



**NORTHERN TERRITORY VIEWS ON  
CGC STAFF DISCUSSION PAPER 2007/16-S**

***ASSESSING OTHER SERVICES  
FOR THE 2010 REVIEW***

**OCTOBER 2007**

### **Key Points**

- The Territory considers that area under management and population density can be used as a proxy for state expenses on national parks.
- The Territory supports an actual per capita assessment of natural disaster relief expenses.
- Expenses on Indigenous involvement in the management of parks should be captured in the common factors: Native Title and Aboriginal Land Rights Act.
- The Territory supports the application of administrative scale and location disabilities to all expenses in this category on the basis of simplicity.
- The Territory supports an equal per capita assessment of the remaining category expenses excluding debt charges, which the Territory considers should be separately assessed.

### **Introduction**

This submission details the Northern Territory's views on issues raised in the Commonwealth Grants Commission's (the Commission's) Staff Discussion Paper, *Assessing Other Services for the 2010 Review* and the follow-up meeting in August 2007.

The proposed category covers the four areas of national parks, national disaster relief, culture and recreation services and general public service expenses. This paper does not explore the issue of debt charges as it will be addressed in the submission on capital-related expenses.

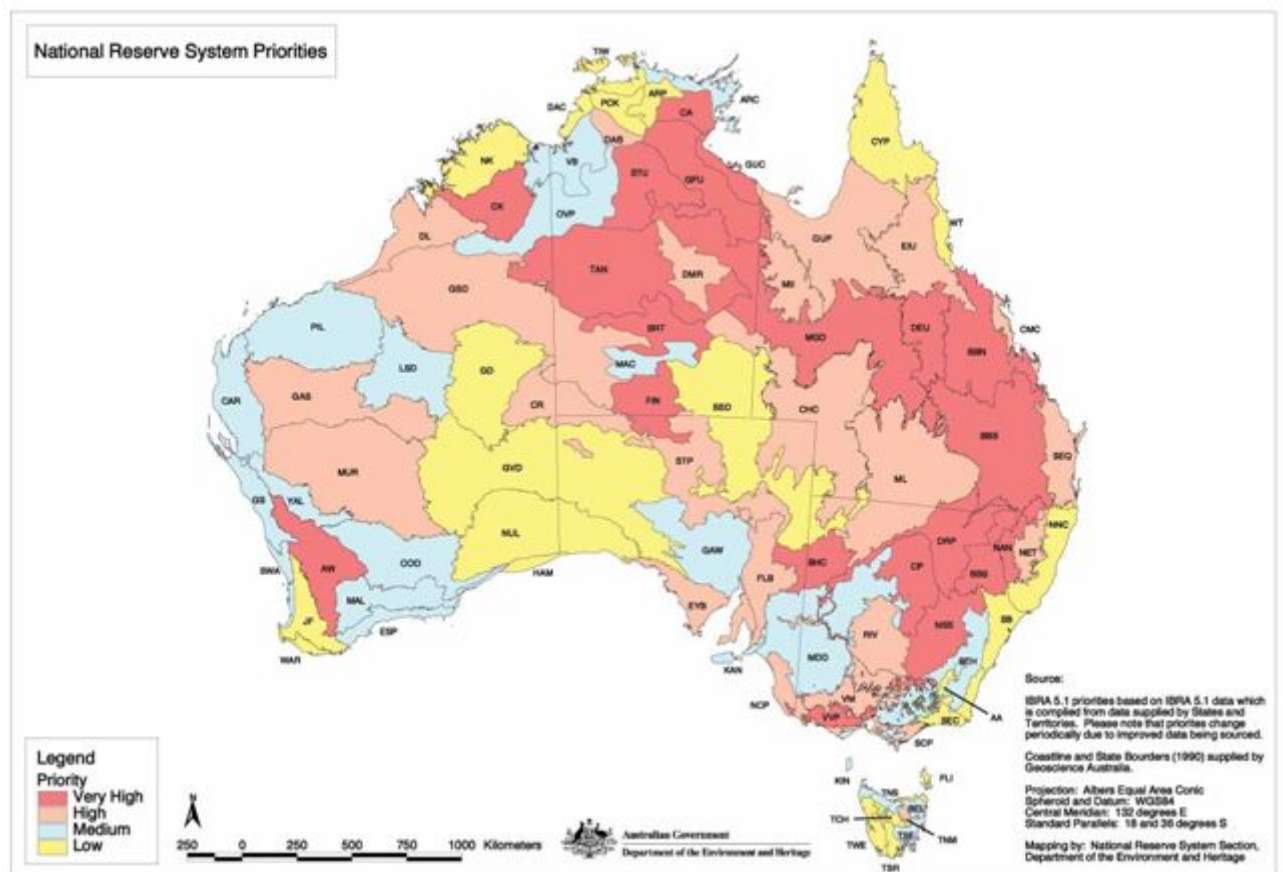
### **National Parks**

The Commission's paper postulated that declaration of areas covered by national parks and reserves are policy influenced. The Territory does not support this view.

The National Reserve System (NRS) provides a framework to minimise policy differences between the states in the declaration of parks. The Australian Government and all state governments are signatories to the *National Strategy for Conservation of Australia's Biological Diversity* (1996), which endorsed the goal of a "Comprehensive, Adequate and Representative System of Reserves". This was

reaffirmed in 2005 when the Natural Resource Management Ministerial Council developed the *Directions for the National Reserve System – A Partnership Approach*. The *Australian Guidelines for Establishing the National Reserve System* provides a scientific methodology to prioritise additions to the NRS using a combination of the Interim Biogeographic Regionalisation for Australia (IBRA) to classify the different biogeographic areas of Australia in conjunction with the Collaborative Australian Protected Area Database to determine the comparative levels of representation of different biogeographic regions in the NRS. It is consistent with these national policies that parks may follow state borders rather than biogeographic boundaries.

**Figure 1 – National Reserve System Priorities**



Source: Interim Biogeographic Regionalisation for Australia 6.1 (IBRA)

Comparison of Figure 1 above, with Figure 1 in Discussion Paper 2007/16-S clearly shows that the IBRA regions where park boundaries ended at state borders are generally low priorities to receive additional land in the NRS, so it would be inconsistent with the national policy to declare further land in the same IBRA regions.

### ***Disabilities***

The Commission's paper has sought state views on whether there are reliable ways of measuring disabilities that relate to factors such as conservation activities, visitor impact and proximity to population centres. The Territory considers land area under management and population densities are good proxies for expenses related to conservation and visitor numbers.

### ***Conservation and core management expenses***

The Territory believes differences in conservation and core management expenses between states can be derived from a robust yet simple indicator using area under management. Area under management will reflect both the conservation values of a jurisdiction together with the minimum costs required to manage a park irrespective of the level of visitation. To the extent that the NRS represents a standard policy framework, the area under management is policy neutral and will result in states having different land areas declared as national parks. Table 1 shows factors derived from applying a national average spend per square kilometre to actual area under management.

**Table 1 – Factors derived from national average spend to actual land area**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Park area managed km sq	59 017	34 560	71 362	170 591	137 573	17 238	1 291	44 044	535 677
Actual expenses \$M	236	25	126	136	34	30	20	28	637
Actual expenses per sqkm	4 003	720	1 773	797	249	1 765	15 845	641	1 189
Assessed expenses \$M	70	41	85	203	164	20	1	52	637
Average pc \$	10.23	8.04	20.78	98.33	105.27	41.83	4.67	251.79	30.78
Factor	0.33	0.26	0.68	3.19	3.42	1.36	0.15	8.18	1.00

Source: CGC Update 2007, CAPAD 2004, NT Treasury

Note: Excludes Commonwealth parks

Alternatively, the national average spend per square kilometre could be applied to a national average area under management. The resultant factors are shown in Table 2.

**Table 2 – Factor derived from national average spend to assessed land area**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Actual % land area as park	7.37	15.20	4.12	6.74	13.99	25.20	54.77	3.26	6.96
Assessed park area sqkm	55 758	15 838	120 525	176 184	68 491	4 764	164	93 955	535 677
Assessed expenses \$M	66	19	143	209	81	6	0.2	111	637
Average pc \$	9.66	3.69	35.10	101.55	52.41	11.56	0.59	537.12	30.78
Factor	0.31	0.12	1.14	3.30	1.70	0.38	0.02	17.45	1.00

Source: CGC Update 2007, CAPAD 2004, NT Treasury

*Visitor impact and proximity to population centres*

There is also a clear conceptual case for the measurement of a visitor numbers disability however the Territory acknowledges the challenges in comparable measurement of visitor numbers. The Territory considers that a broad population density measure may be suitable to measure the impact of visitor numbers. This measure also has the advantage of being able to be used as a proxy for proximity to population centres. Table 3 shows the factor based on population density.

**Table 3 – Factor derived from population density**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Persons/sq km	8.57	22.47	2.39	0.86	1.58	7.16	139.53	0.15	2.69
Scaled weighted population Millions	5.14	10.03	0.84	0.15	0.21	0.31	4.01	0.00	20.70
Factor	0.75	1.96	0.21	0.07	0.14	0.63	12.19	0.01	1.00

Source: NT Treasury

*Combining conservation and core management expenses and visitor impact*

The Territory believes that the majority of parks expenses are related to conservation and core management expenses rather than the incremental impacts of additional visitors. Parks require management and considerable levels of conservation activity such a fire, feral animal and weed management, even if no visitors are permitted in the park. As such, the Territory contends that the conservation and core management expenses should represent 75 per cent of the national parks weight with visitor impact the remaining 25 per cent. Table 4 shows the resultant impact of the proposed national parks assessment using actual park under management by state.

**Table 4 – Proposed national parks assessment factors**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Actual land area factor	0.33	0.26	0.68	3.19	3.42	1.36	0.15	8.18	1.00
Population density factor	0.75	1.96	0.21	0.07	0.14	0.63	12.19	0.01	1.00
Weighted Factor (75/25)	0.44	0.69	0.56	2.41	2.60	1.18	3.16	6.14	1.00

Source: NT Treasury

**Indigenous involvement in management of national parks**

Joint management of national parks recognises traditional Indigenous culture, acknowledges and incorporates Indigenous land management practices. The Territory Government and Indigenous people currently jointly manage 32 parks and reserves, representing about one third of the Territory’s national parks and reserves. Jointly managed national parks require more resources than national parks managed wholly by the government agency because of the additional time and resources required to incorporate Indigenous knowledge and culture into park management.

The majority of expenses related to Indigenous involvement in management of national parks are the result of native title or Aboriginal Land Rights Act agreements. As such the Territory believes that these expenses should be captured in the relevant common factors. The Territory spent \$5.3 million on direct joint management in

2006-07 with \$0.7 million to support Indigenous management boards. See attachment A for some details of joint management activities.

**Natural disaster relief expenses**

The Territory supports the use of actual per capita expenses to assess natural disaster expense needs. The *Natural Disaster Relief and Recovery Arrangements* provide common criteria for disaster relief claims from the Australian Government. Furthermore, it can be reasonably assumed that state policy on relief efforts are consistent in that relief measures are aimed at minimising distress on affected individuals and the community. The NDRRA also requires states to implement appropriate disaster mitigation strategies.

**Remaining expenses**

The Territory supports the assessment of the remaining expenses in this category on an equal per capita basis, except for common factors as noted below.

**Measuring assessed unit cost**

The Territory supports the assessment of administrative scale disabilities for all expenses in this category. Location disabilities should apply to this category as determined in the location assessment. All Territory expenses in this category would be affected by disabilities such as isolation and dispersion. Exempting natural disaster relief expenses from common factor assessment in this category would unnecessarily complicate the assessment, is unlikely to have a material impact, and does not meet the Commission's objective of simplification.

## **ATTACHMENT A**

### **Joint management activities**

- Operational support such as: lease payments, operation of vehicles, catering and logistics, and dedicated joint management staff.
- Development of joint management plans.
- Support activities to enable Traditional Owners participation in management. Support can include translators, transport, accommodation, secretariat support and cross cultural training and induction for traditional owners and employees.
- Provision of Indigenous employment programs. Programs include ranger employment and group development, trainee programs, as well as flexible and contract work to suit cultural needs.
- Integration with Land Council programs such as Land Council Parks Officers and an additional Central Land Council Officer working with the joint management team to support additional planning efforts in the region.
- Run specific joint management programs such as the Territory and Regional Fora.
- Maintenance of cultural and art sites.