indigenous Training Academy at Yulara is providing the cert IIIs in tourism and also road development, road working development and things that. They are going to build up momentum forever as they develop. With these sorts of projects, which they are aware of, coming online, they will adapt and ensure that they can capture the people and train the people who are required for the demand.

Mr SNOWDON: They are already training providers here. There is the training college that has been operating in the region for many years, providing this sort of training, and private providers are operating in communities providing cert I, cert II and cert III. There is no lack of people providing training or prepared to provide training.

Ms Lewis: People need to sign up for it.

Senator O'NEILL: This is the gap.

Ms Lewis: The engagement and also the connection to work.

Mr SNOWDON: The interesting thing will be the Metals X proposal: how responsive the communities actually are in the longer term to the idea of having people come out. We have already had this experience with granite out of Lajamanu and Yuendumu. It would be worthwhile asking them about their experiences, if you have not done so already.

Mr Ferris: Metals X has done an extensive social impact study. We are converting the data from that. Basically, there is very little data in that region available, whether it is biodiversity or health. We are working with the WA health department on a health risk assessment, and the results are showing that anything Metals X does will improve the health of the community. One hundred and sixty people live in Wingellina. Of those 160, I do not know what the employable number is because of age—too young or too old—health et cetera, but it would be a significantly smaller number than 160.

Mr SNOWDON: You have an impact right through to Warburton and east to—

Mr Crook: Particularly in other projects.

Mr Ferris: We have an extensive mining agreement with the traditional owners—a huge document. It covers in great detail issues about training, employment and business. Part of what the mine needs is calcrete to neutralise the tailings and there is an opportunity for a small business there to mine and supply calcrete. There are a lot of those small-business opportunities which can be created. The challenge with training is that you have to time it so that there are jobs at the end of it; otherwise you might get 20 or 30 truck drivers who do not have a truck—there is no job. So you have to maintain that training, at continuous cost. It is really an issue about timing. For the whole thing to happen, there has to be an economic driver, and mining provides that.

On a personal level rather than a company level, this is a 40-year minimum life of mine, very long term. Several generations of employees will move through it. If you look at the economic benefits from tourism compared to mining or whatever else is likely to happen in the Central Desert, there are not going to be very many economic drivers of that magnitude. There are some quite large iron sands and titanium iron deposits in the region, and there is copper, which require quite large mines, some of them bigger than Metals X. Some of those are going to require rail. Iron ore requires rail. Somehow it has to get started. Someone has to have a go and say, 'Let's do it,' and here you have a mining company that is prepared to contribute significantly financially.

Mr SNOWDON: The people who will be the winner, whichever way it goes, will be Alice Springs.

Councillor Ryan: The opportunities for Alice Springs are massive. There was a discussion earlier about fly in, fly out. That is a provision to develop our town even further. We can hub aircraft out of here; Alliance and so forth have tried over time. In reality, you would take a lot of pressure off the Western Australian airport if you were to come in to Alice Springs. There are lots of opportunities for Alice Springs. And there are other minerals in the area—gas and oil and also salt.

CHAIR: With your mayoral hat on, do you have any idea why Tiger pulled out?

Councillor Ryan: Not necessarily. Tiger have been here twice now and Virgin once before, very adamant that you probably cannot run minimum price airfares on a daily basis and survive. I will be interested to see whether Tiger get any extra concessions on the east coast of Australia and whether they were fulfilling requirements into here, but they have not really had any discussion with our community; there was just an announcement 10 days ago or so to pull out in July. It was a total surprise to tourism and everybody else in the region.

CHAIR: Have you written to the head of Tiger asking him for an explanation?\

Councillor Ryan: We have and we have not had an answer, and I do not believe tourism has at this stage had an answer either. But it is a huge disappointment to our community. The discussion is that our community could have afforded a rise in the price of their tickets to work towards them becoming more sustainable, but it is just that the decision has been made at their highest level. With the numbers travelling out of here, if you talk within the community there is a lot of angst because there were a lot of forward bookings done in this community in relation to Tiger.

CHAIR: That is a conversation that I think you need to have with them. Finally, you would agree that when we talk about infrastructure the sealing of that highway is the premium thing as an enabler for this area to capture opportunities—

Councillor Ryan: With the rail through here already, we definitely are a hub, as one of the earlier speakers said. We service 260 remote communities in Central Australia. People are not bound by borders that are set down. Health is a huge business here. But all those people have to get to here. A construction of this nature will help a lot more communities have easier access by sealed road than what they currently have. And that reverts the opposite way. Most people in Australia would not be able to understand the cost of food—the cost of a basket of goods—to people in remote areas through transport, simply because the roads are so expensive for transport operators to carry on. All those things add in to the one pie, which we collectively call the Outback Way.

Mr SNOWDON: And you pay \$1.80 a litre here at the moment?

Councillor Ryan: That is correct.

Mr SNOWDON: And if you go out along the Outback Way you are paying \$2.40; you are probably paying \$2.50 at Docker.

Councillor Ryan: And a lot of that is down to the delivery cost.

CHAIR: Thank you very much indeed. I really appreciate your time. It has been very useful for the committee.

KEELING, Mr Alan, Private capacity

[10:23]

CHAIR: I welcome our next witness, from the Australian Camel Industry Association. Is there anything you would like to add about the capacity in which you appear?

Mr Keeling: I am here as a private individual representing the Australian Camel Industry Association.

CHAIR: Thank you. First, the preamble: this is a formal proceeding of the parliament. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament. The evidence given is recorded by Hansard and as such attracts parliamentary privilege. I invite you to make a short opening statement, and then we can fire off with some questions.

Mr Keeling: I would just like to acknowledge the fact that I am a Northern Territory government public servant. I work in the outstation program, and part of my job is to identify enterprise opportunities and try to develop those to benefit Indigenous people. But I have taken leave for the day and I am here in a private capacity, and I have joined the Australian Camel Industry Association particularly so I can perhaps advance this enterprise opportunity.

I spent probably six years harvesting feral buffalo many years ago in the Top End. I worked in natural resource management in Cape York and the islands, and I worked in natural resource management in the Pilbara. When I came back to Alice Springs in 2009 I came across the Canning Stock Route, and the numbers of feral animals congregating and polluting the waterholes astounded me. I came back anticipating that the former Centralian Camel Industry Association was still operating. And I will just make the point that I was a founding member of that in about 1997. It did not function anymore, and then tier 1, the feral camel project, was well underway. It does distress me that the only resources out in this country besides cattle are minerals and camels. It is difficult to make a living out in these places other than in the community store or doing artwork or working for a mining company. Again, this resource, which was being wasted in the last five years, is a serious concern to me.

I have approached our Northern Territory government on a couple of occasions to try to re-establish the former Centralian Camel Industry Association. I have an invitation to meet with our Minister for Central Australia, Matt Conlan, but I am yet to get that formal notification. My attendance here today is to let the committee be aware that the culling program—and also according to parliamentary reports—has not been a success. There was a reportedly in excess of 900,000 camels, and I think 160,000 were taken, at a cost of \$90 million. The final report of the project says that we are going to encourage enterprise, harvesting and management of camels. The point I would like to make is that Thomas Elder started the camel industry in Australia, and there were camels in controlled situations—paddocked, looked after, and sold. In my time with the Centralian Camel Industry Association going back to the 1980s we had delegations go to the Middle East. They came back with orders for meat and live animals. I believe that the industry did not follow the problem of managing the feral camel herds but looked purely at the meat—camels that were mustered, and by-products.

We need to get the Indigenous communities, which I visit, and the homelands involved in managing camel herds. I have had no luck getting the regional councils to promote these enterprises. They are too busy trying to run their community and manage essential services. So I have come to this dilemma of, where do we go from here? Unless we get the Northern Territory government along, we are not going to go anywhere. We need Indigenous communities to be supported through Indigenous business enterprises, the Indigenous Land Corporation and hopefully the Central Land Council, which was a partner in the culling program, to support these developing camel farms.

There are projects I have seen at Kintore and at the Docker River where ATSIC put money into these projects, and they have just stopped. I think it is just the outstation movement, where people have moved to town; the lack of funding; the lack of roads; the lack of support. These homelands have just gone down the drain, and people have abandoned those projects. I am also aware that there are difficulties in trying to negotiate at the time the project was underway—getting musterers in to take the camels away. I think there were people in Queensland who tried to get a leg in the door but were discouraged.

CHAIR: What discouraged them?

Mr Keeling: I think the land councils wanted to do their own thing. They wanted to see the feral project continue. And you get a musterer in there—takes 200 or 300 head—and I suppose their concept was that it shed a couple of thousand, and if we have an environmental problem the gun is a better way than having a musterer come in.

But as a former station manager and a partner in a Kimberley pastoral lease it is my opinion that camels are softer on the environment than cattle. I will not go into all the reasons, but the camels are top feeders, and the cattle are ground feeders. They do pollute the waterholes but it is like the buffalo industry in the Top End in the 1960s and 1970s. There was no management of the animals. The TB program said, 'Let's get rid of them,' and now we cannot get enough buffalo to fill orders to Indonesia, Vietnam and these places. I just see that if we continue shooting these camels, that resource that could be farmed, managed and utilised for export trade, employment and enterprise could be more effectively utilised.

CHAIR: You are promoting it as an Indigenous enterprise. Why aren't they doing it now? Why haven't they got an interest? They own the lands, they have an interest. If there is a quid in it, why aren't they doing it now?

Mr Keeling: There is a combination of factors. Firstly, most of the camels are on Indigenous-own land. They are land trust, they are trustees, and the land council does not support enterprises now. I know they have economic development officers, but I have had very little success in liaising and getting communications established with the land council with regard to these projects. The regional councils are more interested in trying to run more projects such as farming projects. They talk about tourism. There is a project at Docker River Tourism and they cannot get anybody to support it. It is purely a store, an arts centre and other services like aged care, schools and a health clinic.

CHAIR: I understand that and I appreciate that. I also come off the land and I own crocodile farms in the Northern Territory, and cattle stations. I understand the impact of feral animals on my operations and I also see the commercial value of some of these species, and I have sometimes utilised some of those feral species. Quite often it was more practical to just put them on the ground, because of the cost of transport, the little return that you got for them and the impacts that you had, in some cases, from animal rights groups and what have you—particularly with wild horses and what have you, you would put them on a truck and send them down and suddenly you got attacked. So it was easier just to put them on the ground than to manage them that way. But as a landholder I had a will to do that. I made a choice in which way I had to manage the land. You are talking about large tracts of land owned by Indigenous communities. That option is available to them. If you say that is the best way for them to go, what needs to be done to incentivise them to make them work it one way or the other? I do not have a philosophical opposition to harvesting these animals or commercialising them, but what needs to be done? The markets, I assume, are still there. The opportunities are there. What needs to be done to encourage people to take that opportunity on the lands that they own and they control?

Mr Keeling: Going back to the 1980s when I was vice-chair of the Central Australian Camel Industry Association, we had pastoralists coming to meetings, we had field days, we had promotion of the industry, we had delegations. The executive officer position was funded by the Northern Territory government. That guy left and it just collapsed. In my opinion promotion will only come about via a designated person or organisation in the Territory—not in Queensland—to go out and circulate and talk to these people and encourage them. It needs a structured organisation to promote it. At the moment it is all negative. If it is shooting—too busy; let somebody else do it.

Mr SNOWDON: I was involved peripherally in a camel survey in 1979, which was run out of IAD, with a young woman whose name escapes me but she was an agricultural scientist and did a camel count in the Docker River region. Last year I was told that there was a proposal to take camel meat out of that region, down to South Australia for killing and export. I do not know what happened to that.

Mr Keeling: I do believe the Ngaanyatjarra council and the Pitjantjatjara council are in fact sending live camels down to Peterborough abattoir. I was a member of the original association who organised the first load to go to Peterborough. The guy that owns the abattoir used to buy buffalo meat off me. I got the first load down there. [inaudible] I was told two weeks ago that there are guys coming across from Saudi Arabia wanting to buy meat but he can't do anything.

Mr SNOWDON: He cannot do anything because he does not have the camels or what?

Mr Keeling: I believe he does not have an export abattoir here. That is the other point about this camel industry. We need a multispecies abattoir in this town. Predominantly it would survive on cattle. The cattle here are fat, good cattle. They are prime meat. The Top End abattoirs have leaner meat; savanna raised cattle. So there is a market here. These cattle all go to South Australia to Gepps Cross. A lot of them send the young stock up for the live export trade, but there is a place in this area for an abattoir that can take camels, cattle and horses.

Mr SNOWDON: There were meatworks in Alice Springs. There was one in Tennant Creek. There was one in Katherine. But they are all closed. The economics of the industry must be such that they are not viable otherwise they would be here.

Mr Keeling: We have AACo firing up here in August, they reckon.

Mr SNOWDON: That is true. I am just saying there must be a reason that there are no meatworks here.

Mr Keeling: The first one out here was built in the wrong place. I think the town council did not want it. Wamboden is in the right place but that is only a three-year lease.

Mr SNOWDON: If the industry demanded a meatworks here, there would be one—wouldn't there?

CHAIR: There is one just being built in Broome. It is interesting that that one is all for hamburger meat. They are going through and mopping up anything—old cows or anything that does not suit the live export that is left in the paddock because they have no value. They are now processing them through and churning out hamburger mince. There is a huge demand for this. The abattoir is being built for that purpose and that is for export. Clearly, there is a large number of camels. They are a problem. I am not too sure what the donkey population is around. It used to be used in a lot of pet food. The market for camel meat is fairly limited. It is a bit like crocodile meat. It is a novelty meat rather than something seen as a large commercial opportunity. It is like buffalo meat: it is not an acquired taste. It may have an overseas market. The resource is there and people own the land. I am not too sure how government can step in and convince the landholders and the consumers that it is the right thing to do. I am not too sure what the role of the government would be in relation to that.

Mr Keeling: Buffalo is 85 per cent visual lean meat. Camel meat is a little fatter. A kilo of buffalo meat, a kilo of water and some spices and herbs and you have two kilos of product. Camel meat has a very good place in the smallgoods trade. I have followed that through. If you can put camel meat at the right price into southern markets and it is certified, the smallgoods trade will take it immediately. They would take donkey meat as well.

CHAIR: Why don't they take it now?

Mr Keeling: Because nobody is producing it.

Mr SNOWDON: If the Ngaanyatjarra and Pitjantjatjara mob are taking camel already, why wouldn't the people who live in Docker, for example, feed into the mob from the other side of the borders and send camel down there with them?

Mr Keeling: Maybe they do. I went through that area you are talking about last year, from Pitjantjatjara to Wingellina through to the Olgas, where that short-cut track is, and I saw thousands of camels. When the shoot was on, as far as I was concerned they were the next ones in line to be shot. Who would promote the process that over five years the camels have to go because they are destroying the country? I am saying that this is the turning point. The project has said, 'Let's develop economic enterprises.' We are at that the crossroads now and that is why I am here to try to recognise that.

CHAIR: No argument about that. The people that own the land have got to be wanting to do that particular enterprise on their land. That is what I am saying: what needs to be done? You have said that they have already been funded to start it and they have fallen over and they have been unsuccessful. Have you got any insight into what needs to be done to encourage them to run it as a commercial operation?

Mr Keeling: I think you need joint ventures. That is the key to it, some guy or some organisation that knows what they are doing.

CHAIR: Is there any reason why that cannot happen now? Is there any barrier to that happening now?

Mr Keeling: There is a barrier. Up to now the land councils have not been particularly conducive to developing enterprise. I have noticed that in the last couple of years there has been a bit of a change of direction and a bit more support for enterprises but I do not know how many runs they have got on the board and what has happened. A lot of people want to do things but there have always been those barriers.

CHAIR: How does the government play a role in making this become a reality? What can government do to either take down barriers that prevent it from happening now or what do we need to do to make it happen now?

Mr Keeling: You need to get the land councils to know they have got the resources, they have got the land, they need to get out there and try and encourage these people. We need Nigel Scullions getting Indigenous people into enterprises, get out there and talk to these people and encourage and facilitate enterprise development through the IBA and through the ILC. The ILC has built abattoirs all through the Kimberley is. They built one at Gunbalanya. They could build one here if you have got Aboriginal support.

Mr SNOWDON: They are only small kills.

Mr Keeling: There is no reason why they could not do a bigger one with a joint-venture partner.

CHAIR: I am not too sure how they would take to Nigel Scullion going and telling them, 'This is a great idea and you are going to spend your resources and make this happen.' You might get a rather negative reaction.

Mr SNOWDON: Particularly after last week.

Mr Keeling: He said yesterday that he wants to encourage involvement of all Indigenous people in a better future.

CHAIR: There is no doubt about that. At the end of the day it is going to be those organisations that represent them that are going to be the ones that make those decisions. I think the time of going and sitting down with the land council or the IBA or any of the others and say, 'Righty oh, you guys are going to do this because I think this is a good idea' is over.

Mr Keeling: He can go and talk to them, though. That is why the government can get the industry going with someone like the Australian camel industry from of all places the Glass House Mountains out of Brisbane; that is where it is based. I have joined but I cannot get much support from them. They said, 'You try and get something going over here and we will support you.' What we need here is a bit of a structure, a bit of support, like we did in the 1980s.

CHAIR: We can certainly note here that there is a great opportunity. I know the numbers are quite significant and it is an opportunity here, but at the end of the day it is a decision as to whether or not they want to grasp it. You are right about the buffalo. Even though there was a commercial trade, it was nowhere near sufficient to cover the volume of animals that were running across the Top End at the time. The tuberculosis was the trigger for wiping those out. But enough survive now that the market is still there but in a smaller contained herd.

Mr SNOWDON: The meatworks in Darwin is a multi-species meatworks and they will be killing buffalo.

CHAIR: Yes. I can see where you are coming from with it and the resources there but there has got to be the interest from within those landholders to make it happen, maybe people like yourself out there advocating it. I used to be the chairman of the Crocodile Farmers Association at one stage—

Mr SNOWDON: You can tell, can't you!

CHAIR: It has never grown more than to be a boutique industry really with a very small number of people. When you see the number of crocodiles that exist particularly in the Top End on Indigenous owned lands and the number of Indigenous owned crocodile enterprises, it is not something that they are interested in doing. The only one was the one up at Gove and that does not operate now. A lot of money went into that one. That was somebody saying, 'This is a great idea for Indigenous people, we are going to build a crocodile farm for you, and you guys are going to make it work.' They said, 'You didn't talk to us.'

Mr Keeling: ATSIC made a lot of mistakes by doing that.

CHAIR: The resources are there, the land is there, but at the end of the day it is going to take people like you going out into the field talking to these groups and promoting the value of it and getting somebody who wants to convert whatever—do you have an abattoir here?

Mr Keeling: No

Mr SNOWDON: We are going to be talking to the Ngaanyatjarra Council next and they will tell us that they have a target of 10,000 to 12,000 camels being sold this year.

Mr Keeling: That's fantastic. And the Camel Industry Association told me that we are dragging the chain and that Western Australia and South Australia are leading the industry, and we are sitting here just treading water.

Mr SNOWDON: So do you think this is a matter we should raise with the Northern Territory government when we talk to them?

Mr Keeling: I have it all written down here and I have already sent a submission to the Chief Minister.

CHAIR: Good. Thank you very much indeed. We really appreciate your time.

Proceedings suspended from 10:45 to 10:56

KNIGHT, Mr Alexander, Manager, Land and Culture, Ngaanyatjarra Council

CHAIR: Welcome. These hearings are a formal proceeding of the parliament. The giving false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament. The proceedings are being recorded by Hansard and attract parliamentary privilege. I now invite you to make a short opening statement, and we will fire off then with some questions from members of the committee.

Mr Knight: In August 2012 we formed the Ngaanyatjarra Camel Company. This is a joint venture between central livestock management and Ngaanyatjarra Council. The purpose of the Ngaanyatjarra Camel Company is to muster and remove feral animals for sale. We are also very interested in developing the camel industry in Central Australia. One thing we have found is, when we are out with Aboriginal people on country, there is a lot of knowledge of camels amongst remote Aboriginal people. There was a period there in the 1950s when camels were let free, and remote Aboriginal people started using camels. I have got fantastic photos of remote Aboriginal people riding camels. I have got firsthand stories from friends of mine like Frank Young, who said his second trip from Amata to Warburton he did by camel with his family. So Aboriginal people know camels in remote Aboriginal Australia in a way that they perhaps, way out in the Ngaanyatjarra lands, do not know cattle. There was not much history of cattle out there, but people used camels.

The other week, I was out on the Ngaanyatjarra lands, at our camel-mustering camp near Blackstone, with Senator Sean Edwards and Richard Gunner, who supplies about 200 gourmet restaurants. He would love to buy camel meat. He came and saw our mustering operation. He said: 'This is such a good story. Every first-class restaurant in Australia wants to sell camel meat.'

Our problem at the moment is that we supply Samex and we are having trouble actually meeting the existing market. We are supplying thousands of camels a year: we try and average 250 camels a week while we are mustering, and we try and muster 10 months of the year. They are selling into North Africa, and they have a very strong market there. One thing I have learned about the camel business is we don't have to create a market; there is a huge market for camel meat. I have been eating camel meat for years now. It is—

Mr SNOWDON: You can tell!

Mr Knight: fantastic meat. The acceptance of the meat by local Aboriginal people is very high now. We did get some support from the national feral camel management program to do shooting and butchering training, and our Working on Country rangers have been shooting and butchering camel meat. It is very widely accepted as good meat amongst Ngaanyatjarra people.

Our barriers to development—there are some negative things that I think have happened. The declaration of camel as a feral animal, I think, has been a negative. It is the world's oldest domestic animal. We get wild camels into the yard and, within minutes of working, they start to work like domestic animals. The bloodlines of these animals are extraordinary. They are large animals; they were bought by the Afghans to run freight into Central Australia. You can just see the 7,000 years of breeding in these animals. Especially the ones we have—they are like the Clydesdales of camels. They were there for freight, and they are highly trained animals. And when we actually get a real cameleer in, they can actually put those camels down and start leading them straightaway in the yard. The bloodlines are brilliant. It is a pity to waste it.

One thing that we realised when we were doing our shooting course was that, really, these things are musterable. We have been told for years that they are very musterable. When we were doing this work, I would hear from people about their experience with camels. I have got people out there, older guys, who have a lot of firsthand experience with handling and using camels—and those guys are working with us. They are our best employees at the moment, the older men. We have some younger Aboriginal men coming in from Alice working with us; and we just meet people—people that are unemployed who have articulated truck licences!—and when we find guys like that: 'You can come.' So that is great. One lovely story about Indigenous employment was when we held a workshop at Tjukurla. And we introduced—

CHAIR: Could you just explain for people where Tjukurla is?

Mr Knight: Right. Tjukurla is just across the Western Australian border, about 100 kays north of the Outback Way, or the Great Central Road—is everyone familiar with that? So they are there, we have got a whole lot of older people, and young guys, and we introduce our road train driver, who is an Aboriginal guy and a Central Australian. And I reckon if I had said I was introducing a doctor, I would have had less response—people just went 'ooh'. People really admired that, and that skill set—

CHAIR: Could I just interrupt; I notice we have a camera here. Is it the wish of the committee that cameras be permitted? There being no objection, do I have a seconder?

Mrs GRIGGS: Yes.

CHAIR: It is so ordered. The only thing I ask of those with cameras is that you do not film either the screens of the laptops or the private papers of witnesses or members, or of the secretariat. Please continue, Mr Knight.

Mr Knight: So the barriers to development—poor roads; the very poor condition of some of the roads we have to work with. This really hurts us if we are freighting out camels—

Mr SNOWDON: Do you mind telling us the route, Mr Knight, so we can understand where the road is?

Mr Knight: Right, yes. We actually even had a problem where we couldn't take road trains on the main road between Western Australia and South Australia, via the APY lands, because it was not road-train—

Mr SNOWDON: Could you just explain: APY lands?

Mr Knight: Anangu Pitjantjatjara lands—sorry; I assume everyone knows this! The APY lands are in the north-west of South Australia. People were talking about Docker River before; that is in the south-west of the Northern Territory, and then the Ngaanyatjarra lands are just straight across the border from there. So our major communities are communities like Blackstone, Warburton and Warakurna, but we have 12 communities out there.

Getting back to the condition of those roads, there are sections that, when they get wet, are impassable, and that is a problem to us. We think the development of roads out there is good for a whole range of reasons. Tourism is growing for us, whether we like it or not—and we like it. The reason is that, every time a tourist uses our roadhouse, the unit cost of fuel for our members goes down. This is really important because Ngaanyatjarra had to set up its own stores out there. We could not get anyone else to do it. We had to set up our own transport system to bring food out to people because we could not get anyone else to do it. If you only have 50 people going to a store a day, it is a very expensive store; but, if you can get 100 people going, your unit cost of selling stuff goes down really rapidly.

The tourists love coming through the lands, and they are going to anyway: they are main public roads. We would like those roads to be improved for the safety of the tourists but also for our members, because, if our members are driving cars along those roads and they are in terrible condition, the cost to them of maintaining cars is just huge. In particular, the road between Kata Tjuta and Docker River needs a great deal of improvement. If any of the members ever get the chance to drive across to the Western Australian side of the border, where the roads are looked after by the Shire of Ngaanyatjarraku, which is Australia's first Aboriginal shire, I believe—you guys can see the facts—the roads there are fantastic. Our members really like having good roads and we spend the money on it because it is way of sharing the benefit with everyone.

Mr SNOWDON: Your route, though, is Docker across the highway—

Mr Knight: We can go that way. Our preferred route is to go out via Amata. But, if we are mustering in Tjukurla, we go out past Docker and along that road. So improving the roads is good.

As I said, I see the declaration of camels as feral as a negative step. We are trying to get institutional support for research ideas and that sort of thing; and, if people in government have already made the decision that this animal should not be here, it is hard to get that support. Having said all that, we have 200,000 to 300,000 camels, according to the feral camel project. We want to build our capacity up from about 10,000 to 12,000 a year now to 20,000, and we are building the capacity of our stock.

CHAIR: What was the total number?

Mr SNOWDON: Two hundred thousand or 300,000.

CHAIR: Two hundred thousand or 300,000?

Mr Knight: Yes—that is feral animals. One thing about camels—and this might seem counterintuitive—is that the hardest time to muster them is in the middle of winter. They move out to waterholes and whatever, and it is cold and so the days are short. The best time for us to muster is when the country is dry because they come looking for permanent waters. We would like to be able to build holding paddocks so that, in periods when we get an excessive amount of camels, we can hold them and then smooth out our delivery over the year. The other thing is that we have people in the Middle East wanting to buy the good-quality camels. We think there is an industry here for the future.

Mr SNOWDON: Do they want them live or—

Mr Knight: They want live animals. But I think they would want the genetics, because they would like to improve their bloodlines. Because these were good camels. The camels that were brought here were very good camels. The bloodlines are really good and they are strong, so those guys may even want the genetics. In terms of

the sale of camels, we really have not done anything about developing a local market because there is just such a huge market overseas anyway.

CHAIR: Do they command good prices?

Mr Knight: Prices are going up. We are being offered more. The thing we can do now is supply camels of all different ages and qualities. What we want to be able to do is to supply animals of similar quality at similar times and holding paddocks would help us do that.

Mr SNOWDON: But you are making money.

Mr Knight: Yes, we are making money. We did not borrow to do this business. We have just worked from what we have made.

Mrs GRIGGS: You said in your submission that your target per year was 10,000 and that you would go up to 20,000. How are you progressing with your goal of 10,000?

Mr Knight: Yes, we will make 10,000 this year.

Mrs GRIGGS: So you are on track to make 10,000 but you said you are looking at 20,000.

Mr Knight: What we need to do to improve our numbers is expand the number of teams we have working. We are building the capacity of people out there. An old friend of mine from the AP land said, 'The managing director was away and I mustered and sold 450 camels while he was not even here.' That is great. That is what we want to achieve. We have offered a hook price. We would love farmers in the Territory who have camels coming in to their water points over the summer to sell camels direct to Samex. Everyone wants to do it when it is easy but we have to make sure they are there the rest of the time.

Mrs GRIGGS: In your submission you have also talked about some of the barriers. What are the two things that you think could be done to ensure that there is a sustainable business or industry here?

Mr Knight: We need to develop holding paddocks and start to put camels behind wire.

Mrs GRIGGS: So who needs to do that? Are there things that the Commonwealth used to do or—

Mr Knight: We are going to do it on the Ngaanyatjarra lands. It is a matter of whether the Commonwealth wants to invest in that kind of stuff. If the Commonwealth would invest in helping us do that, we think we can grow this relatively quickly. If it will not, we will do it out of our profits—that might take longer. The other part is getting the teams together with the skill set. Those things have to be grown from a very small base. The MD of the camel company, a chap called Troy Coe, started as a cattle guy in the Kimberley when he was 14—as all good cattle guys in the Kimberley should—and worked his way through the Territory in meatworks at Kununurra and developed a brilliant skill set for working with remote Aboriginal people which works really well. Lots of people cannot do this. There is a unique skill set in being able to work with remote Aboriginal people in this type of way.

Mrs GRIGGS: If you were to do the work on your own, to be a viable industry on your own, how long do you think it would take?

Mr Knight: There are several ways. We have asked ILC for support to do a property management plan. I have to work through some issues about whether we can build paddocks on part 3 reserve in Western Australia. So there are some issues there that we have to work through in terms of environmental restrictions. Clearly there are large areas of buffel grass that would be good places to build camel paddocks. They are already degraded and the camels will at least eat the buffel grass. Sorry, what was your question?

Mrs GRIGGS: The question was: if you were to do this on your own, how long do you think it would take for you to develop a sustainable industry?

Mr Knight: We are not quitting. We see this growing over a 20-year period. The potential out there for employment, though, is really good. One thing you do by pumping in a lot of government money is bring people who are only interested in the funding, not in building the business. So there can be real downsides in too much pump priming. One of the worst things you can do to a business when it is small is inject too much money into it.

Senator O'NEILL: Obviously that is linked very much to your capacity and the population you have who are able to engage at different levels of the farming process that you are talking about.

My question is on the back of your comments about education, training and links with industry capacity building. I am the Mexican on the team here, from New South Wales. One thing that is, sadly, a part of the story that is told is that Aboriginal people do not want to engage in this and there is a big gap. You are actually articulating a very successful enablement of people into a workforce and a farming process that looks as though it is working. You talked about the very particular skills set of one person that you referred to as critical. I would like to get that on the record. What is it that is working there and what is its impact on the community?

Mr Knight: We have someone who really knows the business. I used to run the cattle program on APY. It was a mess. He came along and knew a lot about cattle, helped me write agreements and helped me get the agistment operators on track. It really helped having someone who really knew the business. Another thing, though, is that you have to be able to work and communicate with remote Aboriginal people, so you need people with a lot of experience working with remote Aboriginal people in a very practical way.

Senator O'NEILL: Where do they get that skills set and how is that handed on?

Mr Knight: I would have gone into this business with very few other people. I worked for AP since 2000 and that guy is in his 40s, so all his adult life he has been working with Aboriginal people. That is the level of skill. This is not entry level stuff. The hard thing is to find people with that skills set. We can probably bring in people who have a couple of those factors but we need to help out with the third. That is what we are looking for at the moment, to bring in—

CHAIR: It is a project that the landholders actually understand and are keen to be a part of?

Mr Knight: Yes. I raised the fact that SAMEX were buying camels and that we had the opportunity to form the Ngaanyatjarra Camel Company and, when we raised this issue at the council meeting at Warburton, the community cheered. My CEO looked at me and said, 'That doesn't happen a lot.' People are really behind it and working with it really well.

Senator O'NEILL: Why do you think that is? Is it because it is something that they actually physically see and understand in their environment as opposed to—

Mr Knight: Because they believe it can work. People out there are not stupid; they just speak a different language. No-one thinks about how to make their place work more than those guys.

CHAIR: It is something they can relate to, isn't it?

Mr Knight: Yes. This has come from the ground up. We were sad about the shooting. We participated in the shooting through a period there because we just did not think we had an alternative. But when SAMEX came and said they were buying, we said, 'No, we don't want to shoot any more.'

CHAIR: So you are approaching other communities with interests in other land, and saying, 'We've a deal here for you, if you want to be'—

Mr Knight: We have already been working with AP. In fact, most of our early work was with AP. There were people there ready to do it and we helped with that. They had a removal assistance scheme that helped us at the beginning. We could do the same around Docker River, although most of those camels have been shot. There is a lot of wasted potential out there and it is a pity. The folks at SAMEX think it is a real pity because they have orders to meet. Those camels were musterable. It is very sad for Central Australia. The camel project was a juggernaut. They were trying to spend money in a short amount of time and the only way they could meet their targets was dropping them on the ground.

I liken it to having a wheat crop ready for harvest—you could set a match to it, get it off the paddock that way. It takes longer and it takes more skill to harvest it, but it should be harvested.

Senator O'NEILL: So of the opportunities that have been provided, the changing attitudes to training and development, is there any impact? Are people—

Mr Knight: Our training of folks is all on the job. The guys who come and work with us get direct benefit and those guys are just working. It is working mainly at the local level with the older Aboriginal men whom we work with. Those guys have been through every welfare program under the sun. They are sick of it. They want to do something real. The nice thing about this—

Senator O'NEILL: That is a very particular kind of training, isn't it, though? It is training in place and it is sequenced against actual practical real outcomes rather than trained before and then drop people in.

Mr Knight: We are doing it on the job. That is the only way we want to do it. The one thing we want everyone to know is that we get paid because we sell camels. The reason why everyone is getting paid is because we have sold camels. That is just great business training. Like I said, the folks who are working with us are guys who really want to do it. They have been involved with lots of other stuff but they want to do something that can really grow. Also there is the autonomy that they get because the business is owned by Ngaanyatjarra, so you are not having to fill out forms and write reports for someone who may or may not read them and they tell you why you should be doing it a little bit differently or adjust the funding. We make money because we sell camels. The people we are interested in discussing our camel business with are people who buy the camels. We have not done much promotion, to be honest, because we are so busy and we do not need to create a market; we have got one.

Senator O'NEILL: What is your working population in the business?

Mr Knight: In the first year we employed over 20 Aboriginal people.

Senator O'Neill interjecting—

Mr Knight: Sorry, there would be between 4,000 and 5,000 people out there.

Senator O'NEILL: Great. So you have got 20 going and it is growing.

Mr Knight: But it could grow. You could hide something 10 times the size in the Ngaanyatjarra lands and you would not see it. The Ngaanyatjarra lands are vast. They are the size of Tasmania. The other thing is they are top feeders. Out there a lot of the time it is dry and there is no grass. Camels do not even show any sign of loss of condition because they are browsing over the top. Camels perish when the water runs out. We can easily stop the water running out. We can keep those camels in really good condition and we can turn that wild herd into a really high-quality domestic herd. We have already been offered better than beef prices. We are not ready to supply that market yet, but we have already been offered that.

Senator O'NEILL: As you grow your business from 10,000 to 20,000 in your next foreseeable step, what will happen to your employment levels? How many more people will you put on?

Mr Knight: We think it would double. What generally happens is that we work with people close to where we have our yard at that time. That suits people. The other thing is we have worked with remote Aboriginal people for a long time so we understand that, if there is a funeral, people have to go. We understand the obligations and we accept it. We do not sack people, because they just have to go. We say, 'Go and come back when you are ready.' We have several teams we work through. We have a few people who are there just to make sure the livestock are always safe.

Mr SNOWDON: Have IBA shown any interest?

Mr Knight: We have not gone to IBA. We have not been looking to borrow money. We did not want to borrow money early on because we wanted to see that the business worked in its own right.

Mr SNOWDON: So what is your capital investment so far? You have got portable yards—

Mr Knight: Yes, lots of portable yards. Having said that, we did get some money from the feral camel program and we got our panels built at the prison. It was great. They are called Ngaanyatjarra camel panels. A lot of them were built by our members, but that is another story. It was really nice. I remember going into the prison and meeting a bloke from Warburton who loved that he was building something that was going to be used on his country. I said, 'When you get out, come and work for us.'

Mr SNOWDON: So you have cattle yards, a couple of road trains—

Mr Knight: For the road trains we mainly use contractors. I wanted council to buy a road train but they did not want to borrow yet. It was pretty early. Eventually, we will get into the trucking. Because we spend so much on the trucking we may as well be doing it.

Mr SNOWDON: Are they using adapted cattle trucks?

Mr Knight: They are made for camels. We basically side-load them or use a really wide ramp. People were saying, 'Why did those guys who were trying to do it in the NT fail?' They just did not know a couple of technical things that we have learnt about how to load camels. We can load camels really fast.

Mr SNOWDON: Are they buying camels from anyone else or are they just getting yours?

Mr Knight: Yes. Mulga Park sells direct. They were one of the main instigators of wanting all the camels shot. Now they do not want them shot at all; they can sell them. Mulga Park is just outside of a pass that camels filter through into the Territory on the South Australian border. They were getting camels coming through there knocking over all their fences. The first response was: 'No market. We'll have to shoot them,' but now they have a market and they can sell them. When the camels are walking through there they are looking for water, so they come to his yards and they are there for him. He can put them on a truck. It is money for jam.

Senator O'NEILL: What is the age and gender of your workforce?

Mr Knight: Older Aboriginal men. They would be 40 to 60. They love to drive bull-catchers. It is the perfect hunting vehicle. We have a small group of younger Aboriginal men who are more educated and can do the physical hard work. They stay with our team all the time. We are finding that, when we are busy, the younger Aboriginal men will come and work with the older Aboriginal men. We are building an employment model that is more culturally appropriate.

CHAIR: Thank you very much indeed. We have run out of time, but it was very interesting. I think our previous witness might get some heart from the enthusiasm that is there. It is exactly what he was advocating.

Mr Knight: Thanks for the support. We are hoping that ILC will get behind this. It would be good to get some investment.

CHAIR: It is good to see a positive self-starter.

Mr SNOWDON: Have you made a submission to the ILC?

Mr Knight: Yes. I am starting with a property management plan. Once we have done that, they can see that we have a document that shows them how it works on the property. We reckon we have the business plan right, but it is about how we would lay out the property.

Mr SNOWDON: You can do it with the title?

Mr Knight: We are working through that. We think we can. I also do lots of native title work and that sort of thing. We think we can. The saviour for us is that there are reserves for the benefit of Aboriginal people. We need to get people across. Just because it says 'reserve' does not mean it is a nature reserve. We also need people to know that it would be pretty fair to give Aboriginal Australia its land and then take away its ability to earn a living from it.

Mr SNOWDON: Is this a question we should ask the Western Australian government?

Mr Knight: I am trying to do everything without stirring up a hornet's nest. What I would like the WA government to know is that it is a good idea. On the edges of the cattle country they smash fences et cetera, but we are a long way from the cattle country.

CHAIR: We can certainly highlight this as an innovative enterprise within the community. That is not a problem. Thank you very much indeed for your time. It has been very interesting.

CHANEY, Mr Fred, AO, Convenor, remoteFOCUS project; Chair, Desert Knowledge Australia

HUIGEN, Mr John, Chief Executive Officer, Desert Knowledge Australia

LUCAS, Dr Michelle, Director, remoteFOCUS, Desert Knowledge Australia

MARSH, Professor Ian, Desert Knowledge Australia

[11:29]

Evidence from Mr Chaney and Professor Marsh was taken via teleconference—

CHAIR: Welcome. These hearings are a formal proceeding of the parliament. The giving of false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament. Evidence given today is recorded by Hansard and it attracts parliamentary privilege. I invite a representative to give a short overview, and then we will invite the panel to ask questions.

Mr Huigen: The ideas and aspirations of Desert Knowledge are very relevant to this inquiry. Underpinning the whole notion of Desert Knowledge is the understanding that Aboriginal and other people need to work differently to create a shared future, and that is also essential for development of the North. It is based on the understanding that things work differently in the desert and remote Australia and, unless you actually take into account those differences, failure will be inevitable. We are interested particularly in trying to effect change where change would have the greatest positive impact. One area we have been working on is how governments work in remote Australia. We think that could work a bit differently and better. I will call upon Fred Chaney now to outline the key findings of remoteFOCUS and how that is relevant to this inquiry.

Mr Chaney: Chairman, in the brief time I have can I just express my confidence in the experience of the members of the committee. I think that, as representatives of remote and regional parts of Australia, you will find the analysis we have done in remoteFOCUS will fit your own understanding and the realities that you deal with on a continuing basis.

The remoteFOCUS project dealt with the issues which are the consistent complaint of people living in remote and outer regional Australia—that they have no say in the decisions which affect them, they cannot rely on financial flows, they do not have good enough services, there is no-one who is accountable to them, there is little local control and they are not even part of the national story. As a Western Australian, I am deeply conscious that the mere production of large-scale wealth, as in the Pilbara, does not necessarily produce the overall economic and social outcomes that are desired and necessary for all sorts of changes—like Royalties for Regions and Pilbara Cities—to try to make sense of something which is driven solely by immediate economic development.

If the members of this committee turn to our report, *Fixing the hole in Australia's heartland*, and go to page 69, which is headed 'What are the next steps for a politician wanting to govern remote Australia well?' they will find a list of points which I think they will all respond to very positively and which really suggest that government itself needs to change its way of operating if we are to get the overall success that we want for remote Australia and for northern Australia. I commend that report to you and I look forward to discussion with the committee.

CHAIR: Thank you. Natasha Griggs will be the first cab off the rank with questions.

Mrs GRIGGS: Under your proposed model you said there are local requirements. I would like to know how you see the local requirements versus the national requirements being met and how you think the key components to getting a desirable outcome that meets all the needs will be achieved.

Mr Huigen: I will kick off here and perhaps pass to Fred. Can I check to see whether Ian has now joined us. He has. Professor Ian Marsh was co-author of *Fixing the Hole in Australia's Heartland*. In that remoteFOCUS report it outlines a process that aims to bring the three tiers of government and community representatives together. That report essentially outlines the need for new arrangements and it actually outlines a process on how you might step through to create a shared understanding of what needs to happen in a local or regional area and how together people would co-create a tailored governance arrangement for that region. So this is place centred development of a regional governance arrangement that will actually stitch together the three tiers of government as well as the community governance arrangements. How you actually go about doing that that report is silent on, but we have now implemented and we have our first implementation trial which is underway in the Ngnanyatjarra lands. You just heard Alex talk about camels out there and what we are doing at the moment is our first implementation on the Ngnanyatjarra project. I might throw to Fred now to do a few comments around that because Fred has played an important role in that, and then I am sure Michelle Lucas, who has been doing work here, will talk about it.

Mrs GRIGGS: Before Fred answers, the other question I had was around collaboration and to see what you think is the best way to establish the best success and, to use your words, to avoid any fatal mistakes from the past. While Fred is answering that, could you think about that aspect as well.

Mr Chaney: The report really sets out the support given by people who are very experienced public servants, Peter Shergold and others, about why past efforts have not been successful and what is required. The regionalisation of administration is not a single cookie cutter, a single sort of model, but really a model which is tailored to the very different histories, geography, economies and societies in the different regions. Essentially what one finds when you go to these areas is that quite often the three levels of government are at cross-purposes and they are at cross-purposes also with the community. So the critical thing is to achieve some overarching agreed objectives to which all those levels of government and the community are working, you have a clarity of the mandate of each of those levels of government and the community to ensure that the funding matches—

CHAIR: We seem to have lost the phone connection.

Mr Huigen: I can probably finish what Fred was going to say. The key point is how you actually have a process that gets people to want the same things. To do that you need to convene the group and get them to start working together—

Mr Chaney: Can I clarify whether I came through then?

Mr SNOWDON: You did in part and then you stopped.

Mr Chaney: I didn't, actually.

Mr SNOWDON: We stopped hearing you.

Mr Chaney: Can you call in on my mobile, because clearly I have got a technical problem at this end.

CHAIR: That is happening now.

Secretary: It is at this end, Fred, not yours.

Mr Chaney: Can you reach me on my mobile, please.

Mr SNOWDON: It is a bridged call and the problem is at our end not your end.

Mr Chaney: I see.

Mr SNOWDON: We are hearing you loud and clear now.

Mr Chaney: Okay. I tried to answer Mrs Griggs's question by making the point that regionalisation is something that has to be done region by region, bearing in mind the geography, the economy, the society, the history and so on of those regions. That requires work to be done in a purposeful way to ensure that the levels of government have a common purpose and what the roles of each of those levels of government and the community are and that they have funding that matches their mandate and a capacity to deal with issues as they arise within those levels of government. It is all set out in our report but, fundamentally, the question for the committee is, in looking at the issues we have put at the end of the report, whether you say, 'We agree that merely to go on doing things as we have done them in the past and to repeat the failures of the past will inevitably produce the same less than complete outcomes that we as a government or as members of parliament want to see.'

Mr SNOWDON: In the mid-1990s there was a very strong and very volatile discussion about regional authorities and regional governance. I wrote some papers around advocating regional governance. My cousin, as it happens, wrote a paper on regional governance for the Pitjantjatjara Ngaanyatjarra lands in 1981. So there has been a lot of discussion around these issues. How do we actually get the competing arms of government to accept that it is okay to be different and to do things differently? Really that is the essence of it, isn't it? It is about saying: how do you get people to understand that they do not have to have their hand on the tiller and have total control all the time; it is okay to give other people responsibility?

Mr Chaney: I think the lead has to come here at the political level, and it requires the government of the day—hopefully, with the cooperation of the opposition—to say that we do actually need to do things differently. We would certainly be prepared to work with your secretariat to look at what have been the problems with previous attempts to deal with this and what sort of model could be carried forward. Our report does deal with the issues you must deal with if you are to break through. One of the overwhelming conclusions we would draw is that, if you expect the parties to coordinate by sitting around the table together unaided, all the evidence of the past is that that in itself will not be sustained and will not work. Peter Shergold led major efforts to coordinate the three levels of government and coordinate them with the community work in the context of Aboriginal affairs. The outcomes were, on his own judgement, not what they wanted to achieve. The conclusion we take is that you need the intervention of some third party who is not one of the parties, or the involvement of a structure above the

contest—somebody who is not part of the political contest, someone who has an existence beyond the political cycle and who essentially has the role of keeping the parties honest and keeping them to their commitments to the agreed outcomes that they are all seeking.

If you want a glimmer of hope, look at the new proposed administrative arrangements with respect to Aboriginal affairs, which are, in my view, still pretty much a gleam in the eye but which represent a substantial understanding of the fact that, if you do not get regionally based arrangements, it is not going to work. Announcements that have been made post budget are at least consistent with, although they do not necessarily guarantee, there being an opportunity to get regional arrangements which are multigovernment and which will enable the pooling of funds and the pursuit of shared objectives, and this being done on a regionally varied basis. If you look at the proposals being brought forward by Aboriginal communities under the banner of Empowered Communities, you will see the same ideas being put down, with the notion that there would be some external supervision, which essentially—to use my expression—keeps the parties honest. I think it is in that ballpark that you would need to work. In light of its own experience of what has been happening in your electorates members over the years, in terms of the failed attempts of the past, if the committee thinks it is worth examining with us what is a model, what is an approach, which would get past those failures of the past, we would be delighted to do that. That is really an offer that we are putting on the table in the course of this conversation. We cannot present you with a cookie-cutter solution because there is not a cookie-cutter solution. But there is an approach to dealing with things regionally which gives a solution. Ian Marsh is much more authoritative on those models than I am and has had much more broad international experience of the models which are being used elsewhere.

Prof. Marsh: At one level the challenge is getting the political mandates right. At another level the challenge is getting the administrative arrangements right. All those efforts at regionalisation directed from Canberra from the late nineties on have fallen foul of the highly centralised protocols that are fundamental to the way our present system works. If you want to see a model of how you get more decentralised arrangements in our structure, the Cameron government in Britain has introduced a genuine program which they call Whole Place Community Budgets. That really is a very substantial rearrangement of the structures of government at place levels, with all the appropriate funding and HR and all those other arrangements put in place. If you want to see how this might work in practice in a system like ours, you can see it working in operation in the UK. Of course the context is quite different in the UK, but the broad administrative arrangements—the budgeting arrangements, HR arrangements and so on—are available to be seen. In our submission we sketch some of these arrangements. They do fundamentally challenge current protocols. The British went through a much more severe drubbing than us in the financial crisis. I think that helped to create the atmosphere that allow this radical experiment to go through. But if you want to see how, in a system like ours, you can authentically achieve decentralised governance, there is a model to be looked at in the UK.

Senator O'NEILL: Has that produced any outcomes that are measurable yet, or is it still in its fledgling stages?

Prof. Marsh: Again we cite some of the papers in our submission to the committee. There is a litany of National Audit Office reports and of parliamentary committees. There are at least three parliamentary committee inquiries and four National Audit Office reports on these experiments. They were in four quite different areas—a Manchester one, and one near London. They all involved joining up a whole series of central, local and regional agencies and also NGOs and the private sector. They worked through the methodologies and they are now rolling it out on a wider basis in the UK. So there is a living model that we can look to for how you do this. But I cannot stress how much that, despite all the rhetoric in the past and despite the very intense efforts that were made, particularly in Peter Shergold's era, the experiments that have occurred have all fallen foul of the central protocols and the Canberra need for uniformity. The British system was running the same way. They have now shown how you can move away from that model and still be within Westminster norms of government.

Mr Chaney: Our report is not based on Aboriginal matters as its focus. Our focus is, in fact, on the whole of the remote parts of Australia, which we find suffer from the same complaints whether the people there are Aboriginal, non-Aboriginal or a mixture of both. Fundamentally, to pick up one of the points Ian has made, whilst it is the administrative matters that we think need to be changed and the accountabilities that need to be changed, that can only happen with clear political authorisation, so it does require the political system to say: 'More of the same is not going to work. We are prepared to try to find a situation where we get the three levels of government and community pulling in the same direction. We understand that that is a job in itself.' And we understand that the outcome cannot be one like, to take another Aboriginal example, that of the ICC's.'

Both the Warrens on this committee—and others, no doubt—would be familiar with that entirely sensible suggestion that Commonwealth public servants should be put into a common office so that you would get the

flexibility and the cross-siloed operations et cetera. I think everyone would agree that the ICC has never worked as the political rhetoric suggested. And it did not work because the accountabilities remained exactly the same, so the people who were working for DEEWR were accountable back to head office and to the estimates committee under the heading of DEEWR, and similarly for the people who were working for FaHCSIA. So, all of the departments involved, while clothed in some very broad rhetorical description of working cooperatively and across silos, were never actually legally authorised to behave in that way, and their accountabilities did not permit them to behave in that way.

Again, to turn to the recently announced Commonwealth arrangements—and I stress that these are not party political issues; they are issues that bedevil all governments, historically, of whatever political complexion—if you look at the proposed new arrangements with respect to Aboriginal affairs, what are they trying to do? They would say it is consistent with what we are arguing, but it is not enough of itself. It is consistent in that they are saying, instead of having 150 programs, let's have five—let's pool the funds and make them available to work in a much more subjective way; let's use the funds in a way that can be locally different.

So, there is a movement in the direction we would say that we have been part of the advocacy for. But on the other hand—and I turn to another page of this report, page 42—you get a description from the Northern Territory of the way the Commonwealth has traditionally worked, and basically, in the view of very senior Territory public servants, it is a gun at the head. The Commonwealth arrives and says, 'Here's the money, this is what we want done, do it our way and get on with it.' There is no attempt to actually listen to, engage with and discuss these matters with the locals so that the money is spent in the most cost-effective way and there is a cross-fertilisation between governments. We are saying that there are a whole lot of steps that have to be taken to avoid the mistakes of the past. It is very difficult in a brief submission for the parliamentary committee to do this justice. But that is why I make the offer that we would be very happy to work on some offline basis with you if you thought that was helpful to enable your staff to put before you some further views on how a regional approach could be developed in a way that has a real chance of success as against the failures of the past.

CHAIR: We might well take you up on that offer. You are right: it is very hard to do it in the time frame and of course in the submission. But we will certainly take that onboard, and we may well be able to get back to you for additional information.

Mr Chaney: It would be helpful to get a little feedback from the committee when, with the sort of views we put about what we see as the utterly legitimate concerns of remote and regional communities, they are in fact legitimate and therefore do need the consideration of a significantly different approach. My own experience—which, as you know is quite long now, and for some of it I have worked in conjunction with some of the people on this committee—is that there is an extraordinary uniformity of complaint in the very different regions in which I have been able to work. So, a high-wealth-producing region, in a normal economic sense—like the Pilbara—is not very different from a Central Australian community or a North Queensland community with a quite different economic base in terms of the feeling that government is not relevant, does not speak their language, does not understand their problems and is not responsive and that there is no accountability and so on.

I have never been able to discount those complaints as being illegitimate whingeing from the bush. In my view, and in all my experience, these are legitimate complaints affecting Australians who occupy 85 per cent of the Australian continent—are a substantial population group but are sparsely spread across the continent—who are treated as the forgotten backyards of the state capitals, in the main. There is naturally an electoral focus on the majority of voters; that is the perfectly natural way democracy works. But it does mean a continuous short changing, a continuous underperformance, and a continuity of friction losses between the various levels of government and the community. And it does start with political leadership accepting that you do need systemic change in terms of accountability, in terms of your public administration, in terms of the framework within which public servants are required to work. If you do not get acceptance at the political level that that sort of fundamental re-jigging of the system is required, it is impossible for the bureaucrats to do that internally—and they will in any event go on behaving as bureaucrats always behave, according to the written rules of the day. That is the legal requirement put on them. They are good Australians, they are very intelligent Australians, they are hardworking Australians, but if you do not change the rules under which they work they will go on working in the same ways, which will short-change Northern Australia, desert Australia, the whole of remote Australia.

Mr SNOWDON: For my part, I generally agree with the sentiment of what you have said. It has been my experience over not quite as long a period as yours but over a long period of time that governance is a really big issue. Once they got rid of ATSIC, in terms of Aboriginal governance, there was no capacity for Aboriginal people to be involved in decision making, and that remains the case. I agree with you: this is about the whole population, not just the Aboriginal population. When we were in Western Australia doing our hearings it was very

clear to us that people wanted local bureaucrats to be responsible to the local community, not the community in Perth. There had to be some measure of accountability to the local community as opposed to Perth. But that means, as you know, that the political leadership is saying, 'We're prepared to devolve and allow people to make decisions within a framework we will all agree upon.' And that seems to be very challenging and very difficult for people to comprehend—that it is okay to release your hand from the lever and allow someone else to have a go. You can still be ultimately responsible as the minister, or whatever, but ultimately you have to actually accept that people on the ground need to have a role in decision making.

I have a question, though. One of the bedevilling issues for us of course is state borders, and how you define a region. If I am thinking of the south-west Northern Territory, I am thinking of a region that would be Ngaatjatjarra, Pitjantjatjara, Ngaanyatjarra lands, effectively, which would take us across beyond Warburton, across to almost Coober Pedy and north at least to Areyonga. So, that is one big region. If I thought of another region, I would think of one in western Queensland and into the Northern Territory, around Borroloola and the cape. How do we actually get a definition of what a region can look like? Are we able to discount state interests?—because we are not, but if we were to actually start from the ground, if you had a greenfield site, how would you actually define a region and create it and then deal with the administrative difficulties that have now emerged because of state boundaries and different jurisdictional arrangements?

Mr Chaney: I think that is a big question. To illustrate the need to be very fact based in this, the region of Central Australia you recommend would probably not sit well with, say, the Ngaatjatjarra side of the border, because they feel that they have a more orderly administration in place than probably applies on the Northern Territory and South Australian sides of the border. And some of the difficulties that are bedevilling those communities are less evident here, and it would be better to deal with a single overriding Aboriginal organisation that is within Western Australia and therefore does not give rise to those cross-jurisdictional issues.

Again, if I can refer to Western Australia, which of course I know a bit better than the rest of Australia, although I have worked across it, you could not say that the same considerations apply to the Pilbara as apply to the Kimberley. You might even say that the west and east Kimberley should be separate regions. I am not trying to be definitive here, but the economy of the Pilbara, the history of the Pilbara, is quite different from the economy and history of the Kimberley. And I would say that where these things fit into the economy, in a sense, is a very important consideration in terms of what an appropriate region is.

What really is striking, and we did some work in western Queensland, is that there is absolutely no doubt that the structure of the societies of those western Queensland towns is quite different, and the structure of the economy in those western Queensland towns is quite different, from the structure of the economy and the society of the Pilbara towns. That is because of a different historic pattern of settlement and different industry bases of settlement. If you look at the factors, what are the things which enable a sensible, comprehensive, regional approach to be adopted? How do you define the region as a sensible conglomerate of economic, social et cetera interests which is going to be able to work together? I do not think it is simple, but, if you were looking to pilot this—as, for example, the Commonwealth is currently looking to pilot Empowered Communities—I think you would be looking for the readiness of communities to engage in this, the readiness of the particular state or territory to engage in this, the opportunities that there are for development and so on.

If I may respond to Warren Snowdon's question, I think that is a subjective matter which you would need to work on. It would be interesting to sit down with your secretariat and look at some examples of regional definitions which would make sense. North Queensland singles itself out. My much more limited knowledge of North Queensland is that it has a high degree of self-recognition as a region. It has the same litany of complaints about the remoteness, not just from Canberra but often from Brisbane, and it has a certain set of economic possibilities built around pastoralism, tourism, fishing and various things. It is clearly an area where you could have a regional approach. The issue then would be, 'How far south does that one single region go?' and so on.

I do not think that we can claim that Desert Knowledge Australia have a definitive view on each region in Australia, but I would point to the Ngaanyatjarra lands as a significant geographic area, largely an Aboriginal area, with the possibility of mining development, and, on the part of the community, a desire for mining development, and a state government which has in the past tried to enter into arrangements with the Commonwealth which involve some intergovernmental cooperation—for example, on police stations and things like that. You have put an issue on the table where there is not a cookie-cutter solution; rather, you have got to look at the characteristics that would enable a comprehensive approach to be adopted in a particular place or set of places.

Prof. Marsh: I would like to add to that. I go to Warren's point on accountability. That is absolutely fundamental to making a more decentralised arrangement work. In the submission we sent to the committee, we

discuss the norms of accountability that might be appropriate in a more decentralised structure. I would just underline that this is absolutely fundamental. Getting that right is central to devising an arrangement that is practical and workable. Ministers will still want to be held responsible for what happens, but communities want some control over their destiny. How you put those two bits of the jigsaw together is critical. We think we have an answer to that, but of course it is not an easy one in terms of the present system.

Mr Chaney: I totally support what Ian just said. Regarding the example I gave earlier, the ICC is a very simple example where, if you have not got the accountabilities right, the political rhetoric falls to the ground. Warren, you have been part in the past, both at the receiving end and at the giving end, of the grilling of public servants at estimates committees. That is the pursuit of perfectly proper democratic objectives of accountability, the rule of law and so on, but it demonstrates the fact that, in a remote and regional context, that whole process is potentially very destructive, because what you are looking for is more subjective, localised approaches, which do not admit to a central set of rules and regulations. But you must have accountability. This is taxpayers' money. You must have accountability so that people can be held accountable, but it is a new form of accountability. Our submission addresses that, and the work of Sabel that we refer to addresses that. I think it is an absolutely core issue for the committee.

CHAIR: I think there is another conversation that we need to have on this at a later time. We are going to have to wind up as we have run out of time. However, I agree with Warren. Dr Lucas, you have not had an opportunity to express a view. Can I invite you now to at least express a view.

Dr Lucas: Thank you very much. I would, of course, support what has been said previously. At the moment, I am on the ground in Ngaanyatjarra and we are trying to implement this approach. We are finding it really is fundamentally about the hearts and minds of people as much as anything else and that trust and accountability come from there. It is about having the neutral facilitator and having a common agenda that we build up over time together. We connect the most influential people in the state and connect with the community members and with the council members. We are making significant headway as a result of that integration and alignment, and building that up together over time.

Senator O'NEILL: Does the neutral facilitator come from academia? Where do you find a neutral facilitator?

Dr Lucas: Right now that is me. I have an academic background, but I also have a long history and experience in change. That is where I come from.

Mr Chaney: I have been hugely influenced by the work that the Graham (Polly) Farmer Foundation does. That was set up by Ron Edwards and me in the mid-1990s. We have 30 education projects, many of them in remote parts of Australia. We have had a system of local management and control. Each project is independently locally managed and controlled, and all of the relevant parties are at the table—parents, schools, funders. Our foundation is the sheepdog, essentially, that makes sure that things operate according to the principles that have been agreed and if something goes wrong we chase up the parties and make sure it is fixed. Independent, outside facilitation in my view is absolutely central to our having been able to do this from a stable base, really on a cookie-cutter base in terms of technique or method, and take this to any school where there is a willingness to engage and a desire for young Aboriginal people to succeed. This is a tiny model and I think what has to be done on a larger scale to get improvements in regional governance.

CHAIR: Thank you very much. As I say, that is a conversation that needs to continue and we can certainly facilitate a process for that. Thank you all for your time. We really appreciate it. It has been a very good submission and your insight into some of the challenges that we are facing is greatly appreciated.

WALKER, Dr Bruce, Chief Executive, Centre for Appropriate Technology

[12:08]

CHAIR: Welcome.**Dr Walker:** Our original letter went to the committee from our chairman, but he is tied up with a company board meeting today elsewhere.**CHAIR:** Before we go on, did you hear the preamble earlier?**Dr Walker:** Yes. I have heard it before and if I can be allowed a few minutes to make an opening statement.**CHAIR:** I invite you to make an opening statement.**Dr Walker:** Thank you. The Centre for Appropriate Technology is an Indigenous owned and governed science and technology organisation. It has a head office in Alice Springs but we have national outreach through an office in Broome, Darwin and Cairns. We service the top two-thirds of the country. As an organisation, we recognise that technology and economic development are inextricably linked and we attempt to deliver appropriate technological solutions and ensure that Aboriginal people have the resources and capabilities to actually appropriate and use, direct or influence that technology so that they can participate in the economy. How people use, maintain and manage those technologies, we believe, is fundamental to their lives and directly influences their ability to sustain their chosen livelihood and their ability to participate more widely. We provide expertise in housing, infrastructure and essential services—water, energy, transport, telecommunications, as well as community engagement and project management.

Out of the intellectual property we have developed over the last 30-odd years, we have established a wholly-owned subsidiary company, CAT Projects Pty Ltd, that can pursue the intellectual property we have developed in more commercial and international settings. That company is currently working in Kenya, India, the Cook Islands, the Solomon Islands, Nepal and the Philippines.

We have successfully managed a number of local projects, including the new swimming pool at Mutitjulu, the \$18 million Alice Springs Aquatic and Leisure Centre, the remote airstrip construction and a number of major solar farms and construction of the new waste transport facility in Alice Springs. I believe we have reasonably extensive experience that could help in response to the sorts of issues that you will confront in your wish to develop Northern Australia.

I would invite you, rather than going over things in too much detail, to look at our website where we talk about our expertise in renewable energy and the 130 communities across the north of Australia that we have provided 24-hour power to over the last few years through the Bushlight program. We have been active in community water supplies, particularly risk management around small community water supplies. I think you will find that risk management is a critical issue when it comes to the cost of compliance and meeting regulations in remote Australia. The costs are technically infeasible or prohibitive. I think you will find that is an issue. Interestingly, one of our staff is now leading World Health Organization programs in eastern European small communities, based on the same program that we have developed around Aboriginal communities in Australia.

Our expertise ranges across projects around housing. We are currently fixing and making safe some 280 houses in 50 homelands across the Northern Territory. Out of that process we are employing 80 Aboriginal people. We have a unique delivery process that minimises external specialist input, which creates jobs for local people. We do training. We currently manage the community phones program because it is too expensive for Telstra to do it. We do the repairs and maintenance on the community phones right across the region that you are concerned about. We also do training as a way of creating a pathway to economic participation.

So, like the other groups that have presented today, CAT maintains that the areas of Indigenous policy and the development of the north are inextricably intertwined and that northern development needs a healthy, socially engaged and stable workforce. We believe that the government will, in the process of transformation that you are talking about, need to understand and have a well-nuanced and tailored engagement with the not-for-profit sector.

If I can demonstrate a little bit more, building on the argument from the group before, that the market is not going to respond to the sorts of issues that we as a not-for-profit organisation have responded to.

If I can change my hat for a second: up until 2012 I was chair of the Northern Territory Research and Innovation Board and I was the Northern Territory representative on the Forum of Australian Chief Scientists. So I have had the privilege over a number of years of contributing to the development of a range of research and innovation initiatives, based on the tropical north and the desert south. I have been able to witness the significant differences in the economic prospects of both. The Desert Knowledge movement, this precinct and the groups that that has spawned all indicate that things are different at both ends of the Territory. Just in looking through the

submissions and listening to the people in your hearings, all of the submissions from the centre of Australia are from not-for-profit companies. At least half of the submissions you are receiving in the north are from for-profit companies and I think that is an indicator of the sort of difference that I am pointing to.

From my experience, I would like to encourage the committee to clearly consider two areas that are most likely to be either forgotten or sidelined by the excitement of the opportunities that the north brings. They will be forgotten because the issues they throw up are not central to the core development agenda, although I note, Deb, you have been getting involved in it this morning. They are not central to your terms of reference, yet they will be critical to any measure of success in the northern development. The first is the area of Central Australia or Alice Springs specifically and the other relates to the dispersed Aboriginal communities and homelands and the attendant issues which are not directly impacted by the global economic activities that are envisaged within the Northern Australia development agenda.

I would encourage the committee to reflect on what might be the most appropriate role for Central Australia in the northern development. Is it logical to include Alice Springs in the northern agenda but excise from Alice Springs the large service provision that Warren Snowdon just spoke about that comes from the top, WA, the top of South Australia and the back of Queensland?

Alice Springs services 256 communities, and many of these are not in your area of interest but would clearly benefit. I think you heard from the Outback Way. Again, geographically, whilst having an east-west axis is a good idea and would make an enormous difference to the way this country operates, they do not quite fit into your geographical terms of reference unless you make some changes. You heard from DKA and remoteFOCUS, and you will shortly hear from Ninti One, and you will get the impression that things are different in the remote sector and in the desert sector, even though we support the governance arrangements.

But I want to encourage the committee to consider whether it should not use a deliberative measure to help design, I am suggesting, a design hub or some sort of value-adding innovation capability in Alice Springs, where innovation and administration of the marginal and remote parts of the north might actually be focused and encouraged—because, if you do not do that, we will be a drain and we will always be at the end. The domino theory or the trickle-down theory I do not think will work. There is not a lot of evidence of that in the past.

As a nation we have many examples where the centre of administration is not in the same location as the development activity. There is an opportunity to invest heavily in Central Australia because it reaches into the backyard of every state and territory, except Tasmania. Indeed, on three occasions in the past Alice Springs has been the centre of administration in the north. Alice Springs is better placed to service outback Western Australia, Queensland and South Australia than any of our coastal capitals.

It is unlikely that this nation will ever invest in another inland town like Alice Springs, and the key recommendation of your committee should be to specifically recognise the importance of the centre of Australia, albeit in the way that it compliments the north. Such a deliberative approach would ensure that the interests that so many of the presenters here have raised with you in relation to Aboriginal involvement, the creation of employment, the general lack of market activity in the lower half of the Territory would become front of mind—if it were based here rather than being left over as a distraction for government agencies based in the north who are driven by the global economic touchdown and the Asian opportunity.

CHAIR: That was a brief overview! We really appreciate it.

Dr Walker: [inaudible]

CHAIR: I understand that. You talked about looking at Alice Springs being a centre of excellence for technology—and you are right; there is some amazing stuff coming out of here. How would a special economic zone type of arrangement sit with you in relation to the vision that you have?

Dr Walker: I think that would go back to your discussion about regional areas and how you define a region, and whether that becomes the driver. A region usually has some sort of driver. So, if it is Indigenous issues, you will have a region that will be around a land council area. If it is an economic issue and you look at Central Australia—three years ago, there were 1,800 businesses in Alice Springs. Eighty per cent of those businesses relied on mobility and other people to invest in order to eke out a living. Seventy-nine per cent of them were small microbusinesses. So the economy in this region is very different to the economy and the economic opportunities you are talking about in the north; and, if you conflate those all into one response, I fear that we will be left behind down here. There are great opportunities. We have a massive employment issue around Aboriginal people's opportunities as well, and unless you do something deliberative it will never happen. It will not trickle down.

CHAIR: Do you see that as something that could be done to create that opportunity?

Dr Walker: As Mr Chaney said before, we have a lot of smart public servants around the place. If they have got a challenge and they have got an ability to operate in this region and not have to report back somewhere else, I think the notion of this design innovation hub could work. If you listen to the chairwoman of Telstra, she is saying that design thinking is the next new age. If we do not have access to the markets, if we do not have the sort of mineral production here that they have in the north, or agricultural opportunity, then this would be a useful adjunct—to centre it in Central Australia on the back of public administration.

CHAIR: So the answer is yes?

Dr Walker: The answer is yes.

CHAIR: And the hub-and-spoke concept is something that we are hearing as we are going through this inquiry. Yes, there have been suggestions in relation to special economic zones in some of the coastal regions across northern Australia. But given the uniqueness here—and some of the work that you do at Appropriate Technology and some of the work that we are going to see, like at Ninti and other organisations, is unique—you would argue for a specific hub here, with technology the specialty?

Dr Walker: If I can capture your argument, what you are saying about CAT and Ninti, it has come out of the not-for-profit sector, it has come out of people concerned about a range of issues generally sparked by Aboriginal people. It has enabled those not-for-profit organisations to spin off little companies. The not-for-profit sector and the government welfare dollar in Alice Springs is about 40 per cent of the local economy. If I were wanting to kick-start the local economy, I would be talking to not-for-profits about how they can spin off these little companies. We now get to work in Nepal, Philippines, Cook Islands, Solomon Islands. We are doing power supplies for post-emergency relief in the Solomon Islands. Those opportunities have come out of us wrestling with what we have locally.

CHAIR: That makes a lot of sense.

Mrs GRIGGS: In your submission, you have some great examples of where you have done some really good projects and made a difference. In your 30 years of experience, have you had some projects where there have been major challenges which provided some insightful lessons that you would like to share with the committee for when we do our deliberations on how we can develop the North? We who live here know that to do things here is very different from in other parts of the country. You have been involved in some key projects.

Dr Walker: If you assume that our engineers are no better than other engineers working in the corporate world, why is it that we have been able to do projects that have had success? One reason is that they are motivated in that work to build a relationship and to engage with the people they are working with at the outset. That is probably the greatest hurdle. If I had to put down one thing that I have seen over 30 years it is being able to build the relationships—that is the key to deliver any change, any transformation.

The other is—and this, again, is why I am harking on the not-for-profit sector—the issues we are dealing with are marginal and a commercial operator will not see sufficient profit in it generally or will see too much risk in it to invest in it. Any of the initiatives in this region I believe are going to come out of the not-for-profit sector. That is the sector where I would be putting my effort. I would be trying to build design thinking and the ability to engage with people. All the submissions I have read locally talk about this engagement with Aboriginal people and their ability to do it. It is unique. It is why people from outside have trouble. The other thing that is important living in the area is that people who do work in remote communities know how to tie loads onto trucks and they do not have to go backwards and forwards three times to replace the part that got broken on the trip. It is only a small thing, but it is the difference in your margin, as to whether you can survive in this environment or whether you go broke.

Mr CHRISTENSEN: Something is concerning me about the last presentation and this one and what you are saying. If the reliance is going to be on not-for-profits and government—and traditionally not-for-profits, not all the time, seek a lot of their funding from government—in the long term that is not sustainable. So how are you going to have sustainability when your economy is going to be underpinned into the future by government and not-for-profits?

Dr Walker: I think it is already underpinned by government. If you look at the economic context for Central Australia, while the submissions you will receive from the Northern Territory government will say that mining is the largest part of GDP, if you look at health and public administration, you will see they are well in excess of mining. That is the reality of our lives here. The reality of the issue facing government is that, while you can apply the logic you are applying in an urban area or in an area where there is an active market, it is difficult to apply in this environment. You have to take a decision then, if this is a nation and if you are wanting to govern the whole of the nation, then there are some people who are prepared to live in situations that are marginal. They eke

out a living, they go through troughs. It is a decision for the nation to work out whether it wants to put all of its attention into those areas that are 90 per cent delivered within 50 kilometres of the coastline.

Mr CHRISTENSEN: Can I pose to you, though, that this is part of the problem. If you have communities which are underpinned by government funding in an era where government funding at the federal and territory level is drying up, you are not going to get further development. We need to encourage the business sector to somehow get involved in these communities—whether it is through the removal of red table, the provision of infrastructure or concessional tax arrangements. My view is that you are not going to get significant growth and development and population in these remote areas unless you have something like that. What is your response to that?

Dr Walker: I respect your view. I have tried to offer you an alternative model that represents the reality of where we are living at the moment—probably the reality for the next 20 years or more. I have given you one example of how we have spun off a little company. We have done a lot of work around the place. Ninti One will give you examples, later on, of their Precision Pastoral stuff that is trying to spin off other companies. Desert Knowledge have tried to bring in work. Sure, it is funded by government, but government has a legitimate role in seeding things. This is an enormously difficult part of the country.

CHAIR: Do you see that these are going to create economic opportunities, also?

Dr Walker: That is the only way you will do it. You can do these things. As a government you can initiate them and try to get the value-add. That is why I think you need the design hub or the innovation hub to drive the people who are using government money to say, 'How much can you get this out into the private sector? How much can you commercialise?' I think you have to start there. If you just start with the position you put, basically most people, if they are not Aboriginal people, will probably turn around and leave the place—there is a bit of a depopulation of outback Australia going on—but that will only increase the scale of the issues you will face locally.

In the longer term I guess I could agree with what you have said, but from where we are now I do not think it is a starting point for us. So I would be investing in—

Mr SNOWDON: I agree with Bruce. I have been there a bloody long time, and if we are relying on the private sector to make the community work it would not work. That is clear.

CHAIR: I also agree, as somebody who comes from the remote far north.

Mr SNOWDON: It just would not happen; we would not have anything. I just wanted to make a comment and get your reaction to it. It used to be the case that Alice Springs, for its population, had one of the highest proportions of graduates in the country. There is a lot of intellectual capacity in this town. Sadly, governments of major political persuasions have taken some of that intellectual capacity out. CSIRO has been downgraded. The Northern Territory government's own research capacity has been downgraded. On the other hand, there have also been, as a result of the NGO sector, a lot of growth, with people being drawn in through CAT, Ninti One, Desert Knowledge, the Central Land Council, and through the congress—these large employers. What I am interested to know is—I go back to the discussion we had with Fred—how we get governance arrangements to suit accountability mechanisms governments require but at the same time allow the NGO sector to flourish. When you go out with CAT, if you are going to start a Bushlight program in the community you have to convince the community of the value of it. Otherwise there is no Bushlight program. How do we get government to accept that, for it to behave appropriately, it has to do the same thing?

Dr Walker: Short of experiencing the context on a regular basis, I do not know. That is what drives it. We have to find a number of champions within government. We set up Desert Knowledge because we knew our local economy was driven by commodities. As they go up and down we lose out. We know that tourism has been going down for the last 10 or 15 years, centrally. There has to be another sector. We thought it was the service sector. That is why we set up Desert Knowledge to try and grow that. At least at different points in that cycle we have had some politicians we have been able to convince, and they see the value in it. We have had other politicians who are applying a more centralised view. So we have also gone up and down in that sector—not because commodity prices have gone up and down but largely because the level of interest from politicians has gone up and down. It is significant, for example, in DKA's case that they were able to attract funding from BHP, Telstra and others and the Commonwealth government, so there has been a nice mix. I am too far down the food chain, Warren, to know how you get this message across.

Mr SNOWDON: I was at the top at one stage and I still have no bloody idea.

Dr Walker: It is only going to come about with a shared vision, and maybe that is your task. If you can develop a shared vision that sets out exactly what the north of Australia can look like—

Mr SNOWDON: The key though is difference. You have to accept that in northern Australia not everyone is the same. They are not. The communities in Tony's area of Kalgoorlie are different to the communities in north-east Arnhem Land. The difference is obvious. Getting people to accept difference when they are making macro policy is an issue. I have always thought of northern Australia as including the northern part of the Pit lands because you clearly cannot disaggregate the population movements or the communities of interest. When we are considering what northern Australia should look like, we have to go beyond the Tropic of Capricorn because of communities of interest as opposed to the geography. If you define it as just from the Tropic of Capricorn then that would be a very blunt instrument. There are communities of interest that go to Queensland, Western Australia, South Australia but centred in this case around Alice Springs as a major service hub, which goes to the point you made before. So your initial suggestion about how you deal with us so we accept Central Australia will be a little different from what is happening in north-east or south-east Arnhem Land. We may have to deal with it differently and accept difference—

CHAIR: It is still a major piece in the puzzle.

Mr SNOWDON: Yes, it is still a significant piece, but you may have to invest differently.

Dr Walker: If one of the housing projects we are talking about is in Arnhem Land, they are different people but the issues in terms of remote access to services and other employment issues are the same. It is the same with North Queensland.

CHAIR: Up in Cape York, which I think is absolutely brilliant, but I agree. That is the reason why we are here in Alice Springs as well. Clearly there are connections there that need to be examined and that is what we are doing at the moment.

Dr Walker: Do not forget what CAT has done, but I thought that was a useful example to link in why we have been able to survive for 30 years, the role of the NGO sector and the role that Central Australia can play in supplementing what you do in the north. We will be overrun by cattle, mining and other things otherwise.

CHAIR: That is not going to happen.

Senator O'NEILL: You have spoken a lot about innovation and innovation hubs. I confess to being a Mexican; I come from New South Wales. There were 10 innovation hubs set up around Australia. Were you one of those hubs?

Dr Walker: No. There was the manufacturing one and the other ones. We had one here. What was the one the Commonwealth ran here?

Mr SNOWDON: It has now gone. It is now in South Australia. It is in Adelaide now, isn't it, if it still exists?

Dr Walker: I think it disappeared. Again if you are going to talk to Ian Marsh more, some of the work Ian dug up around remote focus was around the work of NESTA in Europe and some of the groups there. They are stimulating regional development by inserting regional innovation hubs where you have a group of people who are pre-innovative, getting out trying to work with local groups to say, 'What are the new opportunities?' They will only be small ones, but in time they will grow. It is that sort of hub rather than a government service that points you in the right direction. It is people who can spark the ideas and work with people to develop and bring it up. That is largely what CAT has done. We talk to people in community. All the renewable energy work around Alice Springs has CAT's hand on it somewhere pretty much working through other partnerships and all the rest of it—a lot of the feasibility work we have done. I can track all of that investment: the investment in Bushlight, investment in the Cooperative Research Centre for Renewable Energy prior to that back to a request from two Aboriginal women in 1982 in Utopia, asking: 'Is there some way we can get light in our clinic?' The investment in that question has led to all of those bits and pieces, bringing in people with skills and capabilities. In one period we had 22 renewable energy designers in Alice Springs. We had probably the best capability outside the University of New South Wales. That has flowed over into Alice Springs solar city, the airport installations, the Uterne power station, the work on the DoubleTree by Hilton. That is how it can work with a small investment, provided you have people who are able to take the ideas and run with them.

Senator O'NEILL: One of the things that I keep asking about is education and health, because the soft infrastructure is important but it is already here. What you need is another form of infrastructure: the personal infrastructure that is linked to education and I am sure needs to be attended to by health to make it possible for things to grow. I wondered if you could identify one thing that you would change in this region that you think would be the most powerful driver of enabling the outcomes that I think every community around Australia seeks—but here they seek it, obviously, in a different way. What would be the single most significant thing that this government group could recommend?

Dr Walker: That is probably one of the most common questions I have been asked by politicians over the last 35 years: what is the solution?

Senator O'NEILL: There is not a solution, but if you could invest in one key driver.

Dr Walker: I think you have got to decide. This is your last chance. You have now got to decide to invest in the only inland capital city in Australia. It will not happen anywhere. We are fly-in, fly-out. There is a balance of infrastructure here at the moment. You could double the population in the town, sort out the water issues and build that design and innovation stuff around it. Then you would have the makings of being able to service, from the inland out, the coastal business ports and the airports, and all the agriculture in the north can go off to the north. But if you do not make a deliberative decision to invest in Central Australia and give it a narrative then we will probably go the way of a lot of other towns.

Senator O'NEILL: So you really see this moment as a point of existential threat.

Dr Walker: I think it is if you just treat this as a way of bulking up a level of infrastructure that builds up. We have seen it. Territory budgets are always driven by the big opportunities. INPEX is a big opportunity. The Territory has rightly invested a lot of money in it. That is money that maybe has not filtered across the whole of the Territory. This would be more of the same. I am not saying that we should not do that. But make a deliberative decision to make some substantial investment. It might be a public service hub. Under Aboriginal affairs now you have a new remote Australia strategy and network. Why wouldn't you put it in Central Australia? What is it going to do in Canberra? How are they going to come to terms with the issues that we have been talking about?

Senator O'NEILL: People in Canberra might not like the coffee over here! You never know!

Dr Walker: That is tough. There are good coffees these days. That is something that has improved.

Senator O'NEILL: I think that that is part of the problem. There are perception issues about access to services.

Dr Walker: The problem will get worse.

Senator O'NEILL: I agree.

Dr Walker: The services now are better than they used to be 30 years ago. We both know that.

Senator O'NEILL: So a removal of any service level and engagement in funding from the government would also absolutely undermine the broader capacity of Alice to be part of a bigger northern narrative.

Dr Walker: I do not know what the chamber of commerce said this morning, but I think the difference in the town between when the intervention was on and now is rather significant. This goes to the point that Mr Christensen asked about earlier. If the government is not investing, it is not just Aboriginal people and others that miss out. It is all the small businesses that live off the back of that process. So you have a global economic touchdown, on the one hand, and poverty, on the other hand, and you have a small business sector in the middle that goes each way, depending on where the money is at the time. If you tailor back on both of those, they just drop out and leave town.

Mr SNOWDON: It is worth making the point—and, again, this is harking back to 30 years ago—that we now have medical infrastructure in this town which is probably as good as you will get in any regional city in Australia. We will be having MRIs done here shortly—things that a decade ago would be unheard of. So there is a good amount of that soft infrastructure you talked about in the town. There are great educational facilities and services to build the sort of hub that Bruce is talking about.

Dr Walker: We had a renewable energy hub here a few years ago. The program has been defunded, so they are gone. But that expertise was here, and it did spin off into business. I think that is the model, for me.

CHAIR: Thank you very much indeed for your time and your effort. From my own perspective, some of the work that you guys have done through your organisation has been outstanding, and I certainly see the value of it. Thank you very much indeed.

FERGUSON, Ms Jan, Managing Director, Ninti One Limited**KOHEN, Ms Apolline, Senior Policy Adviser, Ninti One Limited**

CHAIR: Before we start, we have here a pack and two papers from Ninti that have been submitted to the committee and they will be incorporated in *Hansard*. I welcome representatives from Ninti One. I invite you to make a brief opening statement and then we will fire off some questions.

Ms Ferguson: Thanks for being in Alice Springs and remote Australia. We really appreciate that. Our organisation is a little different from some of those you have heard from today. We work right across remote Australia—80 per cent of the land mass and three per cent of the population. Those are some of the distinguishing features, that it is 80 per cent of the land mass and three per cent of the population, so they are very different dynamics we operate under. Our organisation is a research, innovation and community development organisation. You have been privileged to see the new technology we have just developed in the pastoral industry and that shows how we get together with end users, work out what their problems are and then work with them to find a solution. Then, in that particular case, we have what we hope is a great commercial outcome.

We come from the perspective that economic prosperity is everybody's business. In our own case we have about 26 staff in Alice Springs. We have about 30 students on our books at the moment. You have heard some information about graduates and how they are not coming through quite as much in remote Australia as they used to. We do have a process for training students. In our lifetime we have trained 28 PhD students who predominantly live and work in remote Australia, and we have 30 on our books at the moment. They range from VET to degree courses through to PhDs; and we have about eight PhDs working with us at the moment. It is our aim to continue to boost the level of knowledge and data that remote communities have access to to make their lives more fulfilling and to increase their economic prosperity.

Our particular methodology is to work with the communities that we are working in. Like Desert Knowledge Australia, we work completely across all communities, but what I am about to refer to now is that I work with Aboriginal communities and we have 90 Aboriginal researchers or community facilitators who work with us. Our model is quite different. I am talking about the work you are talking about, which is developing Northern Australia. We have a methodology that means that you can get to the crux of the information of a particular community by creating economic possibility and employing the people who live there.

We pay appropriate wages and we pay superannuation, so our employment is very genuine and decent employment. We had 90 people who at some stage received some level of wage from us living in remote communities last year that were Aboriginal people. So you can see our spread is broad.

There is not an industry that has been mentioned here this morning that we do not have work with. I would like to think that that represents the fact that the work we do was grounded in 35 workshops with people from remote Australia. We brought researchers into the room but, predominantly, it was the people who lived and worked here who were part of those conversations.

Some of the things you have talked about today such as long-distance commuting, we have some groundbreaking reports on our website about that I would draw your attention to on Remote Australia Online. Some of the derogatory comments about long-distance commuting do not necessarily hold true; it is actually about how those communities welcome those long-distance commuters. Some of what you are doing is looking at how long-distance commuting can play a role in remote Australia, and we would really encourage the places that you are working with to read that material so they get a positive perspective rather than the negative ones that have been discussed today.

We work in the Aboriginal tourism space trying to grow Aboriginal tourism businesses and we particularly work in the education space. There has been quite a lot of questions about education, and I would like to concentrate on that for a minute. There are about 50,000 jobs in remote Australia—94 per cent of which are taken by non-Aboriginal people. Forty-four per cent of all of those employees have not completed a certificate or higher qualification, so some of the rhetoric around the level of training and Aboriginal people not having the training that the rest of the population has does not stack up.

Similarly, 41 per cent of all those employees have not gone to year 10 at school. We have a lot of employment out there that, if people do not have an education, they can still participate in. Something else is going on: 36 per cent of people who work in the mining industry have no more than year 10 qualifications. We are trying to understand this, and one of our contentions that we think is worth considering in your deliberations would be to look at different curriculum for remote Australia. We would argue that the curriculum that is taught is largely developed for the other 20 per cent of Australia that sits around the edges; it is not developed for these communities and what is relevant to them. A lot of our work discussing remote education with Aboriginal and

non-Aboriginal people comes down to the fact that what they are learning at school does not have any relevance to the place in which they live.

I have tabled a paper which goes to some of the elements of that and in far more detail than I have got time to speak to today. You might like to read it, and it will give you some of the more in-depth information that we have come across.

I have also tabled a paper which is about our work and the broader projects that we are working on. Much like Desert Knowledge Australia, in the half an hour here, I cannot go into the detail that you may need but I am perfectly happy to speak to anybody who chooses to ring my mobile phone or engage with the committee more formally, if that is what you choose, because we do have a lot of information which would go to the issues that you are trying to solve.

We would suggest that it needs to be a level playing field and, in some parts, when it comes to remote Australia, it is not so level, particularly in the areas of technology. A number of our staff work in very remote, isolated places and their working life is only facilitated if there are satellite connections to the internet. We could have more employees on our books who could live and work in remote Australia if the technology was there. Of all the things that have been talked about today relating to infrastructure—I realise you are going to have a presentation from the Broadband for the Bush Alliance next, so it may come up—you cannot underestimate the differential in technology access that exists out here. Not only is there a differential, but it does not always work. Out here, not very far from the centre of town, mobile service will be infrequent. So it is a significant issue—if you can't even get your mobile to work, some of the rest of the technology is not going to work.

I am happy to answer any questions, but we really do appreciate the focus on northern Australia. There are significant opportunities to develop northern Australia—but it will not succeed if it does not engage with the Aboriginal and Torres Strait Islander peoples. We would like to offer some solutions for the longer term that make that happen.

CHAIR: Before we ask the questions, can I just say thank you very much on behalf of the committee and the secretariat for hosting us here today, and also for putting on a delightful lunch.

We certainly appreciate that innovative technology—I certainly can relate to it very much and it is great to see; congratulations. We will start some questions.

Mrs GRIGGS: Ms Ferguson, you said that you would like to offer some advice on engaging with Aboriginal people. Do you have three key ways that you think we should consider for engaging Indigenous people in our deliberations for developing northern Australia?

Ms Ferguson: From our perspective, we would suggest that you work with local Aboriginal facilitators who we have got on our staff; they live in remote communities. And we could provide you with an opportunity through some of the communities that we are working in. It takes a bit of an effort; it is not an easy thing to do. It would be with their agreement, I need to stress; this is not something where we would do anything without their agreement, but if you wanted to engage in a consultation—and possibly as many people as you got here is a bit daunting, but if there were one or two of you that were able to visit a certain place—we are able to provide the Aboriginal community researchers and facilitators to bridge the gap in that conversation.

The other thing that that will do, if you work with us on that kind of model, is that when you have gone and something that's been said hasn't made sense, the Aboriginal people will be able to provide the bridge between what was said and what level of understanding has been there. Because, even with the best will in the world, we work in different environments. It is important that what you leave behind is understood. I don't need the three ways; I think, quite honestly, it comes down to actually engaging with local people who can make the right introductions for you, and ensure that what you are doing is culturally appropriate for that setting.

Mrs GRIGGS: Thank you.

Mr SNOWDON: Ms Ferguson, I am interested in—you heard the conversations this morning—transport and communications; communications not only in the sense of personal communications and understanding community but also the technology of communications. What do you think are the greatest inhibitors—if you are prioritising inhibitors—to developing the intellectual and productive capacity of Northern Australia? From your perspective, what would they be?

Ms Ferguson: Warren, I don't come from a deficit model, so I don't know that I see inhibitors so much. But I would probably phrase it in terms of: what do you do to facilitate ongoing development? I really think—and please don't take this as a bid for money; it is just an honest answer to your question—the ongoing funding for organisations that continue to develop the intellectual capital of these places is really important. The committee have heard that from Bruce before me. That is really important. And the growth of the younger people: you have

also heard a pretty impassioned plea about keeping people's young people here. If you're going to actually have ongoing development, you need people with the smarts to do it. Getting that level of intellectual capital in people who have a passion for remote Australia is really important.

I think it is actually getting whatever the change is that you are wanting out as far and as remote as, you know, wherever it is. I'm continually amazed at how I see something that is regarded as *pas* in the city and yet, when I get out bush, it is regarded as innovative—because they have sort of got a bit lost in the translation of whatever the innovation is. There is genuinely something in communicating your message out to those communities. And usually, with local people, it works much better because it is regarded as a trusted message.

But I do not think you can overlook—in the work that we have provided you with, we have done the science around some of this—the low critical mass issue in these places that you are working with, and there is low critical mass in most of the places that you are going to want to work with. Whether it is cars and trucks, whether it is people, whether it is intellect in terms of people who have studied at university and the like, you cannot overestimate low critical mass. So, whilst it may sound like a bit of a technical term, when you go into northern Australia and do, hopefully, these positive things that are going to happen, please always check that they are appropriately resourced and that the right kinds of resources are there, because if you do not they will fail. There is a thing called 'desert syndrome' on our website that you can have a look at that unpacks the science of this, and it is really important. There are about five things and, if you do not do them, you are not going to stay on track.

Mr SNOWDON: Can I ask you about your involvement in the CRC program?

Ms Ferguson: Yes, sorry; I should have said. We have run two CRCs. Ninti One has been in business for 10 years. We have run the Desert Knowledge Cooperative Research Centre for seven years. We are now into our fourth year of the Cooperative Research Centre for Remote Economic Participation, and that goes to the critical mass argument. Without that level of grunt-end funding, you do not have organisations like Ninti One. The program has been extremely useful. And, to go back to something that Mr Christensen asked about this morning, it does work. It has realised that there are areas of market failure and it has been prepared to invest in areas of market failure; and, without that investment, you do not see the sort of technology that you saw over lunch, because there just is not the critical mass of investment. This current CRC gets \$32½ million worth of Australian government money, and then there is a lot of other people's money. It is a \$100 million investment over seven years.

Mr SNOWDON: And that is run by you, administered from here?

Ms Ferguson: Absolutely. Our headquarters are here and, yes, it is run and administered by Ninti One and run from here.

Senator O'NEILL: Could I just get you to flesh out a little bit, on the record, a couple of the things that you have mentioned. You spoke about out-of-school learning in your submission. Do you want to explain that?

Ms Ferguson: From our perspective, particularly when you are talking about people in remote areas, there is an awful lot of learning that goes on outside of school. If you are talking about culturally, for Aboriginal people, it is their cultural education as they grow up. If you are talking about the likes of the three of us that stood out there around the cattle machine, it is all the things that we learned about cows and sheep and what have you that we never, ever learnt at school. It is about genuinely valuing that out-of-school learning that goes on but also bringing that out-of-school learning into the curriculum. That is where, we would suggest, the curriculum should change. So it is about valuing some of those local people who are out there and can work in those various domains that we are talking about, and bringing them into the school in such a way that it bridges the gap between school and home.

Senator O'NEILL: So that formalised recognition of cultural capacity, in all its forms, is critical to trying to get some qualifications up for some of these young people, who might not get it in other, traditional ways?

Ms Ferguson: We believe so, and our consultation has been very broad with people who are living and working in remote schools. It has been with the teachers who are teaching. It has been with the kids who are going to school. It has been with the grandmothers who are frustrated that their kids cannot do what they think they ought to be able to do. It is also about preparing them for the jobs that are out there. It is clear that the jobs are there, but the young people are not quite getting there. So the training that they are getting is not equipping them. Whatever the gap is, whether it is the gap in how to apply for a job or something else, there is a gap there.

Ms Kohen: It is also about digital literacy and engaging with digital learning as people get more connectivity, and that is what young people want in remote communities. That is going to play a bigger role and that might be a connection with school and learning as well.

Senator O'NEILL: It is amazing what kids can find to learn. It is not that they are not interested in learning; sometimes they are just not interested in learning what somebody wants to teach them right now.

Ms Ferguson: Or the way they are being taught misses the point. We have done work filming in remote communities in the past, we have put it onto various devices, and it has got the fastest pickup. These kids do not need any training lessons on how to use a touch screen—it is all just common sense to them—and they leave any of us for dead.

Senator O'NEILL: You talked about curriculum negotiation and advantaging the knowledges that are already in the community. Have you done much work with service learning?

Ms Ferguson: I am happy to refer you to our person who works on the project, John Guenther, and for the committee to ask questions directly of him, because I am not actually the researcher currently on that project, but I am happy to take the question on notice and get back to you.

Senator O'NEILL: Could I invite him to put material forward about that—

Ms Ferguson: Sure, will do.

Senator O'NEILL: because it does actually provide a structure that allows you to respond to the formal curriculum plus adapt it to a very localised environment. It has been very successful in the US in indigenous communities there. The other thing I want to give you the opportunity to talk about is the material you put in about red-dirt educators, and you could even flesh out a little bit more of your 'desert syndrome', which I noticed you had a good paper on here.

Ms Ferguson: 'Red-dirt educators' is about finding roles for people who are out here and have something to offer to these kids. We do not believe they are necessarily valued in the system as it is currently constructed. If I go back to the qualification systems that came through teachers registration boards and all those sorts of things, we got further and further away—we got into a very credentialled system and further and further away—from somebody who is in industry being in schools. We think some of that has probably gone a bit too far, and there is a place for getting what goes on in the community to be part of the kids' education and have relevance. You can talk about maths, but how many goannas you got is maths. You cannot get much engagement in maths, but you can get engagement in how many goannas you got. I am really simplifying this, but that is the sort of thing we are talking about.

In terms of the 'desert syndrome'—and I am doing this off the top of my head because I do not have it in front of me, unless Apolline does—that was where we put a whole lot of things into a modelling computer. We put plants, animals, people and all sorts of things into huge modelling computers. We thought, 'If you put all this information into these huge computers, what does it tell you?' There was a whole series of other science as well, but this was the predominant thing we did. It told you that we have low critical mass, so it does not matter what you do; you never have enough of everything to make something work. You have high levels of variability. It can be dry as dry out here, or it can be teeming with rain. It does not nicely rain over a nice calendar year. You need to take account of local people's information. The plants make decisions to grow in creek courses; they do not make decisions to grow where they are not going to grow. People make decisions to live where it is nice; they do not make decisions to live where it is awful. What have I forgotten?

Ms Kohen: You have the governance issues, like Desert Knowledge Australia were talking about this morning. You also have the local knowledge. All these different things individually exist elsewhere, and you can find a solution. What is unique is that in remote Australia you have this combination of circumstances, and that is why it is a lot harder, and we call it a wicked problem.

Senator O'NEILL: Can I just go back to your opening statements where you said that 94 per cent of the population is Indigenous. No? What was it?

Ms Ferguson: No, 94 per cent of the 50,000 jobs that exist in remote Australia—

Senator O'NEILL: Ninety-four per cent go to non-Indigenous people?

Ms Ferguson: Yes, non-Aboriginal people.

Senator O'NEILL: And you did not quite give a reason why you thought, given that the qualifications were not in incredible deficit when you compared the two populations—

Ms Ferguson: This is a project that is on foot right as we speak, so we do not know the answer to that question just yet. This is what the next three years of this research will endeavour to find. But we think it is a couple of things. We think that probably some of the employment practices do not suit Aboriginal and Torres Strait Islander people. When I was in the Pilbara recently, I heard constantly, 'There are jobs for any person who wants to work,' and I was going, 'This doesn't make sense; there's something intuitively wrong here.' I come out of

a human resources background. I said, 'What are the shifts?' Somebody said, 'They're six weeks on and two weeks off, and you work thirteen 12-hour days in one go and get one day off, and then you go and do it all again for another 13 days until eventually you get to go home.' I was thinking: 'Well, I don't want to work those hours. We all work pretty silly hours at times, but I don't want to work those kinds of shifts. There's no balance in family life for that.' The best one we found in our research in the Pilbara was four days on and two days off, and they had better take-up of Aboriginal and Torres Strait Islander people. So we suspect—and this is conjecture, because we have not done the work yet—it goes to the shifts not allowing that balance between work and community life, and so we probably need to look at some different ways of creating the shifts so that they actually work. If you go to work in Karratha and live at Roebourne and you are working a 12-hour shift and you drive to Roebourne, that adds an hour to everything. So you do 14 hours a day, you are home for 10 and then you turn around and go back and do it again. We think we probably need to be having some conversations. The Minerals Council is a partner. We have got 60 partners in the organisation. Rio, Newmont, the Minerals Council—all those people are partners in our organisation. We think we need to be having a different conversation about some of those things. It is a little early to tell yet, because we are still working down the path of the research.

Senator O'NEILL: It was very interesting hearing that, coming on the back of some information that was shared with me about the impact of domestic violence; it is on the increase in more wealthy suburbs around Perth. There has been a shift of domestic violence into the homes where the FIFO workers are living. So we are talking about the impact and the Indigenous engagement with employment, because it does not match. It would be interesting to have a bit of a look and see: are non-Indigenous people are taking up the jobs but still finding ultimately in their lives that there is a mismatch? They might be able to take the job but they are losing the family.

Ms Ferguson: We have done a little bit of work in that space—not on domestic violence per se but on the impact on family of long-distance commuting—and we have been unable to find that long-distance commuting is the cause of the problem but we are saying that if there was any sense of the problem being there to start with it is amplified by long-distance commuting. So if everything is rosy before they take up the long-distance commuting—and if they make the choice together—then it stays rosy. If they make the choice together to go into it then it is okay, but if a problem is there to start with then the long-distance commuting certainly amplifies it. It is not the fault of long-distance commuting, which is what gets blamed; it is that we are maybe not looking at all the issues that sit around it.

The other thing that is really important is what we have found about communities embracing the long-distance commuting families. We are the first ones to have ever done work with the places where the people fly from—the source communities. If a source community has embraced them, and you can get good coffee and you can go and buy a dress at the shop or whatever else it is, they have a much better relationship with long-distance commuting. If the source community starts from the perspective of, 'We don't want these people here; we don't want a whole lot of single mums during the week and dads home on the weekend,' and it is negative, it does not work. So it is quite interesting to look at that sort of balance. But, as I said, we have researched a lot of these things and we are happy to assist you if you have any specific question that we can answer.

Senator O'NEILL: Housing infrastructure is the other thing that keeps coming up all the time: 'Where the work is—can I live there with my family, and can I get a decent education?' That brings the whole thing back together again.

Ms Ferguson: We would agree. Some of the housing pressures in places like Karratha are phenomenal, and to make the shift, to go from Roebourne to Karratha, and lose your public-housing house—those dilemmas are real. They are extremely real. It goes to the question that Warren asked me before. The two new areas that we believe need significant work are housing and water. So we will be talking to all of our partners, including government, about approaches into both of those spaces, because we think they are really important and they need a different look, and they need a look from an innovation point of view. We still build the three-bedroom, for want of a better description, cream-brick thing in the bush, and that is not what everybody wants. So we have been doing some work with Aboriginal communities and private sector innovators to say, 'We want to work on an approach to government to say, "This is not meeting everybody's needs, and we think you can do something quite innovative and quite different which will cost a lot less."'

Ms Kohen: And that would also employ local people.

Ms Ferguson: Sorry—yes, it goes to employing local people because it would come in in such a way that it would not be trades based. Some of the trades based stuff might be done in places like Alice or wherever else, but when you got out there it would be erected in such a way as to not need trades based skill.

Senator O'NEILL: We actually saw one of those, didn't we, Warren, on the road between Paraburdoo and Tom Price?

CHAIR: Yes.

Senator O'NEILL: There were two really very different models of Aboriginal housing in the same community and you could see that the new, innovative model looked a lot more environmentally appropriate.

Ms Ferguson: That is right.

Senator O'NEILL: And they were pretty new. They were in great nick.

CHAIR: There is a lot of that happening through the cape and through the Torres Strait now. They are getting very different types of housing, which allows there to be add-ons, should they require it, and take-aways, if they do not need it.

Ms Ferguson: We are doing some work in Ceduna at the minute, for the Australian government. That is particularly looking at: are all the housing demands met? As was mentioned here earlier, sometimes the stuff for seniors is not being met. Yes, some of that is happening in the standard design space, but it is not happening, for example, for young people who do not want to, or cannot, live at home and seniors who still want to stay in the community but there is no facility for them—those sorts of things. We are bringing innovation to it. You saw before that we will bring innovation to something and we will look at things in an entirely different way.

CHAIR: You say you are getting engaged with all the communities around here, encouraging enterprises. We had some interesting information here earlier on in relation to the establishment of the camel industry. Did you have any association or any involvement with the development of that and do you have any views on that?

Ms Ferguson: We were the project manager behind the Australian feral camel project that was referred to in that particular speech. Yes, we have. That project actually significantly assisted them to be where they are, and it was great to hear Alex talk about it in such glowing terms today. If your question is, 'Will that completely fix the camel problem?' no, it will not.

CHAIR: That was my next question. I am pleased to hear that you were involved in it, but there is no silver bullet to fix any of these issues, I assume. I would be interested in your perspective. I assume the numbers are quite accurate in relation to the numbers that are there, but I would not be naive enough to think that that is going to fix the whole problem. There will still be a requirement for a number of different initiatives to be able—

Ms Ferguson: We have done the majority of research that exists into the feral camel problem. It needs a three-pronged approach. There is the industry approach, which thankfully Ngaanyatjarra are adopting and getting on with. That is great. There is the need for ground control, because if you go to his neighbours to the south, the people in the spinifex country, Pila Nguru, they do not have enough camels to actually round them up and truck them out commercially, but they do have them there in numbers that at times are a pain in the neck. What we have done with them is, in partnership, train them in the use of serious guns and ammunition, so that it is all safe and it is locked up in gun cupboards and all those sorts of things. We have also trained them in the butchery techniques that Alex referred to. It was us that provided the training for that, with the funding from that project. The third thing is that there will be a need at some point for incursions of camels to be removed. No government of any persuasion can sustain 2,000 camels going into a community and say, 'We'll round them up and send them off to harvest.' That is because they are all of mixed quality. The ones that you send away to an abattoir are of reasonably uniform size and health. Obviously you cannot truck sick animals and those sorts of things. You cannot truck the young ones. So you do have a broader problem than the ones that can just go off in a truck to the abattoir.

As I said, governments of all persuasions cannot sustain an incursion of 2,000 camels into a community, running amok.

And they do. They take pipes off walls, they crash through to get to toilets to get to running water. They are not the most pleasant creature to have inside your house.

CHAIR: They are worse than geckoes, are they?

Ms Ferguson: They are worse than geckoes. If you go to our website you will see some fabulous photos of the things they do. So we would argue that there are three approaches to feral camels: one that Alex outlined very well this morning; secondly, ground control for those places where there are not very many; and removal by culling. What the project did do was actually bring in significantly higher standards for the removal of large feral herbivores internationally. That means that we know we can remove them with 100 per cent humaneness, which we did not know before that happened. We know we can keep four helicopters in the air with a level of safety that we did not know we could have before. And there are 162,000 fewer of them. That in itself is significant. The numbers are somewhere between 300,000 and 450,000. We have always gone out publicly with the lower

number, because we do not think it is particularly useful to be alarmist. But they are a significant issue. The meat is good, and all that sort of stuff; all that is truthful.

CHAIR: Are there still any ostrich around the areas? There used to be.

Ms Ferguson: I am aware of some in the southern Flinders, on the western side of Port Augusta, the western side of the ranges there. But I am not personally familiar with any.

CHAIR: Not on the other side?

Ms Ferguson: Not as far as I am aware.

CHAIR: There used to be quite a few around years ago.

Ms Ferguson: They are still down just north of Port Augusta. They were brought in to be farmed, and then—

CHAIR: They were farmed, and I think after the First World War they released them because ostrich fed into the fashion industry and that crashed, and they were released, and there were quite significant number in the drier areas. I know I have run down chicks, many years ago, and I was just wondering whether they were still around.

Ms Ferguson: No feral animal in Australia has ever been controlled by an approach to commercial industry alone. It always will take an integrated approach.

CHAIR: Thank you very much, again, for your hospitality and for the information you have provided. We will certainly be back in touch with you. You do have a question on notice. I would appreciate it if you could get that back to us in writing by 3 June. And if we have anything else we will send it in writing from the secretariat.

Mr SNOWDON: I have one more question. Jan, with your knowledge of the Central Australian economy, how would you describe small business here? Is it very small business? Is it medium business? What is it?

Ms Ferguson: The only reason I understand these definitions is that Ninti is not a small to medium enterprise; we are a medium enterprise. So there is a cut-off of turnover, which I think is around a million. It has been a while since I have looked at it. But the really important statistic is that there are five times as many small businesses per capita here—anywhere in remote Australia—than anywhere else in Australia. When you are dealing with small business in a city, you get an enormous amount of support for them, whereas out here you have five times as many and they do not get the same level of support. So it is a really critical issue. A lot of what is out here is a patchwork economy, so people have their pastoral property but they also have a tourism enterprise and they also have a series of other things they do—a grader operation or whatever it is—to make the business viable enough. So a lot of it is a patchwork economy. I am pretty sure it is \$1 million, because that was the cut-off for Enterprise Connect originally—\$1 million. And we went back and said, 'After you've dealt with the five or six around here, what are you going to do?' Most of them do not hit that; they are smaller than that. And it went back to \$750,000. So you really are dealing with people who are running small businesses, and a lot of that is how the economy out here stays afloat.

Senator O'NEILL: Yes, that point was made earlier—they called them micro-businesses, I think.

Ms Ferguson: We would call them small businesses. And when I talk about low critical mass, that is what that means: you do not have a mixture of big business and small business; you just have a whole lot of small businesses trying to stay afloat. And when you talk about population decline, I come from northern South Australia, and over the last two censuses there has been a 10 per cent reduction in population in that area. That is really alarming. We will finish up with a remote Australia that is unmanaged if we do not actually start to look at some of those issues.

Mr SNOWDON: Do you know what proportion of those small businesses would be incorporated?

Ms Ferguson: As in ASIC registered and the like? Not many. I do not have that figure here, but it would not be many—obviously people like us, we are not for profit; we run ASIC registered companies and the like, but not many. Any who deal with government need to go through those processes, but any that work just with the general public would not be, necessarily.

Senator O'NEILL: I noticed that you have a great article on your website by Rola-Rubzen et al, and you have just listed the critical factors for determining whether businesses survive and thrive in desert areas. It looks like that is probably one we should refer to in our—

Ms Ferguson: Yes, as I said, Remote Australia online, for an enormous number of the questions you are looking at, actually has the answers there. But there is not the time to go into the detail today.

CHAIR: Thank you very much indeed for your contribution. It is greatly appreciated.

CLIFFE, Mr Christopher, Chief Executive Officer, CRANApplus

MALONE, Ms Geri, Professional Development Manager, CRANApplus

[14:10]

CHAIR: I would now like to welcome representatives from CRANApplus. Just as a preamble, I will say to you that these hearings are a formal proceedings of the parliament, and the giving of false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament. The evidence given today, as you have probably ascertained, is being recorded by Hansard and as such attracts parliamentary privilege. I now invite you to make a brief opening statement, and then we will fire off with some questions from the members of the committee.

Mr Cliffe: Thank you for this opportunity to appear before you to discuss the issues that challenge the health care to remote and isolated Australians and also highlight their learnings, which could benefit the long-term development of Northern Australia. CRANApplus is a national, multidisciplinary, membership based, not-for-profit professional body that educates, supports and advocates for the remote and isolated health workforce of Australia. Our perspectives and knowledge are based on 32 years of experience being the only organisation that focuses primarily on the remote health workforce sector and the unique health workforce that undertakes this challenging work. We work to improve the retention, skills and standards of the remote health workforce through a complex network of services and programs. These programs include access to a free 24/7 bush support telephone helpline staffed by remote psychologists; delivery of a range of remote-specific emergency courses that are provided close to remote communities to meet their clinical needs; an online suite of programs to prevent clinicians from having to leave their communities to undertake mandatory competencies; and, most recently, the creation of a user-friendly clinical governance guide for remote health service providers.

The development of Northern Australia has the potential to open up this iconic and beautiful part of the continent and boost economic development whilst also ensuring the sustainability of the country way of life. CRANApplus believes that remoteness is a complex, subjective state, and our health definition is as follows:

Remote Health practice in Australia is characterised by geographical, professional, and often social isolation of practitioners through:

- geography and terrain, limiting access and egress
- cultural and social isolation
- environmental and weather conditions resulting in isolation
- isolation due to long distances
- professional isolation from colleagues, peers, and supports
- isolation as a result of infrastructure, communications and resources.

Fundamentally, CRANApplus believes that future development in Northern Australia, as has been the case up until now, will cause its populations to be subject to the same health disparity. The life expectancy and health outcomes of Australians decrease as you move from urban to regional to rural and becomes even more evident as you move into remote Australia.

As I am sure you are aware, the causes of this are complex and are linked to lower income, less employment, lower levels of education, higher risk-taking behaviours, overcrowding, and boredom, to name just a few. In addition, access to a highly skilled and locally appropriate health service is an essential requirement for a happy, healthy and prosperous community. The model of health-care delivery in remote Australia is different to our urban, regional and even rural neighbours. The model was born out of necessity nearly a century ago to cope with the harsh conditions of inland Australia, the vast distances and the lack of a traditional, urban health-care workforce. This helped to create the image and culture of the Australian society through the tough nursing sisters with Frontier Services to the outback missions to the galah sessions on the HF radio to the legend of John Flynn and the creation of the Royal Flying Doctor Service.

Today, we continue this great tradition of innovation and meeting the health-care needs of those most difficult to access through the network of remote area nurses and Aboriginal health workers who provide on the ground, day-to-day care in our communities through remote midwifery practices, fly in, fly out and drive in, drive out models of allied health care, the use of telehealth for GP consultations and ehealth records to link urban based specialist consultations. It is important that we capitalise on these models and help build and reinforce them as northern Australia grows. The temptation to replace them with traditional, private primary-care services will not improve access to care nor provide the local comprehensive primary health care that is so essential in this environment.

The maldistribution of health professionals is set to continue, creating more GPs in the hope that they filter down into rural and remote, I believe, will not help. It is essential that we seriously refocus on what is currently working and what model is cost effective and sustainable rather than applying a metro-centric world view. Therefore, any development in northern Australia requires access to robust primary health-care services. In the remote context, these are primarily led by remote area nurses, who live and work in the community, working under protocol within collaborative frameworks with visiting medical, dental and allied health professionals. To ensure engagement, prevention, early detection, treatment and early referral, it is essential to have a strong, locally based health workforce whether in an Indigenous community, farming town, isolated mine site or tourist island resort. In Aboriginal and Torres Strait Islander communities, the Aboriginal health worker is an essential element in the provision of care and care coordination without which poor uptake of service is almost guaranteed.

To help ensure that any future developments in northern Australia are also healthy, CRANaplus encourages the Joint Select Committee on Northern Australia to consider the following recommendations. We know that those people who come from the bush are much more likely to return there. As such, we encourage increased investment in undergraduate and postgraduate programs, ensuring they are available as locally as possible, with students having a rural background given preferential access. Whilst there is good support for medical students, nursing and allied health students rarely get an opportunity to undertake a rural and remote placement, and if they do it is at great cost to the student. CRANaplus self-generates a handful of scholarships to offset this cost for students. An exponential expansion of this would help tomorrow's workforce to consider working in rural and remote Australia.

The workforce across northern Australia often have a yearning for adventure and travel, and as such move across jurisdictions and between services regularly. However, this remains problematic and an unnecessary barrier that we should actively work to remove. For example, the drugs and poisons acts between states have different levels of autonomy and scopes of practice for nurses, Aboriginal health workers and allied health providers. Immunisation qualifications and X-ray licences are not routinely recognised between the states. Multiple health management protocols, drug treatment protocols and the manuals that house them, most frequently the Primary Clinical Care Manual and the CARPA manual, should be standardised. And last but not least, states and employers often limit the scope of non-medical health providers which is not consistent with contemporary professional practice.

There continues to be a need to improve the infrastructure across remote services. Remote clinicians on the whole continue to live in extremely poor standards of accommodation, while visiting professionals often stay in dongas or have to share bedrooms. Routine clinical services are often suspended or performed in the corridors of old clinics to allow visiting service access to a room to perform their functions. Not only is this unfair as such conditions would not be tolerated other parts of Australia; it also adds to the frustration and the burnout of the remote health workforce.

The essential role telecommunications play and the importance of the shared electronic health platform cannot be underestimated in their function to improve health outcomes. Likewise, it may finally provide an opportunity for the collection of accurate health data. As much remote health care is not provided through traditional MBS or PBS mechanisms, there is a dearth of accurate information on which to make informed population health-planning decisions. In considering the unique role of remote area nurses and Aboriginal health workers play in remote health care, perhaps the MBS should be used to help address the chronic disease burden as well as the health inequalities of those who live, work and play in remote Australia. Adult and child health checks are designed to focus clinicians on preventable risk factors, thereby reducing or preventing the burden of future chronic disease. If remote area nurses following appropriate training were on the schedule for MBS rebates for these items, the uptake would be greater, prevention and early detection would be improved and the existing medical workforce would be better focused on the management of complex care.

In summary, CRANaplus is supportive of appropriate and sustainable development of Northern Australia. However, we must be mindful of the risks of creating a larger population of remote Australians who have inequity with regard to their health when compared with their urban counterparts. We would be happy to respond to any particular questions or points of clarification.

Mr SNOWDON: I have known CRANaplus for many years. The thing that I think we need to start to grapple with is: what can we do to make health care better for people across the north? You talked about jurisdictional issues. This is something which has come across the Top End—electronic health records. I am told that in the Northern Territory now there is an electronic health record, which is a common electronic health record, for all public patients. Does the same exist in Queensland or Western Australia?

Mr Cliffe: No, it doesn't.

Ms Malone: Not to the same extent at all. No.

Mr SNOWDON: So if you have got a patient, or even a nurse who might have been working in Burketown and they moved across to Borroloola—she may have had a patient who had come across the Gulf and then gone back to Borroloola—there is no way of tracking that person through an electronic health record unless you have got the paper record in front of you.

Mr Cliffe: That is correct.

Ms Malone: Or unless, I guess, if it is the same type of health service. There is some connectivity if it is the same health service provided; otherwise no.

Mr SNOWDON: One of the issues we are confronting here—although it is not such a problem with the Northern Territory and South Australia but the borders—Northern Territory, South Australia, Queensland, Western Australia—and the way people move across those borders: what would you identify as the most important thing that could be done to improve health outcomes with people moving across borders?

Mr Cliffe: I think the transferability of care is obviously essential. You need to have the workforce on the ground that can actually provide under a common set of principles or guidelines in regard to the care that is provided. But for that transition across, obviously you need to know who your patients are, and their medical history needs to go with them. We know that health care is a very dangerous place to be. There are a lot of mistakes and errors. I think we cannot afford in 2014 to have paper-based records in a clinic, for example. Up until recently I was the executive director of nursing and midwifery for Cape York, and still working on paper-based systems. Although a lot of energy is going into changing, you need to have computerised your medical record, let alone have a capacity and a portal to upload it to a shared medical platform. We all know it is in train, but I think sometimes we tend to focus energies in the metropolitan areas where actually, if we can get it right in remote or rural—

Mr Snowdon interjecting—

Mr Cliffe: That is right. Then there will be a much greater impact. And metropolitan health services, I believe, tend to follow the lead of rural and remote, because in extreme isolation is when innovation breeds.

Mr SNOWDON: You talked about the need to look after the people providing professional services: doctors, allied health, nurses, when they either live in communities or when they visit communities. Could you describe the variation across the jurisdictions? Is it better in Queensland for visiting professionals, as opposed to the Northern Territory? Are the clinics in a better state in Western Australia than the Northern Territory? What is the picture?

Ms Malone: I think there is quite a marked lack of standardisation, for starters. So it is very hard to compare one with the other. One jurisdiction might do one aspect of it very well and perhaps fall down in others, so it can be quite difficult. One of the things that we have always had a bit of a stand on, for example, is the single nurse post. They do still exist, much to the acknowledgement that they are not safety and quality and for a whole lot of other reasons. But there are still jurisdictions that continue to have those and continue to promote them. It is not just in nursing, but we all know the things that exist when you have single any professional post. I am sure you have heard about if you have got single GPs in towns. It is the same. So, whilst some jurisdictions might have a policy that they do not support them, in reality sometimes they still play out when they are providing health services.

Mr SNOWDON: In your experience of the health workforce in the Top End in Northern Australia, I am assuming—correct me if I am wrong—you have a cadre of people who are long-term and committed, been there 30 years and want to die there. There are a few of them. I know a lot of them. And there is another group who are agency-based nurses who come in and out and live in Melbourne, Sydney, Tasmania or even New Zealand. How do we move to make sure we have a quality, full-time, permanent workforce in the bush?

Mr Cliffe: It is a challenge. Certainly CRANaplus is working very hard to try and achieve this with the employers of the workforce. I think it is a matter of choosing the right workforce and making sure that they are well supported so that we reduce all of the reasons people leave in the first place. Most of our anecdotal evidence shows that if you can get people into a community and they like it—they get to know people and they feel engaged—then their length of time in that community increases. So we need to educate them. We need to give them the skills to be able to do the job. We need to support them. Our evidence shows that mostly the barriers are due to poor management infrastructure; that is what leads people to leave. It is not the endless nights on call; it is not the high levels of trauma or autonomy of the professional practice. It is actually bullying, burnout with your manager and the like.

Mr SNOWDON: Just to clarify, predominantly we are talking about people who are working in a public health system or in Aboriginal community controlled health services? Is that correct?

Ms Malone: Predominantly it is still government health departments, even though there are a range of Aboriginal controlled—most of the workforce is employed by government-based health services still.

Mr SNOWDON: If you were skypping Northern Australia—and leave aside the major centres; obviously Broome, Kununurra—what is the spread of private practitioners across the north?

Ms Malone: I do not have exact figures. It is very challenging. It is very hard to get good figures. But there are very few models of private healthcare really. If you think predominantly usually about the GP practice model, there are very few general practices. There are a lot of reasons for that, which I am sure you have heard; populations to sustain it, interest from the workforce. But I do not really have any figures. There are very few of those sorts of models, apart from the bigger regional centres, as you say, that can support that business model, which is what it is.

Mr SNOWDON: Can you inform us about your remote education delivery?

Mr Cliffe: Sure. We provide a suite of education. Some of it is online; you do not have to travel. What CRANAplus has pushed over the last 10 to 15 years in delivering these programs is working out the minimum skill requirements that people need in these remote communities. We are talking about episodes of care where, if you were in a metropolitan area, you would probably be rushed into an emergency room, and you would have an emergency physician and three registrars, an intensivist and five or six registered nurses in the emergency department treating you. In remote areas of Australia it is often: a remote area nurse, a second one—if you are lucky and if they are available to come—and an Aboriginal health worker. That is your average response. Obviously the care that is required still needs to be applied. They still need to be effectively triaged; they need to have their life-threatening conditions treated and managed; and they need to be assessed for what is ongoing and what is likely to potentially risk their lives in two to three hours. We go to communities—or near to communities; we try and get a cluster—and we do very intensive weekend focus courses on emergency care, maternity care and a handful of other skills that are required. They are very popular with the workforce because they are practical, they are about remote and they teach them exactly what they want to know and what they need to know.

CHAIR: You mentioned Indigenous health workers. There is still the fact that there is no accommodation for them in the communities where they are working. If you come from outside as a health professional, there is accommodation provided. But there is an issue with local trained Indigenous health workers; there is no provision of accommodation. I know that is a fact in remote Queensland and I assume it is across into the Territory as well. Can you give us an idea of what the impact of that is to the provision of services? And are there any difficulties associated with that for that Indigenous health worker?

Ms Malone: For the Indigenous health workers themselves, yes. It comes back to the recognition of their critical role in those communities and giving it the status it should have. What we have found, again anecdotally, is that unfortunately what has happened with the increase in the fly-in, fly-out work force is that there has been an increasing lack of understanding of the critical nature of the role of Aboriginal and Torres Strait Islander health workers to that community, particularly if they are locally based and have that ability to interface between the health professionals that come in. We are finding, unfortunately—and I am sure you have heard—that it is getting harder and harder to retain Aboriginal and Torres Strait Islander health workers, for a lot of those reasons. I think it is about not giving them the acknowledgement that they deserve within their community. Yes, you are right: health professionals from outside might be given accommodation—although, as we know, that is incredibly variable as well. But they may not be acknowledging that a locally based person has the same sort of access to that infrastructure.

CHAIR: They go through and do the training—through JCU or whichever institution is doing the remote health training—but when they return to their home community they are forced to look after themselves in relation to where they are accommodated. Do you see that as a significant deterrent for growing Indigenous health workers, or retaining them in these areas?

Mr Cliffe: It is certainly one of the many barriers for Aboriginal health workers. There needs to be some really good research done and work done with the Aboriginal health worker bodies to clearly define the role, so that then we can apply the value it requires. We often look at the remote area nurse, the Aboriginal health worker and the remote GP and say they all do a similar type of role, whereas actually they do not. The local Aboriginal health worker provides a cultural linkage into that community, which is so important. We talk about not just treating somebody who is sick who walks into the clinic but trying to get to people before they get sick and prevent disease as being where we all need to be focusing our energies. Nurses and doctors cannot do that. They

certainly cannot do it alone. The Aboriginal health work force needs to be clearly focused on that area, and that is where their skills lie—in that engagement with community. Unfortunately, we often have systems that do not value that role, and that is a big barrier for us.

CHAIR: Do you think traditional Indigenous knowledge is not recognised in our system, and quite often that is a critical part of recovery for some in the more remote communities? Would you agree with that?

Ms Malone: Yes, absolutely. Those of us who have worked in remote communities, or those who have worked a lot with us, like remote area nurses, know the value and truly understand the incredible contribution that they make and how important it is. Sadly, as I said, we have seen a lot of change in the uptake of it and the maintenance and ongoing employment of those Aboriginal and Torres Strait Islander health workers. But anyone who has worked in remote for a long time absolutely understands the critical nature of that from across the whole perspective, including issues that are traditional.

CHAIR: Just because you do not understand it, it is not just voodoo; it actually works. You mentioned standardisation. How critical is that? When we talk about northern Australia as a region, how critical is that in relation to Aboriginal and Torres Strait Islander services?

Mr Cliffe: I certainly have my opinion. For me, it is one of the key things that we really need to focus on in the next five years. We waste a huge amount of money on trying to educate and prepare a work force, and we are often trying to prepare them for a specific system of care as opposed to the entire system of care across remote Australia. There are certainly local differences, but there are local differences between hospitals in metropolitan Melbourne. So I think we can have a set system of care with regard to clinical governance and the protocols that drive them, like the drugs and poisons act they need to refer to, that will allow that transferability so that organisations like CRANaplus can create education, preparation and orientation programs for that part of the health work force so that they can work anywhere across remote Australia. We know there is transferability and a high level of mobility among health professionals. That way we can invest in the entire remote health work force rather than keep losing them back to metro. If something happens in the NT they go back to Adelaide as opposed to moving across to Cape York to work.

CHAIR: Maximising your expertise in tropical health provision.

Mr CHRISTENSEN: Mr Snowdon raised a point earlier about nursing staff and other allied health staff and having locals, or people who are there long term in the communities versus fly-in fly-out workers that are coming from other areas. One of the things that contributes to this is bad policy, or policy where there are good intentions but perverse outcomes prevail. This is not a partisan point, because it is something that the last government had, and this government continues to have: the Nursing and Allied Health Rural Locum Scheme, which no doubt your organisation would be familiar with, have led to perverse outcomes where people have chosen and, in some cases in centres where there is one or two staff members, to actually leave that full-time employment, go into a locum job because it pays more. We are getting perennially locum placements at these places where there is no continuity in terms of who the local nurse is. Do you have a position on that? Do you see this as a problem and something that could be fixed or made better somehow? I understand the rationale behind the policy: it is to assist full-time nurses to go on professional development but it seems to have led to some very, very poor outcomes.

Ms Malone: I think you are right. The original intent of that was very good and it certainly improved greatly the ability for remotely located health services to provide that leave and professional development by having this body of locum services. We know that it has caused the opposite: it was just too lucrative for them in terms of either staying in a permanent position, particularly if they had been there a while. Sometimes it is those issues that become just too much and then you are offered a very lucrative job and you can come and fly-in fly-out. Yes, it was too good a carrot for them to pass up, so there has been that.

I don't know whether you would say it was overall a bad thing. The good things that came out of the NAHRLS project were still very good in terms of it giving permanently based staff the ability to get away. We found over time that that has improved and that they have maintained quite a consistency in those locums, so there has been the ability to have some continuity of staff going back to some places. That has helped in a way, but we very much advocate that you have got to have the permanent workforce on the ground—a fly-in fly-out workforce is not the answer. You can support various elements by having some fly-in fly-out but, if it erodes that ability to have a permanent workforce, then it has been an adverse outcome of that program, which potentially had a lot of good things going for it.

Mr SNOWDON: Congress in Alice Springs and Tennant Creek have now set up a program where they are buying accommodation for their own Aboriginal workers, so they have started to invest in their workforce and understand that having people not live in the town camp but in their own accommodation and taking

responsibility for it et cetera seems to be something which is going to be quite popular. It could be a driver for people to stay around.

Senator O'NEILL: I have got a question about education and hearing. I have heard anecdotally that the numbers of inmates in jails and corrective facilities for young people is revealing large numbers of Aboriginal people who have significant hearing loss. It has been argued to me that that is part of the reason that they are in and that there is a whole inability to hear what is going on around, social cues et cetera. I am sure it is not the only factor. Do you know if there is any truth in that anecdote? Are you aware of the hearing loss in incarcerated people?

Mr Cliffe: I cannot talk specifically to jails, but I think it is fair to say that a large number of Indigenous people are represented in our prison system. We know, certainly from a remote community point of view, that chronic, pussy ears are incredibly common. It is a disease of poverty, of people living in overcrowded conditions, in dusty environments and with poor hand, nose and mouth hygiene. That causes it. We know that you can treat it with antibiotics but that is treating the disease, not actually preventing it. So they have multiple recurrent infections. Many Aboriginal children do in these remote communities.

I am sure the education system can talk much better to this than us. Of course, if kids cannot hear, they are less attentive in class. They do not learn as well, they become disruptive and learn behaviours about social norms are lost. Maybe that starts them on a pathway that we would much prefer to prevent by reducing poverty in remote communities and improving basic levels of hygiene and housing.

Senator O'NEILL: Apparently, it becomes very significant when kids are in their early phase of transition from just learning the original sight words to a point where they have to get awareness and be able to read more complex and varied text. Original scores suddenly slip away in an explicable way if you take their hearing out.

My understanding of child and young people's health is that there are a number of free check-ups for Indigenous young people. They might be able to have them every nine months. Is that correct?

Mr SNOWDON: Can I explain. There are child health checks, which every child is supposed to have undertaken. There are new incentive payments to medical practitioners and clinics to make sure these kids have them. Then if they have a problem which requires chronic disease management, they have chronic disease management plan development and they manage it. In the bush, ears and eyes are the two simple ones. We are nearly on top of eyes in terms of trachoma. We will get rid of it by 2020. The problem of ears, however, is a very different problem. It is chronic across most of Northern Australia. It is a major impediment to learning and it is a real problem. But health checks are there. These are environmental health issues; they are preventable. They are around working with families, as Chris and Geri said. Prevention and the role of Aboriginal health workers in getting the message to communities about washing, cleaning eyes and ears is really important. Every school that I am aware of in the bush has a strategy for addressing clean eyes and clean ears.

Senator O'NEILL: Are kids getting those check-ups, though?

Mr SNOWDON: Yes.

Senator O'NEILL: In high numbers?

Ms Malone: Those health checks are all connected to MBS and those sorts of systems that very much relate to your general practice setting. We do not have those general practice settings in remote Australia. Nurses might be doing it, but there is still that great lack of availability of evidence and collection of data because we rely totally on MBS data to reflect that and then obviously the money that is put back in. We do not have that data because we do not have that model.

Mr SNOWDON: And when you do not have electronic health records, it is very difficult to look at the data, anyway.

CHAIR: Thank you very much. It is greatly appreciated. It is critical to make sure that their health is fine. If we do have any other questions, we will certainly put them in writing through the secretariat.

CROUCH, Mr Andrew, Member, Broadband for the Bush Alliance

HEFFERNAN, Mr Ray, Member, Broadband for the Bush Alliance

HUIGEN, Mr John, Chair, Broadband for the Bush Alliance

[14:45]

Evidence from Mr Heffernan was taken via teleconference—

CHAIR: I welcome our next witnesses, from Broadband for the Bush Alliance. Is there anything you would like to add about the capacity in which you appear?

Mr Huigen: I am the CEO of Desert Knowledge Australia but I am here in my role as the chair of the Broadband for the Bush Alliance.

Mr Crouch: I am from the Centre for Appropriate Technology but I am also here in my capacity as a member of the Broadband for the Bush Alliance.

Mr Heffernan: I am from RAPAD. I am also appearing in my capacity as a member of the Broadband for the Bush Alliance.

CHAIR: You have appeared earlier so I will not go through the preamble but I invite you to make a brief statement.

Mr Huigen: I will make a short statement and then throw to my colleague on my right and then my colleague in the air. The Broadband for the Bush Alliance is a group of collaborating institutions concerned about getting the best possible digital outcomes for remote Australians. The digital economy, digital society is a new present reality and not the future. The committee saw digital technology in action with the Precision Pastoral project at lunchtime. That is the sort of thing that will, and is continuing to, open up. It can be fairly easily argued that advanced telecommunications and broadband offer more to remote Australians and remote businesses than those closer to the big smoke. E-health bridges the gap to specialist hospitals and advanced health care. E-education bridges the distance to education, learning and research. E-government connects people who often feel disconnected with government and government services. E-commerce bridges distance to customers.

High-speed broadband and telecommunications offer an opportunity to shrink the distance and isolation of remote and northern Australians. But unless remote and northern Australians are part of the digital and telecommunications-enabled world the north will not be able to develop, further population will not be able to be attracted and people will leave.

The reality is that much of northern Australia will need to rely on satellite telecommunications, which is not as good as the telecommunications their city cousins will enjoy, and has inherent limitations. We know that fixed and mobile coverage is not as good in remote Australia, either. So the alliance has been pressing for the best possible deal while understanding, of course, that not every single person in remote Australia is going to get fibre to the home. There is that obvious reality, but there are lots of opportunities to get the best possible outcomes.

The Regional Australia Institute made a good submission to this committee, I believe, in highlighting the fact that there are three economies—or three regions—within the region. That is also the case with telecommunications. The big smoke—Darwin, Townsville and so forth—will be well served. Places like Alice Springs, Katherine and Mount Isa will be relatively well served. It is the massive hinterland—those remote areas—that will need to rely on a slower and less-effective technology.

The alliance is focused on those much wider areas, and our submission outlines a number of key recommendations. I am going to highlight one and then throw to Andrew and Ray. We are arguing strongly that there needs to be a concerted strategic plan around broadband and telecommunications for remote Australia, including for northern Australia. If you forget it, it will have consequences that will not be positive.

Earlier today we heard that northern and remote Australia is different. The market breaks down the further you get away from the big smoke. That is certainly the case with telecommunications. We know that telecommunications companies are not going to make the investment; government needs to play a key role in that. Unless government does play a role the digital divide will grow. The third and final point is that there are opportunities for local, place-based opportunities and deals to be struck, if there were higher levels of flexibility in the system.

I will now pass over to Andrew to say just a few brief words, particularly on the Indigenous side of things and on the importance of telecommunications.

Mr Crouch: Thanks. We believe, as an alliance, that there are specific opportunities for digital inclusion for Indigenous people. Some of these, of course, go well beyond to the general population. In specific terms, I think

the high-level issue for Indigenous people is to address the barriers for remote Indigenous people to obtain uptake of ICT or telecommunications services. I will outline some of these very briefly. The first one would be a continuous incremental improvement for mobile coverage, noting, as John has said, that there are quite thin-coverage situations in northern Australia. Secondly, to simplify and facilitate the process for people to obtain and maintain internet access. It is quite difficult for people in remote communities with, say, just a single public phone, to obtain an internet connection—I think of a satellite internet connection, for example, where that phone is their only means of practical contact with the supplier—and also to maintain such a service. Thirdly, to extend training and outreach options to smaller locations. A number of existing and prior programs have focused on the larger locations, but it is important to bear in mind just how many very small Indigenous communities there are in remote areas. And fourthly, to reduce the cost of mobile services for remote area users. There are a number of avenues available to look at that.

CHAIR: Ray, is there something you would like to say?

Mr Heffernan: I will keep my comments very short: basically, what the alliance is concerned about is that the bush suffers from market failures with regard to private sector investment. It needs projects and programmed policies from the Australian government to stimulate investment in this vital infrastructure. Especially for our service towns: if this is going to support economic activity and livability in the great bush, it needs to be considered as part of this northern Australia policy. I will leave it at that; I think my colleagues have addressed most of the issues.

CHAIR: Thank you very much indeed.

Mr SNOWDON: Would you see a redefinition of the universal service obligation being one way out?

Mr Huigen: Certainly it is a point which has been discussed at length with the alliance. We had a Broadband for the Bush Forum here in Alice Springs just the week before last and it was interesting—in fact, in my opening remarks—tracing the history: what was once an advanced technology—telephones, for example—quickly becomes an essential thing, and then gets covered by the USO. There is a strong case to be made that, in fact, broadband and mobile coverage should be part of the USO. Let me state: it is not a fixed position of the alliance, but there are a lot of really good reasons and good arguments to make—what was once leading edge is now an essential business tool.

Mr SNOWDON: Have you had any reaction to that idea from any Commonwealth agency, or from Telstra or Optus?

Mr Huigen: I think there has been some—my colleagues, do feel free to pipe up—but I think there is actually bit of panic, really, because extending mobile coverage as a USO would be really costly. In many respects, what is terrific about the NBN is that it's probably the first telecommunications policy that considers the whole of Australia and encapsulates the whole of Australia—not everyone gets the same deal, but at least it actually does have a universal coverage aim. That is probably the first time it has ever been thought about in such an integrated way. So there are some good things rolling out.

Mr Heffernan: Can I just say that if you look at those two latest reports of the Regional Telecommunications Review, there have been calls for mobiles and broadband to be included in the USO, by many parties, and that has been part of the recommendations.

Mr Crouch: One of the means by which that issue could be approached, rather than by a USO extension, would be to look at an extended zones equivalent scheme for remote mobile users—in other words, to make the cost of making calls from a remote location to a community regional centre cheaper than they currently are under the normal tariffs.

Mr SNOWDON: That assumes you have mobile coverage.

Mr Crouch: That is right, yes. So it is limited in that respect.

Mr Huigen: That is one of the things that the alliance has been pressing for—a much more flexible approach to finding solutions in local situations, such as by partnering with different organisations or getting some co-investment and so on to tip the business model over the edge so it is viable for the telcos. Recently, in the Territory, the Territory government invested funds to tip the business model over the edge; eight, I think it is, new remote communities have got mobile coverage as a result of that co-investment model. In the Royalties for Regions over in WA, there was state government investment and, as a result, the coverage has expanded considerably.

Mr SNOWDON: Theoretically, there is no reason why any place that has got cable cannot get broadband without satellite, is there? We now know that there is fibre optic cable through north-east Arnhem Land, for example. What are the proposals from the providers to provide broadband to those communities; do we know?

Mr Huigen: That is one of the key things the alliance has pushed for—a greater level of flexibility from the NBN business model. There was a stage where people had fibre running past their communities or they may even have ADSL2 into their communities, which is relatively fast, and under the old arrangements they would have actually been expected to rely on satellite. There is a great deal more flexibility being written into the system now, because it has been found that the capacity of the interim satellite solution has been gobbled up. So there is a risk. These two new fantastic satellites are a fixed resource, and they will be gobbled up. So we are arguing for a place-by-place consideration of what could be achieved with the infrastructure that is already in the ground.

Mr SNOWDON: Thank you.

Senator O'NEILL: The other committee that I have been spending a bit of time on is the National Broadband Network Select Committee, so this is very, very interesting. Just last week, we had some evidence—I am sure that you would be interested in reading it—from this genius, a young boy from Taree, who is 17. Kenneth Tsang is his name. He made really clear the limitations on HFC, actually. That is worth a read as well, because it is terrible to build up such hopes in a community and then find that the technology is constrained and cannot deliver it. If it is any comfort to you, there is a business in Gosford—an hour and a bit north of Sydney—that has just moved with 12 employees that cannot get a line. It cannot even get dial-up. That is probably one thing that we do understand, the frustration people are feeling with access problems in certain sites, even that close to a city. In terms of your businesses and your sense of possibilities, what does limited access to technology mean in comparison to limited access to roads? We have two very different kinds of technology; I am trying to get a weighting. What are your perspectives on those two, relatively, right now?

Mr Huigen: I might call on Ray to make some comments on that. Ray, you have some good examples from western Queensland.

Mr Heffernan: Certainly. They are equally important, but of course when roads get flooded you rely on telecommunications to communicate. But the instantaneous nature of telecommunications is also important. If you are doing live cattle exports, as we saw with the fiasco couple of years ago when social act media got very active, you can see the power of being instantaneously online. If you do not have mobile coverage and you are running a pastoral company, a cattle station or something like that, you cannot react to that, so you cannot be part of that and put your point of view across. That is one thing.

The other thing is that roads are important too—that we have the basic services to provide our education and our health. And, if the telecommunications infrastructure is there, then we can do the telehealth type of applications. We have a town in Queensland that the local health board wants to nominate for the telehealth trial, but it is only on satellite so it is impossible. They have got a digital X-ray machine so they can take an X-ray of a broken arm or something but they have to post it off. That is how ridiculous it is. They have reasonably good roads—they are dirt a lot of the way. But if they had modern telecommunications with good speed, they would be able to send that X-ray off to a consultant and get an opinion rather than having to fly the patient out on the off-chance that it is more serious than a greenstick fracture or something. Examples go on and on, about education—not just compulsory education but professional development—and attracting people to our service cities in the bush. The fundamental infrastructure of telecommunications supports not only broadband but also mobile phones and good-quality fixed-line services.

Mr Huigen: There are numerous anecdotes about bright-eyed and bushy-tailed doctors turning up to remote areas and getting on the next plane back because they cannot do Facebook or use their mobile phones. So, considering the terms of reference of this committee and considering the northern Australia vision, I suppose, which is to attract people and grow the economy and the population, there is just a baseline expectation, and unless that expectation is planned for then it is going to be a struggle to have a development agenda move forward.

The other thing is that as the north develops a lot of the expense of establishing a tertiary medical hospital can be avoided if you can do long-distance consults and those types of things. So there is a way this is actually a cost saving. In the old CRC for Desert Knowledge there was some work done on the reasons why people leave regional areas. The high turnover of people is one of the real challenges that face the north, and the perception of isolation from high-quality medical care is one of those critical things. Mums do not want their kids to be in a place where they feel as though they will be in danger, so they move out. They have that sense of discomfort—no mantle of safety.

CHAIR: Clearly, it would be a major inhibitor to the innovation we saw here today at lunchtime that requires comprehensive internet access; otherwise, it limits the use of that technology, whether it be, as in the case that we saw here, automatic weighing and directing of stock, or whether it be, as we have talked about, opportunities for agriculture which will require it, for example, to be able to activate and control irrigation in the remote areas, or whether it be for water monitoring or a whole range of other things.

Senator O'NEILL: Or even for the arts, Warren!

Mr Huigen: That is actually one of the challenges. Given the three subregions within the region, one of the challenges is: how can Aboriginal people engage in the economy? There are some clear points where there is engagement, like the creative stuff—art and music. Broadband is an enabler: it enables people to stay on country but push their product out into the world and create dollar value. There are plenty of great examples. That is predicated on reasonable broadband access, but also on people being aware of it, understanding it, being able to access it and so on. So digital awareness and literacy is critical; it is not just about the technology.

CHAIR: What is it like here in Alice Springs at the moment—the technology?

Mr Huigen: We have ADSL2 through a lot of the town; there are bits that still do not have it. But it is not too bad. It clogs up at dinner time, really; I think everyone is downloading their movies or whatever for evening viewing—

Senator O'NEILL: Or doing homework.

Mr Huigen: Or doing homework—sorry; that is right.

Mr Crouch: And it is a bit susceptible to cable breaks up around Katherine or somewhere else very remote from Alice Springs, for some reason. So the reliability of the overall infrastructure, its availability, is quite important, too, looking forward.

CHAIR: We had an instance recently in Queensland where all the north lost internet and telephone access. It highlights the challenges we have here and maybe one of the solutions as well. It turned out that it was due to a backhoe incident in Maryborough, in southern Queensland. We would have been without it a lot longer if it had not been for an opportunity to connect from west to east; we linked into a Darwin line, and that got our services up. So that is something that I think we should be looking at when we talk about standardisation of services: looking at that east-west dimension rather than having everything coming up in a single cable from the south.

Senator O'NEILL: And better training for the backhoe driver, clearly!

CHAIR: Absolutely.

Mr Huigen: I think those sorts of incidents highlight how ubiquitous access to the internet is now and how essential it is. When it went down in Alice Springs, people could not use their EFTPOS machines and then they could not bank. Banking is electrons, these days.

CHAIR: Banks and businesses shut because they could not use the EFTPOS machines—they literally shut the businesses because they could not operate without them.

Mr Heffernan: To give the committee a further example: in Bedourie in Queensland it was out for six days, because it is on a radio system for its normal services. There was no EFTPOS, no phones, no faxes and so no business, because of a failure of the old radio system. That is a concern we have also about the old infrastructure that is delivering the standard universal service and its ability to be maintained in the longer term without significant investment.

Mr Huigen: There is a point to be made here: in the days before privatisation, universal service or the costs of servicing inland Australia were borne by, and sort of hidden in, this mega-organisation—Telstra or whatever. Now of course everything has to turn a buck, and it is completely transparent—we know exactly how much the subsidies are. Telstra is paid to maintain things, but how well are they being maintained? There has been a degradation in the infrastructure over the years because it is done on an entirely different basis. You cannot think about moving into the north and growing the north unless these sorts of things are thought about. This is a 100-year or 200-year investment. This is the thinking that the committee has the privilege and responsibility of being involved in. This is something that is not going to go away.

CHAIR: I think you have made some very, very good points. There are three cornerstones of what we are looking at here: water security, energy security and infrastructure security. And there is a fourth, and that is communications. I think we have to make sure that that is highlighted in the report, because not only is it an enabler but it is very much an essential service.

Mr Crouch: Absolutely, and it has not been acknowledged as an essential service in the past. I think that is the important thing: it ought to be one.

CHAIR: I can assure you that we will be giving it serious focus. The issue has been raised in other places. There is no doubt about it: we cannot capture what is out there without that being one of the pillars of and a foundation for what we are doing.

Thank you very much indeed for your time; it has been greatly appreciated. And thank you to all those who have taken the time to be here today. We are going to wind up now. We have to pack up all this broadcasting gear and move up to Darwin for the evening and for tomorrow. Thank you again for taking the time to be with us. If we have any other questions will put them in writing to you through the secretariat.

Mr Huigen: And thank you for coming to the Desert Knowledge Precinct and to Alice Springs. I think it is fantastic that you did that.

CHAIR: Thank you very much indeed for your time.

Committee adjourned at 15:09