

Budget Overview



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- Department of Lands and Planning
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- Tourism NT

Budget at a Glance

Affordable Living

The 2011-12 Budget includes a range of subsidies and concessions to reduce the cost of living including:

- \$61.3M for power, water and sewerage subsidies to households and small businesses;
- \$16.6M for the Pensioner Concession Scheme;
- \$4.3M for child care subsidies;
- \$3.25M to provide Back to School payments;
- \$1.3M for the WorkWear WorkGear Scheme;
- \$0.63M to assist remote students with travel and boarding expenses;
- free public bus transport for seniors, pensioners, carers and students; and
- free school dental services.

Total Infrastructure Payments

Budget Sector	2010-11		2011-12	
	Program	Cash	Program	Cash
	\$M	\$M	\$M	\$M
Total Budget Sector	1 331	1 096		
Power and Water Corporation				
Capital works		328		290
Repairs and maintenance		55		85
Total Power and Water Corporation		383		375
Total Infrastructure	1 714		1 471	

The 2011-12 Budget totals \$5.3 billion and includes a range of initiatives to support the Territory economy and community. The 2011-12 Budget focuses on key Government priorities including Territory 2030 and Working Future with service delivery areas of health, welfare and public safety boosted through the *Growing Them Strong Together, New Era in Corrections* and *Enough is Enough* reforms, underpinned by an infrastructure program that continues to strengthen the economy and create jobs for Territorians.

Operating Expenses

Funding to key service delivery agencies in 2011-12 is:

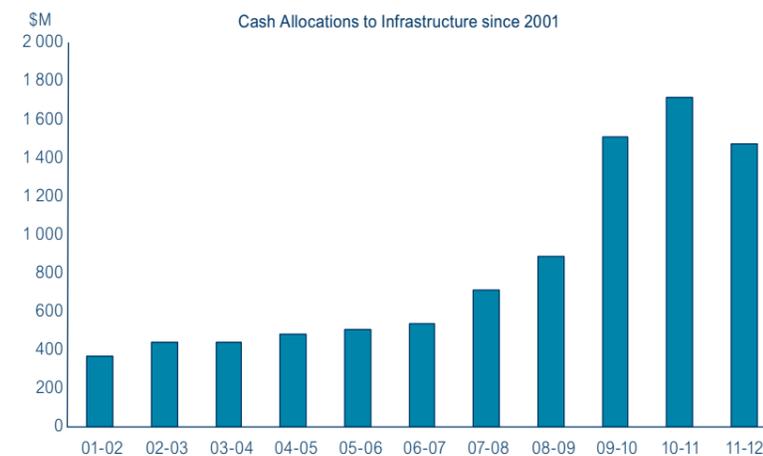
- \$1.1 billion for Health;
- \$930 million for Education and Training;
- \$442 million for Housing, Local Government and Regional Services;
- \$328 million for Police, Fire and Emergency Services;
- \$259 million for Justice; and
- \$182 million for Children and Families.

Infrastructure

The 2011-12 Budget includes infrastructure expenditure of \$1.5 billion. Expenditure is 15 per cent lower than the unprecedented level achieved in 2010-11, as a result of the completion of a number of large projects, including Commonwealth stimulus programs. The Territory-funded proportion of total expenditure has increased to 70 per cent in 2011-12 from 56 per cent in 2010-11.

The projected spend remains significantly higher than historic levels, in line with the Government's strategy to support economic recovery and sustain Territory jobs following the global financial crisis (GFC).

The 2011-12 Capital Works Program maintains the Government's focus on Working Future through ongoing investment in housing, land servicing and essential infrastructure in remote areas, supported by Commonwealth investment through the Strategic Indigenous Housing and Infrastructure Program.



Revenue

The Territory's 2011-12 receipts are \$4.9 billion, comprising 57 per cent GST revenue, 24 per cent tied Commonwealth funding and 19 per cent Territory revenue.

GST revenue remains the largest source of funds for the Territory, however it is significantly below pre-GFC levels due to lower than previously projected growth in the national GST pool, only partially offset by an increase in relativities from 2011-12. Over the three years from 2010-11 to 2012-13, GST for the Territory is expected to be \$600 million lower than that anticipated prior to the GFC. Tied Commonwealth funding is also reducing in 2011-12, largely due to the completion of stimulus funding.

Fiscal Position

The Territory's fiscal outlook continues to be affected by lower revenues, notably the GST. This, together with necessary reforms in the areas of health, welfare and public safety, and the strategy of significant investment in infrastructure to counteract declining private sector investment, means the Territory's Budget will remain in a deficit position over the Budget cycle. Once revenue streams and economic growth normalise, the medium-term strategy is to return the Budget to a surplus position.

Key Economic Indicators

The Territory economy strengthened in 2010-11 with estimated economic growth of 2.2 per cent, as increased public sector investment and consumption more than offset a decline in private investment and a reduced trade surplus. In 2011-12, the economy is forecast to grow by 3.2 per cent, reflecting a strengthened international trade surplus that will more than offset a moderation in public investment. Employment growth is also forecast to continue in 2011-12. Population growth is expected to remain subdued in 2011-12, associated with the relocation of the 7th Royal Australian Regiment (7RAR), while CPI is forecast to moderate to 2.3 per cent.

The table of key economic indicators below sets out actual outcomes for 2006-07 to 2009-10, an estimate for 2010-11 and forecast for 2011-12.

Key Economic Indicators

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Estimate	2011-12 Forecast
Real GDP	4.4	4.4	5.1	1.3	2.2	3.2
Resident employment	5.0	6.1	4.4	2.5	2.2	2.8
Population ¹	1.9	2.4	2.5	2.3	1.0	1.0
Darwin CPI ²	4.4	3.4	4.0	2.8	2.8	2.3

¹ As at December, annual percentage change

² As at December, year-on-year percentage change

BuildBonus

The 2011-12 Budget supports the construction of affordable housing in the Territory. A one-off grant of \$10 000 is available for home buyers who build or purchase a new home up to the value of \$530 000. BuildBonus has been designed to increase construction levels, and is available for dwellings where contracts are signed between 3 May 2011 and 31 December 2011, and construction commences after 3 May 2011.

Tax Cuts

The 2011-12 Budget supports Territory business with changes to payroll tax from 1 July 2011, ensuring the Territory remains the lowest taxing jurisdiction for small to medium businesses, including:

- a reduction in the payroll tax rate from its current rate of 5.9% to 5.5%;
- an increase in the annual threshold from \$1.25M to \$1.5M; and
- changing the treatment of the threshold from a general exemption to a deduction from taxable wages.

Lowest Taxes

The Territory remains the lowest taxing jurisdiction for small to medium-sized businesses in Australia.



Fiscal Outlook

Government's Fiscal Strategy

Sustainable Service Provision

Target: Expenditure growth not to exceed revenue growth, excluding tied Commonwealth funding.

Assessment: Untied expenditure increases by 3.7% compared to untied revenues of 5.2% over the forward years.

Infrastructure for Economic and Community Development

Target: Maintain infrastructure investment at appropriate levels.

Assessment: Infrastructure spending projected to be greater than four times depreciation expenses.

Competitive Tax Environment

Target: Ensure Territory taxes and charges are competitive with the average of the states and territories.

Assessment: Taxation effort below the state average.

Prudent Management of Liabilities

Target: Reduce debt to pre-GFC levels once the economy rebounds.

Assessment: While debt will increase over the Budget cycle, once the economy improves, debt levels are to reduce on average by 5% per annum of additional debt incurred.

The 2011-12 Budget continues substantial investment in infrastructure to support the Territory economy and protect jobs, while planning to return the Budget to a cash surplus position when revenue and economic growth return to more normal levels.

The fiscal outlook in the 2011-12 Budget includes:

- operating surplus reducing, with operating deficits projected from 2012-13;
- substantial infrastructure investment in 2011-12 of \$1.5 billion, with higher than historical levels in all forward years;
- cash outcome and fiscal balance projected to remain in deficit over the budget cycle, albeit reducing to 2014-15; and
- ratios of net debt and net financial liabilities to revenue increasing due to higher cash deficits and an increased valuation of superannuation liabilities.

The fiscal outlook for the Territory continues to be affected by constrained revenue growth as subdued consumption and lower levels of business activity affect the Territory's largest revenue source, GST revenue. The national GST pool is now expected to be \$2.1 billion lower than previously estimated for 2010-11, affecting the Territory's share for 2010-11 and all forward years.

Lower revenue, together with a need to respond to important reforms in the areas of health, welfare and public safety as well as increased infrastructure investment, means the achievement of fiscal strategy targets will continue to be a challenge, requiring ongoing expenditure constraint and the prudent management of current and future cost pressures.

General Government Fiscal Aggregates

	2010-11	2011-12	2012-13	2013-14	2014-15
	Estimate	Budget	Forward Estimates		
	\$M	\$M	\$M	\$M	\$M
Operating balance	384	95	- 11	- 28	- 37
Fiscal balance	- 375	- 435	- 297	- 240	- 204
Cash outcome	- 295	- 387	- 260	- 215	- 195

Note: surplus (+), deficit (-)

General Government Net Debt and Net Financial Liabilities (NFL)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	Actual	Estimate	Budget	Forward Estimates		
Net debt (\$M)	719	1 075	1 475	1 769	2 034	2 196
Net debt to revenue (%)	15	23	32	40	45	47
NFL (\$M)	3 959	4 256	4 722	5 071	5 382	5 573
NFL to revenue (%)	85	90	102	113	119	119

Budget Highlights

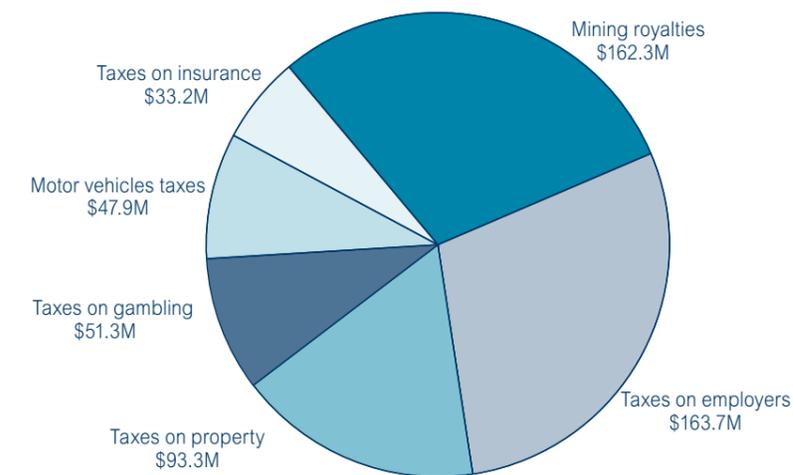
Infrastructure

Total infrastructure payments in 2011-12 are estimated to be \$1.5 billion, including \$304 million for repairs and maintenance, remaining higher than long-term trends. Although lower than the record investment in 2010-11, following the completion of large projects and Commonwealth stimulus programs, the Territory's contribution has increased. The Budget sector capital works program is \$1.24 billion with more than 70 per cent dedicated to housing, transport and health-related infrastructure.

Revenue

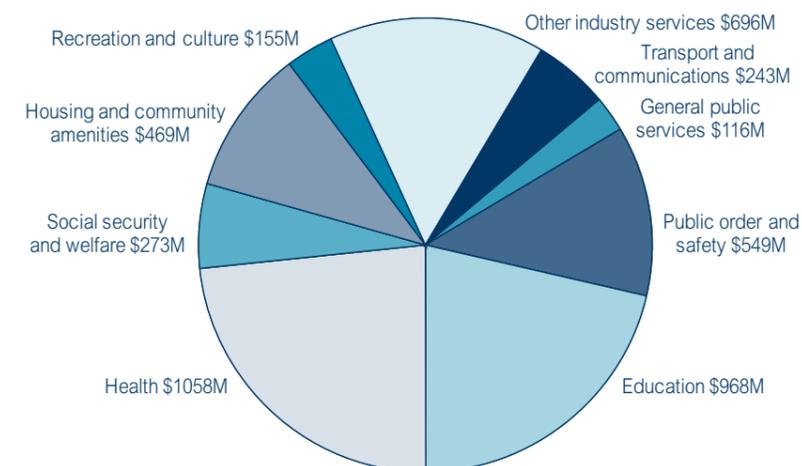
Territory revenue is expected to be \$4.62 billion in 2011-12. This comprises 57 per cent GST revenue, 24 per cent in tied Commonwealth funding and 19 per cent Territory own-source revenue. Total receipts are \$4.9 billion.

The projected revenue for 2011-12 from Territory own-source revenue totals \$551.8 million as shown below.



Expenses

Territory expenses are estimated to be \$4.5 billion in 2011-12 with total payments of \$5.3 billion. The key functions of health, education and public order and safety comprise 57 per cent of total expenses, with housing services contributing 10 per cent of expenses.



Intergovernmental Arrangements

Intergovernmental financial relations continue to evolve with the ongoing implementation of the Council of Australian Governments (COAG) reform agenda. The major source of revenue to the Territory remains the GST and although the Territory's share has increased in 2011-12 due to its higher relativity in the 2011 Update, GST revenue continues to be affected by lower than expected national collections. GST revenue to the Territory remains significantly lower than predicted prior to the GFC. The Territory is expected to receive reduced National Partnership Payments in 2011-12 compared to the high levels received in 2010-11 due to the completion of Commonwealth stimulus measures.

Further changes in arrangements are expected as a result of the National Health Reform Agreement, which is to be finalised by 1 July 2011.

Total Revenue 2011-12	\$M
Commonwealth revenue	3 758
- Goods and services tax	2 657
- Specific Purpose Payments	273
- National Partnership Payments	599
- Other Commonwealth revenue	229
Own-source revenue	864
Total revenue	4 622

Lowest Taxes

Budget 2011-12 continues the Territory Government's commitment to cutting the cost of business expenses with payroll tax reductions from 1 July 2011, maintaining the lowest level of tax on businesses in Australia for small to medium enterprises. The payroll tax cuts include a reduction in the rate from 5.9% to 5.5% and an increase in the threshold from \$1.25M to \$1.5M with a reducing deduction thereafter.

Working Future

Child Protection

In response to recommendations from the Board of Inquiry into child protection, in 2011-12 the Territory Government will spend an additional \$25.2M as part of the *Safe Children, Bright Futures Strategic Framework 2011-2015* to expand and reform child protection services, with a particular focus on increasing and improving child protection services in remote areas, including:

- \$3.6M to reform the child protection intake system, increase family support programs, and expand the roll-out of community Child Safety and Wellbeing teams in Territory Growth Towns;
- \$6.4M for additional child protection workers to support improved caseload ratios, to implement an incentive package for frontline staff, and increase training and support for Aboriginal employees;
- \$1.5M to establish an Aboriginal child, youth and families peak body, and create Aboriginal child care agencies in Darwin and Alice Springs; and
- \$5.6M to support the implementation of new legislation, policies and workforce reforms, as well as improved localised services in three new regions.

In May 2009, the Territory Government announced Working Future, a strategy targeted at improving the lives of Territorians living in remote areas. The initial focus of Working Future is the development of 20 of the Territory's largest and most strategically placed communities into Territory Growth Towns, with infrastructure and services comparable with other towns of a similar size. Local implementation plans, that incorporate local community needs, have been signed by communities in 10 of the 20 Growth Towns, with remaining towns to be finalised during 2011-12.

Working Future aims to develop Territory Growth Towns into residential, commercial activity and service delivery hubs for town residents and surrounding communities and outstations. The 2011-12 Budget incorporates a number of initiatives that progress and support Working Future.

Education

Working Future supports education in Territory Growth Towns and other remote areas under the Territory Government's *Strong Start, Bright Futures* framework, which aims to deliver quality education from early childhood, to engage young people at school, and provide a transition to real and sustainable local employment opportunities. *Strong Start, Bright Futures* is supported by Territory and Commonwealth co-investment under the Smarter Schools Education National Partnerships.

The 2011-12 Budget includes:

- \$16.4 million to build, and \$4.8 million to operate, child and family centres at Yuendumu, Gunbalanya, Maningrida and Ngukurr, funded by the Commonwealth;
- \$7.8 million from the Closing the Gap and Low SES National Partnerships towards a total of \$10.6 million to support outcomes for Indigenous students through *Strong Start, Bright Futures*;
- \$3.5 million contribution to a total of \$8.69 million to continue and expand 'virtual' very remote early learning, child care and parent and family support services to Indigenous families;
- \$2.3 million to continue and expand enrolment and attendance initiatives under the *Every Child Every Day* strategy;
- \$3.18 million to continue and expand student engagement programs such as Clontarf Football Academy (to at least 13 sites) and Sporting Chance for Indigenous girls and young women at six sites;
- \$0.25 million to continue providing vocational education and training and work experience programs for students in the middle years of schooling, especially Indigenous young men; and
- an additional \$0.5 million to expand the Mobile Preschool program to a total of \$3 million to provide access to preschool for children living in small remote communities and town camps.

Working Future will support quality teaching in remote schools through:

- \$8.53 million for employment strategies for local Indigenous people comprising \$7.37 million investment in CDEP transition and \$1.1 million for 16 full-time equivalent assistant teacher positions;
- \$2.55 million towards a total of \$4.75 million to consolidate and expand training and development pathways for Indigenous educators;
- \$1.44 million to continue providing English as a Second Language (ESL) training and support for teachers;
- \$1.2 million to establish up to 50 Specialist Teacher contract positions in identified schools; and
- \$1.2 million for additional teachers in very remote schools.

Working Future also includes school infrastructure upgrades:

- \$1.1 million to upgrade Kalkaringi school; and
- \$0.9 million for primary school upgrades in remote areas, including Territory Growth Towns such as Borroloola and Milingimbi.

Employment and Training

The development of Territory Growth Towns into regional economic hubs requires the growth of commerce and industry, supported by a skilled workforce. In 2011-12, the Territory will support Indigenous economic participation through:

- \$6.4 million to continue to enhance and support training programs in Territory Growth Towns, including \$2.6 million to implement innovative and flexible training programs in communities that connect Indigenous Territorians to local employment opportunities; and
- \$2.09 million, in conjunction with the Commonwealth, for the Indigenous Training Employment Program to support employment opportunities for working age Indigenous Territorians in regional and remote communities, particularly Territory Growth Towns.

The Territory Government will also focus on increasing Indigenous employment in the Northern Territory Public Sector (NTPS) through:

- \$2.1 million to increase Indigenous employment outcomes and involvement in conservation management in parks;
- \$1.2 million per annum for the NTPS apprenticeship program, employing up to 140 apprentices per year, including 40 school-based apprentices;
- \$1 million to support training and development opportunities for NTPS employees in remote localities; and
- \$0.5 million for the NTPS Entry Level Indigenous Employment Program, employing up to 80 Indigenous recruits.

Shire Indigenous Workforce Package

The 2011-12 Budget provides \$10M as part of the three-year \$30M Shires Indigenous Workforce Package. The package will provide a comprehensive plan to help build the capacity of shires to deliver sustainable Indigenous employment and workforce development.

The Territory Government is investing \$8.4M per year, supported by a further \$1.6M per year from the Commonwealth. The additional funding is expected to sustain employment for about 530 Indigenous people over the next three years, delivering council services such as road construction and maintenance, parks and gardens maintenance, grass and weed management, waste collection and dump management.

This workforce package is in addition to the 250 jobs being developed for local Indigenous people to provide housing, maintenance and tenancy services, and is also supported by \$3M per year for shire councils to maintain and upgrade Territory Government infrastructure within the shire.



Remote Housing

The Territory Government is continuing programs to upgrade and construct housing in Territory Growth Towns, properly managed through the public housing system. In 2011-12, the Territory and Commonwealth governments are providing \$504.3M for housing and related works in remote communities to support a Working Future. This includes \$387.7M for remote Indigenous housing and related infrastructure, under Strategic Indigenous Housing and Infrastructure Program (SIHIP) and land servicing and essential services infrastructure in remote communities.

Under SIHIP 232 new houses, 270 rebuilds and 1111 refurbishments have been completed. A further 161 new houses, 48 rebuilds and 26 refurbishments are underway.

All up, work on 1848 houses across 64 communities and community living areas have been completed or commenced under the program.

Indigenous Essential Services

The expansion of residential and government employee housing, government services and businesses requires appropriate power, water and sewerage infrastructure. The 2011-12 Budget includes \$91.5M to upgrade and maintain essential services in remote areas, including:

- \$17.8M for a new gas-fired power station at Wadeye;
- \$25.1M to improve and maintain essential services infrastructure across the Territory; and
- \$48.6M in operating expenses, including fuel costs, and for essential services officers located in remote communities.

The 2011-12 Budget also includes \$4.1M for municipal and essential services in Territory Growth Towns and outstations/homelands, and \$2.1M for the connection of the Ampilatwatja power line to the Arlparra electricity grid.

Transport

A key objective of Working Future is to enhance access between Territory Growth Towns, surrounding communities and major centres through improving transport links over air, land and sea, thereby providing access to opportunities for work, education, health services, cultural events and private investment. In 2011-12, this includes:

- \$12.8 million for Central Arnhem Road, to continue stream crossing upgrades at Goyder River, Donydji Creek and Mainoru Creek;
- \$12 million for Port Keats Road to continue flood immunity improvements, including a new high level bridge over the Daly River;
- \$2 million in 2011-12, as part of a \$6.2 million program over three years to upgrade barge landing facilities in remote locations to provide all-weather protection and allow day and night capabilities; and
- \$1.15 million to continue the trial of additional passenger bus services to remote communities.

Government Service Delivery

Improving government services in remote communities requires increased capacity to deliver those services. The 2011-12 Budget includes:

- \$41.1 million for new and ongoing upgrades and construction of government employee housing in remote areas for nurses, teachers, police and other service personnel;
- \$6.6 million as part of a three-year \$16.4 million funding package for the Digital Regions Initiative National Partnership Agreement to provide enhanced services in Territory Growth Towns including video conferencing, tele-health for clinicians and e-learning initiatives for students and employees; and
- \$2 million for shires to support local board governance and community infrastructure.

The Territory will also work in conjunction with the Commonwealth and local government to plan the staged roll-out of government business centres in Territory Growth Towns, providing residents with convenient access to a wide range of government services.

Infrastructure

The 2011-12 infrastructure program focuses on the construction of new and upgraded housing in remote areas, improved access to services through upgrades to roads, airstrips and barge landings, and improved community infrastructure.

	Capital Works	Infrastructure Grants	Total
	\$M	\$M	\$M
Working Future by Function			
Housing and related works	387.7	116.6	504.3
Transport	69.4	0.0	69.4
Community safety	27.9	1.0	28.9
Education	25.2	0.0	25.2
Health	5.3	0.0	5.3
Total	515.4	117.6	633.1

Health

Improving health outcomes of Indigenous Territorians is a key priority of the Territory Government, which provides health care in remote areas through 84 rural health centres and clinics. The 2011-12 Budget continues to enhance remote health care under Working Future with:

- \$3 million to expand renal facilities across the Top End;
- \$2.5 million to continue the implementation of a coordinated approach to patient care from hospital to community for Indigenous patients with chronic illnesses;
- \$2 million for the construction of a new health centre at Umbakumba;
- \$0.45 million for the upgrade of the Oenpelli Health Centre; and
- \$0.4 million increase Sexual Assault Referral Centre (SARC) services across the Territory, including the expansion of the Katherine SARC office.

Safe Communities

In 2011-12, the Territory Government will work in partnership with the Commonwealth to make Territory communities safer places to live, work and learn through:

- \$30.7 million for the provision of remote police, the child abuse taskforce, and the substance abuse intelligence desk and dog operations unit under the Closing the Gap National Partnership Agreement;
- \$3.5 million to upgrade safe places in 15 remote communities to provide improved and more secure amenities;
- \$0.6 million to develop and deliver community education materials on family violence and its impact on children in remote communities; and
- the continuation of work on police stations in Gapuwiyak and Ramingining and the commencement of construction at Arlparra.

The 2011-12 Budget also includes \$4 million for a replacement police aircraft to support police operations in remote areas, and \$3 million to upgrade and construct cyclone shelters in remote communities.

New Era in Corrections

Budget 2011-12 incorporates the Territory Government's commitment to providing improved rehabilitation programs and stronger reintegration support to reduce prisoner numbers, many of whom are Indigenous, and the rate of reoffending.

The 2011-12 Budget includes \$8.5 million, as part of a \$120 million investment over five years, to implement initiatives under the New Era in Corrections including:

- \$5.2 million for enhancing community-based orders, particularly in remote areas, and \$1.5 million to increase monitoring and surveillance in the community;
- \$1.2 million for accommodation, treatment and education options that target offending behaviour and provide alternatives to custody; and
- \$0.5 million to increase community-based reintegration measures.

The Budget also includes \$3.1 million to operate the prisoner work camp in Tennant Creek, with a focus on improved rehabilitation and reintegration outcomes.



Alcohol Reform

Managing alcohol and other substance abuse is a key enabler of Working Future. The 2011-12 Budget includes \$7.25M to address substance abuse under the Closing the Gap National Partnership with the Commonwealth, including:

- \$2.2M for licensing compliance and signage to enforce alcohol restrictions such as carriage and consumption arising from the Northern Territory Emergency Response and community consultations;
- \$4.7M for the development and implementation of new alcohol management plans across remote and prescribed communities to manage availability of alcohol in these areas; and
- \$0.4M for Australian Classification Standards and Education Programs to provide information and education to prescribed communities.

This is in addition to the \$10.9M for the Territory's *Enough is Enough* alcohol reforms.

Housing the Territory

BuildBonus

BuildBonus is a one-off grant of \$10 000 for home buyers who build or purchase a new home or off-the-plan unit to the value of \$530 000. BuildBonus has been designed to increase construction levels and affordable homes. It applies where contracts are signed from 3 May 2011 to 31 December 2011 and construction commences after 3 May 2011.

Stamp Duty Concessions

Further assistance is provided through stamp duty concessions:

- first home buyers receive a stamp duty exemption on the first \$540 000 of the value of their home, a saving of up to \$26 730;
- the \$3500 principal place of residence rebate for non-first home buyers; and
- a concession of \$8500 to assist senior Territorians and Pensioner and Carer Concession cardholders to downsize or buy a home.

The 2011-12 Budget provides strong support for home ownership through the continued release of residential land, ongoing stamp duty concessions and the new BuildBonus grant. The Budget continues to build on Government's investment in housing, providing funding of \$539 million to construct new, and refurbish existing, public and government employee housing and provide land servicing and improvements to essential services infrastructure in remote communities.

Fast-Tracking Land Release

The Government's Housing the Territory plan continues to release land over the next four years. The 2011-12 Budget provides \$56 million for headworks to support residential and industrial development including:

- \$20.3 million to continue key headworks infrastructure for the three new suburbs of Bellamack, Johnston and Zuccoli in Palmerston;
- \$3.5 million to continue the \$13.5 million development of the new 1200 lot suburb of Kilgariff in Alice Springs; and
- \$28 million for industrial land.

HOMESTART NT

HOMESTART NT supports low to middle income earners and first home buyers to purchase their own home through shared equity loans, low deposits and fee assistance loans. In 2011-12 the purchase price caps and income limits are increased to provide Territorians with access to 40 per cent of properties on the market.

Income Levels

Household Size	Income	Household Size	Income
1	\$80 000	4	\$112 500
2	\$97 500	5	\$120 000
3	\$105 000	6 or more	\$127 500

Purchase Price Caps

	Darwin and Palmerston	Katherine	Tennant Creek	Alice Springs
New price cap	\$530 000	\$300 000	\$210 000	\$435 000
Old price cap	\$475 000	\$285 000	\$125 000	\$385 000
Increase	\$55 000	\$15 000	\$85 000	\$50 000

Affordable Housing

The 2011-12 Budget sees the establishment of a new Affordable Housing Rental Company to provide quality and affordable rental housing for low to middle income earners at below market rent. In addition, the Territory continues the affordable land release strategy, with 15 per cent of lots in Government land releases to be set aside for affordable and social housing.

In 2010, the Land Development Corporation (LDC) delivered 28 unit-titled homes for Territory residents eligible for the HOMESTART NT initiative. In 2011, LDC will work with Territory businesses to develop stage 1 of the new Palmerston suburb of Zuccoli.

Public Housing

The public housing program continues Government's commitment of \$49 million to build 150 new homes over three years. The Budget continues to improve the amenity and capacity of public housing stock in urban areas by constructing new dwellings that are appropriate to client needs, and providing ongoing and targeted programs to repair, refurbish and upgrade existing stock. The 2011-12 Budget provides \$75 million for new and upgraded urban public housing including:

- \$14.4 million to complete the construction and refurbishment of 186 public and affordable housing dwellings across the Territory under stage 2 of the \$60 million Nation Building and Jobs Plan National Partnership Agreement;
- \$15.1 million to repair and refurbish existing public housing dwellings;
- \$9.4 million to commence a targeted upgrade program on public housing dwellings across the Territory; and
- \$1.3 million under the National Partnership Agreement on Homelessness to construct additional social housing to support families at risk of homelessness.

Ongoing funding of \$1.2 million is also provided to address antisocial behaviour and improve tenant safety in public housing complexes under the Public Housing Safety Strategy.

Supported Accommodation

The Territory and Commonwealth governments are working together to provide new supported accommodation.

The 2011-12 Budget includes \$6.8 million to establish and operate managed short-term accommodation facilities in Alice Springs and Darwin, under the Alice Springs Transformation Plan and the Commonwealth stimulus package (stage 2), including:

- additional funding of \$1.22 million to manage the Apmere Mwerre Visitor Park, a short-term accommodation facility in Alice Springs to house up to 150 visitors;
- recurrent funding of \$1.22 million to operate a transitional accommodation facility providing up to 78 beds at Crerar Road, Berrimah;
- operational funding of \$1.06 million for Percy Court Transitional Village in Alice Springs to house up to 70 people; and
- \$2 million for a tenancy sustainability program, and homelessness referral services and grant programs.

Government Employee Housing

The 2011-12 Budget provides \$41.1 million to construct, replace and upgrade government employee housing for more police, teachers and nurses, including:

- \$8 million to construct new houses and upgrade existing houses in remote areas; and
- \$1 million for land servicing in remote areas to support additional government employee housing.

Remote Housing

The 2011-12 Budget continues to support the Territory Government's Working Future strategy to improve the lives of Territorians living in remote areas.

The construction of new dwellings and refurbishment of existing housing stock in remote areas continues, underpinned by significant Commonwealth investment through SIHIP as part of the Remote and Indigenous Housing National Partnership Agreement. The capacity of Territory Growth Towns to support growing populations and expanded services is being progressed through ongoing land servicing and augmentation of essential services infrastructure in remote communities.

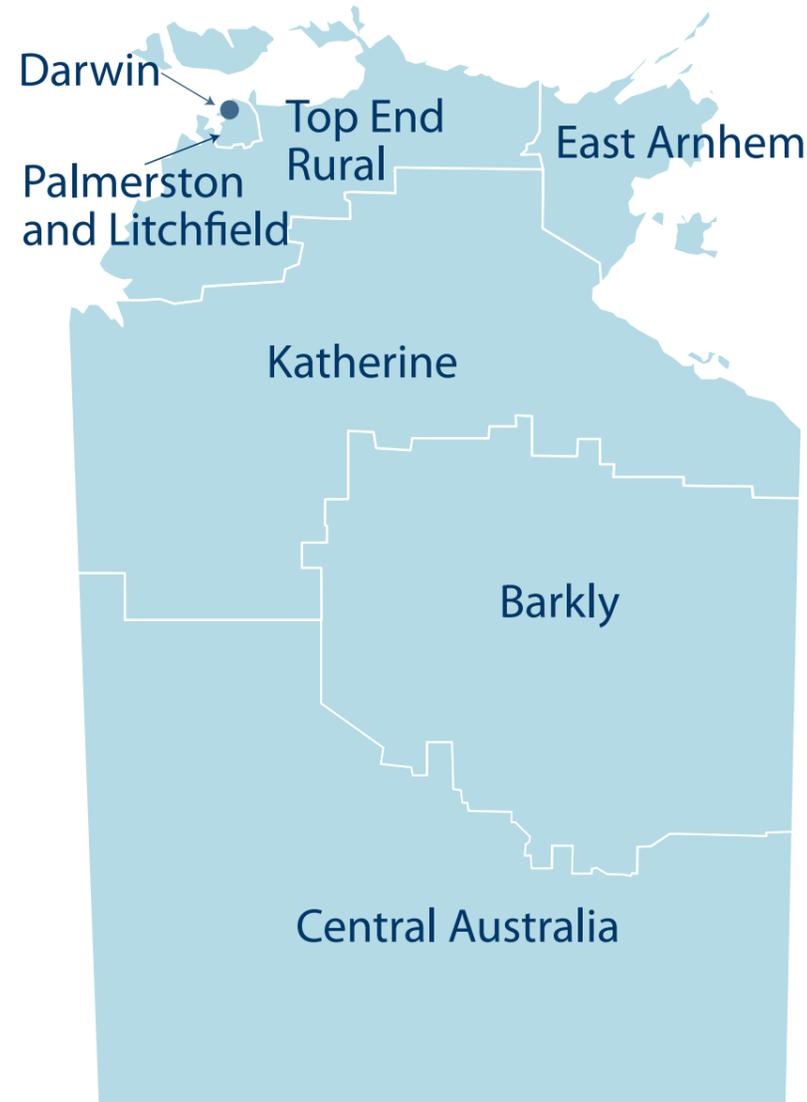
The 2011-12 Budget provides \$387.7M to construct housing, upgrade existing housing and provide associated infrastructure in remote Indigenous communities through delivery of SIHIP with:

- \$147M to provide land servicing and essential services infrastructure in Territory Growth Towns; and
- \$240.7M to improve remote Indigenous housing and housing-related infrastructure.

The 2011-12 Budget also delivers \$1.6M to survey new and existing residential developments and infrastructure in Territory Growth Towns, continuing the \$3.6M three-year initiative.



Regional Highlights



Darwin

- \$729.4M for better health
- \$380.6M for better schooling
- \$212.6M for safer communities
- \$39.7M for community development
- \$41.5M to upgrade emergency stand-by power generation at Royal Darwin Hospital
- \$30.2M for jobs and training, including vocational education and training
- \$15.6M to upgrade Stokes Hill Wharf

- \$16M for patient accommodation at Royal Darwin Hospital
- \$12.3M for the Berrimah Fire Station
- \$11.9M to relocate Namarluk School to Alawa and upgrade facilities
- \$11M for lifestyle and environment
- \$3.6M for training accommodation units at the Peter McAulay Centre
- \$3.3M to support business
- \$2.45M for the construction of public housing in the northern suburbs

Palmerston and Litchfield

- \$121M for better schooling
- \$66.4M for safer communities
- \$28.1M for community development
- \$27M for headworks for the new Doug Owston Correctional Facility
- \$20.3M to continue headworks for new suburbs in Palmerston East
- \$12.6M for Palmerston Water Park including a six-lane super racer slide
- \$10.2M for lifestyle and environment
- \$9.7M for continuing work on Tiger Brennan Drive including the Berrimah Road rail overpass

- \$7.6M to support business
- \$7.4M for jobs and training
- \$6.1M to construct the new Palmerston rugby league facility
- \$6M to continue upgrading and sealing Jenkins Road
- \$3.9M for better health
- \$3.3M for new courts and clubhouse at the tennis and netball facility
- \$3M to Taminmin College for a new special education centre
- \$2.3M to upgrade pitches and construct a grandstand and clubhouse at the soccer facility

Katherine

- \$80.7M for better schooling
- \$49.2M for better health
- \$39M for SIHIP and essential services infrastructure in Territory Growth Towns
- \$30.6M for safer communities
- \$16M for community development
- \$8.4M for jobs and training including vocational education and training
- \$4.8M to support business

- \$6M for a new high-level bridge over the King River
- \$3.3M to continue construction of a high-level bridge over the Cullen River on the Stuart Highway
- \$2.8M to continue the upgrade and expansion of existing renal facilities at Katherine District Hospital and associated renal services
- \$2.5M to upgrade and seal the Yarralin airstrip
- \$0.9M for lifestyle and environment

Territory-wide

- \$101.9M to repair and maintain roads across the Territory
- \$47.7M to support business
- \$46.6M for safer communities
- \$37.8M for lifestyle and environment
- \$37.8M for jobs and training
- \$24.9M for better health
- \$14M for National Network road strengthening and widening

- \$14M for community development
- \$8M to construct new, and upgrade existing, government employee housing in remote communities
- \$6M for National Network road safety infrastructure
- \$5M to provide overtaking opportunities on the Stuart Highway between Katherine and Darwin
- \$3.5M to upgrade safe places in 15 remote communities

- \$4.6M for the Roads to Recovery Program
- \$3M for cyclone shelter upgrades
- \$3M to construct new renal facilities in the Top End
- \$2M for pavement strengthening and widening of rural arterial roads
- \$2M for urban roads landscaping
- \$2M for upgrades to priority beef secondary roads
- \$1M for the Black Spot program

Central Australia

- \$411.6M for better health
- \$115.3M for better schooling
- \$88.9M for safer communities
- \$66.7M for SIHIP and essential services infrastructure in Territory Growth Towns
- \$35.2M for continuing fire protection, air-conditioning and remediation works at Alice Springs Hospital
- \$39.1M for community development

Top End Rural

- \$85.1M for SIHIP and essential services infrastructure in Territory Growth Towns
- \$47.6M for better schooling
- \$46.8M for better health
- \$21.5M to continue the upgrade of Port Keats Road including a new high-level bridge
- \$17.8M to construct a new gas-fired power station at Wadeye
- \$10M for safer communities

- \$6.3M to upgrade and strengthen the Arnhem Highway
- \$6.2M for jobs and training
- \$5.6M for lifestyle and environment
- \$5M to upgrade and seal selected stream crossings on Fog Bay Road
- \$4M to support business
- \$0.7M for to continue the upgrade of the Minjilang (Croker Island) aerodrome to provide all weather capabilities
- \$0.7M for community development

East Arnhem

- \$92.7M for better schooling
- \$65.6M for SIHIP and essential services infrastructure in Territory Growth Towns
- \$43M for better health
- \$17.2M to upgrade and seal the road from Angurugu to Umbakumba
- \$15.2M to continue construction of multi-purpose police stations, residential housing and visiting officer quarters at Ramingining and Gapuwiyak

- \$12.8M for continued stream crossing upgrades at Goyder River, Donydji Creek and Mainoru Creek and targeted pavement upgrades on Central Arnhem Road
- \$12.7M for safer communities
- \$7.4M for jobs and training
- \$6.7M for community development
- \$2M to upgrade the Gapuwiyak barge landing
- \$1.3M to continue construction of six two-bedroom units at Gove District Hospital for staff accommodation
- \$1.1M for lifestyle and environment

Barkly

- \$43M for better schooling
- \$19.4M for better health
- \$15M for safer communities
- \$9.4M for a new multi-purpose police station and officer accommodation at Arlparra
- \$8.5M for community development
- \$5.2M for jobs and training
- \$3.3M for the final stage of fire safety upgrades of the Tennant Creek Hospital

- \$3.2M to expand and refurbish Tennant Creek Police Station
- \$2.6M for SIHIP and essential services infrastructure in Territory Growth Towns
- \$2.5M to upgrade the Canteen Creek airstrip to provide near all weather operations
- \$2M to upgrade the Utopia airstrip to provide near all weather operations
- \$1.4M for new facilities at the Elliott School

Infrastructure and Business

Power and Water Infrastructure

Investment in Power and Water infrastructure continues in 2011-12, with \$375 million of a five-year \$1.8 billion program to ensure power, water and sewerage assets meet future demand and improve reliability and security. Key projects include:

- \$107.7M – Channel Island Power Station;
- \$66.2M – Larrakeyah Outfall closure;
- \$39.5M – Palmerston pump station, mains and tank;
- \$32.1M – Weddell Power Station;
- \$30.8M – Darwin City zone substation;
- \$25M – Leanyer zone substation;
- \$23.4M – McMinns zone substation;
- \$21.5M – Rebuild the Channel Island Power Station – Hudson Creek transmission line;
- \$19.1M – Katherine Power Station;
- \$15.7M – Borroloola Sewerage Scheme; and
- \$15.5M – Snell Street zone substation.

Investing in the Territory

The Territory's infrastructure program has played a key role in maintaining economic growth in the Northern Territory during, and in the wake of, the global financial crisis. The 2011-12 Budget provides a total infrastructure budget of \$1.5 billion.

Although lower than 2010-11 due to the completion of Commonwealth-funded projects, the 2011-12 infrastructure program remains significantly higher than the long-term trend.

The 2011-12 infrastructure program includes essential infrastructure, housing and land release, upgrades to the Territory's road network, education and health facilities, and improvements to other community infrastructure. Major highlights include:

- \$539 million for housing in the Territory including:
 - \$290 million for remote Indigenous housing and related infrastructure under the Strategic Indigenous Housing and Infrastructure Program, including land servicing and essential services and infrastructure;
 - \$75 million for urban public housing; and
 - \$41.1 million for government employee housing for more nurses, teachers and police in remote towns.
- \$110 million for education infrastructure including:
 - \$13.1 million to complete new infrastructure projects under the Commonwealth's Nation Building and Jobs Plan;
 - \$19.4 million for special education expansions and upgrades to Namarluk, Acacia Hill and Henbury schools and Palmerston Senior and Taminmin colleges; and
 - \$33.9 million for repairs and maintenance across the Territory.
- \$193 million for health infrastructure including:
 - \$72 million to continue upgrades to Royal Darwin Hospital, including \$9.5 million for the emergency department and operating theatres; and
 - \$65.9 million to continue upgrades at Alice Springs Hospital, including \$20.5 million for construction of the new emergency department.
- \$61 million for new and improved police, fire and emergency services infrastructure, including \$9.4 million for a new police station at Arlparra and \$12.3 million for the new Berrimah Fire Station; and
- \$23.8 million for land servicing and headworks at the new suburbs of Kilgariff in Alice Springs, and Bellamack, Johnston and Zuccoli in Palmerston.

Supporting Business

Budget 2011-12 continues to support measures to improve the business potential of the Territory and make it easier to do business in the Territory, including employer incentives, industry and business up-skilling and the release of industrial land in the Darwin area.

In 2011-12, the Budget includes measures to increase the number of workers in key skill shortage areas including:

- \$2.09 million, in conjunction with the Commonwealth, for the Indigenous Training Employment Program to support employment opportunities for working age Indigenous Territorians in regional and remote communities, particularly Territory Growth Towns; and
- \$1.44 million for the Industry Development Support Program to assist peak industry associations grow the capability and capacity of local industry, and develop and grow a skilled workforce.

Further measures aimed at making it easier to do business in the Territory include:

- \$1.9 million to provide businesses with licensing, start-up and planning assistance through Territory Business Centres;
- \$1.46 million to assist in business development, including the Trade Support Scheme, Industry Development Grant Scheme, Territory Business Growth Grants program and Business Upskills program; and
- \$1.2 million to develop a one-stop, on-line service for Territory businesses to interact with government for business registrations, licences and other government provided services to complete the Territory's National Business Online Services reform.

Resources Industry Growth

The 2011-12 Budget includes measures to develop Territory industry, while maintaining a focus on environmental standards, including:

- \$3.8 million for a renewed three-year \$11.4 million Bringing Forward Discovery program to stimulate mineral and petroleum exploration and attract exploration investment into the Territory, including a renewed Geophysics and Drilling Collaborations initiative;
- \$5 million to facilitate development of the Marine Supply Base; and
- \$3.1 million to ensure compliance with legislation in the mining, energy and exploration industries and implementation of environmental best practice.

Supporting Tourism Growth

Budget 2011-12 maintains the Territory Government's commitment to support and develop the Territory's tourism industry marketing and destination development with funding of \$41.4 million including:

- \$3 million for major tourism marketing campaigns of Territory landmarks, including Kakadu and the Red Centre;
- \$1.6 million for business development and marketing support to improve airline access to the Territory from key source markets;
- \$1 million to develop Indigenous tourism experiences; and
- \$1.1 million to attract business events to the Territory, including conferences, exhibitions, corporate meetings and incentive travel.



Improving Major Roads

The 2011-12 Budget continues upgrades to Territory roads to improve urban traffic flow and access throughout the Territory.

In 2011-12, the Budget includes a \$307M infrastructure program for Territory roads and national highways, funded by the Territory and Commonwealth governments. Major projects include:

- \$56M to improve flood immunity and provide better access to regional and remote communities;
- \$35M for strengthening and widening and road safety improvements under the National Network roads program;
- \$6M to upgrade and seal Jenkins Road; and
- \$5M for overtaking lanes between Darwin and Katherine.

The 2011-12 Budget also provides \$93M for repairs and maintenance, including an additional \$14M to repair and maintain roads across the Territory in response to recent flooding.

Payroll Tax Measures

From 1 July 2011, the payroll tax rate will reduce from 5.9% to 5.5%.

In addition, the annual threshold of \$1.25M will be increased to \$1.5M from 1 July 2011, meaning that businesses with a payroll of up to \$1.5M will not pay any payroll tax in the Territory. The threshold will be changed from a general exemption to a deduction from an employer's taxable wages. For businesses with wages above the \$1.5M annual threshold, the deduction will reduce by \$1 for every \$4 in wages paid.

The higher threshold and lower payroll tax rate means that more small and medium-sized businesses are excluded from having to register for, and pay, payroll tax. Under the new arrangements, more than 170 local businesses will pay less payroll tax, including over 40 that will no longer pay any payroll tax.

Education and Training



Improving education outcomes of all Territory students is a key Territory Government priority. The 2011-12 Budget provides \$930 million for the Department of Education and Training, including \$683 million to deliver quality education outcomes through Territory Government schools, \$141 million for non-government schools, and \$106 million for training. In 2011-12 the Commonwealth is contributing \$40 million under the Smarter Schools Education National Partnerships.

Territory Schools

The 2011-12 Budget incorporates \$41 million for new and upgraded school facilities. This includes \$7.2 million, completing the \$246 million four-year Territory Government initiative to upgrade every school, for the following 24 schools:

- Alpururulam, Bakewell, Borrooloola, Clyde Fenton, Driver, Durack, Gillen, Gray, Kalkarindji, Larapinta, Leanyer, MacFarlane, Malak, Milingimbi, Moil, Nakara, Nganmariyanga, Nightcliff, Parap, Sadadeen, Stuart Park, Wanguri, Woodroffe and Ross Park.

The Budget also includes Working Future upgrades of:

- \$16.4 million to build, and \$4.8 million to operate, child and family centres at Yuendumu, Gunbalanya, Maningrida and Ngukurr, funded by the Commonwealth; and
- \$1.1 million to upgrade Kalkaringi School.

Teaching

Quality teaching is a key element in improving educational outcomes, and the 2011-12 Budget continues funding for additional teachers and initiatives that support quality teaching practice, including:

- \$25.4 million for 170 teachers for Territory Government remote schools, through the four-year 200 Extra Teachers initiative funded by the Commonwealth;
- \$8.1 million to continue training and support for teachers in evidence-based teaching of literacy and numeracy and English as a second language;
- \$2.5 million to consolidate and expand training and development pathways for Indigenous educators;
- \$1.5 million to develop educational leaders through the Centre for School Leadership, Learning and Development;
- \$1.2 million to establish up to 50 Specialist Teacher positions in identified schools; and
- \$1.2 million for an additional 85 teacher aides in primary school transition classes.

Support for Special Needs Students

The 2011-12 Budget provides \$19.4M to upgrade special needs infrastructure, including:

- \$11.9M to upgrade and relocate Namarluk School to Alawa;
- \$3M for Taminmin College;
- \$2M for Henbury School;
- \$1.5M to continue works at Acacia Hill School; and
- \$1M for Palmerston Senior College.

In addition, Budget 2011-12 includes \$1.7M to continue support services for students with intellectual disabilities and students with high level behavioural and emotional difficulties, including:

- grants to support and assist students with extreme behaviours;
- Positive Learning Centres in Alice Springs and Palmerston for students with extreme challenging behaviours; and
- professional support for Autism Spectrum Disorder in Palmerston and Darwin.

Education Initiatives

The 2011-12 Budget incorporates a range of education initiatives, including:

- \$5.9 million as part of the Early Childhood Education National Partnership, to ensure that by 2013 every child can access a preschool program;
- \$2.85 million to better align, co-locate and tailor the curriculum and special needs support services in individual regions; and
- \$0.85 million for stage 1 implementation of the National Curriculum.

Alice Springs and Palmerston Youth Action Plans

The 2011-12 Budget continues stage 2 of the Alice Springs Youth Action Plan, to get young people in Alice Springs to attend and stay at school, including:

- \$3.58 million for boarding accommodation for middle year and senior college students; and
- \$0.75 million for wraparound support services for youth disengaged from school and partaking in high risk behaviours.

The 2011-12 Budget also provides additional funding of \$1.55 million to deliver the Palmerston Youth Action Plan, including:

- expanded use of Family Responsibility Agreements;
- increased targeting of police operations school based constables and expansion of authorised officers to enforce school attendance; and
- \$0.7 million to establish an Engagement Centre at Palmerston Senior College for disengaged youth.

Training

The 2011-12 Budget includes initiatives to support and grow a skilled Territory workforce, primarily through Jobs NT 2010-12, including:

- \$8.53 million for employment strategies for local Indigenous people, comprising a \$7.37 million investment in CDEP transition and \$1.1 million for 16 full-time equivalent assistant teacher positions;
- \$1.85 million for 15 Industry Engagement and Participation personnel to facilitate structured work placement programs for senior students, including a Commonwealth contribution of \$0.35 million;
- \$1.3 million for the WorkWear WorkGear program to help first year apprentices and trainees with the costs of buying work wear, safety gear and other work-related necessities;
- Continuation of \$1 million per annum for 10 000 apprentice and trainee commencements between 2009 and 2012;
- Work Ready funding of \$0.9 million to continue to help young Territorians transition from school into apprenticeships and traineeships;
- \$0.8 million in incentives for employers to take on apprentices and trainees in skills shortage occupations, or who employ persons from disadvantaged groups; and
- \$0.25 million to continue vocational education and training, and work experience programs for students in the middle years of schooling, particularly Indigenous young men.

Working Future

The 2011-12 Budget continues the Territory and Commonwealth governments' commitment to improving the educational outcomes of Indigenous students, through the Territory's *Strong Start, Bright Futures* framework, and includes:

- \$7.8M towards a total of \$10.6M to support outcomes for Indigenous students from the Closing the Gap and Low SES National Partnerships with the Commonwealth;
- \$6.4M for training programs in Territory Growth Towns, including \$2.6M to implement innovative and flexible training programs that connect Indigenous Territorians to real and sustainable local employment opportunities;
- \$3.5M to continue and expand 'virtual' very remote early childhood integrated service hubs and associated Families as First Teachers programs; and
- \$0.5M to expand the Mobile Preschool program to a total of \$3M to provide access to preschool for children living in small remote communities and town camps.

The Territory Government will continue to support young people's engagement in school, through:

- \$3.2M to continue and expand student engagement programs such as Clontarf Football Academy and a Sporting Chance for Indigenous girls;
- \$2.3M to continue and expand enrolment and attendance initiatives under the *Every Child Every Day* strategy;
- \$1.6M to continue Attendance and Truancy Officers in Darwin, Palmerston and Rural, Katherine, Arnhem, Barkly and Alice Springs; and
- \$1.2M for additional teachers in very remote schools.

Community Safety

Enough is Enough Alcohol Reforms

The centrepiece of the 2011-12 Budget is the *Enough is Enough* alcohol reforms. The \$67M five-year plan targets problem drinkers and mandates treatment to curb alcohol-related crime and antisocial behaviour, with \$10.9M in 2011-12, including:

- \$5.2M for enhanced urban and remote treatment and rehabilitation services, including Outreach services, withdrawal support and clinical support to the SMART Court;
- \$4.7M to support the introduction of a Banned Drinker Register and ID scanner system; and
- \$1M for a SMART Court and Alcohol and Other Drugs Tribunal.

Further measures in the 2011-12 Budget aimed at reducing alcohol-related crime and antisocial behaviour, include:

- \$0.5M for continued responsible drinking education campaigns; and
- \$2.2M to reduce substance abuse through dog units in Darwin, Alice Springs and Katherine and substance abuse intelligence units in Alice Springs and Katherine.

The 2011-12 Budget focuses on reducing alcohol-related crime and antisocial behaviour and provides improved rehabilitation services and pathways back into the community. This is underpinned by Government's *Enough is Enough* alcohol reforms and a significant investment in the justice system through the *New Era in Corrections* package. The 2011-12 Budget continues to support Police, Fire and Emergency Services with funding of \$328 million.

Police and Community Safety Services

Growth in police services to support a safer community continues in the 2011-12 Budget, with:

- \$7.37 million to support Police Beats in six locations;
- an additional \$2.5 million to increase the capacity of the Forensic Science Branch, including \$1.2 million to expand laboratories and office accommodation; and
- \$1.75 million for CCTV monitoring in Darwin, Casuarina, Palmerston and Alice Springs, an increase of \$0.6 million.

The 2011-12 Budget continues to deliver police services in remote communities by providing:

- \$28.67 million for policing in 18 remote communities, a key aspect of Working Future;
- \$15 million to continue works on the Gapuwiyak and Ramingining police stations as part of Working Future; and
- \$9.4 million for the new Arlparra Police Station.

The 2011-12 Budget also invests in support services to complement police activities including:

- \$3.5 million for upgrades of safe places in 15 remote communities across the Territory to provide improved and more secure amenities;
- \$2.32 million for intervention and case management services in Darwin, Palmerston, Katherine and Alice Springs and a night patrol service in Darwin;
- \$1.4 million to enhance the Child Abuse Taskforce and expand the Central Intake Team after-hours service to manage increased workloads and to continue to implement the recommendations for the intake system;
- \$1.2 million for public housing safety officers to patrol public housing complexes;
- \$0.97 million to maintain the First Response Patrol; and
- \$0.8 million for nurses to be stationed in Darwin, Alice Springs and Katherine watch houses to provide an increased level of health screening for people in custody.

Fire and Emergency Services

The 2011-12 Budget provides \$12.3 million for construction of the new Berrimah Fire Station, which will include an urban search and rescue equipment storage facility and facilities for Darwin's Emergency Services volunteer unit. The fire station will support the Port of Darwin and provide backup to current services at Marrara, Stuart Park and Palmerston.

In 2011-12, additional funding of \$5.44 million is provided to enhance and improve fire and emergency services across the Territory, including:

- \$3.8 million to continue resourcing the Fire and Rescue Service to meet current and future fire and emergency risks; and
- \$1.2 million to commence recruitment and training of additional firefighters required for the new Berrimah Fire Station.

Corrections

The 2011-12 Budget includes \$27 million for headworks for the new Doug Owston Correctional Centre and secure Mental Health Behavioural Management Facility in Holtze. The purpose-built facilities will enable the delivery of rehabilitation, education and training programs needed to reduce re-offending rates and appropriately accommodate prisoners with mental health issues.

The 2011-12 Budget also provides \$3.1 million to support the operation of the new \$5.1 million 50-bed Prisoner Work Camp at Tennant Creek. Prisoners at the camp will participate in community work projects, linking prisoner rehabilitation to jobs to break the cycle of crime.

The Territory Government continues to improve resources for the corrections system, including:

- \$3.8 million increase to meet the increased capacity of correctional centres to manage offenders;
- \$1.7 million as part of a \$5.6 million increase for community corrections operations and to implement recommendations of the Community Corrections Workforce Review; and
- \$1.4 million to operate the newly established 16-bed Alice Springs Juvenile Detention Centre. The centre is part of the Government's package of measures to tackle crime in Alice Springs.

Alice Springs and Palmerston Youth Action Plans

The Territory Government will continue delivering specific youth action plans that improve coordination and strengthen key services to vulnerable and disconnected young people in Alice Springs and Palmerston to combat truancy and antisocial behaviour. The 2011-12 Budget includes \$3.7 million for stage 2 of the Alice Springs Youth Action Plan and \$3.9 million for the Palmerston Youth Action Plan.

There is also \$1.3 million to support three youth camps across the Territory, for youth who have displayed antisocial or offending behaviour.



New Era in Corrections

The 2011-12 Budget provides \$8.5M as part of the \$120M five-year package to deliver a *New Era in Corrections* and break the cycle of re-offending, through:

- new and enhanced community-based orders in urban and remote areas, including court orders mandating participation in education, training, programs and community work and requiring intensive supervision by Community Corrections;
- utilising supported accommodation, treatment and program centres by providing additional supported accommodation beds and a range of treatment and training programs targeted at driving offenders, offenders with alcohol and drug issues, and those currently remanded in custody due to unstable or transient living arrangements;
- enhanced electronic monitoring and surveillance capacity to track parolees in the community, including 30 electronic anklets in 2011-12;
- increased community-based reintegration measures, including expansion of the Elders Visiting Program and post-release support and accommodation; and
- enhancement of custodial options, including the newly constructed Barkly Work Camp and the planned Doug Owston Correctional facility.



Health and Families

National Health Reform

On 13 February 2011, the Council of Australian Governments (COAG) signed the Heads of Agreement – National Health Reform. The Heads of Agreement foreshadows the National Health Reform Agreement, which is to be finalised by COAG by 1 July 2011, and outlines reforms to the way hospitals are governed, funded and delivered.

Key features include:

- the Commonwealth will contribute 45% of the efficient growth funding of hospitals from 2014-15, increasing to 50% from 2017-18, with no state being worse off from the reforms;
- the establishment of Local Hospital Networks (LHNs). Two LHNs are planned for the Territory, expected to be operational by 1 July 2012;
- focus on performance and transparency with the establishment of independent bodies to oversight service pricing, performance and hospital funding transfers;
- states to continue as system managers for public hospital services, purchasing public hospital services from LHNs through Service Level Agreements; and
- emphasis on reducing waiting times in emergency departments and for elective surgery.

Further reforms to mental health, dental health and aged care are scheduled to occur over the next three years. Over time, the Commonwealth will also take over full funding, policy, management and delivery responsibility of aged care services.

The 2011-12 Budget provides \$1.3 billion to improve the health and wellbeing of Territorians, particularly children and young people. Budget 2011-12 includes \$1.12 billion to the Department of Health to deliver quality health services through hospitals and health facilities, with a further \$182 million provided to the newly established Department of Children and Families to ensure continued support and improved services to support children and young people and Territory families.

Improved Health Services

Budget 2011-12 includes \$525 million for Territory hospitals, \$324 million for health and wellbeing services, and \$71 million for public health services. Additional funding includes:

- \$4.9 million to provide for the operation of secure group home facilities for adults and young people;
- \$3 million to expand renal facilities in the Top End;
- \$1.6 million to provide additional child and adolescent mental health services to manage increased demand and implement suicide prevention programs in the Territory;
- \$1.5 million to manage existing exceptional and complex needs clients in the community; and
- \$1.21 million increase to the Pensioner and Carer Concession scheme, to a total of \$16.6 million, to provide a range of subsidies and concessions for Territory seniors, pensioners and carers.

Funding to improve the health of Indigenous Territorians includes:

- \$171.9 million for community health services to support operation of rural and remote health centres; and
- \$2.5 million to continue implementing coordinated patient care and services for Indigenous patients with chronic conditions.

Hospitals and Health Facilities

Major Territory and Commonwealth-funded upgrades and improvements to health infrastructure in 2011-12 include:

- \$4.9 million to upgrade operating theatres at Royal Darwin Hospital;
- \$4.6 million to increase beds in the Short Stay Unit at Royal Darwin Hospital to increase the capacity of the emergency department;
- \$3.5 million under the Closing the Gap National Partnership Agreement to upgrade safe places in 15 remote communities across the Territory to provide more secure and improved amenities;
- \$3.3 million to improve security, fire and electrical safety at Tennant Creek Hospital; and
- \$2 million contribution for a new health centre at Umbakumba.

In addition, Budget 2011-12 continues significant hospital upgrades with \$41.5 million for emergency stand-by power generation at Royal Darwin Hospital as well as \$35.2 million for rectification works and \$20.5 million construction of the new emergency department at Alice Springs Hospital.

Enough is Enough Alcohol Reforms

The 2011-12 Budget includes a range of new initiatives to address the impact of alcohol throughout the Territory. An extra \$5.2 million in health-related funding is provided for people with significant alcohol problems, including:

- \$3.5 million to expand treatment and rehabilitation services provided by non-government organisations;
- \$0.7 million for community-based case management and intervention;
- \$0.5 million for alcohol withdrawal support; and
- \$0.5 million for rehabilitative services delivered through primary health care providers.

Young Territorians

The 2011-12 Budget provides \$7.6 million to continue targeted youth action plans in Alice Springs and Palmerston. Initiatives focus on increased support and response services, particularly alternative accommodation to address antisocial behaviour involving young people. Health-related funding includes:

- \$2.1 million in Alice Springs to provide an after-hours response service for youth on the street and two supported group homes for children and young people; and
- \$1.2 million to support youth in Palmerston with more family and carer support services and crisis accommodation.

Budget 2011 also provides additional infrastructure to support young Territorians and their families, including \$1.1 million to continue the establishment of the Youth Hub at Anzac Hill.

Ambulance and Emergency Clinical Services

The 2011-12 Budget includes increased funding for a new five-year contract for St John Ambulance Australia (NT) delivering:

- an expansion of the ambulance services in Katherine to a 24/7 service;
- a Medical Transportation Service for low care patients in Darwin and Alice Springs; and
- Clinical First Response and Support units to assist with high priority emergency responses.



Child Protection

Safe Children, Bright Futures Strategic Framework 2011-2015, was released on 22 February 2011 as Government's response to the Report of the Board of Inquiry into the Child Protection System in the Territory. The Strategic Framework sets out Government's commitment to implement recommendations and strategies that will be put into place over a five-year period. The 2011-12 Budget increases support for children and young people in the Territory with \$25.2M as part of a five-year \$130M package, including:

- \$6.4M for additional child protection workers to support improved caseload ratios, to implement an incentive package for frontline staff, and increase training and support for Aboriginal employees;
- \$5.6M to support the implementation of new legislation, policies and workforce reforms;
- \$5M for increased payments for foster and kinship carers, to clear system backlogs, provide additional funding for Foster Care NT and increase therapeutic programs;
- \$3.6M to reform the child protection intake system, increase family support programs, and expand the roll-out of community Child Safety and Wellbeing teams in Territory Growth Towns;
- \$2.4M to boost community education, establish hospital-based inter-agency teams, and provide incentive payments to non-government organisations;
- \$1.5M for an Aboriginal child, youth and families peak body, and Aboriginal child care agencies in Darwin and Alice Springs; and
- \$0.7M additional to increase the functions and powers of the Children's Commissioner.

Lifestyle and Environment



Urban Renewal

The 2011-12 Budget incorporates initiatives that focus on improving the suburban environment, including:

- \$5M for the Alice Springs Revitalisation Project, which aims to improve community infrastructure in the Alice Springs CBD including additional lighting and upgrades to the Todd Mall.
- \$2M for urban road landscaping;
- \$1M for the community Green Streetscape program, managed in partnership with Greening Australia, which involves the community in enhancing suburban streetscapes and parks in need of renewal and improvement; and
- \$0.49M to progress the Northern Territory Container Deposit Scheme, which aims to reduce litter, improve recycling and give schools and community groups a chance to raise funds while supporting the Territory 2030 commitment to reduce the volume of rubbish sent to landfill by 50% by 2030.

The 2011-12 Budget invests \$56.3 million for more sporting and recreational infrastructure across the Territory and continues to support major events to be enjoyed by all Territorians. The Territory Government also continues to support protection of the Territory's environment, and Budget 2011 includes \$104 million for the protection of the Territory's environment, parks and natural resources.

Protecting the Territory's Natural Resources

The 2011-12 Budget supports efforts to protect the Territory's natural assets. This includes an additional \$2.1 million for Territory parks, with a particular focus on increasing Indigenous employment and Indigenous Ranger Group involvement in conservation management. Other initiatives include:

- \$2.6 million for the ongoing sustainable management of the Territory's aquatic resources;
- \$1.05 million for habitat monitoring and research activities in Darwin Harbour; and
- \$0.6 million for the Territory Eco-link program, linking parks and conservation areas for the protection of biodiversity.

The 2011-12 Budget gives particular focus to improving visitor facilities at parks, including:

- \$2.5 million to continue construction of the Wangi Falls Visitor Centre at Litchfield National Park;
- \$2.5 million for waterplay and aquatic wildlife viewing at Howard Springs Nature Park and various park upgrades;
- \$1.5 million for improved facilities at the Territory Wildlife Park;
- \$0.44 million to continue upgrading two track heads at Larapinta Trail and construct a walking track at Tolmer Falls;
- \$0.32 million to construct a Heritage Park at the 17½ Mile WWII camp site; and
- \$0.2 million to upgrade the campsite at Nitmiluk National Park.

Budget 2011-12 also provides funding for animal management including:

- \$1 million to reduce feral camel impacts, as part of the *Territory 2030* commitment to reduce the impact of camels by 90 per cent; and
- \$0.38 million for crocodile management including crocodile trapping.

Territory Sport and Recreation

The 2011-12 Budget invests in sporting and recreational infrastructure for all Territorians through:

- \$12.6 million, including capital funding, to support the thoroughbred and greyhound racing industries, and maintain facilities across the Territory;
- \$17.5 million for rugby league, tennis, netball and soccer facilities in Palmerston;

- \$7.5 million in grants to sporting organisations and remote community sport and recreation programs;
- \$4 million for a 12-court squash facility at Marrara Sporting Precinct;
- \$1.81 million to upgrade and construct new sporting and other infrastructure at Fred's Pass Reserve, including siteworks for the new Litchfield swimming pool;
- continued works on the \$13.6 million Palmerston Water Park as well as an additional \$2.8 million for access roads;
- \$1.77 million for recreational fishing infrastructure, including boat ramps, toilets and parking;
- \$1.6 million to continue the Palmerston to Howard Springs cycle path;
- \$0.98 million for a café/bistro at Leanyer Recreation Park; and
- \$0.2 million for additional shade at the Waterfront.

Major Events

The Territory provides \$5.1 million in grant funding to support the Northern Territory Major Events Company attract major sporting and cultural events to the Territory. In 2011-12 these include:

- \$1.45 million for the V8 Supercars Championships, including the Race and Rock Concert;
- \$0.46 million for 'BASSINTHEGRASS' and the Alice Springs music event 'THE CONCERT';
- \$0.68 million to host the Australian Super Bikes at Hidden Valley; and
- \$0.1 million for the Hottest 7s Rugby Tournament.

Other major sporting events in the 2011-12 Budget include:

- \$1.32 million to bring AFL matches to the Territory, as part of a four-year \$5.6 million agreement;
- \$0.3 million to stage pre-season Brumbies trial matches; and
- \$0.29 million to bring the North Queensland Cowboys to Darwin for an NRL pre-season game and training camp.

Arts and Culture

The 2011-12 Budget includes funding to improve arts and culture facilities, including:

- \$4.5 million to replace the air-conditioning plant at Araluen Arts Centre to protect exhibits and artefacts;
- \$0.9 million for a state-of-the-art fire protection system at the NT Museum and Art Gallery; and
- \$10 million to continue works on the Defence of Darwin Museum.

Budget 2011 also supports community groups and festivals, including:

- \$6.8 million to support organisations in the arts and screen sector;
- \$1.1 million for community groups under the multicultural grants program; and
- an additional \$0.5 million for increased support for the Darwin Festival, taking the total Territory Government support to \$1 million a year.

Climate Change

The 2011-12 Budget continues initiatives that support the Northern Territory Government's Climate Change Policy, including:

- \$1.6M to lead the implementation of the Northern Territory Climate Change Policy, energy security and green energy initiatives;
- \$0.8M for environmental compliance initiatives;
- \$0.78M in environment grants to community groups, organisations and schools;
- \$0.46M for a Solar Power Generation System at Watarrka National Park;
- \$0.4M to continue the ecoBiz NT program to assist businesses improve their energy efficiency;
- \$0.25M for the Centre for Renewable Energy;
- \$0.3M for the Water Tank Rebate Scheme; and
- \$0.2M for a community grant program to assist community-based climate change groups.

Budget 2011-12 continues efforts to improve environmental outcomes and reduce the Territory Government's carbon footprint through:

- \$0.3M for more efficient practices and models of environmental assessment;
- \$0.2M to expand the virtual server infrastructure to contain the Government's IT carbon footprint;
- purchasing buses that meet Australian Design Rules and European Exhaust Emission Standards;
- continuing the green building policies; and
- continued implementation of the Territory Government's Green Fleet, targeting a 20% reduction in the production of CO₂ gas by Government vehicles over five years.

Economic Outlook

Employment

Employment growth is forecast to strengthen to 2.8% in 2011-12, due to improved economic growth and increased construction activity. Construction is expected to increase, associated with major oilfield developments in the Timor Sea as well as stronger residential construction growth in the latter half of 2011-12, following the Territory Government's accelerated land release in Palmerston East. The average unemployment rate in the Territory is forecast to remain at historically low levels in 2011-12, averaging 3.0%.

INPEX

In 2008, INPEX announced that Darwin is the preferred location for a proposed LNG plant to service the Ichthys condensate and gas field in the Browse Basin in Western Australian waters.

The project involves:

- development of the Ichthys gas field, 850 kilometres south-west of Darwin;
- piping the gas onshore via a subsea pipeline; and
- processing gas and storing the LNG onshore for export.

At more than US\$20 billion, the project is the largest private sector investment in the Territory's history and one of the largest in Australia.

As a final investment decision is not expected until late 2011, the construction of the project is not included in the forecasts or projections for economic parameters over the forward years. However, preparatory work prior to the final investment decision has been included. Should the project proceed, it will have a substantial positive effect on future economic growth in the Territory.

In the five years to 2008-09, the Northern Territory recorded the highest annual average economic growth among the jurisdictions at 5.2 per cent, significantly above the national average of 3.0 per cent. Economic growth in the Territory moderated to 1.3 per cent in 2009-10, mainly due to a significant decline in private sector investment following the completion of several major projects, the temporary cessation of development at the Montara oilfield, and the absence of new major projects in the aftermath of the global financial crisis (GFC).

Economic growth in the Territory is estimated to have strengthened to 2.2 per cent in 2010-11, reflecting increased public sector investment and consumption in line with the Government's fiscal strategy. These are expected to have more than offset a decline in private investment and a smaller trade surplus.

The Territory economy is forecast to grow by 3.2 per cent in 2011-12, driven by a widening trade surplus, increased private investment and strengthening household consumption. The Territory's trade surplus is forecast to increase mainly due to higher oil, uranium and manganese exports reflecting anticipated increased production from the Ranger uranium mine and GEMCO and Bootu Creek manganese mines, and commencement of production from the Kitan and Montara oilfields.

The Territory's population is expected to grow by 1.0 per cent in 2011 and to strengthen to 1.8 per cent in 2012, reflecting stronger employment growth from increased private sector investment, residential construction activity and Defence personnel. The Territory's population growth in the short term may be affected by the Queensland floods and large interstate mining projects coming online that may draw labour away from the Territory.

Total consumption expenditure is forecast to increase by 0.8 per cent in 2011-12, reflecting a continued strengthening in consumer confidence following the GFC, supported by solid employment and wage growth. Strengthening population growth is also expected to support increased household consumption, particularly in the latter half of 2011-12. Public consumption expenditure is forecast to reduce as Commonwealth stimulus measures conclude.

Table 1: Key Economic Indicators

	2006-07 Actual	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Estimate	2011-12 Forecast
	%	%	%	%	%	%
Gross state product ¹	4.4	4.4	5.1	1.3	2.2	3.2
Resident employment	5.0	6.1	4.4	2.5	2.2	2.8
Resident population ²	1.9	2.4	2.5	2.3	1.0	1.0
Darwin CPI ³	4.4	3.4	4.0	2.8	2.8	2.3

¹ Inflation adjusted

² As at December, annual percentage change

³ As at December, year-on-year percentage change