



NORTHERN TERRITORY

BUDGET 2022-23

BUDGET AND REGIONAL OVERVIEW

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Infrastructure payments

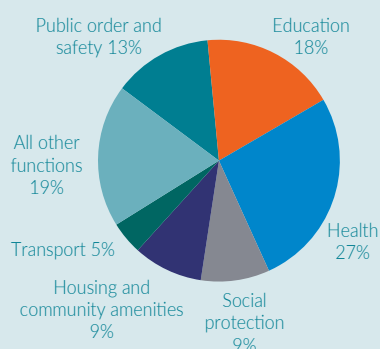
In 2022-23, infrastructure payments for the non financial public sector are estimated to be \$1.7 billion. This compares with total infrastructure payments in 2021-22 of \$1.48 billion.

Significant capital investment in strategic economic infrastructure is expected in the coming years including the Commonwealth's \$2.6 billion Energy Security and Regional Development Plan.

Expenses

In 2022-23, recurrent expenses for the non financial public sector are estimated to be \$7.86 billion. This is about \$500 million lower than in 2021-22, largely reflecting conclusion of a number of COVID-19 support measures.

The key functions of health, education, and public order and safety comprise 58% of total recurrent expenditure.



Recurrent expenditure is expected to remain relatively stable over the forward estimates.

Fiscal outlook

The 2022 Budget and fiscal outlook has improved markedly compared with the 2021 Budget and, for the first time since 2016, the Territory is projecting a net operating balance surplus within the forward estimates (from 2024-25). A modest fiscal balance deficit is also forecast in 2025-26.

Upward revisions to revenue (\$1.8 billion in GST and \$336 million in Territory taxes and royalties) have more than offset projected increases in expenditure (\$845 million) over the forward estimates. As a result, net debt is expected to be \$1.96 billion lower in 2024-25, compared with 2021 Budget.

The 2022 Budget includes new policy commitments aimed at attracting private investment, creating jobs and maintaining core government services. Additional funding was also provided to support the delivery of government's infrastructure program. Updated fiscal projections include:

- infrastructure investment of \$1.7 billion in 2022-23 with major projects including remote housing and upgrades to the Territory's road network
- general government net operating balance deficit of \$253 million in 2022-23 and operating surpluses projected from 2024-25
- non financial public sector fiscal balance deficit expected to peak at \$1.11 billion in 2022-23 and reduce over the forward estimates to \$17 million by 2025-26
- net debt for the non financial public sector of \$8.71 billion in 2022-23, rising to \$9.37 billion in 2025-26
- a net debt to revenue ratio of 115% in 2022-23, peaking at 121% in 2024-25 and 2025-26.

	2021-22	2022-23	2023-24	2024-25	2025-26
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
General government sector					
Net operating balance	- 415	- 253	- 80	60	90
Non financial public sector					
Fiscal balance	- 854	- 1 110	- 551	- 330	- 17
Net debt	7 702	8 712	9 242	9 443	9 366
Net debt to revenue (%)	98	115	120	121	121

Significant improvements in GST revenue since the 2021 Budget have reduced estimated deficits in all years with the fiscal balance anticipated to improve in aggregate by \$1.16 billion over the budget cycle to 2024-25.

	2021-22	2022-23	2023-24	2024-25	2025-26
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
Fiscal balance					
2021-22 Budget	-1 356	-1 215	- 807	- 629	n/a
2022-23 Budget	- 854	-1 110	- 551	- 330	- 17
Variation from 2021-22 Budget	502	105	256	299	n/a

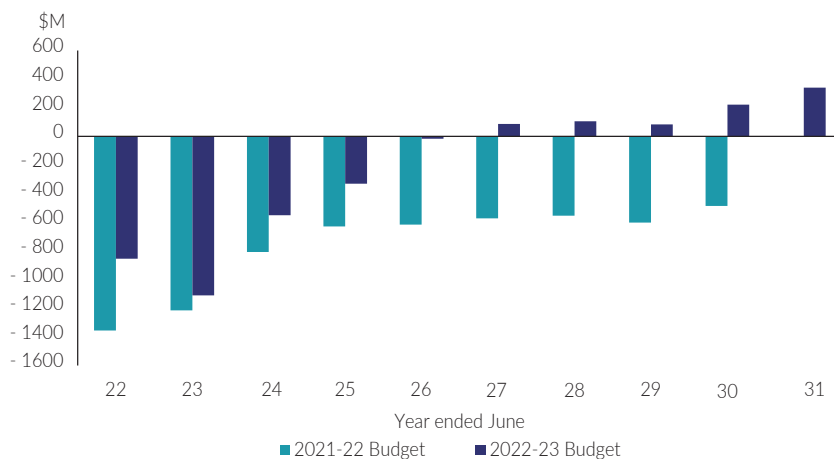
n/a: not available at the time of publishing the 2021 Budget

Medium-term fiscal outlook

The Territory's medium-term fiscal outlook has also improved since the 2021 Budget, with the non financial public sector fiscal balance now projected to return to surplus by 2026-27.

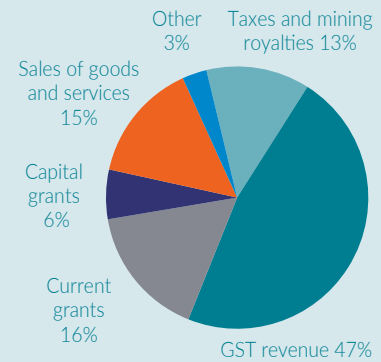
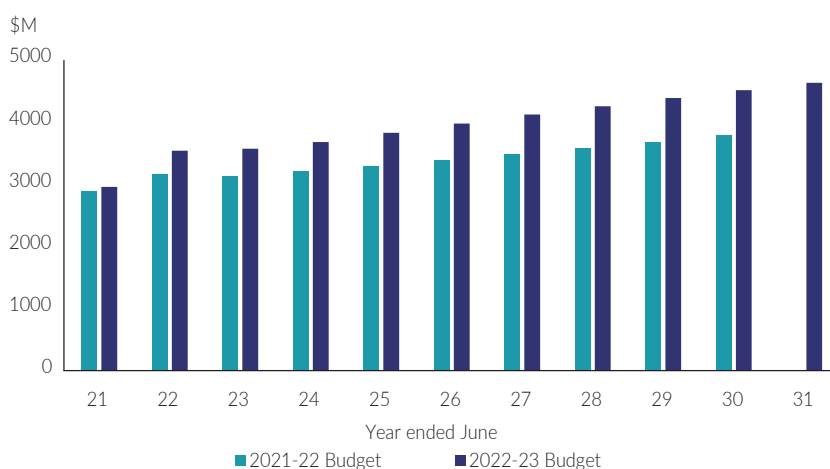
The improvement is largely attributable to government-approved policy decisions to contain expenditure growth, such as implementation of the 2021-2024 Wages Policy, combined with substantive improvement in the Territory's GST revenue forecasts.

The chart below compares the projections in the 2022 Budget for the non financial public sector fiscal balance with those reported in the 2021 Budget.



Note: Given the uncertainty associated with predicting economic conditions following COVID-19, disruptions to labour availability and supply chains, and global shocks such as the Russia-Ukraine conflict, there is a high degree of uncertainty with 10-year projections.

The chart below compares the Territory's medium term GST revenue projections in the 2022 Budget with those in the 2021 Budget. The upward revisions contribute an additional \$5.97 billion over the medium term, reflecting modest increases in the Territory's GST relativity and material upward revisions to national GST pool growth projections attributable to improved economic expectations and the effect of inflation nationally.



Revenue

Territory revenue is expected to be \$7.6 billion for the non financial public sector in 2022-23. This is around \$300 million less than 2021-22, largely reflecting the finalisation of Commonwealth funding for COVID-19 measures as well as moderation in own-source revenue to more standard pre-COVID-19 patterns.

GST remains the key source of revenue for the Territory.

GST revenue is expected to grow strongly over the forward estimates, with the Territory forecasting growth of 6.5% in the GST pool in 2022-23 and then an average of 4.5% per year thereafter.

Tax and royalty revenues are expected to remain strong over the forward estimates, averaging \$985 million per annum reflecting improved economic and employment conditions, and continued strength in key commodity prices and activity in the mining sector.

Minerals

The Territory's proximity to export markets and relatively abundant mineral resources provide a competitive advantage for mineral exploration and processing.

The Finnis lithium project, just out of Darwin, recently reached final investment decision. It is expected to begin production from late 2022.

The map below shows six other mineral projects with major project status. With final investment decisions, they will create significant construction and ongoing jobs in the Territory's regions, illustrated in the map below.



- 1 Mount Bundy – gold
- 2 Mount Todd – gold
- 3 Mount Peake – iron, vanadium, titanium
- 4 Ammaroo – phosphate
- 5 Nolans – rare earths
- 6 Molyhil – tungsten, molybdenum

Economic outlook

The Territory's economy will be supported by investment in major projects and strong consumption over the forecast period.

Territory key economic indicators (%)

	2020-21a	2021-22e	2022-23f	2023-24f	2024-25f	2025-26f
Gross state product ¹	- 0.6	4.4	3.7	- 0.7	4.3	2.9
State final demand ¹	6.1	8.8	5.4	0.3	- 2.5	- 1.8
Population ²	- 0.1	0.1	0.6	0.8	0.9	0.9
Employment ¹	- 1.7	1.1	2.3	0.9	1.4	1.7
Unemployment rate ³	5.2	3.9	4.2	4.4	4.4	4.4
Consumer price index ¹	2.0	5.7	3.1	1.0	1.3	1.7
Wage price index ¹	1.7	1.9	1.6	2.2	2.4	3.0

a: actual; e: estimate; f: forecast

Source: Department of Treasury and Finance; ABS

1 Year-on-year percentage change.

2 June quarter compared with June quarter the previous year.

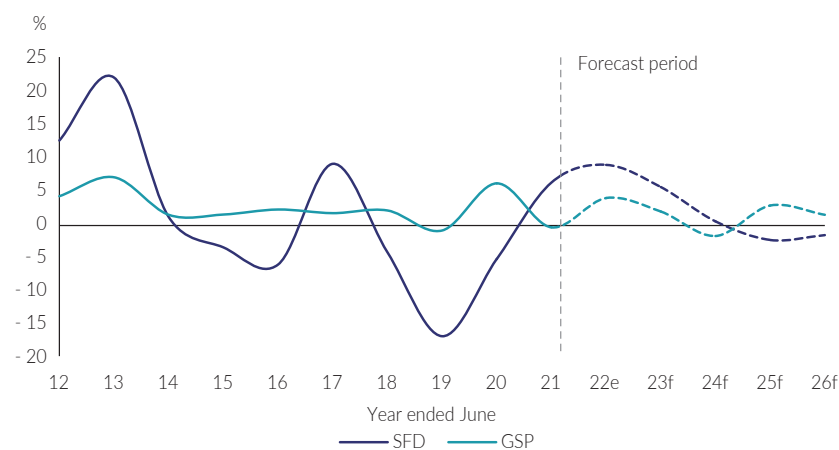
3 Year average.

Economic growth

In 2020-21, demand in the Territory recovered, led by the Territory's successful response to COVID-19, unprecedented levels of government support at both the Territory and national levels, and a strong rebound in household consumption. However, gross state product (GSP) decreased by 0.6% as exports fell by 8.1%, while state final demand (SFD), a measure of domestic activity that excludes net exports, grew by 6.1%. In 2021-22, it is estimated that GSP will increase by 4.4% and SFD by 8.8%. This is driven by increased consumer confidence and spending, and investment including construction associated with the Finnis lithium project and the United States (US) defence bulk fuel storage facility at East Arm.

Economic growth in 2022-23 is expected to be 3.7% as private investment is partially offset by an associated increase in imports. GSP in the forecast period is expected to be heavily influenced by the Barossa Project and related investment at the Darwin liquefied natural gas (LNG) plant.

Changes to Territory gross state product and state final demand



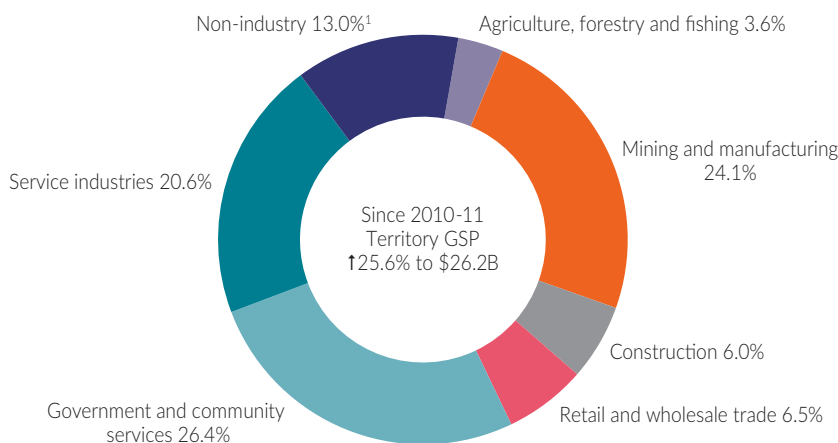
e: estimate; f: forecast; GSP: gross state product; SFD: state final demand

Source: ABS Cat. No. 5220.0; Department of Treasury and Finance

Economic growth is forecast to average 2.9% per annum over the five years to 2025-26. There is also a significant pipeline of projects on the Territory's horizon that are not included in the forecasts. If they proceed, these projects and investment opportunities will positively influence the Territory's economic development and flow through to increased own-source revenues. The Commonwealth's \$2.6 billion Energy Security and Regional Plan is not yet factored into the forecasts, pending finalised business cases.

The Territory's GSP has grown from \$20.9 billion in 2010-11 to \$26.2 billion in 2020-21, a 25.6% increase. Over the same period, the population has increased 14,600 (6.3%) to 246,000 people.

Industry contributions to GSP, 2020-21



1 Non-industry components of GST are ownership of dwellings, taxes less subsidies and statistical discrepancy.

Note: Components may not add due to rounding.

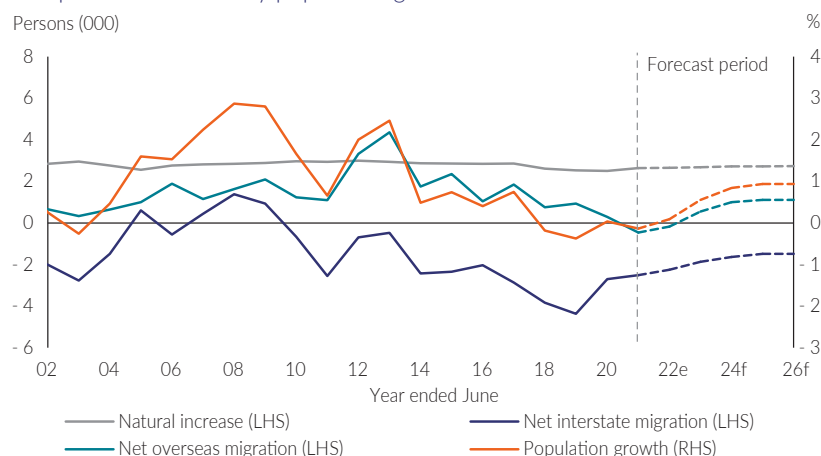
Source: ABS Cat. No. 5220.0; Department of Treasury and Finance

Population

Population is estimated to increase 0.1% in 2021-22 as interstate COVID-19 restrictions eased in late 2021, enabling interstate migration outflows.

From 2022-23 onwards, population growth is expected to strengthen, supported by several major construction projects, such as the Darwin ship lift, Finniss lithium project and defence-related works, adding to the steady pipeline of activity driving economic growth and creating demand for workers.

Components of Territory population growth¹



e: estimate; f: forecast; LHS: left hand side; RHS: right hand side

1 Moving annual total. Source: ABS Cat. No. 3101.0; Department of Treasury and Finance

Prices

Darwin's inflation rate is expected to increase 5.7% in 2021-22 and 3.1% in 2022-23 before moderating over the forward estimates.

Much of the rise in CPI across 2021 was attributable to the effects of unwinding government policy initiatives and COVID-19 stimulus measures. These will have less impact on the forecast for 2022-23, which is more reflective of increased housing construction costs, rental prices and the impacts of disrupted supply chains on the prices of import-exposed goods.

The Russia-Ukraine conflict is affecting fuel and food prices as it disrupts the global supply of key commodities, including wheat and natural gas as an input to fertiliser.

Defence

A range of large Territory defence projects is planned across the outlook period, including:

- RAAF Base Tindal airfield and redevelopment
- Larrakeyah Barracks and HMAS Coonawarra upgrades
- US defence bulk fuel storage facility at East Arm
- Arafura-class offshore patrol vessels upgrade
- MQ4C Triton forward operating base at RAAF Base Tindal
- USFPI Robertson Barracks infrastructure upgrades.

Infrastructure payments

The total value of the 2022-23 capital works program is \$3.28 billion, which remains above long-term average levels with a number of major projects continuing from 2021-22.

Total infrastructure payments of \$1.7 billion in 2022-23 comprise \$1.2 billion in general government payments and almost \$0.5 billion in payments by public non financial corporations.

In 2022-23, \$921.7 million is allocated to the capital works program for the general government sector. This includes the first year of a \$186 million commitment to bring forward land development in Darwin, Alice Springs, Katherine and Tennant Creek.

	2022-23 Budget	
	Program	Cash
	\$M	\$M
General government		
Capital works	3 279	922
Capital grants ¹		53
Repairs and maintenance ¹		211
Infrastructure-related expenses		15
Total		1 200
Government owned corporations		495
Total infrastructure payments		1 695

1 Excludes payments between Territory-controlled entities.

Note: Totals may not add due to rounding.

Budget figures do not include recently announced Commonwealth commitments where agreements have yet to be finalised, for example, the Energy Security and Regional Development Plan.

Infrastructure investment

The 2022-23 infrastructure program represents a significant increase in investment across the Territory, to promote economic growth, create new jobs and connect Territorians.

Transport investment increases from prior years, with roads and other transport works to receive the highest level of investment in the 2022-23 infrastructure program at over 50%, followed by housing and community amenities investment at over 25%. Of the total infrastructure program, 60% is allocated to new and upgraded infrastructure in remote and regional communities.

Capital works by COFOG-A category 2022-23

Category	Capital works	
	\$M	%
Transport	1 651.6	50.4
Housing and community amenities	897.2	27.4
Economic affairs	190.9	5.8
Recreation, culture and religion	187.2	5.7
Health	122.8	3.7
Public order and safety	103.7	3.2
Environmental protection	58.5	1.8
Social protection	31.1	0.9
Education	30.4	0.9
General public services	5.9	0.2
Total general government	3 279.3	100.0

Note: Classification of the Functions of Government – Australia (COFOG-A) is a framework for classifying government expenditure reported by all Australian jurisdictions.

Transport infrastructure

The 2022 Budget provides a substantial increase for transport infrastructure, with over \$1.65 billion for roads, aerodromes, jetties and barge landings.

Roads and transport investment is being progressed through the five-year National Partnership Agreement on Land Transport Infrastructure Projects, including recently announced increased investment from the Commonwealth, matched by co-contributions from the Territory.

Key transport projects include the upgrading and sealing of:

- Carpentaria Highway (\$142.8 million)
- Central Arnhem Road (\$120.5 million)
- Tanami Road (\$87.3 million)
- Buntine Highway (\$83.1 million)
- Outback Way (\$74.2 million)
- Tiwi Islands roads (\$73.5 million)
- Kakadu National Park roads (\$68.6 million)

- Port Keats Road (\$59.9 million)
- Arnhem Highway (\$20.2 million).

The intersection of Tiger Brennan Drive and Berrimah Road will also be upgraded with an overpass (\$110 million), and gas industry roads will be upgraded to support economic development (\$104.6 million). The Darwin ship lift facility commences construction in 2022-23 with an allocation of \$120.5 million and expects to be operating in 2024-25.

Economic infrastructure

The 2022 Budget invests \$190.9 million in economic infrastructure. Key works in 2022-23 include:

- progressing a range of projects to upgrade infrastructure in Kakadu and support the township of Jabiru to transition from a mining town to a tourism and regional services hub (\$80.2 million)
- new and continuing headworks and subdivision works to establish regional logistics hubs in Tennant Creek, Alice Springs and Katherine (\$43.5 million)
- new and continuing mixed-use headworks and subdivision works in Berrimah North, Kalkaringi and Tennant Creek (\$26.8 million)
- increased investment in residential headworks and land release across the Territory, including development of Holtze, Katherine East Neighbourhood Centre and Kilgariff (\$68.7 million)
- constructing the Tourism Central Australia Information Centre (\$5 million).

Other infrastructure

Other key infrastructure investments in the 2022 Budget include:

- contribution to the National Aboriginal Art Gallery in Alice Springs (\$45.9 million)
- constructing the State Square Art Gallery in Darwin CBD (\$42.5 million)
- continuing expansion and upgrade of the mental health inpatient unit at Royal Darwin Hospital, including establishing a stabilisation assessment and referral area (\$36.4 million)
- continuing construction of the new ambulatory care centre at Alice Springs Hospital (\$24.7 million)
- additional clinical spaces at Royal Darwin Hospital (\$8 million)
- continuing to construct and redevelop contemporary youth justice centres in Darwin and Alice Springs (\$64.3 million)
- continuing works to construct a multipurpose police station in Maningrida (\$15.5 million)
- upgrades to Yuendumu School, including new play equipment, outdoor eating area and amphitheatre (\$4.4 million)
- creating a new science, technology, engineering, the arts and mathematics (STEAM) centre at Dripstone Middle School (\$1.8 million).

Housing and community amenities

The 2022 Budget provides \$897.2 million to construct new and refurbish existing housing in remote and urban areas, and progress central business district (CBD) redevelopment works and residential land release across the Territory. This includes \$690 million for remote Aboriginal housing, including:

- Remote Housing Investment Package works through HomeBuild NT, Room to Breathe and government employee housing (\$301 million)
- land servicing to support the Remote Housing Investment Package (\$235.8 million)
- ongoing works to build new and improve existing housing through the national partnership agreements for Remote Housing, funded by the Commonwealth (\$150.2 million).

A further \$9.3 million is provided to construct and upgrade housing for teachers in regional and remote communities and \$19.5 million is provided to construct new and upgrade existing urban public housing across the Territory.

The 2022-23 infrastructure program also includes around \$211 million for repairs and maintenance across government assets.

Darwin region water supply infrastructure

The availability of sustainably sourced and well managed water to meet population and industry growth is core to achieving a \$40 billion economy by 2030. The 2022 Budget delivers on this goal through the Darwin Region Water Supply Infrastructure Program.

Stage 1 of the program, funded by the Commonwealth and Territory governments, includes:

- \$189 million over three years to return Manton Dam to service
- \$93.5 million in 2024-25 to construct a pipeline from Strauss to Middle Arm
- \$18 million to progress the Adelaide River off-stream water storage (AROWS) project, which includes a water allocation plan for the Adelaide River catchment, an environmental impact assessment, stakeholder engagement and community consultation, and concept design of the infrastructure.

Returning Manton Dam to service will provide an additional 7,300 megalitres of water per year to the Darwin region to meet short-term need.

The AROWS project will provide longer-term water security for the Darwin region by supplying up to 67.5 gigalitres of additional water each year.

Attracting investment and creating jobs

The key to economic recovery and achieving a \$40 billion Territory economy by 2030 is substantial and sustained private investment. The 2022 Budget is focused on attracting and winning private investment by supporting projects to reach final investment decisions faster, while also working to maximise the value to be captured from these projects by the Territory and proponents.

Bringing forward land development

The 2022 Budget commits \$186 million over three years to prepare for economic and population growth by bringing forward land development across the Territory, including:

- \$72 million over three years in Darwin to progress the Coolalinga sewer network connection, works to support land release in Holtze and Kowandi, and a renewable energy hub in Weddell
- \$73 million over three years in Alice Springs to progress the industrial development of Brewer Estate and Alice Springs Airport and residential development of northern and southern Kilgariff, including the construction of a multipurpose community precinct in Kilgariff with a new home for the rugby codes in the Red Centre
- \$26 million over three years in Katherine to bring forward land development in Katherine East, including developing a local park, subdivision works, road works and a new sewer pump station
- \$15 million over three years in Tennant Creek to progress the extension of the Parnttali Road industrial subdivision and Chittock Crescent stage 3 residential subdivision.

Winning investment

The 2022 Budget accelerates key actions for the Territory's economic reconstruction, including:

- \$22.1 million to resource Investment Territory to continue accelerating investment attraction and maximise conversion of the existing and potential pipeline of major and significant projects to attract investment
- \$2.05 million over two years to streamline sacred site clearances and support the growing number of major development activities across the Territory
- \$8.68 million to support the work of the Infrastructure Commissioner and Infrastructure NT
- developing an Investment Development Framework for parks and reserves to provide clear information for prospective investors on development pathways and requirements to develop services, projects and infrastructure on parks and reserves.

Fisheries and aquaculture

The 2022 Budget invests in fisheries and aquaculture in the Territory. This includes an investment into the Aboriginal Sea Company – a Territory Government commitment under the Blue Mud Bay Implementation Action Plan:

- \$8 million to support the establishment of the Aboriginal Sea Company, which will create new opportunities and jobs for Traditional Owners in fishing and aquaculture
- \$3.19 million to accelerate aquaculture and enhance biosecurity.

Advanced manufacturing

Master planning at scale, led by the Territory Government, continues to accelerate precinct co-creation with industry and the Commonwealth.

The 2022 Budget invests \$5 million to support master planning for the Middle Arm Sustainable Development Precinct, including environmental studies and strategic advice, infrastructure studies and advice, project management and a pipeline corridor analysis. Also, \$14 million is allocated for detailed design and business case development.

Over the coming years the Territory will see significant capital investment in strategic economic infrastructure including the Commonwealth's \$2.6 billion Energy Security and Regional Development Plan that includes infrastructure projects across the Territory, transforming it into a globally competitive industrial hub. The projects include:

- building marine infrastructure at the Middle Arm Sustainable Development Precinct, which includes a modular offloading facility, common user wharf, dredging and land reclamation, common user hard stand facilities, as well as enabling infrastructure, such as a rail spur and a new road network to support modular manufacturing components being brought into the precinct and Territory exports
- developing logistics hubs at Alice Springs, Katherine and Tennant Creek to facilitate more export activity from the Territory
- support for low emissions LNG and clean hydrogen production, together with associated carbon capture and storage infrastructure
- continuing upgrades and further sealing of the Tanami Road, better connecting mining, resources, tourism and agribusinesses between the Territory and Western Australia.

Skills and training for Territorians

The Territory Government continues to ensure the skill requirements of the Territory economy are aligned to the needs of Territory employers through training, workforce growth and skilled migration initiatives.

The 2022 Budget includes \$89 million for training and development including \$2.2 million in 2022-23 to support and expand vocational education and training in schools. This program is expected to support an additional 350 secondary school students enrolling in 23 additional courses.

Supporting mineral exploration

In the 2022 Budget, Resourcing the Territory funding will increase by \$3 million, to \$9.5 million each year. This supports exploration for mining projects working toward a final investment decision or seeking to extend existing operations.

This extra funding will enable:

- near-term resource development by increasing focus on exploration of 'brownfields' sites
- identification and promotion of new areas of the Territory for resource exploration
- acceleration of geoscience programs to attract and de-risk mineral exploration
- expansion of the Geophysics and Drilling Collaborations grants program
- studies of geological potential for commodities to support a low-emissions future
- further collaboration with the Commonwealth's Exploring the Future program which has facilitated substantial investment in the NT.



Mental health

The Territory Government recognises the importance of mental health support for Territorians and will contribute \$13.3 million over five years towards the \$43.9 million Bilateral Agreement for Mental Health and Suicide Prevention which includes:

- \$15.4 million for two new Head to Health adult mental health satellite clinics and ongoing funding for the Territory's first Head to Health centre
- \$9.1 million for a new Head to Health Kids Hub to improve access to multidisciplinary team care for children
- \$5.7 million to increase access to multidisciplinary youth mental health services in two headspace centres
- \$9.3 million to establish universal aftercare services. Two trial sites will also be established in the Territory for aftercare services
- \$1.3 million to ensure all people in the Territory who are bereaved or impacted by suicide can access support services
- \$3 million to support perinatal mental health screening.

In addition to investment in mental health, the 2022 Budget also provides \$8 million for additional clinical spaces at Royal Darwin Hospital.

Delivering core government services

The 2022 Budget provides \$4.8 billion to deliver core government services that support Territorians and keep communities safe, including \$1.897 billion for health, \$1.292 billion for education, \$948 million for public order and safety and \$656 million for social protection.

Domestic, family and sexual violence

The Territory government is committed to addressing domestic, family and sexual violence (DFSV) across the Territory. The importance of this work is underpinned by the recent appointment of the first Minister for the Prevention of Domestic, Family and Sexual Violence who will oversee \$54.1 million to support DFSV services including:

- \$14.3 million in 2022-23 for the National Partnership on Family, Domestic and Sexual Violence to boost frontline services and work towards Closing the Gap commitments
- \$10.7 million in 2022-23 for safe houses – \$6.2 million for Dawn House, \$3 million for the Katherine Women's Crisis Centre, and \$1.5 million for Darwin Aboriginal and Islander Women's Shelter
- \$4 million over four years to bolster specialist DFSV services, including counselling, outreach, flexible support packages, and practice management and supervision
- \$4 million over four years for a secondary prevention (early intervention) grant program to change the trajectory for people or groups identified as being at higher-than-average risk of experiencing or using DFSV
- \$3.2 million over four years for Aboriginal-led specialist sexual assault response
- \$2.4 million over four years for training in DFSV responses for staff in hospitals and health centres
- \$1.2 million to establish the *DFSV Interagency Coordination and Reform Office* to coordinate Government response and future investment in DFSV prevention in partnership with non-government organisations and the Commonwealth
- an additional \$0.5 million per year to increase the funding pool of the Safe, Respected and Free from Violence Prevention grants program to a total of \$1.5 million per annum
- \$0.4 million more over four years for Ruby Gaea Centre Against Sexual Violence.

Accessing the justice system

The 2022 Budget provides \$16.68 million to address demand pressures across the justice system and ensure the system continues to support and keep the community safe. This includes additional funding of \$1 million per annum to support the Northern Territory Legal Aid Commission and \$1 million per annum for the Director of Public Prosecutions.

Aboriginal Justice Agreement

The Aboriginal Justice Agreement is a partnership between the Territory Government, Aboriginal Territorians and Aboriginal organisations, and seeks to improve justice outcomes and services for Aboriginal people in the Territory. The agreement aims to:

- reduce reoffending and imprisonment rates of Aboriginal Territorians
- engage and support Aboriginal leadership across the Territory
- improve justice responses and services to Aboriginal Territorians.

The 2022 Budget provides an additional \$3.25 million each year to continue implementing the Aboriginal Justice Agreement, which includes:

- \$2.7 million per annum to operate the Alice Springs Life Skills Camp and establish the Groote Eylandt Cultural Rehabilitation Camp as an alternative to custody
- \$0.3 million per annum to partner with local Aboriginal leaders to establish and support Law and Justice Groups
- \$0.25 million per annum to develop and establish community courts in consultation with Aboriginal communities, members of the judiciary and other relevant legal stakeholders.

Youth justice

The 2022 Budget commits \$76.7 million for youth justice, including an additional \$8 million to increase youth detention staffing.

The 2022 Budget also includes \$64.3 million to continue to construct and redevelop contemporary youth justice centres in Darwin and Alice Springs.

Supporting police and keeping communities safe

The 2022 Budget provides \$510 million to support police, fire and emergency services, including an additional \$10.2 million to support regional and remote communities through the Remote Policing Implementation Plan.

The Remote Policing Implementation Plan will include more police officers on the ground to bolster regional and remote patrol activity, more support to increase the capacity and capabilities of our remote stations and stronger community engagement through:

- an additional 21 full-time equivalent (FTE) police officers
- an additional 34 FTE, including 30 Aboriginal Liaison Officers, to permanently establish the Community Resilience and Engagement Command, which will help police and Aboriginal communities to better connect by facilitating community engagement, cultural understanding and problem resolution pathways.

The 2022 Budget also continues to support the modernisation of police services through ICT investment to deliver a new policing management system (SerPro) and new firearms register and management system (Tracer).

Education and engagement

The 2022 Budget provides a record \$1.18 billion investment in education in 2022-23. This includes:

- \$71.25 million for early years and preschool education
- \$564.9 million for primary education
- \$444.3 million for secondary education.

Specific initiatives include:

- \$39 million in 2022-23 for the continued implementation of the Indigenous Education Strategy
- \$11 million in 2022-23 for the implementation of the Education Engagement Strategy 2022-2031
- \$7 million in 2022-23 for inclusive education for students with a disability.

The 2022 Budget also invests in education infrastructure including:

- \$4.41 million for upgrades at Yuendumu School
- \$1.8 million for the Dripstone Middle School STEAM Centre.



Sports and events

The Territory Government is committed to growing the Territory's sporting, festival and major events calendar.

The 2022 Budget allocates \$27.9 million to support the delivery of major events, including:

- growing Parrtjima across more locations in Alice Springs including continued support for the creative industries sector and Aboriginal artists
- BASSINTHEGRASS
- Supercars, Finke Desert Race and Red CentreNATS
- Million Dollar Fish competition
- National Rugby League and Australian Football League matches and marketing
- Territory Day
- Darwin Festival
- Alice Springs Beanie Festival
- Katherine and Darwin Pride Festivals.

Alice Springs Rugby Park

Rugby codes in the Red Centre are getting a new home. As part of developing Kilgariff, a suburb of Alice Springs, a new multipurpose community precinct will be constructed.

The precinct will incorporate two playing surfaces and supporting infrastructure for use by rugby, other sports, and the general community.

Enhancing the Territory lifestyle

Tourism in the Territory

Tourism is an important economic driver for the Territory and a significant industry in regional areas. The tourism sector is worth \$852 million per annum to the Territory economy and directly employs 7,300 people.

The 2022 Budget delivers a \$19.1 million Tourism Industry Recovery package that includes:

- \$14.2 million for tourism marketing to focus on the conversion of intent into bookings including with airline partners, re-instating international marketing activities, generating interest during low or shoulder season and promoting compelling packages in the regions
- \$2 million for the Roadhouse to Recovery grant program with grants to be provided on a matched dollar-for-dollar basis and targeted at improving family amenities and ablutions
- \$1.9 million extra to expedite implementation of the NT Aboriginal Tourism Strategy 2030, including skills development and mentoring, and the ongoing funding of the Aboriginal Tourism Committee
- \$1 million for international marketing by Study NT and NT Business Events.

Territory parks

The Territory's parks and reserves are world-class, ranging from the desert landscapes in the Red Centre to the monsoonal tropics in the Top End and the Territory is well known for its spectacular nature, culture and adventure experiences provided throughout our national parks and reserves. The 2022 Budget supports the Territory's natural assets, through:

- \$11.3 million for a new adventure cycling track in West MacDonnell National Park
- \$5.6 million for a new multi-day walking track in Central Australia
- \$4.86 million to support Territory Wildlife Park operations and attractions
- \$3.7 million to support Alice Springs Desert Park operations and attractions
- \$3 million over three years to install renewable energy and electric vehicle solutions at the Territory Wildlife Park
- \$1.35 million for the revitalisation of Bitter Springs, Mataranka thermal pools and the Jalmurark campground in Elsey National Park
- \$0.71 million for Nitmiluk National Park upgrades, including jetty and walkway upgrades at Nitmiluk Gorge, water supply and storage upgrades, and installation of a refrigerated water bubbler
- \$0.4 million for entrance upgrades at Cutta Cutta Caves National Park
- \$0.2 million for Creek to Creek upgrades at Casuarina Coastal Reserve
- \$0.2 million for upgrades to the day use area toilet facility at Wangi Falls.

The Territory Government has also introduced the ability to book and pay online for campsites and some multi-day walking trails in a number of Territory parks and reserves. Revenue from the parks pass is being reinvested into parks and reserves.

Caring on country

The 2022 Budget includes \$2.27 million to support Aboriginal Land and Sea Rangers to protect the environment on Aboriginal lands and seas, as well as leverage economic opportunities and enhance community wellbeing. The program helps to ensure rangers have the equipment, infrastructure and operational capacity they need to work on country and achieve meaningful conservation, economic and social outcomes.

Palmerston Youth Festival

As part of the Territory Government's Breaking the Cycle of Crime initiative, the Territory Government has committed \$0.3 million each year for the City of Palmerston Council to hold an annual youth festival over a week during the mid-year school holiday period targeted at 10 to 17 year olds.

The inaugural youth festival in 2021 was well received and included an array of free activities including arts and culture, cooking masterclasses, sporting events and the fourth instalment of Geekfest Top End, which is an exciting day of gaming and eSport tournaments.

Northern Suburbs Youth Hub

The 2022 Budget provides \$0.4 million to operate the Northern Suburbs Youth Hub and includes a commitment to relocate and construct a new dedicated drop-in space for youth in Darwin's northern suburbs, with a further \$1.5 million per annum from 2023 to operate the centre.

The Youth Hub provides a safe and educational space for young Territorians aged 10 to 17 years, which includes providing a variety of recreational activities and access to a range of youth support services and mentoring programs.

Recreational fishing

The Territory Government continues to invest in recreational fishing opportunities across the Territory, including:

- \$27 million in continued funding, including upgrades to Point Stuart Road and the Dundee Beach boat ramps to facilitate ease of access to prime fishing locations, and establishing land-based fishing facilities at East Point
- \$1.1 million to continue the Million Dollar Fish initiative, which is a big drawcard for recreational fishers to spend time in the Top End.









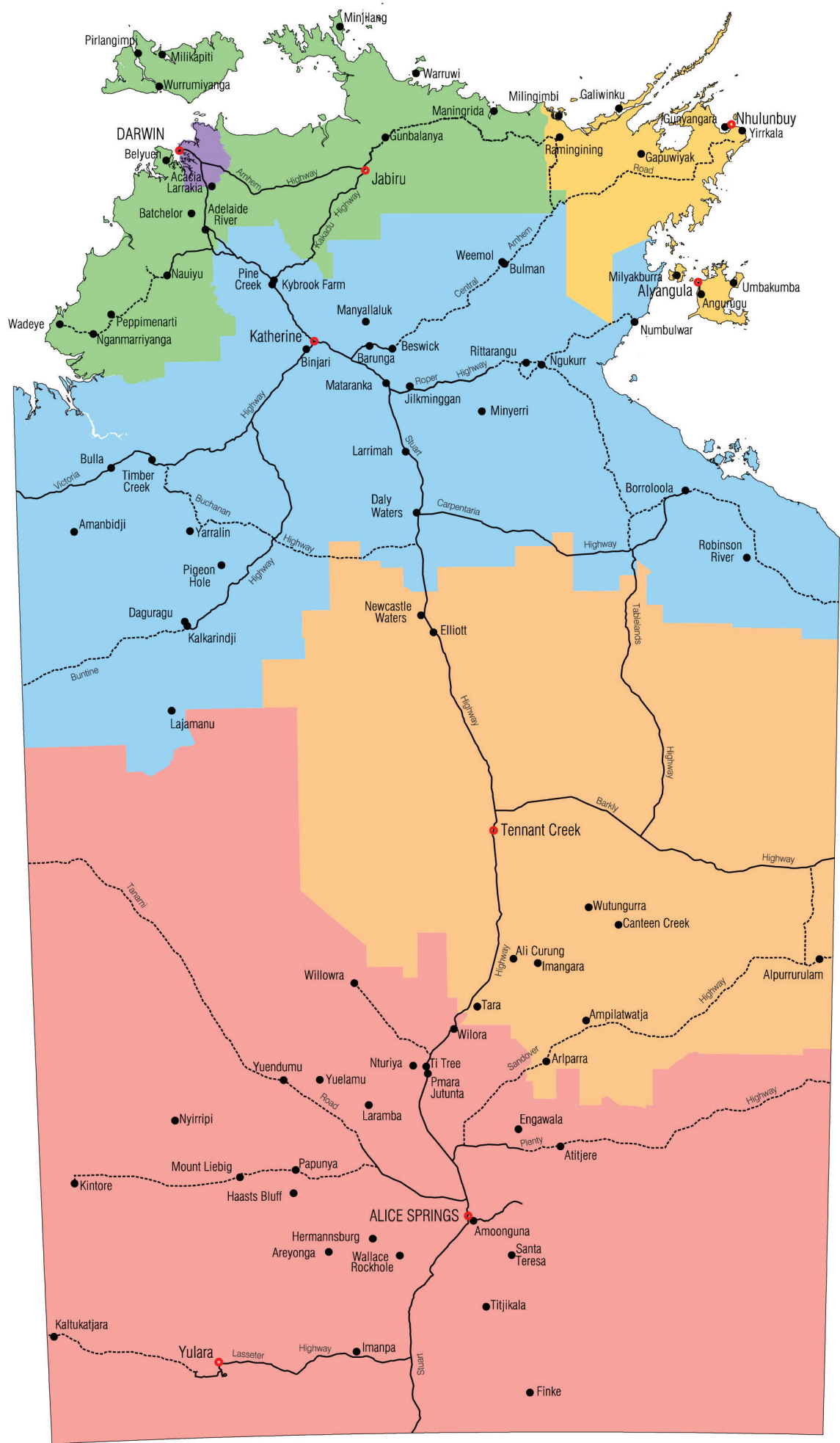
Regional overview

The following is an overview of key regional initiatives and programs in the 2022 Budget. It complements the extensive information contained in the other budget papers by presenting budget details of particular relevance to the communities in each of the Territory's six regions (refer to the map on the opposite page).



Map legend

Top End	
Greater Darwin	
East Arnhem	
Big Rivers	
Barkly	
Central Australia	



National Aboriginal Art Gallery precinct

The Territory has committed \$50 million towards the \$150 million National Aboriginal Art Gallery precinct and continues to work with the Commonwealth and other potential investors to secure the remaining investment required.

The precinct is expected to support hundreds of jobs, boost the local economy, and strengthen the Territory's position as the premier destination for Aboriginal art and cultural tourism experiences.

Construction is expected to commence in late 2023, with completion expected in 2025.

Tourism Central Australia (TCA)

To address issues with accessibility and more strategically position TCA, the 2022 Budget provides \$5 million for a new purpose-built home for TCA on the Stuart Highway near Anzac Hill. This location will provide high visibility for the tourist information centre and be connected to the gallery precinct by a short, landscaped walk. Large vehicle parking is included in the design.

To improve access to the precinct and new TCA home, the 2022 Budget also provides \$7.6 million for upgrades to the intersection of Schwarz Crescent and the Stuart Highway.

Central Australia

Central Australia is the Territory's largest region, covering 42% of the total land area. The region is made up of small communities separated by long distances and is home to about 39,500 people, of whom 43.2% are Aboriginal. Alice Springs is the main centre in the region, with a population of about 26,500. Around 34.5% of the region's population are aged 24 years or under and about 8.6% are aged 65 years or older.

Major industries in the region include tourism, mining, oil and gas exploration, pastoralism and construction. Tourism is an important contributor to economic activity with many natural attractions in the region including Kata Tjuta, Kings Canyon, Uluru and the West MacDonnell Ranges attracting a significant number of domestic and international visitors.

Alice Springs CBD revitalisation

The \$23 million Alice Springs CBD revitalisation project continues to progress. In February 2022, the river activation space was completed and cooling and shading works throughout the CBD are expected to be complete in late 2022. The 2022 Budget invests a further \$3 million to support the development of the \$5 million all-abilities Kwatja Water Play project.

The Kwatja Water Play project will be integrated into the National Aboriginal Art Gallery precinct to seamlessly blend into the landscape and enhance the wider amenity around the precinct. The location will also form part of the entrance statement to the precinct and CBD.

The Kwatja Water Play project will celebrate the unique landscape of Central Australia, strengthening the connection between Lhere Mparntwe (the Todd River) and the National Aboriginal Art Gallery precinct. Construction is expected to begin in early 2023.



Central Australia tourism roads

One of the priority imperatives identified in the Northern Territory Drive Tourism Strategy 2021–2030 is to complete sealing the Red Centre Way (Mereenie Loop) to enhance access to Kings Canyon and the West MacDonnell Ranges.

The 2022 Budget includes \$1.25 million in 2022–23 for the upgrade and seal of the Mereenie Loop, with works expected to commence in late 2022. The Commonwealth, in conjunction with the Territory Government, has committed funding of \$165 million over the forward years to upgrade and fully seal the Red Centre Way, with estimated completion by late 2028.

The project will support tourism and provide a number of opportunities that target Aboriginal enterprises in the region to enable higher quality tourism product offerings through private investment. Enhanced access will increase visitation and drive demand which is key to growing the region's potential.

Kilgariff

The 2022 Budget ensures Alice Springs has access to affordable land through the progressive release of residential lots in Kilgariff. Construction is underway on Kilgariff stage 2, incorporating 87 residential lots. Titles are expected to be issued on 54 lots around May 2022, with the remainder to be progressively released for sale from mid 2022, with titles expected to be issued mid 2023.

The 2022 Budget also invests \$40 million for infrastructure to support the fast-tracked development of an additional 250 lots in the future stages of Kilgariff and ensure the supply of titled residential land is available to support population growth in Alice Springs.

This investment includes the construction of a new multipurpose community precinct within Kilgariff providing a new home for the rugby codes in the Red Centre. The precinct will incorporate two playing surfaces and supporting infrastructure for use by rugby, other sports, and the general community. The Territory Government will work with rugby codes to build a precinct that creates a sustainable future for the sport in Alice Springs.

Investing in this precinct provides an opportunity for sports to expand into a new home with purpose built playing surfaces, while providing green community spaces for the residents of Kilgariff.

Alice Springs Airport and Brewer Estate

The 2022 Budget commits \$33 million across 2023–24 and 2024–25 to support a program of industrial land release at the Alice Springs Airport and Brewer Estate.

This investment will support economic growth in Alice Springs by releasing additional land for light industrial and commercial uses at the Alice Springs Airport as well as heavy industrial uses at the Brewer Estate.

Major works overview

	Capital works
	\$000
Transport	181 609
Housing and community amenities	42 852
Economic affairs	5 000
Recreation, culture and religion	82 930
Health	30 212
Public order and safety	3 655
Environmental protection	10 000
Education	4 890
Total Central Australia	361 148

Central Australia Regional Deal

Alice Springs Town Council (ASTC) has developed a regional deal proposal for Central Australia. The Territory Government is working alongside ASTC to progress the proposal with the Commonwealth, which includes a financial request of \$150 million for economic, social and environmental initiatives.

More jobs and more homes

The Territory Government is releasing an Expression of Interest to construct 60 dwellings for key worker accommodation in Alice Springs to stimulate the development of additional accommodation for private sale or rental, preparing for economic growth in the town and region.

Housing Investment

The 2022 Budget invests in public housing for the Barkly to reduce overcrowding, including 10 new one-bedroom units at Peko Road in Tennant Creek and further builds in Elliott.

Other builds include:

- 22 new government employee houses (GEH) in Tennant Creek
- 13 homes for current GEH tenants who are transferring from existing GEH dwellings. The 13 former GEH homes will transfer to public housing stock to reduce the public housing waitlist in Tennant Creek
- 9 homes for new recruits and existing GEH tenants who are residing in other GEH dwellings leased from the private sector, which will free up rental stock in the private market.

Major works overview

	Capital works
	\$000
Transport	47 563
Housing and community amenities	4 989
Economic affairs	11 600
Recreation, culture and religion	10 499
Health	3 175
Public order and safety	3 398
Social protection	2 043
Education	495
Total Barkly	83 762

Barkly

The Barkly is the Territory's third largest region and extends along the Stuart Highway from Tara to Elliott and east across the Barkly Tablelands to Queensland. The region is made up of small communities separated by long distances and is home to about 6,140 people, of whom about 71% are Aboriginal. Tennant Creek is the main centre with a population of about 3,300 people. A high proportion of people living in the region are young, with about 39% aged 24 years and under, and about 7% aged 65 or older.

Major industries in the region include government services, agriculture, construction, and mining. The Barkly and Tennant Creek pastoral district accounts for a substantial proportion of the Territory's total cattle industry. The Territory Government is also investing to develop Tennant Creek as a mining and mineral services centre.

Barkly Regional Deal

Implementation of initiatives under the \$78.4 million Barkly Regional Deal is well underway. The 10-year deal includes \$45.4 million from the Commonwealth, \$30 million from the Territory Government and \$3 million from Barkly Regional Council.

The deal is focused on working with Barkly communities and Aboriginal homelands to design and deliver a range of initiatives that aim to improve the productivity and liveability of the Barkly region by stimulating economic growth, improving social outcomes and supporting local Aboriginal leadership. Progress to date includes:

Barkly Business Hub

Commencement of the \$2.2 million transformation of the Barkly Business Hub, with the Territory Government contributing an additional \$1.4 million, to deliver a 'one-stop-shop' to support local business and skills development. Completion of works is anticipated in late 2022.

Supporting our youth

Construction of the Barkly youth justice accommodation facility began in October 2021. The \$3.6 million facility, supported by ongoing operational funding of \$2 million each year, will provide an alternative to detention for young people in the region, and aims to reduce reoffending through engagement in education, vocational education and training, and health and wellbeing services. Construction is expected to be completed in early 2023.

The delivery of trauma informed care training and workshops to community service providers and organisations in the Barkly over a two-year period has started. Also, \$3 million has been committed to provide support to ensure responses to the needs of children and young people in the Barkly region are provided in ways that recognise intergenerational trauma.

Boarding facility

Following an initial infrastructure commitment of \$9.7 million in 2019, the Commonwealth has recently committed an additional \$6.3 million to construct the Barkly student boarding facility. Detailed design of the facility to provide accessible and suitable accommodation for secondary school students is being progressed following community consultation across the Barkly region. Construction is expected to start in 2023.

Tennant Creek Visitor Park

Approvals have been secured for construction of the Tennant Creek Visitor Park and planning processes and procurement of a design and construct contractor are currently being progressed. The Barkly region will also be supported to develop an initial scope for procurement of a service operator, including the service model. Funding of \$9.5 million has been committed to construct and operate the park, which will provide a range of safe accommodation options for transitional and seasonal visitors to Tennant Creek from outlying communities.

Local Community Projects Fund

Community-identified infrastructure is being delivered in communities and Aboriginal homelands across the Barkly under the \$6 million Local Community Projects Fund. Upgrades to community sporting and recreational amenities, enhanced community safety through street lighting and better electricity reliability have been supported through the fund.

Solar energy

The Territory's renewable potential has been recognised by Sun Cable's \$30 billion Australia-Asia Power Link project. Australia-Asia Power Link is a world first, transformational renewable energy project providing a pathway to a new export industry. With its solar farm to be located in the Barkly region, it involves developing infrastructure and systems to deliver renewable electricity to Darwin and Singapore via a 5,000 kilometre high voltage direct current transmission system and subsea cable. It is estimated the project has the potential to provide up to 15% of Singapore's electricity needs from 2027, and abate 8.6 million tonnes of carbon dioxide equivalent per year.

Tennant Creek multi-modal logistics hub

The Territory and Commonwealth governments are working in partnership to develop a rail/road multi-modal hub in Tennant Creek.

The proposed hub would service a potential rail connection between Tennant Creek and Townsville.

The Territory Government is also progressing planning work to establish Tennant Creek as a logistics and mining hub to boost jobs and export activity, including a rail loop/siding, utilities and roads for a shared industrial precinct.



Arts Trail

As part of the Territory Government's Arts Trail Regional Gallery Extension Program, Mimi Aboriginal Art and Craft in Katherine has been recently upgraded to enhance all aspects of the building, including the gallery, artists' studio, retail space, and office and storage areas, as well as improving the building's energy efficiency.

The upgrade will ensure the building is more usable for artists and improve visitor access.

The Godinymayin Yijard Rivers Arts and Culture Centre is also receiving a \$4.5 million upgrade under the Arts Trail Regional Gallery Extension Program, including a new amphitheatre to support local and national events.

Design works are well progressed and work is due to begin in late 2022.

Major works overview

	Capital works
	\$000
Transport	364 656
Housing and community amenities	15 498
Economic affairs	37 429
Recreation, culture and religion	8 849
Public order and safety	2 110
Environmental protection	24 516
Total Big Rivers	453 058

Big Rivers

Big Rivers is the Territory's second largest region and extends from the Ord Bonaparte area in the west to the Gulf of Carpentaria in the east. The region is made up of small communities separated by long distances and is home to about 20,900 people, of whom about 57% are Aboriginal. The town of Katherine is the main centre with a population of about 10,650 people. About 38% of the region's population are aged 24 years and under, and around 8% are aged 65 years and over.

Major industries in the region include tourism, horticulture, pastoral, mining and defence. The region has a significant defence presence, including the Royal Australian Air Force's (RAAF) Base Tindal, Bradshaw field training area and Delamere air weapons range. Key tourist attractions include Nitmiluk Gorge, Leliyn (Edith Falls), Mataranka and recreational fishing in the region's major rivers.

Mining activity in the region includes gold and other minerals around Pine Creek and zinc and lead around Borroloola. The region also includes the gas-rich Beetaloo Sub-basin, which lies between Katherine and Tennant Creek.

Improving accessibility

The Big Rivers region is the key connection point between Darwin, Western Australia, Queensland and the rest of the Territory. Katherine is the regional centre that services remote communities across the region including Borroloola, Kalkaringi and Timber Creek.

The 2022 Budget enhances accessibility across the region to improve freight efficiency, connectivity, road safety and economic productivity by investing \$364.7 million to upgrade and improve major roads, including:

- \$138.8 million for Roads of Strategic Importance, including:
 - \$104.6 million for new and continuing works to upgrade key roads to support the development of gas resources in and around the Beetaloo Sub-basin
 - \$25.7 million for new and continuing works to upgrade the Newman to Katherine corridor. Upgrades include sealing, strengthening and widening the road and road safety improvements
 - \$8.5 million for continuing works to seal the Roper Highway
- \$225.9 million for upgrades to other major roads, including:
 - \$83.1 million for new and continuing works under the Buntine Highway upgrade program, expected to be completed in mid 2024
 - \$142.8 million for continuing works to upgrade the Carpentaria Highway, expected to be completed by mid 2026.

Roper Highway upgrades

Significant upgrades are underway along the Roper Highway, including sealing large sections of the road. The 2022 Budget includes \$8.5 million to continue to extend the current sealed section of the road by over 2 kilometres to incorporate Cheon Creek and seal the 4.7 kilometre unsealed section between the Roper River and Wilton River bridges, with both portions due to be completed in the 2022 dry season.

Construction is expected to commence in 2022 on the 18-kilometre section between the Wilton River bridge and Ngukurr, with completion in 2023. These works will improve safety and access for travellers and provide a more reliable road network in the region.

Agricultural land release

Keep Plains, located along the Western Australia and Northern Territory border, is a 67,500 hectare parcel of land being released for agricultural development. It offers potential to establish a variety of broad acre crops and is highly prospective due to the pre-establishment work of the Northern Territory Land Corporation, which has secured enabling infrastructure including the sealing of the Keep River Road, as well as its connection to the Ord stage 3.

Other agricultural land releases include the 5,712 hectare Larrimah Agricultural Precinct, which has been assessed as suitable for dryland and irrigated cropping and the 26,000 hectare Wildman Agricultural Precinct, which has capacity to accommodate multiple agricultural and horticultural activities.

Borroloola sports courts and cyclone shelter

The \$6.9 million Borroloola sports courts and cyclone shelter project is improving social infrastructure and cyclone preparedness for one of the Territory's most remote areas.

The Territory Government has committed \$5.4 million to the project, in collaboration with the McArthur River Mine Community Benefits Trust and Roper Gulf Regional Council.

The majority of stage 1 works have now been completed, including a shade structure at Borroloola sports courts.

Stage 2, a level 4 cyclone shelter equipped to accommodate up to 600 people in the event of a cyclone, is expected to commence in 2022 and be completed in 2023.



Ngukurr police complex

The Ngukurr police complex is a Commonwealth-funded project in Big Rivers' largest Aboriginal community. It will ensure police resourcing can keep up with the growing needs of Ngukurr, as well as supporting major surrounding communities including Minyerri and Numbulwar.

The modern facility can accommodate six staff members, a 50% increase in comparison to the old station, and includes a multipurpose room that can be utilised as a court facility, as well as a boat enclosure and bulk fuel storage.

The complex also includes four new houses, four self-contained visiting officers quarters and other amenities in the complex.

Construction of the police station was completed in early 2022, with the police housing component expected to be complete in mid to late 2022.

Future of the Gove Peninsula

Gove Peninsula Traditional Owners have released *A New Journey Together, Traditional Owner Vision for the Gove Peninsula*, which sets out the aspirations of Traditional Owners for a vibrant, diverse and successful economy and community beyond mining.

Following the closure of the bauxite processing facility, the Territory and Commonwealth governments, Rio Tinto and the Northern Land Council have committed to this vision and are working with Traditional Owners to address priorities through the Gove Peninsula Futures Reference Group.

The Territory Government has committed \$2.1 million over three years to advance key transition work streams including land tenure and master planning, economic development, essential services and infrastructure, town governance and community and government services.

Major works overview

	Capital works
	\$000
Transport	129 548
Housing and community amenities	3 020
Recreation, culture and religion	5 000
Health	10 089
Education	3 096
Total East Arnhem	150 753

East Arnhem

The East Arnhem region is situated in the far north-eastern corner of the Territory and covers East Arnhem Land, Groote Eylandt and Elcho Island. Due to seasonal road accessibility constraints, transport for travellers and freight is mainly by air or sea.

The region is home to about 14,600 people, of whom around 73% are Aboriginal, with major population centres in Nhulunbuy and Alyangula. The population in East Arnhem is relatively young and dispersed, with about 44% aged 24 years and under and only around 4% aged 65 years and over.

Major industries in the East Arnhem region include mining, buffalo farming, tourism, aquaculture and fishing. Mining is the main contributor to economic activity in the region, with the production of manganese at the GEMCO mine at Groote Eylandt and bauxite at the Rio Tinto and Gulkula mines on the Gove Peninsula. Traditional Aboriginal cultural experiences, Aboriginal art, and the remote and natural wilderness attract tourists to the region, providing economic opportunities and employment activity.

Arnhem Space Centre

The Arnhem Space Centre is a commercial launch facility being developed by Equatorial Launch Australia, in partnership with the Gumatj Corporation, near Nhulunbuy. The site is uniquely positioned to offer equatorial launch as its proximity to the equator, coastline and relatively sparse population makes it ideal to support safe and efficient space launches.

The establishment of this launch facility will open up supply chain, training and workforce development opportunities in the region, and help attract further investment in the sector. The National Aeronautics and Space Administration (NASA) is working with Equatorial Launch Australia to launch a sounding rocket campaign from the Arnhem Space Centre in mid 2022.

Arts Trail investment

The 2022 Budget supports the upgrade and expansion of the world-renowned Buku-Larrnggay Mulka centre at Yirrkala and construction of a new building for Gapuwiyak Culture and Arts through a partnership with the Commonwealth. Work will commence on these transformative projects in the dry season of 2022 and, once complete, will support growth in the arts and tourism sector.

Housing investment

Over 200 houses in East Arnhem communities will be built in the next five years as part of the Territory's HomeBuildNT program. Infrastructure and land servicing works are well advanced and over \$60 million of long-term housing contracts have been awarded to Yolŋu and Anindilyakwa construction firms to deliver housing, jobs and apprenticeships in the coming three to five years.

Central Arnhem Road upgrades

The Central Arnhem Road is a key link road connecting Nhulunbuy to Katherine. The route also links Nhulunbuy to the Stuart Highway and the national highway network, services a number of Aboriginal communities and is a key tourism drive and freight route for the mining and pastoral industries.

The Commonwealth and Territory governments are investing \$225 million, including \$120.5 million in 2022-23, to upgrade the Central Arnhem Road from the Stuart Highway to Nhulunbuy, which will involve sealing, widening and flood-immunity improvements to priority sections of the route. Early works packages include upgrades near Beswick and the Goyder River.

Regional investment and Local Decision Making

The Territory Government has also joined with the Commonwealth and the Arnhem Land Progress Aboriginal Corporation to extend the innovative East Arnhem Land Youth Model with a \$2 million commitment over the next five years to support Yolŋu-led youth development programs in the communities of Galiwin'ku, Gapuwiyak, Ramingining and Mililingimbi.

The landmark Groote Archipelago Local Decision Making (LDM) agreement continues to deliver significant service transitions and local jobs growth to the Anindilyakwa people and organisations in housing, education, justice and rehabilitation, health and local government. The Djalkiripuyngu LDM agreement is expected to be signed in the dry season of 2022.

The 2022 Budget provides \$1.5 million over three years in co-investment and co-commitments for key projects in the Blue Mud Bay homelands identified through the Djalkiripuyngu LDM agreement, including homeland infrastructure and services to support sustainable living and development and jobs creation on country. Negotiations for agreements in other parts of the region will also continue throughout 2022 and 2023.

Homeland learning centre upgrades

There are 44 homeland learning centres across the Territory, mostly in the East Arnhem region. The 2022 Budget commits \$2.35 million to continue upgrades to homeland learning centres in East Arnhem to ensure the delivery of education in homeland settings is in modern and fit-for-purpose environments.

Gove Port investment

Construction will commence in the dry season of 2022 on the joint Territory Government, Developing East Arnhem Limited and Commonwealth funded \$8 million upgrade to the marine and land side facilities at the Gove Port tourism precinct.

The 2022 Budget also includes a further \$10 million commitment to support public-private investment to improve the commercial wharf and landside facilities at the Gove deep water port to support and attract new and diversified industry, including fisheries and aquaculture, marine services and larger tourism vessels.

Telecommunications upgrades

The Territory and Commonwealth governments, Telstra and Developing East Arnhem Limited have jointly committed \$8 million to upgrade the Arnhem optic fibre backbone, which services all the communities from Jabiru to Nhulunbuy.

These upgrades will significantly alleviate network congestion for regional communities and provide the improved broadband needed for the Arnhem Space Centre on the Gove Peninsula.

The extension of the optic fibre network to the Arnhem Space Centre is complete and network upgrades will commence in 2022. Telecommunication upgrades to a number of homelands through co-investment agreements will also commence in 2022-23.



Green hydrogen

Global Energy Ventures is planning to develop a large-scale green hydrogen export project on the Tiwi Islands, with a phased capacity up to 2.8 gigawatts of solar generating capacity, producing up to 100,000 tonnes per annum of green hydrogen.

Following a successful capital raising in November 2021, the project is now underway and the Territory Government continues to work with Global Energy Ventures and key stakeholders, including the Tiwi Land Council, the Munupi Landowners, Tiwi Plantation Corporation, and NT Port and Marine, with an initial focus on environmental permits.

Engineering studies are also being developed, which cover the requirements for key areas of solar generation, power transmission and water desalination.



Top End

The Top End region encompasses most of the Daly-Tiwi-West Arnhem region extending from Wadeye in the west to Maningrida in the east. About 17,850 people live in the region with major population centres in Wadeye and Jabiru. The region's population is relatively young, with about 38% aged 24 years and under, and about 7% aged 65 years or older.

Major industries in the region include tourism, horticulture and forestry. Tourism is a significant contributor to economic activity in the Top End, with world-renowned attractions such as Litchfield and Kakadu national parks, as well as the Daly River for recreational fishing and camping.

A strong future for Jabiru and Kakadu

The Commonwealth and Territory governments have committed \$411.5 million to deliver a strong and sustainable future for Jabiru and Kakadu, including to support the transition of Jabiru from a mining town to a vibrant and sustainable tourism hub and service centre for Kakadu National Park and the West Arnhem region.

The Territory Government has committed \$135.5 million to:

- construct a \$25 million hybrid renewable power station in Jabiru, which was completed in January 2022
- construct a \$20 million Bininj Resource Centre to support Aboriginal education and cultural preservation. Detailed design work is expected to occur in 2022 with construction expected to be completed in 2023
- construct new town infrastructure, including a government business centre and retail centre
- maintain essential services to infrastructure, such as local roads, electricity, water and sewerage
- secure air access for Jabiru
- improve education and health facilities, including construction of the \$12 million Jabiru Health Clinic, which is expected to commence construction in 2022 with completion in early 2023.

The Commonwealth has committed \$276 million, including:

- \$70 million towards road improvements, including upgrading access roads to the township of Jabiru and Kakadu National Park and developing a Kakadu Roads Strategy. Upgrades are expected to commence in early 2023 with completion in mid 2026
- \$60 million towards a new World Heritage Visitor Centre in Kakadu to showcase the region's cultural and natural significance
- \$60 million, through Parks Australia, for upgrades to campgrounds in Kakadu National Park, including improved water storage, improvements to the Warradjan Aboriginal Cultural Centre, road repairs, improved staff housing, workshop and utility buildings, improved fuel storage and supply facilities

- \$51.2 million towards growing tourism, including the Kakadu Tourism Master Plan 2020-2030. Key initiatives underway and planned include:
 - re-opening Warradjan Aboriginal Cultural Centre following upgrades and improvements to facilities
 - upgrades to the Cahills Crossing viewing area
 - raising the Jim Jim Creek Crossing to enable safe access to Twin Falls
 - new visitor services hubs at Mary River, South Alligator and East Alligator
 - new accommodation including eco-lodges, wellness retreats, family holiday parks and safari camps
 - upgrades to viewing boardwalks, platforms and amenities at world-class rock art sites, Burrungkuy (Nourlangie) and Ubirr
 - upgrades to campgrounds including major upgrades to popular visitor sites, Maguk and Karnamarr
 - upgrades to tourism roads and access to key sites
 - greater connectivity to improve mobile and wi-fi coverage
 - an expanded major events calendar focusing on increasing cultural events with Bininj/Mungguy businesses, such as the Taste of Kakadu festival and seasonal ranger programs
- \$35 million towards remediation of Jabiru to support the long-term future of the town, as well as a range of beautification projects such as improvements to the town plaza and bus shelters, upgrades to the lake, park and pool, construction of a new carpark, and commissioning public artwork from local artists.

Ranger Mine rehabilitation

In February 2022, Energy Resources Australia announced a revised timeframe and costing on the Ranger Mine rehabilitation project. Earlier projections of a January 2026 project completion at an estimated cost of \$900 million have been revised to a timeline of completion being late 2028 with an estimated cost of approximately \$1.6 billion. The scale and timing of this project is expected to stimulate extensive economic activity for the town and broader region over the remaining life of the project.

Wadeye swimming pool

The 2022 Budget commits \$3 million to build a new Wadeye swimming pool. The current pool has reached end of life and requires replacement to provide health benefits and improve community amenity.

Nja-marleya Cultural Leaders and Justice Group

The Nja-marleya Cultural Leaders and Justice Group has finalised consultation on developing a Maningrida Youth Justice model, focusing on better supporting vulnerable and offending youth. Next steps include undertaking mediation and restorative conferencing training as well as exploring opportunities to transition to a formal Law and Justice Group.

Adelaide River to Wadeye Corridor – Port Keats Road

The 2022 Budget includes \$59.9 million to continue upgrades on the Adelaide River to Wadeye corridor, including sealing Port Keats Road between Wadeye and Palumpa.

Works commenced in August 2020 to upgrade a high priority section of Port Keats Road from the Daly River Bridge Crossing near the community of Nauiyu to Wadeye. Works on the section most prone to flooding were completed in 2021, which included sealing an 11.7 kilometre section of the road and constructing a 45 metre bridge over Saddle Rail Creek.

The project is delivering improved access to essential services, improved flood immunity, better safety outcomes for road users and more efficient freight routes. Design work is underway for sealing the road between Wadeye and Ngamnarriyanga.

Major works overview

	Capital works
	\$'000
Transport	259 170
Economic affairs	80 202
Recreation, culture and religion	576
Public order and safety	15 500
General public services	1 000
Total Top End	356 448

Civic and State Square revitalisation

Work is underway to redevelop Darwin's Civic and State Square, which will become a gateway for visitors and physically connect the harbour and the city.

Features of the revitalisation include a centrally located 'heart' with shaded areas, tropical avenues, gardens and expansive lawns suitable for hosting events, aimed at creating a cooler and more activated public space for locals and visitors to enjoy.

The 2022 Budget includes \$110.7 million to continue the project over five years to deliver the reimagined precinct, with \$65.7 million allocated in 2022-23.

The Civic and State Square redevelopment is in addition to the \$47 million investment by the Territory Government in the State Square Art Gallery.

The State Square Art Gallery will provide a space for the Museum and Art Gallery of the Northern Territory to showcase art from the Territory's extensive collection, and host prestigious Australian and international exhibitions.

The development is expected to enhance a range of economic outcomes in the CBD, including improving retail trade and attracting more private investment to the CBD.

Greater Darwin

The Greater Darwin region includes the cities of Darwin and Palmerston, the Litchfield Shire, East Arm and Robertson Barracks. The region is home to about 147,000 people, representing around 60% of the Territory's population. Greater Darwin has the lowest proportion of young people among the regions, with about 32% aged 24 years and under and the highest proportion of population aged 65 years and over, at about 9%.

Darwin is the Territory's capital city and is the main population and administrative centre. Major industries include construction, defence, retail, tourism, education and training, public administration and community safety, and health care. Darwin is a key gateway to the Territory's regional centres and tourist attractions, and is an important strategic hub for trade and defence.

Major industries in Palmerston and the Litchfield Shire include construction, aquaculture, horticulture, cattle and crocodile farming, defence, and liquefied natural gas and helium production. The Robertson Barracks army base, located near Palmerston hosts the ongoing rotations of United States marines in the Territory. The development of East Arm, including the marine industry park and the Darwin ship lift facility, will support the defence, logistics and freight sectors and aid future oil and gas activity in the Territory.

Darwin education and community precinct

The \$250 million Charles Darwin University campus, funded under the Darwin City Deal, is already under construction and is expected to be completed by November 2023.

The new campus, located on the corner of Cavenagh Street and Garramilla Boulevard, will bring hundreds of new staff and thousands of students into the Darwin CBD and support a substantial number of jobs during construction.

The new campus will improve Darwin's international competitiveness in the tertiary and post-school education sector.



HyperOne

HyperOne is a new \$1.5 billion national hyperscale digital infrastructure project that will directly connect Darwin to every capital city in Australia for the first time with high-speed world class fibre optic cable. It will see 20,000 kilometres of new high-speed fibre cable laid across Australia, including 2,200 kilometres in the Territory and also has the potential to turn Darwin into Australia's digital gateway to Asia.

The Territory Government has granted major project status to the project, which is expected to support around 10,000 jobs during construction, with 1,000 estimated to be based in the Territory.

The high-speed fibre optic cable is expected to follow the Stuart and Barkly highways, connecting Alice Springs, Tennant Creek and Katherine, and providing opportunities to connect remote communities on either side of the highway.

Darwin harbour ship lift

The maritime industry is a key enabler of the Territory economy and both the Territory and Commonwealth governments are investing to build infrastructure to support industry growth and capability.

The 2022 Budget includes targeted investment to unlock opportunities servicing the commercial and coastal shipping, tourism, commercial fishing, defence and offshore energy sectors, through the \$400 million ship lift in Darwin Harbour, which will complement investment in a new multi-user facility in the Middle Arm Sustainable Development Precinct.

Middle Arm Sustainable Development Precinct

The Territory Government is working with industry and the Commonwealth to transform Middle Arm into a globally competitive, sustainable precinct with a focus on low-emission advanced manufacturing, renewable hydrogen, carbon capture and storage, minerals processing and petrochemicals.

The Middle Arm Sustainable Development Precinct encompasses around 1,500 hectares of industrial land on the Middle Arm peninsula and is already home to the Santos Darwin and the INPEX Ichthys LNG processing facilities. It has an extensive product corridor network for the efficient transmission of utilities, gas, feedstock and products, and is in close proximity to Darwin International Airport, Darwin Port, the Darwin to Adelaide railway and freight terminal, and the road network.

The Commonwealth's 2022 Budget announced the Energy Security and Regional Development Plan, which includes funding for the development of the precinct including marine infrastructure.

Tiger Brennan Drive/Berrimah Road overpass

The 2022 Budget commits \$110 million over four years for the Tiger Brennan Drive/Berrimah Road overpass. The project is jointly funded by the Territory and Commonwealth governments and will improve road safety outcomes at the intersection, which is used by 20,000 vehicles each day and directly services the Port of Darwin.

Defence Housing

Defence Housing is progressing a master-planned community spread across 131 hectares of zoned residential land at Lee Point, which will accommodate 800 new homes, including detached houses, townhouses and apartments.

This brand new residential community will include a tourism and retail precinct and open space for recreation and relaxation while supporting the increasing number Defence personnel based in the region.

Major works overview

	Capital works
	\$'000
Transport	329 619
Housing and community amenities	93 207
Economic affairs	38 733
Recreation, culture and religion	49 354
Health	53 264
Public order and safety	11 872
Environmental protection	5 400
Education	1 775
General public services	1 279
Total Greater Darwin	584 503

Acknowledgements

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