Budget 2016 is the Northern Territory Government’s commitment to securing future opportunities for Territorians, no matter where they live.

Major projects are delivering both jobs and the infrastructure to sustain growth. And we’re focused on protecting the lifestyle we enjoy through strong environmental regulations while ensuring we create the economic opportunities we need to prosper.

We understand the challenges faced by some in our small business sector and we are responding by ensuring that community and prosperity are at the centre of everything we do.

The recent Boosting our Economy stimulus package that injected $100 million into construction works, painting and upgrades to our schools, sporting facilities and tourism industry was an example of the support we provide to local tradespeople. Budget 2016 delivers a further range of initiatives designed to assist our small businesses and deliver wider benefits to the community at the same time.

As part of our focus on connecting communities right across the Territory, Budget 2016 sees infrastructure investment that will not only create opportunities for future development in our regions, but also ensure that those who choose to live in regional and remote parts of the Northern Territory have the infrastructure they need.

The Territory Government continues to advocate strongly for further Commonwealth investment in strategic Territory roads through the Northern Australia Road Program, Beef Roads Program and Heavy Vehicle Safety and Productivity Program. If Commonwealth funding is secured, it will provide the Territory capacity to progress projects such as the access road to support the Sea Dragon project and Ord Stage 3, as well as extending the seal of the Tanami Road.

On behalf of the Northern Territory Government, I encourage you to find out more about how we’re investing for the future of this unique place we call home.

The Hon Adam Giles MLA
Chief Minister
Boosting our economy

The Territory Government is committed to diversifying and boosting our economy through support to local businesses, targeted investment in infrastructure and supporting skills development, particularly in our regions.

In March 2016, recognising a need to provide an immediate stimulus to small and medium businesses in the local construction sector, the government released a $100 million package of works that included:

- $68.5 million for education projects (including upgrades, repairs and maintenance at government and non-government schools);
- $15 million for sport and recreation projects;
- $10 million towards the Carpentaria Disability Services hub development;
- $5 million for tourism projects; and
- $2 million for flood mitigation works at Ludmilla Creek.

The Boosting our Economy package was funded by the long term lease of the Port of Darwin, which generated proceeds of $506 million.

From July 2015 to March 2016, Territory Business Centres had more than 117,000 business contacts and transactions. These included:

- 8227 digital licences;
- 9037 NT WorkSafe licences;
- 815 Licensing NT licences;
- 425 Criminal history checks;
- 17,622 calls to the call centre;
- 3489 online transactions; and
- 35,155 general enquiries.
Budget 2016 re-invests $331 million of the proceeds from the lease of the Port of Darwin into a range of projects designed to stimulate investment and diversify the Territory economy, including:

» 100 million for a ship lift facility;
» $100 million for the Boosting our Economy package;
» $20 million for the Home Improvement Scheme specifically targeting small businesses;
» $50 million towards the expansion of the Owen Springs power station and to upgrade the Tennant Creek power station;
» $20 million for skywalk experiences in Territory parks, including Nitmiluk National Park;
» $5 million to the Menzies School of Health Research;
» $16 million over two years for the Arnhem Link road;
» $16.5 million over two years for the Maryvale road;
» $2 million to establish a vapour heat treatment plant for the Territory mango industry;
» $500,000 for a bush tucker research and development study to establish a national industry hub in Alice Springs; and
» $1 million for a planning study for Aboriginal cultural centres.

In addition, $100 million has been invested in the Northern Territory Infrastructure Development Fund.
Major projects

The NT has some of the most compelling and attractive major project investment opportunities in Australia. We are proactively seeking investors with a positive long term interest in creating extraordinary investments.

Some of the major projects underway include:

Ship lift and marine industry project - The Government has offered to invest up to $100 million into a common user ship lift facility that would have the capacity to raise large sea vessels from water on to dry land for repairs and maintenance works.

Luxury hotel - The Territory Government wants to address demand for a higher standard of accommodation in Darwin. In October 2015 we issued an expression of interest with shortlisted proponents due to submit detailed proposals in June 2016.

Northern gas pipeline – in November 2015 we selected Jemena Northern Gas Pipeline Pty Ltd to build and manage a 622km pipeline between Tennant Creek and Mount Isa, connecting NT gas to eastern markets. Construction is expected to begin in early 2017 and be completed by 2018.

Budget 2016 provides $185.9 million over five years to revolutionise healthcare delivery in the Territory by modernising our ICT systems.

This investment will ensure the right information is available to healthcare professionals when they need it, at the point of treatment.

Four core clinical information systems will be replaced and an integrated electronic health record will be implemented, allowing clinicians to access a single patient record from any hospital, clinic or primary care centre in real-time.

This means clinicians will no longer need to reassess a patient’s history at every visit, resulting in improved health outcomes, reduced re-admissions, lower emergency department waiting times and improved patient safety.

The Core Clinical Systems Renewal Program (CCSRP) will be the largest ICT reform in the Territory’s history and will make us the first Australian jurisdiction to provide end-to-end clinical information to all health providers at the point of care.
A total of $4.9 million over two years will be invested to continue the development of the Marine Industry Park, Tiwi Development Project and Katherine Business Park.

We continue to assess the Territory’s shale gas potential and stimulate resource exploration through the CORE initiative, with $5.95 million provided in Budget 2016.

New geoscience and investment attraction programs are underway, with $1.5 million in collaborative grants awarded for greenfields drilling and geophysical surveys in 2015-16.

The Territory Government has funded infrastructure expenditure to support jobs, families and the future through a transport infrastructure program worth $589.6 million.

In addition, we are spending $164.1 million on education infrastructure and $350 million over three years to construct new housing and upgrade existing housing in remote Indigenous communities.

- **$27 MILLION** to seal the road to Port Melville
- **$5.45 MILLION** to seal and upgrade sections of Tanami Road
- **$2 MILLION** for Wadeye barge landing upgrade
- **$7.9 MILLION** to continue upgrades to Roper Highway
- **$6 MILLION** to upgrade access to Pinelands Industrial Precinct
Encouraging growth
Attracting external investment and investors to the Territory is essential for the continued growth of our economy.

Significant effort has been put into highlighting the opportunities available for investors, including:

» Red Carpet Investor Forum in April 2016;
» Co-hosting the Northern Australia Investment Forum with the Commonwealth Government in November 2015; and
» Engagement at ministerial and chief executive level in China, Hong Kong, Singapore, Malaysia and Taiwan.

Industrial land is needed to support business and economic development right across the Territory.

In the past 12 months two new commercial lots were constructed in Kalkarindji and a 32 lot industrial subdivision was completed in Tennant Creek.

A new 47 lot industrial subdivision is currently under construction in Humpty Doo, and construction of the 60 lot College Road industrial subdivision at Berrimah will begin shortly.

Budget 2016 continues to support industrial land release, including:

» $3.9 million to continue works to support subdivision at Darwin Business Park; and
» $7.7 million to continue to construct the Defence multi-user barge ramp facility in East Arm.

$500,000 for a bush tucker research and development study to establish a national industry hub in Alice Springs.

There are a number of small bush food and bush products operations in Central Australia, including bush tomatoes and beauty and cosmetic products derived from native flora. A co-operative distribution centre would allow for more coordinated management, marketing and overheads, helping to support local businesses and the bush foods industry.

Also in Central Australia, a team has been established to encourage growth in commercial horticulture. Local growers have been engaged and new investors to the area have submitted proposals for development.

Research is underway in the areas of bush foods, dates, table grapes and vegetables to support the local industry.
Government will contribute $500,000 in 2016-17 towards a private sector business case and implementation plan to pilot a small scale gas-to-liquids diesel refining facility.

The funding will help to identify whether the concept is commercially viable, including a demand and supply analysis and identification of benefits. This project has the potential to improve energy security, stimulate jobs and investment and lower diesel fuel costs for Territorians.

Our primary industries remain an important sector of the Territory’s economy.

Budget 2016 provides $2 million to establish a vapour heat treatment plant for the mango industry.

The Territory produces around half of Australia’s mangoes, and currently fruit must be sent to interstate treatment facilities for control of fruit fly prior to export. A vapour heat treatment facility in the NT will allow mangoes to be exported more quickly and in better condition than currently, creating a market advantage for Territory producers.

Budget 2016 also provides $1.2 million to support government research farms and develop a new strategic direction for the future operation of the farms.

Other Budget 2016 support for managing our natural resource includes:

» $850 000 for the Darwin River Dam Cabomba Eradication Program; and

» $500 000 for Gamba Grass mitigation activities.

The government continues to support new agricultural investment through land and water suitability assessments.
Skills and training

A range of programs and initiatives are in place to help get the right people trained for the right jobs, including:

» Funding registered training organisations to deliver skills training; and

» Providing employer incentives to encourage businesses to take on apprentices and trainees.

In 2015, some 2200 Territorians commenced an employment based training pathway through an apprenticeship/traineeship and approximately 21 700 Territorians participated in government subsidised training. Of these, 81% completed the subjects commenced.

Through targeted investment in programs for skills training and support for apprentices, trainees and employers, we are continuing to improve the capability and capacity of NT business and not-for-profit organisations.

In 2016-17:

» $53.4 million, including Commonwealth Government funding, will be provided to registered training organisations to deliver skills training to Territorians;

» $22.4 million will be provided to registered training organisations to deliver training for apprentices and trainees;

» There will be a $6.2 million investment in support services for apprentices, trainees and employers; and

» $4 million will be allocated to NT employers to support them to employ apprentices and trainees.
Knowledge Territory

Budget 2016 will invest in the future prosperity of Territorians by realigning current training support programs as part of a Knowledge Territory package that will be expanded through future onshore gas royalties.

In 2016, the Knowledge Territory initiatives will incorporate:

» $1 million to establish the Office of the Chief Scientist to provide high-level independent advice on matters relating to science and innovation;

» $1 million for the Knowledge Territory Study Voucher program that will assist eligible apprentices and trainees with the cost of work wear and other necessities in their first year;

» $600 000 for Knowledge Territory Higher Education Scholarships; and

» $420 000 for the Knowledge Territory Cadetship program to support paid work experience with private sector employers for students during vacation breaks.

The Knowledge Territory Study Voucher, Higher Education Scholarships and Cadetship programs will be expanded once royalties from onshore gas developments are available.

Home Improvement Scheme

» Budget 2016 provides a $20 million grant program for Territory home owner-occupiers to hire small Territory businesses to undertake minor improvements and repairs and maintenance on their homes in 2016-17.

» A voucher of up to $2 000 per home owner-occupier on a 50:50 co-contribution basis, will be available from 1 July 2016 to assist with the cost of work undertaken. Small businesses will be able to start registering from 24 May 2016.

» This initiative will stimulate small business activity and reduce cost of living pressures for home owners. It is estimated to inject $67 million into the Territory economy.

» The program is capped at $20 million and will operate until expended, or 30 June 2017 if the capped amount is not reached.

$1 MILLION to establish the Office of the Chief Scientist to provide high-level independent advice on science and innovation

$20 MILLION for home owner-occupiers to hire small Territory businesses for minor improvements, repairs and maintenance
Opportunities in our regions

Developing opportunities for business in the bush and growing our Indigenous business sector is a key priority for the government.

Budget 2015 allocated $6 million over three years to establish a Business in the Bush program, which is now underway in identified communities and regions.

So far, 15 Introduction to Business workshops have been delivered in larger remote communities, attended by 123 participants. More than 25 business ideas and concepts have been identified.

Our remote contracting policy is providing sustainable employment opportunities and building the capacity of Indigenous businesses to share in the delivery of construction projects in the Territory.

During 2015-16, 25 tenders and quotations have been awarded to remote Aboriginal enterprises and regional councils, with a total value of $20.97 million.

Since October 2014, we have released more than 310 tenders valued at over $878 million that included Indigenous participation initiatives, and more than 655 Indigenous employees have been supported through the Indigenous Employment Provisional Sum policy.

Increasing Indigenous workforce participation remains a focus. From January to April 2016, 426 participants in 23 communities have taken part in activities delivered through 52 supported training programs.

A range of activities are underway in the fisheries sector to encourage economic development opportunities for Indigenous Territorians, including:

» An accredited marine range program training in fisheries enforcement and scientific research;

» A commercial fishing mentor program that has delivered training in commercial fishing skills including gear maintenance, catching, handling and hygiene; and

» Trial aquaculture projects for oysters, giant clams and trepang.

In 2015, a total of 120 training programs were supported, with 1514 participants undertaking activities in 51 communities.
Buy Local Plan
Under the Buy Local Plan introduced in January 2016, local businesses have greater opportunity to tender for and win government work.

The Buy Local Plan consists of a suite of measures designed to improve the way that local benefits are identified, evaluated and realised at all stages of the procurement and contracting lifecycle.

The Buy Local Plan is based on extensive consultation with Territory businesses, industry associations and other stakeholders, and includes:

- Mandatory local involvement in all requests for quote up to $100,000;
- The new term ‘Territory Enterprise’ identifies local businesses as ‘An enterprise operating in the Northern Territory, with a significant permanent presence in the NT and employing NT residents’;
- Increased minimum weighting of local content and benefits in all quotes and tenders from 20% to 25% generally and to 30% for Department of Infrastructure tenders;
- Established the Local Benefit Advisory Panel (LBAP) comprised of local Territorians to provide independent advice on Buy Local aspects of tender responses and contracts estimated to be worth more than $5 million; and
- Ensuring local content and local benefit provisions included in tender responses are carried through into contract terms for suppliers and are monitored throughout.

Ensuring safer workplaces
The government has a role to play in ensuring Territorians have safe workplaces.

In the past three years more than 15,000 workplace visits have been conducted, providing proactive support to employers and workers through engagement, information and education campaigns.

In 2016-17, the Department of Business has allocated $7.4 million to support NT employers and workers to have safe workplaces and to manage workers’ compensation and rehabilitation programs.

The Northern Territory Government, through NT Worksafe, has established a Small Business Safety Advisors (SBSAs) pilot program designed to increase capabilities of small businesses to manage their own work health and safety processes.

SBSAs will work one-on-one with business owners, upon request, to assist them to navigate the costs and challenges associated with understanding and implementing work health and safety laws and legislative requirements.
Connecting with government online

Considerable work has been undertaken to make it easier for businesses to work with government.

The launch in April 2016 of a whole of government website was a key plank of our digital strategy, and other online improvements have also improved the way transactions are managed.

The first stage of Survey Approvals Online was released in January 2016, allowing private industry surveyors to apply for survey data allocation online. The next improvement, expected to launch in mid-2016, will allow survey data to be lodged and plans to be approved online.

Our Tenders Online system has seen more than 460 tenders and quotations valued at more than $610 million released to the Territory construction industry.

Some 97 per cent of all tenders submitted for NT Government procurement are now received online.

We’ve introduced other online service improvements including enhancements to the NT Rego App and pre-populated smart forms that make it easier for customers to complete transactions online.

All petroleum well completion reports are now available online, and there are ongoing upgrades to the online availability of industry and NT Geological Survey data.

Online recruitment has also grown, with more than 95 per cent of all applications for NT Government jobs received online through our Employment Opportunities portal.