

Territory politicians counter 'failed state' claim

Lex Hall | *October*

NORTHERN Territory leaders deny the vast but thinly populated jurisdiction is a failed state and say ceding more control to Canberra would be a backwards step.

Territory politicians canvassed yesterday agreed there was a need for more scrutiny of the way GST funding was used to tackle disadvantage but stopped short of supporting the idea of granting complete control to the commonwealth.

Independent Gerry Wood, who holds the balance of power in the NT Legislative Assembly, said the Territory was a "challenged state", rather than a failed one.

Mr Wood said the Territory's small population of 220,000 meant it could not be run as a state and should consider a council-style administration. "We'd be far better dividing the Territory into regions where people relate to each other, whether it's along geographical, economical or cultural lines," he said.

Mr Wood was responding to an article by Nicolas Rothwell in *The Weekend Australian*, in which the journalist denounced the Territory as a failed state that should be abolished.

Rothwell argued that the Territory accounted for only one-fifth of its \$4 billion in revenue and was reliant on commonwealth handouts, which it spent on a bloated bureaucracy to the detriment of social services.

The article called for GST grants to be spent on indigenous disadvantage and the establishment of a Territory council of administration. It also suggested the Territory be separated into two distinct jurisdictions and an evolution towards Aboriginal autonomy in specific regions.

Mr Wood said government should steer away from welfare and do more to ensure the autonomy of remote communities. "I fear we've created a welfare state which has not put any responsibility on people to make money," he said. "If small communities want to exist, and I think they should, the government should provide the equipment, capital and money to make sure people turn up for work."

Mr Wood agreed with Rothwell's denunciation of the Territory government's departmental propaganda machine, which employs more than 100 journalists at a cost of more than \$9 million a year.

Country Liberals leader Terry Mills said "failed state" was not a label that could be applied exclusively to the Territory. "The article's analysis is correct but the problems it describes apply to Queensland, Western Australia and in remote Australia on the whole," he said.

He said he was opposed to the idea of the Territory being put under commonwealth control and that tying GST grants to indigenous funding would divert control from those on the ground.

"That's one step away from having complete control from Canberra. The tying of funding would imply policy control from Canberra," he said. "We have not made the progress but it's time to turn our hand to the responsibilities rather than abdicating them."

A spokesman for Chief Minister Paul Henderson denied the Territory had become a failed state. He said that for the first time since it was granted self-government, in 1978, the Northern Territory and Australian governments were "working together in a real partnership to close the gap on indigenous disadvantage".