



NORTHERN TERRITORY GOVERNMENT

BUDGET OVERVIEW

BUDGET 2015-16
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Budget Overview

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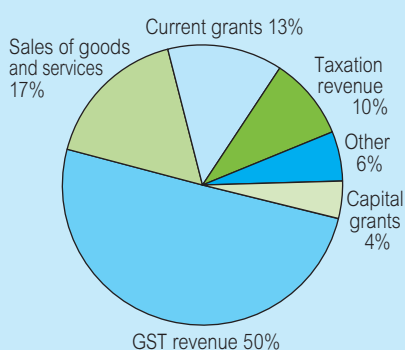
Fiscal Outlook

Movement in Fiscal Balance

	2014-15	2015-16
	\$M	\$M
2014-15 BUDGET	- 723	- 92
Revenue		
– policy	411	13
– non policy	365	250
Expenses		
– policy	- 76	- 150
– non policy	- 77	- 16
Capital payments	43	- 290
2015-16 BUDGET	- 57	- 285

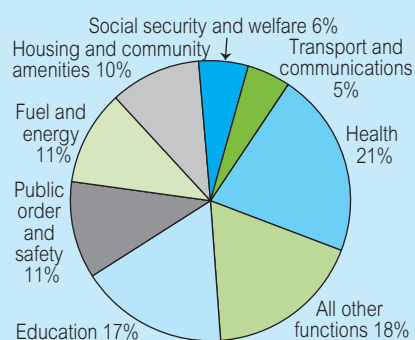
Revenue

Territory revenue is expected to be \$6.5 billion for the non financial public sector in 2015-16, comprising about 50% GST revenue, 18% tied Commonwealth funding and 32% Territory own-source revenue.



Expenses

In 2015-16, Territory expenses for the non financial public sector are estimated to be \$6.3 billion. The key functions of health, education, and public order and safety comprise 50% of total expenses.



The 2015-16 Budget achieves the Government's commitment to eliminate the fiscal balance deficit and projects a surplus of \$9 million in 2017-18, growing to \$35 million in 2018-19. In addition, operating surpluses for the general government sector are projected in all forward years.

The improved result is due to continued fiscal restraint combined with higher GST and own-source revenue.

For 2015-16, the fiscal balance deficit is projected to be \$285 million, \$193 million higher than expected in the 2014-15 Budget. The higher deficit in 2015-16 is a direct result of the Government's decision to increase capital investment for community and economic infrastructure projects, which are to be partially funded by Territory Insurance Office (TIO) sale proceeds.

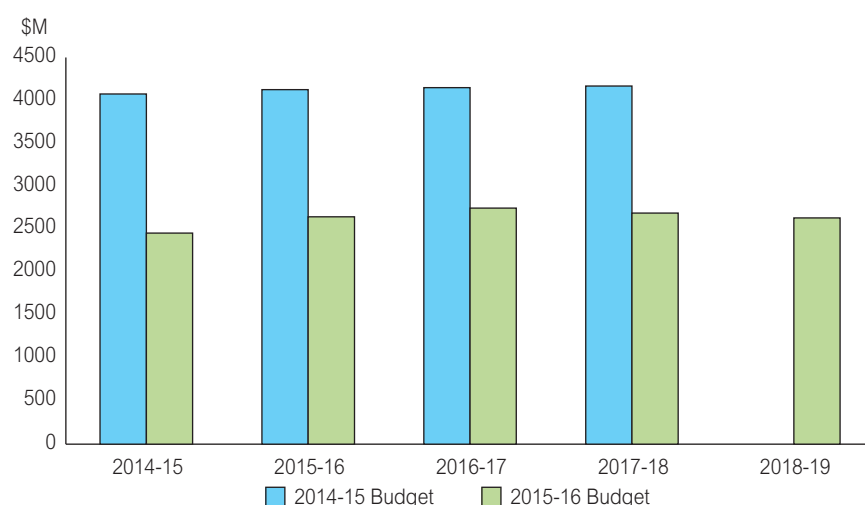
Improvements in net debt and the net debt to revenue ratio are also projected over the forward estimate period, largely as a result of the improved fiscal position in 2013-14 and 2014-15 and the effect of bringing the Motor Accident Compensation Scheme into general government.

Key Fiscal Indicators

	2014-15	2015-16	2016-17	2017-18	2018-19
	Estimate	Budget	Forward Estimates		
	\$M	\$M	\$M	\$M	\$M
Net operating balance – GGS	679	227	233	187	78
Fiscal balance – NFPS	- 57	- 285	- 174	9	35
Net debt – NFPS	2 451	2 641	2 742	2 684	2 628
Net debt to revenue – NFPS (%)	36	41	41	40	39

GGS: general government sector; NFPS: non financial public sector
Source: Department of Treasury and Finance

Non Financial Public Sector – Net Debt

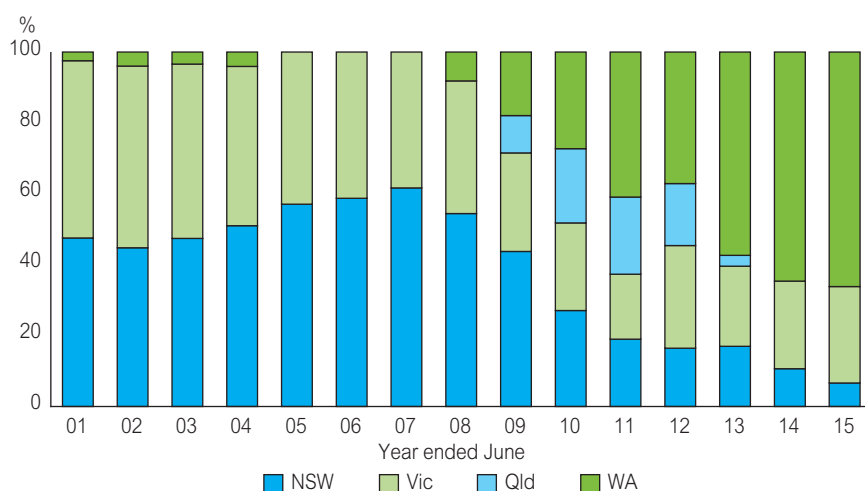


GST Revenue – 2015 Methodology Review

Every five years the Commonwealth Grants Commission (CGC) conducts a review of the calculation methodology for GST relativities. The GST revenue received by each state and territory each year is determined by three parameters: GST relativities recommended by CGC; the size of the national GST collections; and each jurisdiction's share of the national population. In 2015-16, the Territory is expected to receive \$3271 million in GST revenue, a \$94 million increase from the estimate of \$3177 million for 2014-15. The increase is driven by higher estimates of national GST collections and the Territory's share of the national population, partially offset by a decrease in the Territory's GST relativity from 5.66061 in 2014-15 to 5.57053 in 2015-16.

The CGC determines GST relativities in a manner that seeks to ensure states and territories are able to provide national average service levels. The Territory has a small population dispersed across a large geographic area, and a relatively large Indigenous population who tend to use government services more than the non-Indigenous population. The Territory also has comparatively less capacity to raise taxes and revenue from its own sources. The combination of these factors results in the Territory requiring a share of the GST pool that is significantly larger than its population share. Conversely, larger jurisdictions such as New South Wales, Victoria and Western Australia (donor states) require a share of the GST collections below their population share, in order to deliver national average service levels.

'Donor' States' Share of the Redistribution of GST Revenue to Other States



The decrease in the Territory's GST relativity for 2015-16 reflects the outcomes of the CGC's 2015 Methodology Review. The main impacts of the Review include the differential assessment of Commonwealth payments to states and territories under the National Partnership Agreement on Remote Indigenous Housing and lower assessed non-road investment, which detracted from the Territory's assessed GST relativity. Conversely, methodology changes adopted by the CGC in assessing the sociodemographic characteristics of the Indigenous population and the assessment of Schools' Education, Services to Communities and Mining Revenue categories had a positive effect.

Government's Fiscal Strategy

Key fiscal target: by 2017-18 the fiscal imbalance in the Territory's non financial public sector is to be eliminated.

Assessment: surplus projected in 2017-18 and 2018-19.

Associated fiscal outcome: by 2016-17 the Territory's general government sector to achieve a net operating surplus.

Assessment: this element was achieved in 2013-14, three years ahead of the fiscal strategy target. Operating balance is in surplus from 2014-15.

Associated fiscal outcome: by 2016-17, taxation effort in the Territory's general government sector is more on par with the average effort of the states.

Assessment: the Territory's revenue-raising effort improved in 2013-14 from 84% to 87%.

Associated fiscal outcome: by 2016-17, the Territory's government owned corporations are moving towards commercial rates of return on capital employed.

Assessment: the rate of return is projected to improve in all forward years with 6% estimated in 2018-19, consistent with the stated target.

Associated fiscal outcome: by 2020, the Territory's non financial public sector net debt as a percentage of revenue is approaching 60%.

Assessment: net debt to revenue in all years is projected to be below the fiscal strategy target, with 39% projected in 2018-19.

Infrastructure

Essential Infrastructure

Investment to upgrade, deliver and maintain power, water and sewerage infrastructure undertaken by Power and Water Corporation and Territory Generation is estimated at \$282 million in 2015-16.

The 2015-16 Budget also provides \$22.4 million to upgrade essential services infrastructure in remote communities to support additional housing and expanded government services, as well as \$33.4 million in capital and repairs and maintenance investment for Indigenous Essential Services.

2015-16 Capital Works Program by Functional Category

	\$M
Roads and transport	506
Housing and related works	265
Health	195
Economic and community infrastructure	159
Education	119
Lifestyle and environment	109
Community safety	62
Total Budget sector	1 415

Infrastructure payments increase from \$1.04 billion in 2014-15 to \$1.39 billion in 2015-16, largely driven by Government's investment in transport assets that will provide better access to all regions of the Territory and support economic development.

The 2015-16 Capital Works Program is \$1.42 billion, \$258 million higher than the 2014-15 program of \$1.16 billion. The higher program is more than matched by an increase of \$306 million in cash allocated to capital projects to ensure there are sufficient resources to progress such a substantial program.

Total Infrastructure Payments

	2014-15		2015-16	
	Program	Cash	Program	Cash
	\$M	\$M	\$M	\$M
BUDGET SECTOR				
Capital works	1 157	479	1 415	785
Grants		102		100
Repairs and maintenance		202		211
Infrastructure-related		5		7
TOTAL BUDGET SECTOR		788		1 103
GOVERNMENT OWNED CORPORATIONS				
Capital works		175		194
Repairs and maintenance		79		88
TOTAL GOVERNMENT OWNED CORPORATIONS		254		282
TOTAL INFRASTRUCTURE PAYMENTS		1 042		1 385

Capital Works

The 2015-16 Capital Works Program provides an increase across all functional categories, including a record investment for roads and transport at \$505.6 million. Housing investment remains high at \$264.8 million, with health contributing \$195.5 million and economic and community infrastructure, \$158.9 million.

The Capital Works Program will see the continuation of a number of large multi-year roads projects, as well as the commencement of new significant road projects that are expected to span several financial years. Continuing road projects include \$81.5 million for six priority projects on the regional road network as part of the Regional Roads Productivity Package to be delivered in partnership with the Commonwealth; continued duplication of Tiger Brennan Drive; and Strategic Economic Development Roads program.

The 2015-16 program for education invests \$119.3 million to construct two new schools for children with special needs and continues to deliver school upgrades and expand existing facilities to meet demand growth.

Major construction works for the Palmerston Regional Hospital will commence in 2015-16, as well as a comprehensive refurbishment program at Royal Darwin Hospital.



Remote and Regional Infrastructure

In partnership with the Commonwealth, the 2015-16 infrastructure program continues the strong investment in remote Indigenous housing and infrastructure, with \$147 million to build new, and upgrade existing, houses in remote communities. The 2015-16 infrastructure program also provides \$527.2 million for new and upgraded infrastructure in remote communities to deliver better housing, transport, health, education and police facilities.

Building the Territory

The sale of TIO has provided the Territory an opportunity for economic and social infrastructure development, with \$200 million of the additional proceeds immediately reinvested into the Government's Building the Territory initiative.

The initiative is the result of the Government's invitation to the public to propose infrastructure projects. Projects proposed, including flood mitigation works, will be progressed through the 2015-16 Capital Works Program.

The balance of the proceeds will be invested in the Northern Territory Infrastructure Development Fund to progress future strategic economic projects.

Building the Territory Capital Projects

	\$M
Category	
Tourism infrastructure	79.6
Flood mitigation infrastructure	57.5
Social infrastructure	41.4
Regional economic development infrastructure	23.5
Total Budget sector	202.0

Cyclone Recovery

Following the damage caused by cyclones Lam and Nathan, the Territory Government has committed to rebuild and repair community and government employee housing, community infrastructure and government facilities. Further investment to build new houses and upgrade existing houses in remote communities will continue under the Territory and Commonwealth governments' Remote Indigenous Housing program.

The 2015-16 Budget allocates \$92.5 million to support the recovery from cyclones Lam and Nathan, including:

- \$62.5 million to rebuild and repair community and government employee housing; and
- \$30 million to rebuild and repair community infrastructure and government facilities such as schools.

Repairs and Maintenance

Repairs and maintenance has increased across the Budget sector. In 2015-16, a total of \$211 million is provided for repairs and maintenance, compared to \$202 million in 2014-15. The 2015-16 program will complete the Government's additional \$100 million commitment over four years to maintain Territory assets and support small to medium-sized businesses.

Repairs and maintenance grants of \$53.9 million in 2015-16 are also provided for Indigenous housing (\$38.1 million) and Indigenous essential services (\$15.8 million).

Functional Category

	\$M
Roads and transport	80.6
Education	33.7
Housing and related works	27.5
Health	24.7
Community safety	17.6
Lifestyle and environment	12.6
Economic and community infrastructure	8.5
Other	6.0
Total Budget sector	211.2



Economic and Community Development

Office of Major Infrastructure

The 2015-16 Budget supports major Infrastructure and investment in the growing Territory economy, with the establishment of the Office of the Coordinator General for Major Projects, Infrastructure and Investment. The office will focus on strategic projects such as oil and gas initiatives, including securing a gas pipeline connecting the Territory to eastern gas markets, a coordinated strategy delivering the Palmerston Regional Hospital, securing a long-term partner to bring additional infrastructure to existing port facilities, and the redevelopment phase of cyclones Lam and Nathan.

Northern Australia and Central Australia Development Offices

There is additional support for the Northern Australia Development Office and the Central Australia Development Office to continue providing a hub for investors, private sector, key industry associations and governments interested in the campaign to bring development and investment opportunities to the north.

Key Economic Indicators

Economic growth in the Territory strengthened from 4.3 per cent in 2012-13 to 6.5 per cent in 2013-14, driven by business investment, dwelling investment and household consumption. The Territory recorded the highest growth rate of all jurisdictions in 2013-14 and above the growth in the Australian economy of 2.5 per cent.

The outlook is for economic growth to remain robust over the medium term. The Territory's gross state product is expected to grow by 4.5 per cent per annum over the next three years, before moderating to 3.0 per cent from 2017-18.

The transition of the Ichthys liquefied natural gas project from the investment phase to the less labour-intensive production and export phase is expected to lead to a softening in labour market conditions and moderate population growth. Darwin consumer price index growth is forecast to remain within the 2-3 per cent band over the medium term. Increases in the supply of new dwelling stock and proposed land release in Greater Darwin are expected to continue to reduce upward pressure on property prices and rents.

Key Economic Indicators (%)

	2013-14	2014-15e	2015-16f	2016-17f	2017-18f	2018-19f
Gross state product	6.5	4.5	4.5	4.5	3.0	3.0
Population	1.9	0.9	1.8	1.0	1.0	1.0
Employment	4.6	1.5	1.5	0.7	0.7	2.0
Unemployment rate	4.4	4.2	4.5	4.7	4.7	4.7
Consumer price index	3.9	2.9	2.5	2.3	2.5	2.5
Wage price index	2.9	2.8	2.7	2.5	2.5	2.5

e: estimate; f: forecast

Source: Department of Treasury and Finance; ABS

Commercial Land Release

The 2015-16 Budget provides continued support to local businesses with \$56.4 million for commercial and industrial land development including:

- \$17 million for Brewer Estate Heavy Industrial subdivision in Alice Springs, Wishart Road development stages 1 and 2, and works at Middle Arm; and
- \$12.4 million for the Darwin Business Park.



Community Benefit Fund

The Community Benefit Fund levy, currently applied to hotels at 10 per cent of gaming machine profits, will now also apply to casinos. The levy will raise an additional \$7.8 million ongoing from 2015-16 and allow for an increase in gambling amelioration programs and grants to assist community groups.

Reducing the Cost of Living

The 2015-16 Budget increases the Senior, Pensioner and Carer stamp duty concession from \$8500 to \$10 000, from 28 April 2015. The concession is provided to seniors (aged 60 years and over) and Territory Pensioner and Carer Concession cardholders when purchasing a principal place of residence up to the value of \$750 000.

The concession reduces the barrier to purchasing a new home and facilitates moving into a home that better suits the home buyer's needs. The increase in the concession effectively means that home buyers will pay no stamp duty on about the first \$292 300 of their home's value.

In addition, stamp duty on life insurance will be abolished from 1 July 2015.

Supporting Business

The 2015-16 Budget provides \$1.47 million to support Territory businesses with five regional business development officers and three new Business NT initiatives, including:

- Export Readiness Assistance Program – to assess and assist Territory-based businesses, through direct coaching and mentoring, to become export ready;
- Smarter Business Solutions Program – to provide tailored assistance and advice to Territory businesses to reduce their cost of doing business through the adoption of cost-efficient energy and water usage; and
- Non-Government Organisation Business Support Program – to assist professional and efficient operations that enable greater reach of service delivery into the community.

In addition, the 2015-16 Budget includes \$0.4 million to implement the Northern Territory Designated Area Migration Agreement to provide workers for Territory businesses.

Backing Industry

The Budget strategically positions the Territory's primary industries through:

- \$2 million to purchase a replacement drilling rig for investigation, assessment and allocation of water resources for economic development; and
- \$1.2 million over two years from 2014-15 to implement a Territory Government interest rate subsidy scheme to assist growers who were affected by the cucumber green mottle mosaic virus and are not eligible for compensation under other schemes.

Skills Development

Additional funding of \$4.4 million is provided for the new Training for the Future – Employer Support Scheme. The payroll tax exemption for apprentices and trainees will be removed from 1 July 2015, with the payroll tax receipts to be reinvested through direct assistance to employers. The program will deliver assistance to all Territory businesses that employ apprentices and trainees, including:

- a commencement grant of \$1000 paid when an apprenticeship/traineeship contract is recorded;
- a completion grant of \$2000 paid when the apprentice or trainee's training record has been classified as completed; and
- a recommencement grant of \$500 paid to an employer who employs an apprentice or trainee at some other point during his or her training, for example an apprentice who leaves the employment of a previous employer.

Defence

The Budget provides \$1.8 million to support the work of the Strategic Defence Advisory Board in engaging with all sectors of defence including securing additional infrastructure investment and industry opportunities in the Territory.

The Strategic Defence Advisory Board has been formed to provide advice and guidance to Government when engaging with all sectors of defence.

Aboriginal Affairs

Remote Housing

The 2015-16 Budget continues to invest in remote housing, including:

- \$147 million to construct new and upgrade existing housing in remote Indigenous communities; and
- \$73.4 million to provide property and tenancy management for remote Indigenous public housing.

The 2015-16 Budget also continues the Remote Home Ownership Program with \$4.5 million allocated over three years from 2014-15 and up to half the Territory's remote housing stock potentially available for sale to tenants who wish to purchase their home in communities with long-term leases.

At the completion of the sale, owner-occupiers will also be supported with a special incentive grant of \$20 000 to help upgrade and maintain their homes.

Essential Services

The 2015-16 Budget provides \$22.4 million to upgrade and repair water and sewerage infrastructure in remote communities to support additional housing and expanded government services including:

- \$10.95 million for sewerage system replacements at Angurugu and Ali Curung;
- \$6.2 million for new water supplies at Yuendumu and Ngukurr;
- \$4.2 million for water storage upgrades at Numbulwar, Ngukurr and Robinson River; and
- \$1 million to replace water mains at Wadeye.

The 2015-16 Budget strengthens the economic opportunities for Indigenous Territorians and provides additional funding for roads, essential services, housing and key government services in regional towns and remote communities throughout the Territory.

Indigenous Economic Development

The 2015-16 Budget fosters locally led economic development projects in remote communities through a new Community Champions Program. Funding of \$18 million over three years supports the program, which assigns a leader from government to one of 13 Indigenous communities across the Territory whose interests and projects they will champion.

In addition, 13 field officers will become the Territory Government's coordination point for these remote communities to access support in the pursuit of economic development. The support includes \$3.25 million per year for a Community Champions grants program.

The 2015-16 Budget also provides:

- an additional \$9 million over three years to connect up to 15 remote communities to mobile and terrestrial broadband services, enabling enhanced health and education services within the community;
- \$2 million for an Indigenous economic development grant program;
- \$1.75 million for the ongoing operation of the Office of Aboriginal Affairs to lead, assist and support the development of Indigenous strategies and initiatives;
- \$1.27 million for an Indigenous land administration project team; and
- \$1 million over two years for a land suitability team to accelerate the investigation of agricultural potential in regions near priority Indigenous communities.



Indigenous Business Development

The 2015-16 Budget includes \$6 million over three years to establish the Business in the Bush program to support Indigenous business start-ups, improve the sustainability of Indigenous businesses and increase Indigenous employment participation.

The program targets Indigenous business development outside urban areas to support self-sustaining Indigenous wealth creation initiatives, including the:

- Bush Business Support and Growth Program – to support established and new businesses to build capacity and sustainability through the provision of workshops and tailored programs;
- Indigenous Business Tender Support Program – to develop capabilities within Indigenous businesses to tender for government, private sector and major project contracts through improved accreditations and systems;
- Bush Business Technology Enabler Program – to support remote small businesses to upgrade technologies to access markets, improve efficiency, and capitalise on the social media commerce market;
- Indigenous Mobility Project – to facilitate workers in low employment regions to take up jobs where there are opportunities for work including further on-the-job skills development; and
- Indigenous Employment Program – to expand on the Commonwealth Stronger Futures' Local Jobs program that supports employers who guarantee sustainable ongoing employment. This includes on-the-job training, a partial wage subsidy and support services.

Connecting Communities

The 2015-16 Budget invests in infrastructure to better connect remote Territorians and promote economic opportunities, including:

- \$33.5 million over three years to upgrade and seal the Pickertaramoor Road on the Tiwi Islands;
- \$32 million to upgrade and seal various sections of the Plenty Highway and Tjukururu Road as part of the Territory and Commonwealth government-funded Improving Outback Way Roads program;
- Strategic Economic Development Roads projects including \$19 million for Port Keats Road and \$5.1 million for the Tanami Road;
- \$13.5 million over four years, including \$4 million in 2015-16 to commence upgrade and seal works on the Roper Highway from Fizzer Creek to Ngukurr; and
- \$5 million for transport access upgrades at Galiwin'ku, Ramingining, Maningrida and Gapuwiyak.

Indigenous Employment

The 2015-16 Budget provides \$2.5 million over five years, including \$0.5 million in 2015-16, to implement the Indigenous Employment and Career Development Strategy, which will underpin the Government's aim to double Indigenous representation in the public service by 2020, from 8% to 16%.

Remote Health Clinics

The 2015-16 Budget invests in remote clinics with:

- \$3.9 million for the Central Australia region including Ntaria, Kaltukatjara, Papunya and Titjikala;
- \$3.3 million for the Barkly region including Canteen Creek and Elliott;
- \$11.4 million for the East Arnhem region including Galiwin'ku and Numbulwar; and
- \$10.3 million for the Katherine region including Ngukurr and Robinson River.



Regional Highlights

Darwin

- \$534.65M for better health
- \$353.12M for schools and training
- \$258.85M for safer communities
- \$69M to upgrade Royal Darwin Hospital
- \$60.91M to continue the duplication of Tiger Brennan Drive
- \$30.5M to continue the construction of the new Henbury School
- \$20M to expand facilities and seating capacity at Richardson Park
- \$18.3M in Territory and external funding for the redevelopment of the Chan Building into a dedicated visual arts gallery
- \$9.1M for cancer treatment and accommodation for cancer patients
- \$8.05M to upgrade the Hidden Valley Motor Sports Complex
- \$3.1M to develop Northern Australia

Palmerston and Litchfield

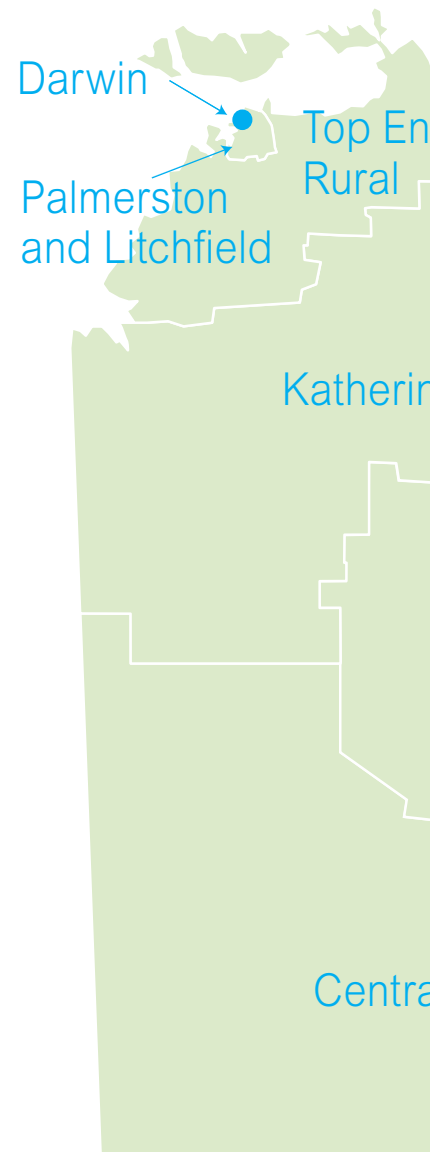
- \$162.7M for schools and training
- \$154.53M for safer communities
- \$40.68M to upgrade Litchfield National Park facilities and complete the sealing of Litchfield Park Road, including a high-level bridge over the Lower Finniss River
- \$25M in Territory and Commonwealth funding to continue work on the Palmerston Regional Hospital
- \$34.63M for better health
- \$21.35M for stage 1 construction of a new special school in Palmerston
- \$4M to construct a new section of Roystonea Avenue from Lambrick Avenue to Owston Avenue
- \$3.2M to prepare Middle Arm Industrial Precinct for release of land for gas-related industrial development
- \$1.98M to upgrade Satellite City BMX track

Top End Rural

- \$81.7M under the National Partnership for new housing, upgrades, and property and tenancy management
- \$55.22M for schools and training
- \$45.68M for better health
- \$20.7M for strategic economic roads, including the Arnhem Highway, Port Keats Road and the Pickertaramoor Road
- \$13.79M for safer communities
- \$6.5M for upgrades to the Dundee Beach and Shady Camp boat ramps
- \$3.68M to continue to upgrade Leviathan Creek crossing on Fog Bay Road
- \$3M to upgrade Kambolgie Creek crossing
- \$2.96M to provide public bus transport including the development of a regional bus service on the Tiwi Islands
- \$0.8M for the Tiwi Islands strategic land development project

Katherine

- \$97.64M for better health
- \$94.27M for schools and training
- \$33.44M for safer communities
- \$31.9M under a national partnership for new housing, upgrades, and property and tenancy management
- \$14.3M to support continued land release
- in Katherine East, Kalkarindji, Mataranka, Timber Creek and Borroloola
- \$9M to upgrade the Robinson and Calvert stream crossings on Wollagorang Road and upgrade the Roper Highway between Fizzer Creek and Ngukurr
- \$1M to upgrade track and fencing at the Katherine Motor Sports Club



Central Australia

- \$305.7M for better health
- \$175.52M for schools and training
- \$113.68M for safer communities
- \$61.6M under a national partnership for new housing, upgrades, and property and tenancy management
- \$32M in Territory and Commonwealth funding to upgrade sections of the Plenty Highway and Tjukururu Road
- \$25M to complete the sealing of the Mereenie Inner Loop



East Arnhem

- \$86.86M for schools and training
- \$60.65M for better health
- \$36.1M under a national partnership for new housing, upgrades, and property and tenancy management
- \$19.89M in Territory and Commonwealth funding for a new boarding facility at Nhulunbuy
- \$19.8M for safer communities
- \$4.37M in Territory and Commonwealth funding to continue Central Arnhem Road upgrades
- \$4M for transport access into Gapuwiyak, Galiwin'ku and Ramingining
- \$0.38M to construct concrete floodways at various locations on Central Arnhem Road
- \$0.32M to support individual businesses and non-government organisations
- \$0.25M to establish an Indigenous marine training program in Nhulunbuy

Barkly

- \$39.08M for schools and training
- \$34.3M for better health
- \$20.23M for safer communities
- \$12.5M to strengthen six bridges on the Tablelands Highway
- \$9M under a national partnership for new housing, upgrades, and property and tenancy management
- \$5M to replace the sewerage system at Ali Curung
- \$3.5M to facilitate land release in Tennant Creek
- \$3.3M to continue works on the new remote health centres at Canteen Creek and Elliott
- \$0.5M to upgrade facilities at the Tennant Creek Speedway

Territory Wide

- \$587.1M for roads and transport
- \$69.15M for cyclone assistance
- \$42.4M to construct infrastructure to mitigate flooding across the Territory
- \$32.79M in Commonwealth financial assistance grants for general purpose and local roads
- \$30.91M for grants to councils
- \$28.8M for the pensioner concessions scheme
- \$28.2M for international and domestic tourism marketing
- \$21.3M to support homelands
- \$21M for disease control services including disease prevention and early intervention, immunisation and disease surveillance
- \$18M over three years for the implementation of the Community Champions program, to develop community-led programs in remote communities
- \$16.4M for grants to support sports in the Territory, including the sports voucher scheme
- \$14.7M to assist the thoroughbred racing industry
- \$4M to prepare and respond to plant biosecurity incursions of banana freckle disease
- \$3M to enhance mental health services
- \$2.25M for an NT ANZAC Centenary Program to commemorate the 75th Anniversary of the Bombing of Darwin
- \$2M to upgrade ovals in remote communities

- \$7.9M to continue the expansion of alcohol treatment services
- \$5.7M for the Alice Springs Desert Park
- \$4.5M for a connector road linking Albrecht Drive and Mparntwe Drive
- \$3.85M for upgrades to the speedway, drag racing track surface, and the inaugural RedCentreNATS
- \$2.7M to upgrade and redevelop the Alice Springs Youth Centre
- \$0.5M to extend the existing Stuart Highway cycle path south of Alice Springs to Kilgariff

Community Safety



Safety Across the Territory

The 2015-16 Budget invests in the wider community with funding to support safety initiatives across the Territory, including:

- \$1.1 million for the Bus Network to increase safety and security;
- \$0.72 million in additional funding for Royal Australian Air Force Base Tindal to operate as an alternate destination for international carriers servicing Darwin;
- \$1.5 million to continue the DriveSafe NT Remote Indigenous Driver Education and Licensing Program. The program has now delivered driver training and licensing in 47 communities; and
- additional support to promote safe driving by providing P-platers with free 10-year licences where they have completed their probationary period with an unblemished record.

The 2015-16 Budget provides \$735 million to continue to reduce crime and improve public safety, with a focus on reducing alcohol-related crime and creating safer communities across the Territory.

Supporting Frontline Policing

The 2015-16 Budget provides additional investment to support frontline policing including:

- \$8.7 million as part of the commitment to an additional 120 police officers across the Territory;
- \$2 million to recruit and support an additional 13 Aboriginal Community Police Officers;
- \$1.69 million for new protective equipment for frontline officers such as load-bearing vests, and specialist equipment for the Territory Response Group;
- \$1 million towards the replacement of the current police case management system with a world class policing, investigation and case management system; and
- \$0.6 million for additional CCTV cameras in Palmerston and additional monitoring support.

Domestic Violence

The 2015-16 Budget continues to support the implementation of the Domestic and Family Violence Reduction Strategy with \$6.07 million, including \$3 million from the Commonwealth, to increase the safety of victims and their children, reduce trauma and increase offender accountability.

The strategy is underpinned by the Family Safety Framework, which is an action-based crisis intervention response led by the Northern Territory Police, which focuses on protecting high-risk victims from further harm by sharing information across agencies and developing a plan to reduce risk through immediate action. The strategy is driven at the local level with local reference groups in Darwin, Katherine, Alice Springs and Tennant Creek.

In addition, 2015-16 Budget provides \$0.9 million for SupportLink, a centralised referral management and early intervention service that enables agencies such as the Territory Police to refer victims and offenders to social support agencies where they require support and reduce the risk of repeat offending.

Improving Correctional Services

The 2015-16 Budget supports Government's focus on correcting prisoner behaviour and increasing prisoner productivity through:

- \$6.59 million to continue to provide low-security prisoner work camps in Nhulunbuy and Tennant Creek;
- \$1.85 million to operate and expand the prison industries programs within the Alice Springs Correctional Centre;
- \$1 million for enhanced electronic monitoring and surveillance of offenders in the community; and
- \$0.83 million to maintain the Elders Visiting Program, assisting Indigenous offenders' reintegration into the community.

Emergency Services and Community Resilience

The 2015-16 Budget provides \$42 million to support fire and emergency services, including:

- \$0.63 million for the Emergency Management Unit to deliver training to emergency response groups across the Territory; and
- \$0.62 million to continue the upgrade of the Northern Territory Fire Alarm System Transmission.

In addition, the 2015-16 Budget includes an allocation of \$50 million, to be set aside for flood mitigation initiatives in the Darwin Region and Katherine including:

- \$42.4 million for flood mitigation measures in high-risk flood areas in Darwin and Katherine; and
- \$7.6 million to relocate the ambulance centre out of the flood zone in Katherine.

Two flood mitigation Advisory Committees have been established to develop and advise on associated flood mitigation strategies, which are intended to guide the implementation of measures that improve community safety, reduce the damage, disruption and costs associated with major flood events in the Territory and improve the availability and affordability of insurance cover in flood-prone areas.

The Darwin Region and Katherine Flood Mitigation Advisory committees comprise representatives from business groups, Insurance Council of Australia, local government, and community members, with technical experts from a range of Territory Government agencies providing support. The committees are in the process of developing flood mitigation strategies with draft strategies available soon for public consultation and final reports for consideration by Government available early in the new financial year.

The 2015-16 Budget also provides \$7.5 million for the Sadadeen Road bypass in Alice Springs to improve access during times of flood and \$4 million for drain remediation works across the Territory.

Youth Justice and Support Services

The 2015-16 Budget provides a comprehensive response to youth justice issues across the Territory through:

- \$2.7 million for the Alice Springs Youth and Community Centre to support stage 3 and 4 upgrades, including the existing recreation centre and outdoor shade extensions, and the construction of the new wellbeing centre and youth counselling building;
- \$1.1 million for youth service initiatives focused on localised prevention and early intervention;
- \$2 million for boot camp programs for young people at risk of entering, or in, the youth justice system; and
- \$1.2 million over four years for the establishment of a Neighbourhood Activity Centre at Sanderson Middle School to promote community cohesion.



Education and Training

Supporting Students and Families

The 2015-16 Budget provides cost of living support for students and families through:

- \$7.4 million to continue the Sport Voucher scheme, providing Territory families with \$200 per child per year to cover costs of participating in sport, recreation and cultural activities;
- \$6.6 million to continue providing the Back to School vouchers of \$150 per student across all Territory schools. The scheme assists parents with back-to-school expenses such as school uniforms, stationary, resource hire schemes, textbooks, and costs for camps and excursions; and
- \$6 million to continue the early childhood services subsidy for long day care and family day care services.

Community Cohesion

The 2015-16 Budget fosters a stronger community with \$1.2 million over four years to establish a Neighbourhood Activity Centre at Sanderson Middle School. The centre will provide culturally diverse activities and mentoring to encourage greater social cohesion and engagement between young people, senior Territorians and the broader multicultural community of Darwin's northern suburbs.

The 2015-16 Budget supports education services, reform and training to improve learning outcomes and create better employment pathways. The 2015-16 Budget also invests in school infrastructure to build a brighter future for Territory students.

Empowering Schools

The 2015-16 Budget continues to support major education reform in the Territory. Initiatives include:

- \$368 million for government schools in the Global School Budget pool, with a further \$57.5 million to meet centralised school costs;
- an additional \$23 million over four years to support the implementation of Global School Budget reforms, which will provide schools with greater autonomy, increasing the transition package to \$40 million;
- \$2 million to support the implementation of the Independent Public Schools initiative, which empowers schools with proven governance and leadership capabilities to tailor their school program to suit their students' needs and improve outcomes; and
- \$0.7 million to implement the recommendations of the middle years schooling review.

Improving Educational Facilities

The 2015-16 Budget provides new, and upgrades existing, school infrastructure across the Territory. New infrastructure projects include providing new schools, additional classrooms and educational facilities, and increasing support for special needs students.

The 2015-16 Budget provides \$152.4 million for education-related infrastructure priorities, including:

- \$30.5 million to continue the construction of the new Henbury School for high support special needs students;
- \$21.35 million for stage 1 of the construction of a new preschool and primary school in Palmerston for children with special needs. Stage 1 will cater for up to 84 students;
- \$2.65 million for Kintore Street Special School in Katherine, to provide a new administration facility as the final stage of the redevelopment and expansion of the special school;
- \$5.5 million for a new child and family centre at Larapinta Primary School providing up to 70 new long day childcare places by July 2016, along with other integrated services for children and their families;
- \$4 million to construct a new 44-place preschool at Braitling Primary School to replace Teppa Hill Preschool;



- \$3 million over three years to install tempered air systems in the assembly areas of Anula, Wagaman and Wulagi primary schools;
- \$2.12 million to refurbish Wulagi Primary School, including redeveloping the open plan design of the school to maximise learning flexibility and redevelopment of the front of the school including parent access areas;
- \$2 million in Commonwealth funding for a childcare centre in Kalkarindji;
- \$1.3 million to increase capacity of Bees Creek Preschool to meet demand growth; and
- \$11.6 million for minor new works and \$33 million for repairs and maintenance across schools in the Territory.

Indigenous Education

The 2015-16 Budget provides \$8.2 million to improve Indigenous student outcomes as part of the Government's 10-year Indigenous Education Strategy. Remote Indigenous students will also be supported by the new Northern Territory Open Education Centre. The centre will offer state of the art premises and technology to meet the specialist education needs of senior secondary students accessing distance learning as well as supporting remote skills training packages.

The 2015-16 Budget also includes additional Commonwealth funding of \$9.1 million for a new regional boarding facility at Nhulunbuy. The facility, at a total cost of \$20 million, will deliver residential capacity for 40 students, along with a full kitchen and dining room, with the ability to expand to a capacity of 80 students in the future.



Training Opportunities

The 2015-16 Budget provides \$98.6 million for training to develop a capable workforce that meets the Territory's current and future needs, through:

- \$41 million, including Commonwealth funding, to registered training organisations to continue to deliver skills training to Territorians;
- \$22.4 million to registered training organisations to continue to support training for apprentices and trainees;
- \$6.2 million to continue support services for apprentices, trainees and employers;
- \$4.4 million for the new Training for the Future – Employer Support Scheme; and
- \$1 million in partnership with the Commonwealth to create 100 traineeships for Indigenous Territorians.

The 2015-16 Budget also provides \$0.8 million for vocational education and training, and employment pathways in schools. This includes avenues through trade training centres and pre-employment programs across the Territory in partnership with mining, pastoral, tourism and other industries.

A further \$0.25 million is provided to establish an Indigenous marine training program in Nhulunbuy.

Health and Families

Health Technology

The 2015-16 Budget includes significant investment in health-related equipment, technology and systems to simplify the way care is delivered and enhance patient outcomes including:

- \$10 million to undertake detailed planning, analysis and market testing for the new core clinical system renewal program to create a comprehensive, contemporary package of clinical business systems, which is essential to the successful operation of all public health services in the Territory;
- \$2.8 million to implement upgrades as part of the new Patient Index System;
- \$1.8 million to improve procurement processes that support the continuity of patient care;
- \$0.9 million to undertake major upgrades to data warehouse infrastructure as part of a modernisation program;
- \$3 million for the staged replacement of equipment to reduce equipment failure and provide increased capacity and diagnostic functionality;
- \$0.83 million for a major upgrade program to server infrastructure; and
- \$0.7 million to implement an expanded program for electronic document records management.

The 2015-16 Budget delivers \$1.42 billion in total health-related expenditure to support the expansion of hospital facilities and increases to critical health services.

Health Infrastructure

The 2015-16 Budget supports the health and wellbeing of Territorians through upgrades to health facilities including:

- \$40 million for the staged redevelopment of Royal Darwin Hospital including refurbishment of the hospital courtyard, entrance, foyer, outpatients' clinic, allied health and public access areas, a new eye clinic and the upgrade of the airconditioning system;
- \$34.2 million to continue remediation works and other upgrades at Alice Springs Hospital including fire rectification works and a new Commonwealth-funded teaching and training facility;
- \$7.6 million to relocate the ambulance centre in Katherine out of the flood zone;
- \$4 million Territory Government funding in addition to \$11.9 million Commonwealth funding for refurbishment of the paediatric ward at Royal Darwin Hospital;
- \$2.5 million to upgrade fire safety systems at Gove District Hospital; and
- \$0.5 million for a scoping study for a standalone ambulatory care facility at Royal Darwin Hospital.

Palmerston Regional Hospital

The 2015-16 Budget provides \$25 million, including Commonwealth funding of \$15 million, for construction of the \$150 million Palmerston Regional Hospital. The hospital will deliver 116 new beds, a 24-hour emergency department, birthing suites and medical and surgical services including cardiology, renal medicine, cancer services, paediatric, and antenatal and postnatal obstetric services.

Palmerston Regional Hospital major construction works will commence later this year and the hospital will be completed and operational in 2018.



Health Services

The 2015-16 Budget supports improved patient access to quality health care including:

- \$3.89 million to operate the new 12-bed emergency medicine unit within the Royal Darwin Hospital emergency department;
- \$1.2 million additional funding for primary health services at the Darwin Correctional Precinct;
- \$1.17 million to increase the number of Aboriginal and Torres Strait Islander health practitioners in the workforce by 10 per cent each year;
- \$0.92 million for the Pathways to Community Control program to create a framework to support Aboriginal community control in planning, developing and managing primary healthcare and community care services;
- \$0.72 million to continue the expanded Hospital in the Home service for the Alice Springs community;
- \$0.35 million to continue the expanded midwifery group practice for the Alice Springs hospital and community; and
- \$0.2 million to resource the Sonography Outreach service to enable service delivery to community clinics in Katherine.

Mandatory Rehabilitation

The 2015-16 Budget continues the delivery and expansion of Mandatory Alcohol Treatment, including:

- an additional \$7.9 million to continue the construction of a purpose-built secure assessment centre and expansion of treatment services in Alice Springs;
- services in Darwin will operate from the newly refurbished facility at Berrimah that provides an improved clinical and therapeutic environment; and
- continued access to assessment and treatment services for residents of Tennant Creek and Katherine.

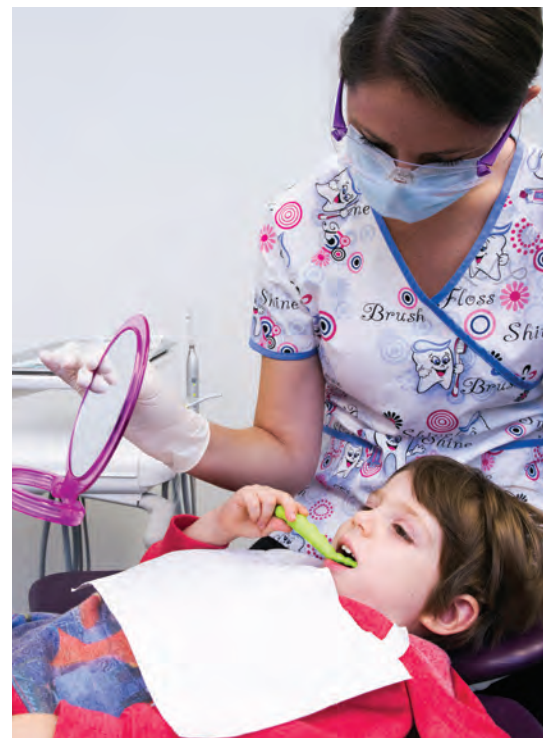
The 2015-16 Budget provides funding of \$28.4 million across the Territory for Mandatory Alcohol Treatment. Since operations commenced in 2013, more than 600 people have been assessed and provided with medical withdrawal treatment and rehabilitation services.

Supporting Children

The 2015-16 Budget delivers total funding of \$172.4 million to the Department of Children and Families to provide a range of services to protect children in the Territory from harm including:

- \$88.6 million to provide out of home care services;
- \$40.4 million for family and parent support services; and
- \$33.7 million to provide child protection services.

Out of home care funding in the 2015-16 Budget includes an additional \$8 million to address demand for safe and secure services for children in care and \$0.5 million to promote foster care opportunities to increase the number of foster carers throughout the Territory.



Mental Health

The 2015-16 Budget provides funding of \$54.6 million to support improved mental health outcomes for Territorians including:

- \$3 million additional funding to enhance mental health services in the Territory including child and adolescent inpatient care, a review of supported accommodation, remote mental health staff and improved access to other services; and
- \$1.88 million to continue services in the Subacute Mental Health Facility in Central Australia, which provides for a step-up and step-down model of care.

Additionally, the Northern Territory Suicide Prevention Strategic Action Plan 2015-2018 was recently released and provides a range of actions aimed at reducing the rates and impact of suicide and self-harm across the Territory.

Lifestyle

Improving Park Facilities

The 2015-16 Budget invests in infrastructure to enhance the amenity of Territory parks to improve visitors' experiences through:

- \$10.43 million to upgrade and redesign facilities at Litchfield National Park, including;
 - upgrading access and facilities at Florence Falls;
 - improving amenities and viewing facilities at Tolmer Falls;
 - redesigning Buley Rockhole facilities including parking;
 - upgrading boardwalks and toilet facilities at the Magnetic Termite Mounds site;
 - providing additional campsites and toilet facilities at Tjaynera Falls; and
- \$10.68 million to upgrade Casuarina Coastal Reserve, including revitalisation of amenities at Dripstone cliffs, provision of CCTV at Buffalo Creek, and upgrades and provision of new paths, tracks, lighting and activities across the reserve.

The 2015-16 Budget supports Territorians to lead an entertaining, active and healthy lifestyle through additional funding for sport, recreation and cultural activities.

Sports and Major Events

The 2015-16 Budget delivers expanded entertainment and sporting events for Territorians, including:

- \$34 000 for the Barkly May Day Muster;
- \$1.7 million through FestivalsNT to celebrate the Territory across sport, the arts and business including a signature Territory Day event, the Darwin Festival, the Darwin International Film Festival and the Mitchell Street Mile;
- \$60 000 to support the Tattersall's Finke Desert Race in its 40th year;
- \$1 million for the inaugural RedCentreNATS Alice Springs, including The Concert, with the first event taking place in September 2015;
- \$0.75 million for an events program to commemorate the 75th anniversary of the Japanese air attacks on the Top End; and
- \$1 million to support regional shows across the Territory to support infrastructure and governance.

Arts and Culture

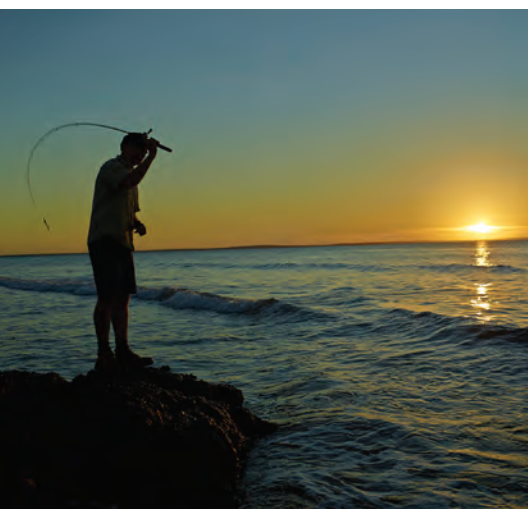
The 2015-16 Budget invests \$68.6 million to provide improved arts and cultural activities for Territorians and visitors, including:

- \$18.3 million, including external funding, to redevelop the Chan Building into a dedicated visual arts gallery. It is expected prestigious exhibitions and national touring exhibitions will be showcased at the new gallery, providing greater public access and engagement with the Territory's art collections;
- \$6.72 million to support the Museum and Art Gallery of the Northern Territory;
- \$5.31 million over four years to upgrade and replace heating, ventilation and airconditioning at the Museum and Art Gallery of the Northern Territory;
- \$6.1 million over three years for a heritage enhancement program; and
- \$0.5 million to support the Godinymayin Yijard Rivers Arts and Culture Centre to promote the arts and cultural identities of the Katherine Region and its people.

Recreational Fishing

The 2015-16 Budget is continuing to provide for Territory fishers with:

- \$4.5 million to upgrade the Dundee Beach boat ramp;
- \$2 million to upgrade the Shady Camp boat ramp;
- \$0.75 million over three years to establish a Fishery Enhancement Program for the production and release of fingerlings of target fish species and investigating artificial reef options; and
- \$1.07 million to continue providing access to Territory coastal waters for recreational and commercial fishers.



Sporting Facilities

The 2015-16 Budget delivers a sports infrastructure program of \$57.3 million, including:

- \$20 million to expand facilities and seating capacity at Richardson Park;
- \$8 million towards a regional tennis centre at Marrara, including 14 International Tennis Federation courts, four Hot Shots courts for younger players, a show court, a clubhouse, café and pro-shop;
- \$2 million to upgrade Alice Springs netball facilities;
- \$1.98 million to upgrade the Satellite City BMX track in Palmerston, including upgrading the track to national/international standard and constructing a cover over the facility to reduce damage to the track during the wet season;
- \$2 million to upgrade lawn bowls facilities in Fannie Bay (Darwin Bowls and Social Club) and Marrara (North Darwin RSL);
- \$1.5 million for new lawn bowls facilities in Alice Springs, including two synthetic greens, floodlighting to meet Australian standards and storage facilities;
- \$2 million for a new national standard 400 metre athletics track with eight lanes at Rhonda Diano Oval in Braitling, Alice Springs, including track and field event facilities and oval fencing;
- \$2 million to upgrade remote ovals across the Territory;
- \$1.5 million to upgrade the Darwin cycling velodrome;
- \$0.82 million to redevelop the Katherine Country Club golf course; and
- \$0.5 million for Riding for the Disabled in Alice Springs and Marlow Lagoon.



Motor Sports Infrastructure

The 2015-16 Budget provides \$12.65 million for new motor sports infrastructure projects, including:

- \$1.85 million for the Alice Springs Speedway and go-karts;
- \$1 million to replace and extend the existing track at the Central Australia Drag Racing Association;
- \$1 million to upgrade track and fencing at the Katherine Motor Sports Club;
- \$0.5 million towards a new tower and clubhouse and upgrade facilities at the Tennant Creek Speedway; and
- \$0.25 million to upgrade lighting at the Top End Motocross Club.

The funding includes \$8.05 million for infrastructure upgrades at the Hidden Valley Motor Sports Complex:

- \$4 million to replace water mains and systems;
- \$2 million to install a glass-fronted structure that includes seating, bar and kiosk, and a VIP area;
- \$1 million to install lighting and power for the pit area;
- \$0.75 million for upgrades to the Darwin Speedway race surface;
- \$0.2 million to upgrade air fences; and
- \$0.1 million to install WiFi throughout the complex.

Tourism

Tourism Infrastructure

The 2015-16 Budget invests in infrastructure to upgrade key tourism roads and facilities.

Tourism Roads

- \$32 million to upgrade and seal various sections of the Plenty Highway and Tjukururu Road as part of the Territory and Commonwealth government-funded Outback Way Roads program;
- \$15 million to complete the sealing of Litchfield Park Road;
- \$13.5 million to construct a new high-level bridge over the Lower Finnis River in the Top End;
- \$25 million to complete sealing the Mereenie Inner Loop on Larapinta Drive in Central Australia; and
- \$3 million to upgrade the Kambolgie Creek crossing on Gimbat Road in Kakadu.

Upgrading Facilities

- \$10.68 million to improve facilities at Casuarina Coastal Reserve;
- \$10.43 million to upgrade facilities at Litchfield National Park;
- \$2 million to construct an additional pontoon adjacent to the Stokes Hill Wharf to support harbour cruise operators; and
- \$1.2 million to construct a shaded walkway from the cruise ship terminal to the pontoon walkway leading to the Waterfront.

The 2015-16 Budget reaffirms the Government's commitment to grow the Territory's tourism industry and visitor numbers by providing \$48.2 million in marketing initiatives to promote the Territory as a tourist destination.

Funding has also been allocated to support new tourism products and infrastructure development across the Territory, including upgrading key tourist roads, improving amenity of parks, and constructing new arts and cultural facilities.

Supporting New Tourism Products

The 2015-16 Budget assists industry to develop new tourism products, including:

- \$4.75 million for the Tourism Infrastructure Development Fund for use across the Territory with a focus on regional, remote and Indigenous tourism products. This funding will also support a permanent commemoration to the Borella Ride in Tennant Creek;
- \$3 million for strategic tourism product initiatives that build on the Territory's strengths as a tourist destination;
- \$1 million over two years to expand a tourism WiFi network, building on trials already underway in the Territory's national parks; and
- \$0.78 million for the Commonwealth-funded Tourism Demand-Driver Infrastructure program, which aims to support new tourism infrastructure development.

Promoting the Territory

The 2015-16 Budget includes \$16.3 million for domestic marketing activity and \$11.9 million (including an additional \$5 million) to market the Territory internationally, including:

Domestic Marketing

- \$5 million for the next instalment of the 'Do the NT' campaign activity;
- \$4.6 million in cooperative marketing activity with airlines and other partners;
- \$1.3 million in corporate sponsorships to build awareness of the Territory as a holiday and business tourism destination; and
- \$0.5 million on initiatives focused on growing the daily spend once visitors are in the Territory.

International Marketing

- \$6.2 million for marketing in the United Kingdom, USA, Germany and France;
- \$1 million for eastern markets (excluding China) including an emphasis on travel from Asia into Darwin;
- \$0.8 million to deliver a new strategic approach to the Chinese market; and
- \$1.3 million to extend the Territory's presence into markets in which no representation currently exists.

Other Initiatives

- \$2 million to support regional marketing and visitor information services across the Territory; and
- \$2 million to market and promote the Territory as a business events destination.