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2002-03 BUDGET HIGHLIGHTS

The 2002-03 Budget reflects the Government's commitment to manage the Territory's finances responsibly, while maintaining the delivery of services to the Territory community.

Responsible Financial Management

- First Territory Government accrual budget
- New Fiscal Management Framework

Fiscal Strategy

- Budget in balance by 2004-05
- Progressive reduction in debt and liabilities
- Taxes and charges competitive with States

Increase Spending on Health, Education and Community Safety

- Total of \$2.3 billion includes an increase of 3% in operating expenses for education and training (to \$505 million), 4% for health (to \$527 million) and 4.2% for justice and community safety (to \$240 million)

Investing in Infrastructure

- Total infrastructure investment of \$432 million for capital works, repairs and maintenance
- Cash expenditure of \$333 million in 2002-03 – the largest investment in Territory infrastructure since self-government

- Capital works spending is budgeted to grow by 29% in 2002-03, consistent with the Government's aim of ensuring an adequate economic and social infrastructure

Making Home Ownership More Affordable

- A \$1 500 cut in stamp duty for principal place of residence with an expanded benefit for first home buyers of up to \$3 640

Business Tax Cuts

- Abolition of stamp duty on wet-hire arrangements
- Significant reduction in franchise taxes
- Measures to enhance the equity, efficiency and integrity of the Territory's tax regime

Deficit Reduction Strategy

- The general government deficit to decline by \$22 million in 2002-03 with further reduction strategy on track

RESPONSIBLE FINANCIAL MANAGEMENT

The Government financial strategy is to provide a sound and stable financial basis to promote growth across the Territory. A sound financial base is also essential to support job creation and to ensure that improved services can be provided to all Territorians.

Financial Management Reforms

In line with the Government's commitment to responsible financial management, the 2002-03 Budget has been prepared using a new fiscal framework. The 2002-03 Budget is the first budget to be prepared under the *Fiscal Integrity and Transparency Act*. The Act aims to improve fiscal policy outcomes by:

- requiring fiscal strategy to be based on principles of sound fiscal management;
- enabling greater public scrutiny of fiscal policy and performance; and
- strengthened accountability arrangements.

The Act requires that the Budget be underpinned by a fiscal strategy statement, which outlines the Government's medium-term fiscal objectives, a fiscal outlook report and a fiscal results report at the end of each financial year.

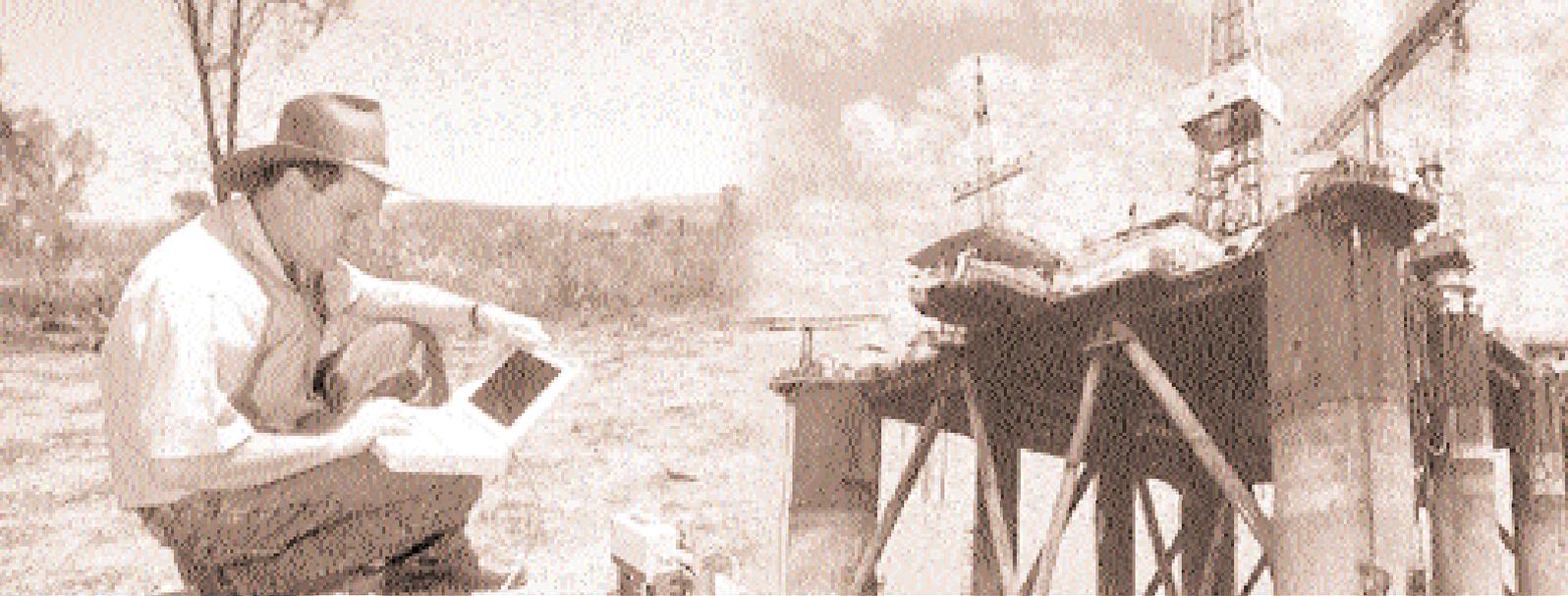
First Accrual Budget

The 2002-03 Budget is the first budget presented using an output based budgeting and accrual accounting framework. Output based budgeting aims to achieve better resource allocation by focusing performance measures on what government agencies produce (outputs) and providing full cost information on those outputs.

The introduction of the accrual basis of accounting together with the reporting of cash flows will further strengthen the Government's fiscal management tools.

Together, this package of financial management reforms will provide more comprehensive information to Government and the public and improve the range and quality of financial information available to the Government for decision making.





FISCAL STRATEGY

The Government's fiscal strategy introduced in this Budget reflects a continued commitment to placing the Territory on a fiscally responsible footing, by continuing the deficit reduction strategy and allocating funds appropriately across functional areas to provide improved levels of service to the community.

As part of the requirements of the *Fiscal Integrity and Transparency Act*, the Budget includes a new fiscal strategy and encompasses the November 2001 deficit reduction strategy.

The Government's medium-term fiscal objectives are:

- curbing the growth in net debt and unfunded liabilities, while continuing to provide adequate levels of service to the community;
- commitment to and continuation of a deficit reduction strategy; and
- a resultant decline in net debt and total liabilities.

The Government's fiscal strategy is based on three key principles:

- sustainable Government services;
- a competitive tax environment; and
- prudent management of liabilities.

This strategy aims to achieve:

- an underlying cash surplus in the general government sector by 2004-05;
- a positive net operating balance (resources received less resource consumed) within 10 years in the general government sector;
- capital investment to support service delivery and economic growth;
- fiscal balance (net operating balance less capital investment), which varies in accordance with the needs of a growing economy;
- taxation revenue per capita that is competitive with the average of the six States; and
- a progressive reduction in net debt and unfunded liabilities.

Fiscal Outcome and Outlook

The 2002-03 Budget sets the Territory on the path to a sound financial future.

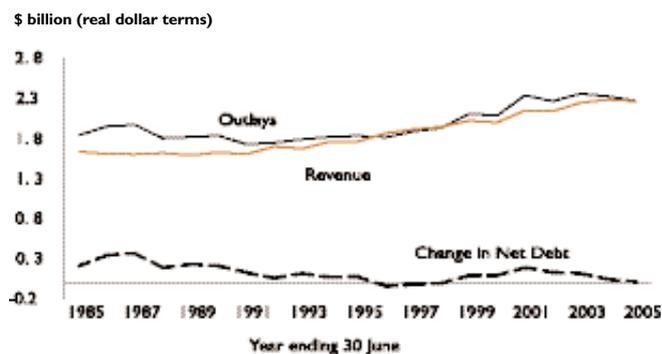
- The general government estimated cash deficit of \$117 million in 2001-02 improves to \$95 million in 2002-03 and will be in balance by 2004-05.
- The estimated net operating balance for the general government sector for 2001-02 was a deficit of almost \$107 million. The estimate for 2002-03 is a deficit of \$24 million and this will continue to improve.

- The general government sector is forecast to move into a positive fiscal balance position by 2004-05.
- Commencing in 2003-04, the Government will commence funding the liability in respect of defined benefit superannuation schemes. The general government sector liability for superannuation is expected to continue to increase until 2004-05, but to decline from 2005-06 onwards. After a slight lag, that decline will be reflected in lower expenses with an accompanying contribution to the reduction in the deficit beyond 2004-05.
- This will result in improvements in the measures of net debt and net financial worth.

2002-03 BUDGET AGGREGATES

	2001-02	2002-03	2003-04	2004-05	2005-06
Cash Deficit/ (Surplus) (\$M)	117.4	95.4	25.2	-	-13.0
Net Operating Balance (\$M)	-106.6	-24.1	-2.5	15.4	48.7

NORTHERN TERRITORY BUDGET - UNIFORM PRESENTATION SCOPE



Source: Government Finance Statistics ABS Cat. No. 5512.0 and Northern Territory Treasury



DELIVERING TODAY... KEY EXPENDITURE MEASURES

The 2002-03 Budget provides \$2.3 billion for expanded services, including these key initiatives:

Education and Training

- Additional operating expenses of \$14 million – up 3% to \$505 million
- Additional funding of \$3.2 million in 2002-03, increasing to \$8.1 million ongoing from 2004-05 towards the employment of 100 extra teachers within the Government's first term
- Grants to school councils for school supplies up 21% – the first significant rise since 1993-94
- An additional \$3 million for vocational education training and higher education opportunities for Territorians

Health and Community Services

- Additional operating expenses of \$20 million – up 4% to \$527 million
- An increase in grants of an additional \$6 million to non-government organisations
- Additional funding of \$8 million in 2002-03, towards meeting the Government's commitment to employ 75 extra nurses over its first term in office
- \$0.5 million for the Itinerants Strategy, for primary health care and a day care facility in Darwin

Community Safety and Justice

- Additional operating expenses of \$9.6 million – up 4.2% to \$240 million
- Over \$3 million towards the employment of 50 extra police and 16 extra fire officers within the Government's first term
- Over \$1.6 million for crime prevention and community safety initiatives

Job Growth and Employment

- Over \$0.6 million to expand the Office of Territory Development and its focus on attracting interstate and overseas investment to the Territory
- \$3.4 million has been reallocated to develop and implement the Government's employment and training strategy

- Over \$28 million in new and continuing programs to assist industry to develop and expand, through a range of financial and business assistance and support programs and trade promotion activities
- \$90 000 to employ community fisheries officers in remote communities and a further \$0.12 million for training and development programs in remote areas
- Over \$20 million for marketing the Territory as a tourist destination aimed at promoting growth and job creation in the tourism and hospitality industries

Sport, Recreation, Arts and Culture

- A further \$0.3 million to employ sport and recreation officers in remote communities
- Over \$2 million to improve the Territory's arts and cultural facilities across the Territory, plus an additional \$0.25 million in arts sponsorship grant
- Over \$2 million to upgrade the Murrumbidgee Sporting Complex

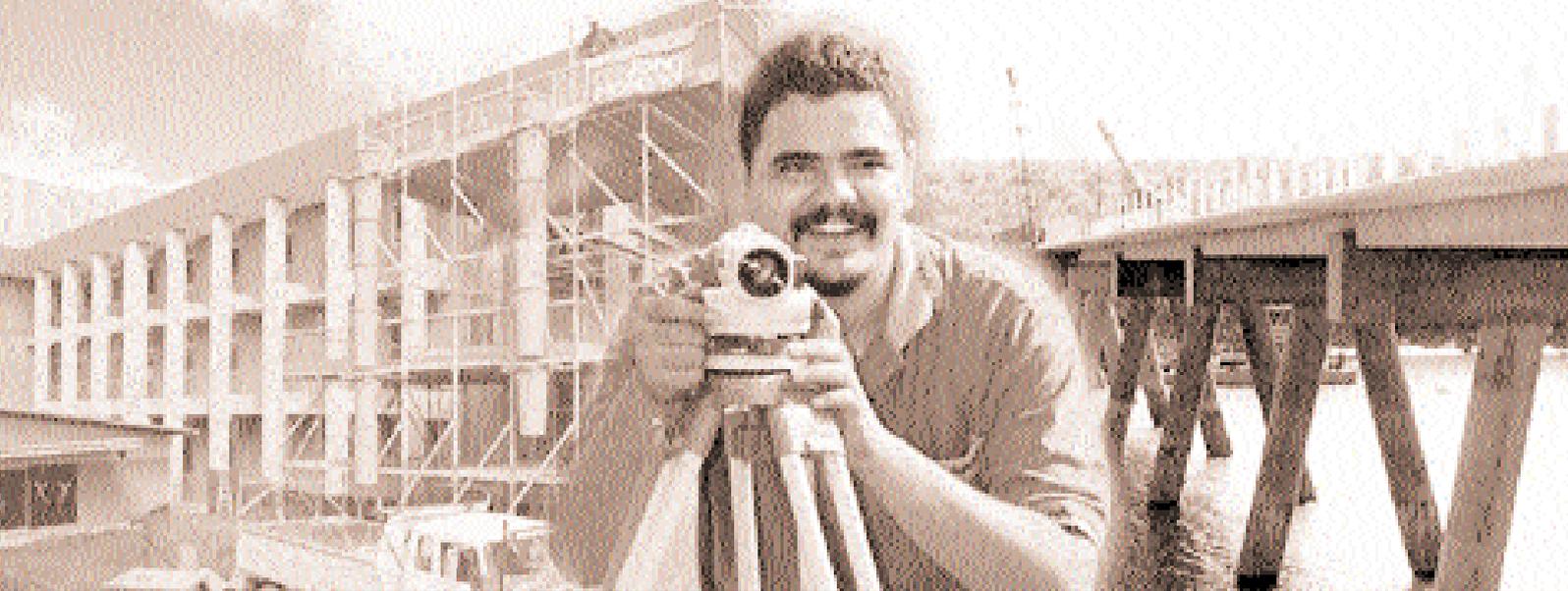
Transport

- \$6.6 million contribution to infrastructure requirements of the Alice Springs to Darwin railway
- \$27.7 million in capital works investment to upgrade roads and highways across the Territory
- \$2 million to facilitate Virgin Blue air services to the Territory

Housing

- A further \$3 million towards HomeStart, making it the highest ever HomeStart budget at \$28 million since its introduction in 1997
- \$6.3 million towards improving Indigenous housing in remote areas
- \$3 million for security screens to public housing
- More than \$11 million to improve government employee housing in remote areas





INVESTING FOR TOMORROW - INFRASTRUCTURE COMMITMENTS

The Government recognises that building infrastructure is essential investment to providing improved services and promoting growth and increased job opportunities across the Territory. The 2002-03 Budget delivers on that commitment.

In line with this objective, a \$313 million capital works program has been approved.

Total investment in capital works, repairs and maintenance is \$432 million (if PowerWater is included, this is \$513 million).

To boost infrastructure spending an additional \$48 million cash for capital works, to \$213 million has been approved (an increase of 29% from the previous year).

The minor new works program is \$24 million, an increase of \$5 million.

Social Infrastructure Investment

Total capital investment announced in the Budget includes:

- \$30.6 million for health and community care including \$14.4 million to complete the redevelopment of the Royal Darwin Hospital

- \$17.8 million for education and training
- \$8.2 million for community safety
- \$25 million to build, replace or upgrade housing for Territorians
- \$8.9 million to upgrade various schools throughout the Territory
- \$3.8 million to improve health care outside the Darwin region
- \$3 million for security screens to public housing

Economic Infrastructure Investment

Key capital investment projects approved in the 2002-03 Budget are:

- \$58.3 million to complete the development of the East Arm Port
- \$6.6 million contribution to the infrastructure requirements of the railway
- \$11 million for the construction of power and water supply infrastructure to Wickham Point
- \$27.7 million in new programs to upgrade the roads of the Territory

An additional, \$3.7 million has been approved in program delivery funding to support additional design and supervision costs.

Repairs and maintenance expenditure across government agencies will be \$119 million in 2002-03, with funding transferred to agencies from Department of Infrastructure, Planning and Environment.



TERRITORY TAXES – SIMPLER, FAIRER AND MORE EFFICIENT

A simple but fair tax regime is necessary for economic growth and investment, and to lower the cost of living for Territorians.

The 2002-03 Budget contains a number of tax measures aimed at improving the Territory's tax system. The measures include the provision of increased stamp duty concessions for home buyers, a reduction of pay-roll tax rates by more fairly spreading the pay-roll tax net, and a range of measures that improve the equity, efficiency and integrity of the tax system.

The Territory's taxes per capita are the second lowest in Australia.

Key tax measures in the 2002-03 Budget include:

- Effective from 20 August 2002, extra assistance to Territory home buyers through:
 - **An increase in the first home buyer stamp duty concession** threshold from \$80 000 to \$125 000, which will increase the maximum first home buyer stamp duty concession from \$2 096 to \$3 640

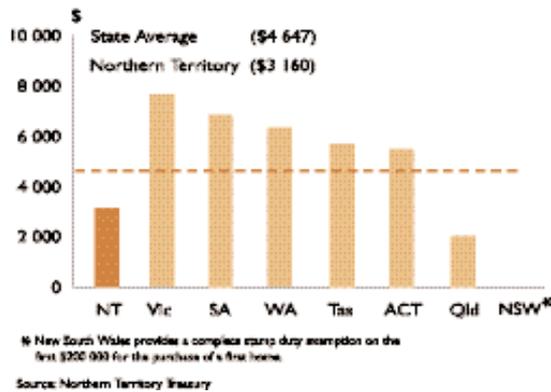
- A new **Principal Place of Residence Rebate** providing a stamp duty rebate of up to \$1 500 for other home buyers on the purchase of their principal place of residence

These combined measures are expected to enable more than 2 500 Territory households to pay around \$1 500 less in stamp duty on the purchase of their homes. The new scheme is one of the most generous in Australia and puts the Territory's stamp duty charges on home purchase well below the Australian average for first home buyers and subsequent home buyers when purchasing a home valued at \$200 000.

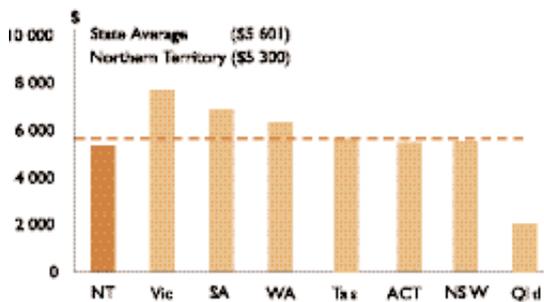
These measures will reduce the stamp duty barrier that applies on the purchase of a home anywhere in the Territory, and will boost the residential housing market.

It is estimated that the combined effect of these measures will reduce revenue by \$2.9 million in a full year.

Stamp Duty Payable on the Purchase of a \$200 000 First Home



Stamp Duty Payable on a \$200 000 Principal Place of Residence



Source NT Treasury

- Lowering stamp duty on franchises (for both the initial grant and on renewal) by applying the **significantly lower rates** that apply to leases in place of the higher conveyance rates
- A reform of pay-roll tax**, which reduces the rate from 6.5% to 6.3% with effect from 1 July 2002 and levies pay-roll tax on the 'grossed up' value of fringe benefits and eligible termination payments as determined under the income tax law. This aligns the Territory's pay-roll tax base with most other States and simplifies tax administration for businesses. Most Territory-owned businesses are expected to be better off as a result
- Abolition of hiring duty on 'wet hires'** from 18 July 2002 – this brings the Territory's hiring duty arrangements in line with all other jurisdictions, and will benefit many contracting businesses
- A new stamp duty (corporate reconstructions) exemption** for transfers of property between commonly owned companies to assist certain company groups reorganise the ownership of assets into more efficient structures
- A range of anti-avoidance, integrity and administrative initiatives** to enhance the simplicity, integrity and equity of Territory taxes and mineral royalties





BUDGET AT A GLANCE

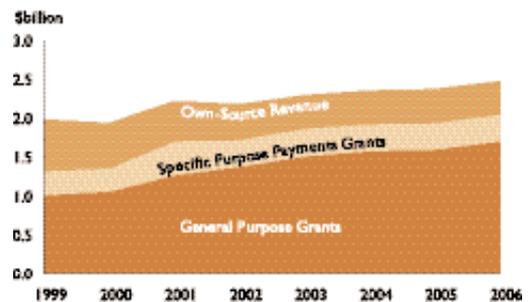
WHERE THE MONEY COMES FROM

Total revenue of \$2.3 billion is projected for 2002-03, representing a \$131 million increase on the 2001-02 revised estimate.

This reflects:

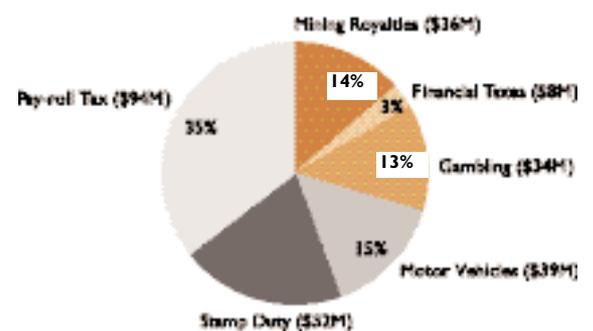
- Increase in Commonwealth general revenue grants of \$76.1 million compared with the November 2001 estimate, reflecting an increase in the Territory's needs resulting from its higher expenditure requirements and lower revenue capacity relative to other jurisdictions, as assessed by the Commonwealth Grants Commission
- Estimated increase in the Territory's Guaranteed Minimum Amount in 2002-03 to \$1 522 million. Of this amount, the Territory's GST revenue grants are estimated at \$1 502 million in 2002-03
- Expected increase in Specific Purpose Payments of \$5 million to \$323 million in 2002-03
- Expected increase in tax of \$5.3 million to almost \$227 million in 2002-03

TERRITORY REVENUE



Source: Government Finance Statistics ABS Cat. No. 5512.0 and Northern Territory Treasury

MAIN OWN-SOURCE REVENUE CATEGORY



Source: Northern Territory Treasury

WHAT THE MONEY BUYS

Total general government expenses of \$2.3 billion in 2002-03:

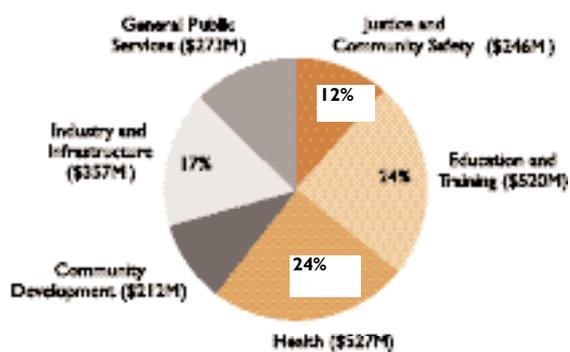
Recurrent Services

- 60% of the budget is spent on the Government's priority areas of education, health and community safety

Infrastructure

- The Government will spend \$214 million on capital works projects in 2002-03, an increase of 29%

OPERATING EXPENSES BY FUNCTION



Source: Northern Territory Treasury



BUDGET HIGHLIGHTS – A FOCUS ON REGIONS

Regional communities are vital for the Territory's economic growth. New service delivery initiatives announced in the 2002-03 Budget will provide improved services for all Territorians across the regions.

Major capital works investments will also commence in all regions in 2002-03, as illustrated.

DARWIN

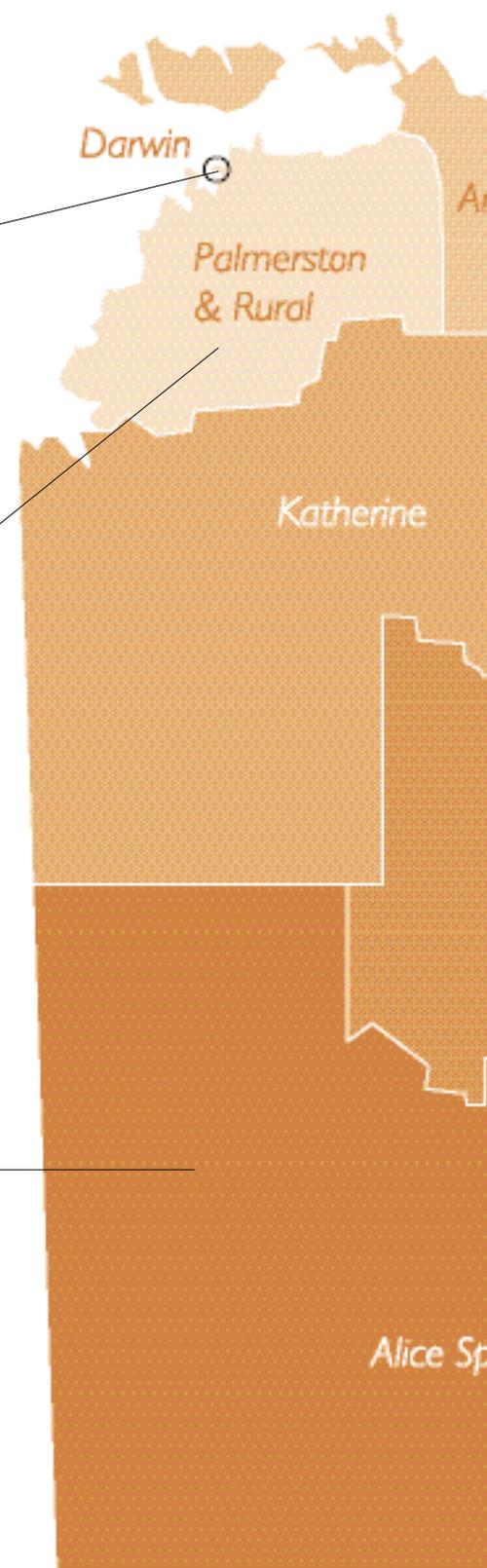
- Parap Primary School refurbishment (stage 1- new administration block, upgrade library and front entrance to school)
- New hospice and installation of a new incinerator/autoclave and low load boiler at Royal Darwin Hospital
- Kurringal Flats complex redevelopment
- Athletics track and Football Park infrastructure upgrade at Marrara Sporting Complex
- Dinah Beach and Buffalo Creek fishing infrastructure upgrade

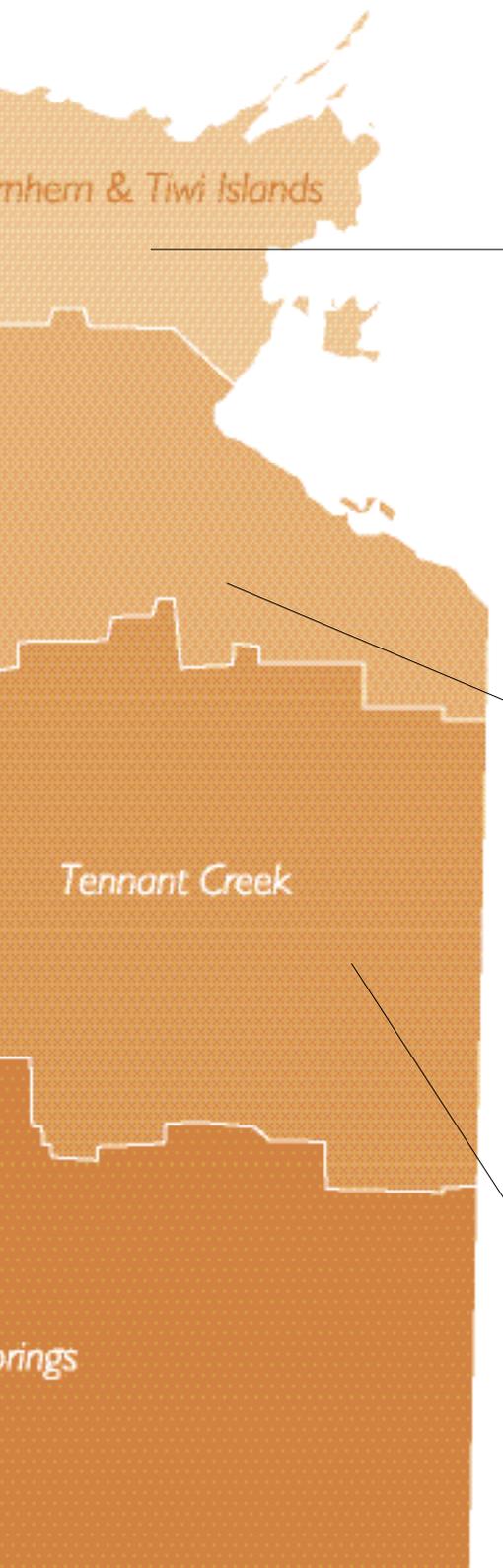
PALMERSTON AND RURAL

- New electricity generating set at Wadeye (Port Keats)
- Water storage upgrade at Peppimenarti
- Fog Bay Road upgrade (road and drainage)
- Cox Peninsula Road development at Belyuen
- Construct power and water supply infrastructure to Wickham Point
- New wastewater treatment system for the Darwin Aquaculture Centre at Channel Island

ALICE SPRINGS

- Improvements to air conditioning at Alice Springs High School
- Upgrade the existing health centre at Yuendumu
- Construct a modern police station at Kintore
- Upgrade essential services at Papunya, Hermannsburg and Kaltukatjara (Dockers River)
- Construct the Finke River bridge and approaches on the Stuart Highway
- Upgrade sections of the Tanami Road
- Upgrade runways at Walungurru (Kintore) and Lajamanu
- Upgrade Papunya School and construct a new multi-purpose area and a preschool





TERRITORY-WIDE

- Upgrade various Homeland Centres
- More Government employee housing in remote localities, including 20 houses specifically for teachers
- Develop/upgrade community crisis accommodation
- Medium-term community housing development
- Improvements on selected sections on the Stuart, Victoria and Barkly Highways including pavement rehabilitation
- Upgrade strength deficient bridges, upgrade road safety, environment and amenities on national highways



ARNHEM AND TIWI ISLANDS

- New multi-purpose hall at Nhulunbuy High School
- Upgrades to Maningrida and Milyakburra school facilities
- New health centre at Milikapti
- New electricity generating set at Maningrida
- Investigate and drill a new bore field for water at Numbulwar
- Upgrade runways at Pirlangimpi (Garden Point) and Gapuwiyak (Lake Evella)
- Numbulwar to Ngukurr Road upgrade
- Umbakumba to Angurugu Road upgrade

KATHERINE

- Minyerri School refurbishment (extensions to library, classrooms and storage areas)
- New mortuary at Katherine Hospital
- Upgrades to the Central Arnhem Road at Beswick
- Upgrade selected sections of Warrego Road between Lajamanu and Tennant Creek
- Roper Highway crossings upgrade
- Regrade the existing gravel airstrip at Kalgurung and seal the central 18 metres; and complete seal widening of the road to Daguragu
- Construct stairways, walkways and tour launch landings at the 2nd and 3rd gorge crossovers in Nitmiluk National Park (Katherine Gorge)

TENNANT CREEK

- Establish a renal unit at Tennant Creek Hospital
- Power generation facilities upgrade at Orwaitilla (Canteen Creek)
- Selected upgrades along the Elliott to Anthony's Lagoon Road
- Calvert Road upgrade
- A capital grant to complete construction of the Nyinkka Nyunya Indigenous Cultural Centre in Tennant Creek



TERRITORY ECONOMIC OUTLOOK

Economic growth is set to broaden and gather momentum in 2002-03.

Over the medium term, Territory economic growth prospects are strong.

Growth in Territory GSP is forecast to average 5% over the next five years. Access Economics predicts employment growth to average, in annual terms, 2.4% over the next 5 years.

The defence force plans further expansion and there are several potential gas-related projects under consideration.

The construction phase of the Alice Springs to Darwin railway will continue to have a strong positive impact on the Territory economy. Further out, the operational phase of the railway, scheduled to commence in 2004, combined with the new port, has the potential to see Darwin develop into a nationally important transport hub.

The outlook for energy production is very positive. Whilst not yet committed, plans to bring gas from the Bayu-Undan field to a liquefied natural gas plant in Darwin could be expected to result in a five-fold increase in gas sales.

The Sunrise gas field in the Timor sea has the potential to turn Darwin into Australia's fourth gas hub, bringing major investment and investor diversification.

Last year, economic activity started to show signs of recovery. GSP is estimated to have increased by 1.7%, lower than the 5% forecast in the Mini Budget. This was largely due to falling exports of Timor Sea oil. This reduction masked the pick up in onshore growth that has been experienced since November.

However, economic growth of 3.7% is forecast for 2002-03 as the upswing in the Territory economy continues to strengthen. Solid growth is expected in household consumption, and private investment will again contribute strongly to growth as rail-related engineering work and other construction projects proceed.

Offshore oil production is anticipated to level out and population growth is expected to pick up, with less interstate migration outflow. A recovery in the number of international visitors is likely to lead to stronger tourism growth.

Encouraging signs on the job front have been associated with an improvement in the unemployment rate. Since August 2001, the trend unemployment rate has fallen from more than 7.5% to 4.2%.

Continued railway construction activity and a growing economy will lead to further employment growth. Tourism-related employment should strengthen as the industry recovers from the negative effects of weak global growth, terrorist attacks in the US and the Ansett collapse.

Price and wage pressures are expected to remain contained, with the Darwin CPI forecast to remain largely unchanged in 2002-03 despite the pick up in domestic activity.

Although conditions appear to be improving, overseas recovery is weak and the tail end of the world downturn will continue to dampen exports in the short term.

The upturn in Territory construction will continue in 2002-03. Strong growth in engineering construction is forecast to continue as work on the railway and stage 2 of East Arm Port proceed. Solid growth is expected in office, retail and hotel-related building.



TABLE 1: TERRITORY ECONOMIC INDICATORS

Year on Year Percentage Change	2000-01	Estimate 2001-02	Forecast 2002-03
Real GDP	4.5	1.7	3.7
State Final Demand	-3.6	16.2	4.6
Employment	1.1	5.7	1.8*
Population #	1.3	0.7	1.2
Darwin CPI	5.4	2.2	2.3

* Access Economics' forecast # Based on mid year, December estimates

Source: ABS data, Northern Territory Treasury



QUALITY AND ACCESSIBLE HEALTH AND COMMUNITY SERVICES

Quality health care and community services are essential to all Territorians and a key priority of this Government. The Government's health policy seeks to address both primary and preventative health care priorities to ensure that resources are available for critical health care, and also for preventative health care to improve the health profiles of Territorians generally.

The 2002-03 Budget reinforces the commitment made by Government in the 2001-02 Mini Budget, including an overall increase of \$20 million in health and community services funding to \$527 million.

The Budget contains an increase of \$6 million (an increase of 8%) in additional grants, subsidies and base funding for non-government organisations to provide essential health and community services on behalf of the Government. This reflects the Government's support and recognition of the important contribution made by non-government organisations.

To enhance the overall quality of health and community care in the Territory, the Budget includes initiatives in all service areas.

- An additional \$11 million in base funding has been approved for health and community services ongoing from 2002-03. Of this amount, \$0.4 million has been allocated to deliver additional alcohol education and rehabilitation services in Alice Springs and \$2.5 million for additional grants to non-government organisations. A further \$0.5 million has been provided to fund additional child protection and family worker positions and \$0.5 million to implement year one of the Government's response to the recommendations of the Taskforce on Illicit Drugs. The balance of \$7.1 million is to be allocated pending the outcome of the Department of Health and Community Services strategic review, currently under way
- \$0.5 million for the Itinerants Strategy, which includes primary health care and a day care facility in Darwin

Better Hospital and Health Care Facilities

The Budget has also committed funding to improve hospital, health and community centre infrastructure across the Territory through key initiatives and infrastructure investments.

- Work on the **Royal Darwin Hospital (RDH)** redevelopment will be completed this year, with \$14.4 million to be spent. A hospice has been approved at RDH to provide in-patient palliative care with a project cost of \$3 million. Further work at RDH totalling \$2.4 million includes a new, environmentally safe incinerator and a low load boiler
- Work on the redevelopment of **Alice Springs Hospital** will be completed this year with \$0.8 million remaining to be spent. \$0.7 million will also be provided for an additional chiller at Alice Springs Hospital to maintain the required conditions in the hospital building
- The **Yuendumu health centre** is to be upgraded at a cost of \$0.8 million and a new \$1.5 million health centre will be constructed at **Milikapiti**
- A new mortuary will be constructed at the **Katherine Hospital**, costing \$0.4 million
- The Katherine region will benefit from the development of a **transitional care unit** for the aged at the Rocky Ridge Nursing Home, which will provide short term care for people prior to returning to their communities. The total cost of this project is \$0.6 million, which includes Commonwealth funding and redirected Territory health repairs and maintenance funding of \$0.3 million
- A **renal dialysis** facility will be constructed at **Tennant Creek** at a cost of \$0.5 million, with a recurrent budget of \$0.4 million per annum

Enhancing Health Care Standards

To support the Government's commitment to increase the number of health care professionals and provide attractive remuneration and professional development opportunities to attract and retain quality staff in the Territory, the 2002-03 Budget includes:

- An additional \$8 million (increasing to \$11.6 million by 2004-05) to recruit 75 extra hospital nurses over four years. This funding also provides for the increase in the pay levels of nurses as part of the 2001-02 Nurses' Certified Agreement
- \$2.2 million will be provided to increase regional health care teams with specialist skills in child health by 25 personnel – targeted at improving child health outcomes in remote areas
- \$0.5 million to employ specialist staff in the Accident and Emergency Unit at Royal Darwin Hospital to overcome staff shortages
- \$0.7 million for increased professional development and training
- \$0.3 million in 2002-03, increasing to \$0.5 million in 2004-05, will be provided for increased ambulance services in the Darwin, Palmerston and rural areas
- \$0.5 million to improve remuneration arrangements for specialist staff and clinicians (increasing to \$1 million by 2004-05)

The 2002-03 Budget also includes a range of other health and community care programs, which aim to improve the overall standard of health care in the Territory, with a particular focus on improving Indigenous health outcomes.





BETTER EDUCATION AND TRAINING

Investment in education and training is essential for the Territory's future prosperity.

The 2002-03 Budget reinforces the commitment made by Government in the 2001-02 Mini Budget, including an overall increase of more than \$14 million up to \$505 million for education and training.

The Government is committed to improving the standard of education and ensuring that Territorians have access to quality education regardless of where they live. The Government's education strategy is targeted at improving the relevance of school-based education, retention rates, school-to-work transition rates and to implementing the recommendations from *Learning Lessons - an Independent Review of Indigenous Education in the Northern Territory*.

In line with this commitment, the 2002-03 Budget funds the employment of a further 20 teachers, in addition to the 20 extra teachers already employed since the 2001 Mini Budget, with a target of 100 extra teachers by 2004-05. Additional funding of \$3.2 million is included in the 2002-03 Budget, rising to \$8.1 million ongoing from 2004-05.

Better School Facilities

To enhance school infrastructure, the 2002-03 Budget commits \$8.9 million in 2002-03 for the construction, upgrade and replacement of schools, to include:

- A total of \$3 million for improvements to remote schools, with \$2 million at Maningrida and Papunya, \$0.4 million for Milyakburra, \$0.3 million to extend Minyerri School and \$0.4 million to upgrade various Homelands Centres
- \$2.2 million for stage 1 upgrade to Parap Primary School
- \$2.1 million for a new multi-purpose hall at Nhulunbuy High School
- \$1.3 million for stage 2 upgrade to airconditioning at Alice Springs High School

Better Education Outcomes in Schools

To improve education outcomes, particularly school attendance rates, the 2002-03 Budget provides:

- \$0.5 million for the introduction of diversionary programs to help get wayward students back to the classroom
- \$0.2 million increasing to \$0.7 million in 2004-05 to employ eight school attendance officers over three years to assist in addressing truancy and behavioural problems in school

- \$0.5 million to employ more inclusion support workers to provide one-on-one assistance to disabled students with mainstream classroom learning
- Additional funding for non-government schools, with \$0.4 million for recurrent and \$0.2 million for capital assistance to the non-government school sector
- \$0.9 million to increase school supplies grants to school councils (up 21% – the first significant rise since 1993-94)

Improved Higher Education and Training Opportunities

To increase the capacity of schools and the University to provide enhanced opportunities for education, training and skilling, the Government is providing:

- An additional \$2 million funding assistance for Northern Territory University (to a total of \$5 million ongoing) to deliver higher education
- \$1 million to extend vocational education and training programs in schools down to Year 9 students
- An additional \$0.1 million to support regional and remote training programs
- \$3.4 million has been reallocated to develop and implement the Government's employment and training strategy

Enhanced Teaching Standards

The Government has reinforced its commitment to increasing the number of education professionals and providing improved remuneration and development opportunities to attract and retain quality staff to the Territory. In addition to the employment of 100 extra teachers within the Government's first term in office, the 2002-03 Budget also provides:

- \$0.5 million for a Student Teacher Bursary Scheme providing grants for up to 20 students to attend accredited teacher training in the Territory
- \$0.3 million for additional professional development programs for teaching staff





SAFER COMMUNITIES

It is fundamental to building a better Territory that all Territorians are safe and feel secure in their homes, streets and communities. The Budget includes a range of measures with an increase in funding of over \$9.6 million to \$240 million, across justice, police, fire and emergency service areas, aimed at enhancing community safety.

Policing Capacity

As part of the Government's plans to tackle crime and ensure effective police response capacity, the Budget has provided:

- \$2.6 million (progressively rising to \$6.5 million in 2004-05) to fund the Government's commitment for 50 additional police officers in its first term in office
- With additional police numbers, the Drug Squad will double from 20 to 40 by the end of 2003-04, and additional officers will focus on street patrols and home invasions
- \$2.1 million towards the establishment of a new Darwin Police Station
- \$1 million for a new police station at Kintore to enable a permanent police presence in the region

- \$0.4 million to construct a Mounted Police patrol facility at the Peter McAulay Centre
- \$0.9 million to upgrade police cells at Avon Downs, Galiwinku, Daly River and Tennant Creek as part of the ongoing program, which responds to recommendations of the Royal Commission into Aboriginal Deaths in Custody

Safer Homes and communities

Furthermore, the 2002-03 Budget builds on the Government's commitment to strengthen safety in the home and community by providing:

- In line with the Government's Six-Point plan, \$0.1 million to Neighbourhood Watch to enable more community-based initiatives to be put in place to reduce crime and make communities safer
- \$0.2 million for the Aboriginal Family Violence Strategy
- \$0.3 million for the trial of youth activity programs in Nightcliff and Borroloola
- \$3 million for security screens to public housing
- \$0.3 million for the establishment of a youth night patrol and safety house in Darwin

Emergency Services

To increase the capabilities of the Territory's fire and emergency services:

- \$0.5 million, progressively rising to \$1.5 million in 2004-05, is provided to fund the Government's commitment for 16 extra fire officers in its first term in office
- \$0.3 million for additional ambulance services in Darwin, Palmerston and rural areas 2002-03, rising to \$0.5 million by 2004-05

Crime Prevention

To support the Government's commitment to tackling crime through an integrated approach of crime prevention, early intervention and education, the 2002-03 Budget includes:

- Funding of a total of \$2.4 million for the Office of Crime Prevention, including \$0.4 million in grants to fund community-based crime prevention initiatives
- \$0.8 million for telecommunications interception equipment to increase the capability of crime reduction strategies
- \$0.2 million for additional staff to increase the pace of legislative reform, in line with the Government's Six Point Plan

Support for Victims of Crime and their Families

To support an increased emphasis on community justice and build supportive communities to assist victims of crime and their families, the Budget includes:

- \$0.3 million for the trial of community justice (mediation) centres in Darwin
- \$0.2 million provided in 2002-03 and \$0.3 million ongoing from 2003-04 for the introduction of a new Drug Court
- \$90 000 to give the Aboriginal Law and Justice Project renewed emphasis focusing on building the capacity of remote Indigenous communities
- \$50 000 to Victims of Crime (NT) to purchase equipment and cleaning material to provide clean up assistance to victims of crime
- Review of the Victim Assistance Scheme and new legislation scheduled for early 2002-03

Protecting Privacy and Information Access

To support the Government's commitment to ensure that Territorians have access to public sector information relating to them, the Budget will provide \$0.2 million in 2002-03 (rising to \$0.4 million in 2003-04) for the Office of the Information Commissioner and the introduction of information legislation in early 2002-03.





SUPPORTING JOB GROWTH AND EMPLOYMENT

The Government is committed to promoting sustainable employment opportunities and economic development across the whole Territory, especially in the Territory's regions and within Indigenous communities.

Building a Better Territory outlines the Government's blueprint for economic development in a number of strategic areas. Securing long-term job growth and real jobs for Territorians is already central to a number of Government programs.

The Office of Territory Development was established in November 2001 in the Department of the Chief Minister (with additional funding of \$0.6 million in 2002-03) to drive economic development in the Territory and to focus on diversifying the economy, job creation and fostering industry suited to the Territory's strengths and modern economic conditions.

The 2002-03 Budget has committed funds for initiatives, which will generate more jobs, strengthen communities and stimulate job growth across the Territory:

- During its first term of office, the Government will increase the number of nurses, police officers, fire officers and teachers at an annual total cost of \$61 million, to lift employment numbers in critical service delivery areas.

- Over \$50 million has been committed to support home buyers through HomeStart, HomeShare, First Home Owner Grants and other schemes
- \$2 million has been provided to facilitate Virgin Blue air services to the Territory

Supporting Business and Industry Development

To advance the Economic Development Strategy, the Budget includes:

- Over \$28 million in new and continuing programs to assist industry to develop and expand, through a range of financial and business assistance and support programs and trade promotion activities
- Over \$20 million to market and promote the Territory as a tourist destination
- An additional \$0.6 million to establish a short course business skills workshops and a business case manager network to assist businesses to operate more efficiently
- An additional \$0.5 million for animal disease surveillance and preparedness

To Stimulate Employment Growth in the Regions

The Government has secured over \$18 million in new Commonwealth-funded programs to provide telecommunications infrastructure to remote communities.

The 2002-03 Budget has committed a total of \$214 million in cash allocation for the Capital Works Program – an increase of 29%. This will provide a boost to job growth and employment in the regions, with the bulk of this investment to be allocated outside the Darwin region.

Major investments over the next three years include:

- continued work at East Arm Port (\$58 million)
- construction of the Alice Springs to Darwin railway and further works under the Community Development package and Railway Impact Assessment (\$16.5 million in 2002-03)
- redevelopment and upgrades to schools across the Territory (\$8.9 million)
- redevelopment of various hospitals and health centres across the Territory (\$31.3 million)
- upgrading of essential services in remote communities (\$45.7 million)
- redevelopments to major sporting and recreational facilities (\$7 million)
- \$27.7 million of new work to upgrade the roads across the Territory.

To Support Skills Development and Job Training

Young people moving from school to work and mature aged workers face particular challenges. The 2002-03 Budget reflects the Government's continued commitment to a strong education and training environment through:

- \$43 million allocated to Northern Territory University, Batchelor Institute and Centralian College to deliver vocational education and

training, with a further \$11.5 million provided to support and train apprentices across the Territory

- \$3.2 million to implement the Recruitment, Retention and Development Strategy to attract more teachers
- \$3.4 million has been reallocated to develop and implement the Government's employment and training strategy
- \$0.5 million ongoing to establish the Energy Research (Northern Territory) Institute to investigate and fund research priorities and develop training programs and opportunities relevant to the oil and gas industries

To Support Indigenous Economic Development

Achieving real outcomes through partnerships with Indigenous Territorians is a Government priority.

The 2002-03 Budget reinforces the Government's commitment to creating job opportunities and training in remote communities by providing:

- \$0.3 million for the employment of full and part-time sport and recreation officers in remote communities
- \$90 000 in 2002-03 and rising to \$0.5 million in 2004-05 for employment of Indigenous community fisheries officers under the Marine Ranger Program
- \$0.1 million to support regional and remote training programs
- \$57 million in combined Aboriginal and Torres Strait Islander Commission, Commonwealth and Territory government funds are available through the Indigenous Housing Authority of the Northern Territory for housing works in Indigenous communities. Indigenous building teams are encouraged to tender for the construction and maintenance of these housing projects

