

The Estimates Committee convened at 9 am.

DEPARTMENT OF TREASURY AND FINANCE

Mr CHAIR: Welcome to today's Estimates Committee hearing. Treasurer, I invite you to introduce the officials accompanying you.

Mr YAN: Good morning Mr Chair and all committee members here today for Estimates. Of course, I would like to make an opening statement in relation to my responsibilities as Treasurer. I have with me this morning the Under Treasurer, Tim McManus; the Deputy Under Treasurer, Mick Butler; Dr Sarah Rummery; and executive directors, Tiziana Hucent, Tarrant Moore, Jim Richards, Rodney McComiskie and Jason Robertson. I also have other officers here with me who we may invite to the table at an appropriate time, should they be required.

As Treasurer, I will address financial and economic matters related to the 2026–27 budget, including financial statements and fiscal strategy, Territory revenue and Territory economy. Details on specific agency budgetary matters, including infrastructure projects, can be addressed by the ministers responsible for those portfolios.

In addition to whole-of-government financial issues, I will answer questions relating to the Department of Treasury and Finance as an agency, the Central Holding Authority and the Northern Territory Treasury Corporation. Furthermore, I will answer any question in consideration of the Appropriation 2026–2027 Bill 2026 and related revenue Bills.

I welcome the opportunity to appear today to outline the key features of 2026–27 Northern Territory budget and the Finocchiaro government's priorities as we continue to deliver on our plan to reduce crime, rebuild the economy and restore our unique Territory lifestyle.

The 2026–27 budget is the Finocchiaro CLP government's second budget and is built on restoring stability today, driving growth into tomorrow and delivering opportunity for every Territorian long into the future.

The 2026–27 budget is firmly focused on the needs of everyday Territorians. It is a responsible, disciplined budget that invests in frontline services, supports families through cost-of-living pressures and lays the foundations for long-term economic growth while keeping debt on a sustainable path. At its core, the 2026–27 budget is about making Territorians safer. Community safety is, and will remain, the Finocchiaro CLP government's number one priority.

The 2026–27 budget delivers a record \$1.73bn of investment into law and order across the Territory. This includes continued investment into police, courts, Corrections and new police public safety officers to increase visible patrols in our communities.

The 2026–27 budget includes \$250m for the Corrections infrastructure master plan, including new prisoner work camps in Darwin and Katherine and utility upgrades at the Alice Springs Correctional Centre to address capacity pressures and support rehabilitation, ensuring a justice system that puts victims first.

The 2026–27 budget was developed in challenging circumstances, with natural disasters, national economic headwinds and international pressures combining to impact communities across the Territory. I mentioned in parliament at our last sittings the difficulty we had in developing the economy book for this year's budget with what was taking place overseas. We worked closely with the Commonwealth to develop some of the strategies and parameters we used for our economy book to formulate this year's budget.

The Finocchiaro CLP government has allocated more than \$130m to the capital works program for flood recovery and resilience initiatives, which includes \$100m in the flood recovery fund following unprecedented flooding across the Territory and \$30.5m in our road repair package, along with other significant operational commitments for flood and disaster recovery in 2025–26 through to 2026–27. The economic impact of these natural disasters is yet to be fully quantified but is expected to be substantial and cannot be measured in economic terms alone.

The 2026–27 budget provides a record \$2.62bn in support to our vital health services. The CLP was able to secure a landmark one-off \$1bn funding boost from the Commonwealth for our hospitals, and we will continue to advocate strongly for the Commonwealth to appropriately fund aeromedical retrieval services across the Territory.

The 2026–27 budget also invests in the Territory’s future through a record \$1.73bn in the Education budget, including \$110m to construct a new secondary special education school in Palmerston. Our Education spend in this budget is equal to our law and order spend.

This budget recognises the pressure on Territory families, which is why it includes more than \$290m in cost-of-living support. This includes subsidies for power and water, sporting and back-to-school vouchers for families, free TAFE and vocational education and training opportunities for eligible Territorians and targeted support for seniors. These measures provide practical relief where it matters most.

A key pillar of this budget is rebuilding the economy and supporting growth. We are delivering \$4.25bn in our infrastructure program, including significant investments in roads, remote housing and economic enabling infrastructure across the Territory. Importantly, nearly 60% of this investment is directed into regional and remote communities across the Territory.

The Finocchiaro CLP government is delivering on our Rebuilding the Economy strategy and remains committed to driving growth, certainty and security for Territorians. We continue to prioritise population growth and will capitalise on the Territory’s natural strengths in energy, Defence, agriculture, mining and tourism, supported by competitive tax and regulatory settings and practical cost-of-living relief.

The 2026–27 budget unlocks residential land and development opportunities across the Territory through the extension of the HomeGrown Territory and FreshStart New Home grants to 30 September 2027 to support increased home ownership and new builds, adding to housing supply.

We have also announced the first Territory development area under the *Territory Coordinator Act 2025* for the Northern Marine Complex, the Territory’s most significant economic project. We are also supporting business confidence and job creation through competitive payroll tax settings, investment attraction and major projects such as the Northern Marine Complex. These initiatives are designed to diversify the economy, grow our population and create long-term opportunities for Territorians.

This budget is also fiscally responsible. We have returned the general government sector to an operating surplus in 2025–26, and we have a clear path back to surplus again from 2027–28. Importantly, this means we will no longer be borrowing to fund day-to-day operations such as wages. Debt growth has been reduced and is stabilising over the forward estimates, reinforcing a more sustainable financial position for the Territory.

Under Labor, debt was growing by 22% per year. We have brought that down to 4%. In the 12 months since our last budget, this government has achieved a reduction in peak debt of \$757m. We are ensuring agencies operate within their budgets as well, and agencies are being directed to restrain growth in non-frontline staffing as part of the government’s budget repair strategy.

From September 2024 to the March quarter of 2026 the total NTP of staffing increased by 884 FTE or approximate 3.9%. The increase was driven by growth in frontline streams, which is most important. Those being police, 101 FTEs; police auxiliaries, 15 FTEs; classroom teachers, 97 FTEs; assistant teachers, 102 FTEs; senior teachers, 11 FTEs; medical officers, 86 FTEs; nurses, 83 FTEs; and correctional officers, 83 FTEs.

Most importantly, while the administrative stream has also increased by 165 FTEs, this relates to growth in school-based staff of 204 full-time equivalents, offset by reductions through natural attrition in other agencies. Executive staffing remains below September 2024 levels. This is a remarkable turn around from the deep deficits and runaway staffing and debt growth that we inherited from the previous government.

The 2026–27 budget demonstrates prudent fiscal management while delivering safe communities, better services and economic growth. It provides cost of living relief and supports families and it does so whilst restoring fiscal discipline and responsibility. This is a budget that backs Territorians now and into the future and I look forward to assisting the committee with its examination of the budget.

I am now happy to take questions either on the outputs or on the opening statement.

Mr CHAIR: Before we go into questions on the statement, I will open up to that we will then consider any Whole-of-government budget and fiscal strategy related questions before moving on to output specific questions.

The shadow minister will be allowed to ask questions first, following by committee members. I will begin with the crossbench and then other participating may ask questions. Other members may join in on a line of

questioning pursued by a shadow minister rather than waiting for the end of the shadow's questioning on an output.

I will now open up to questions on the statement for Department of Treasury and Finance. Opposition Leader.

Ms UIBO: Good morning Treasurer and officials. You have repeatedly said that this is a budget for everyday Territorians. The number one issue that is facing Territorians now, as we know, is the cost of living. Will you please table the modelling you relied on for cost-of-living pressures that are facing Territory families?

Mr YAN: We know cost of living is front and foremost for Territorians in these current times. There are a number of things driving up cost-of-living pressures across the board. We only have to look at the most recent issues in the Middle East and the fuel price spikes, combined with other issues right across the country.

I suppose, most importantly when I am talking about fuel—I will use that as the example—we moved quickly to minimise those cost-of-living issues, not just Territorians but also Territory businesses. We enacted the 1940s legislation to make sure that Territorians were not being gouged at the bowser and we see good pricing and competitive pricing without those significant increases that we saw day by day. That was good to see and I compliment most of our retailers who have done the right thing.

We also did that for local businesses through DLI—I will speak more this afternoon about how we managed those increases for Territory businesses. We have seen increases in cost for power generation which has driven up our CSO considerably and that is off the back of Black Tip ceasing production post-Cyclone Fina. Black Tip was already on a down slope after recovering but Cyclone Fina knocked out that platform back in November/December last year. That forced us to purchase gas at spot prices from INPEX and Santos and increase our supplies from Central Petroleum. That has driven an increase in power and that is why we have increased the CSO to make sure that Territorians are not paying more for their power bills.

They are couple of issues driving up the cost of living and what we have been doing to specifically target those to make sure that Territorians are not paying additional and keeping those costs down. I will pass to the Under Treasurer to provide a bit more detail on the modelling that they have used for our cost-of-living support.

Mr McMANUS: The modelling that supports or underpins our cost-of-living pressures is around the CPI. Leading into the development of the budget we were looking at CPI of about 3% at the December quarter, and that quickly changed when the war broke out in the Middle East. Now in the 2025–26 year, the current financial year, we are looking at about 5.2% CPI, which is largely on the back of higher fuel prices and the secondary flow of those costs as they go into other services and goods that are consumed by businesses, consumers and households.

There are a range of measures within the budget that support cost-of-living pressures. The main one is the CSO for regulated utility prices. That had an increase between budget years of about \$60m and, as the Treasurer mentioned, that is largely underpinned by higher cost of generation, the fuel that goes into generating power, so that was a significant step up in the budget to support cost-of-living and making sure that Territorians are paying for power at highly subsidised prices rather than the cost reflective.

There are a range of other measures within the budget. The current government has increased the payroll tax threshold for small businesses and exempted apprentices, and the value of that to businesses is about \$17m. There are pensioner and senior concessions; back-to-school vouchers; FreshStart New Home and HomeGrown Territory Grants, helping the cost of building new houses; early childhood subsidies for childcare; sports vouchers; and swimming lessons. Overall, there is about \$290m for cost-of-living concession in the budget.

Ms UIBO: Is there any modelling that can be tabled, or it is bits and pieces of everything you have described as opposed to a specific methodology?

Mr McMANUS: The economy book has quite detailed discussion about the components of our CPI and what is driving that. Within that there is quite a bit of detail. Also, in our economic releases we have all the different components of CPI that are broken down within that, so there is quite a bit already publicly available.

Ms UIBO: Household bills are rising faster than wages, and Territorians are working harder and getting less. What are the new measures in the budget that address the cost-of-living issues for everyday Territorians—the new measures?

Mr YAN: One of the new measures that we have just spoken about is the CSO. What the CSO and the government does to support and maintain lower power prices across the board equates to anywhere between \$1,500 to \$1,600 and \$2,200 per household, depending on the size of your household. We increased the CSO by approximately \$50m to \$60m this financial year to make sure power prices for Territorians remain within affordable realms. If we had to change to cost of generation prices for Territorians by removing that CSO, every Territory household would have an increase of between \$1,600 and \$2,200 per annum, and we cannot justify that.

There are increases in global costs for gas that pays for generation, so the subsidy is specifically to make sure that every house relies on power to make sure they are not paying too much.

In current terms an additional measure has been the \$90m subsidy on the fuel excise. The prices have jumped, and we immediately responded ...

Ms UIBO: Sorry, Treasurer. What was the amount? What was the figure that you ...

Mr YAN: It was \$90m for the fuel excise. We initiated that to make sure that we are seeing those costs reduce for Territorians. There will be a change to that fuel excise come 1 July from the Commonwealth. We are waiting to see what that will look like and what it will mean to the Territory overall.

Looking at the CSO, we are paying extra for gas, sadly, because Eni stopped production. We are five to 10 years behind on Beetaloo. If Beetaloo had reached production far earlier—we have had the moratorium in place that has delayed that coming online—we would be paying a lot less for gas today, which means our cost of generation would be far lower than it currently is. This would mean, at the end of the day, that the CSO (community service obligation) would be far lower than what it is and our cost of generation would be low, which would put more money back into the Northern Territory. The delays in bringing Beetaloo online had a significant impact downstream on our cost of generation. Had it come online faster, we would have seen the cost of generation lower and revenue coming online earlier for the Territory from royalties from onshore gas. That delay is costing us in a number of different areas, one of those being power.

When we see Beetaloo come online and we start getting better prices on gas out of that region, we will see a reduction in the CSO which is good for the Territory and will reduce our obligation for all Territorians on those subsidies to their power bills.

Ms UIBO: Whilst I appreciate the answer, the community service obligation is not a new measure. Just to be clear, it obviously existed prior to you being Treasurer and prior to your government. What I got from that was there is a \$19m fuel excise commitment through the budget from you. Is that the only new measure?

Mr YAN: The additional \$50m in the CSO is a new financial measure. Yes, I understand the CSO has been there for quite some time.

Ms UIBO: You boosted an increase in the CSO. You have not created the CSO. You have not implemented ...

Mr YAN: We have increased our commitment to the CSO to make sure we maintain those fuel prices for Territorians.

Ms UIBO: The latest economic brief says that NT wages grew by only 2.3%. Do you accept that this is weak wage growth? What in the budget is there to address that?

Mr YAN: When we look at wage growth in the previous budget—I spoke about the events over the last three months which have driven up CPI. Wage growth was linked to CPI. CPI, prior to what has just happened, was around that 2.3% or 2.4%. Wage growth was in line with CPI; they were tracking together at the same time.

None of us could have foreseen what took place at the end of February this year. We had already put in place and done all that work on our budget and what the CPI would look like and what our budget measures were in relation to CPI. Once we hit that point in February, that is when we saw the quite large spike post that event in CPI across the country. We were tracking at about 2.8% to 3% on our CPI in the Territory, particularly in Darwin. It was only weeks before the budget was released that we finally saw those figures from the Commonwealth and what CPI would look like. That will now have an effect on the Territory overall and not just the Territory, but nationally.

We are still working on our 3% wage policy for the public sector. That was real wage growth based on the previous CPI numbers. Again, none of us could have foreseen what would happen post-February, and we have seen that spike in CPI. We see that reducing in the outer years down to about 3% and below, back down to those 2% targets.

The spike we are seeing in this financial year is off the back of the Middle East and that conflict. Hopefully we will see a reduction back to our normal CPI figures next year, and wage growth will come with CPI increases.

Mr MCMANUS: The 2.6% wage growth in the current financial year is largely a result of the timing of finalising various public sector EBAs that are underway. We expect to see—as they are finalised over the next few months—wage growth strengthen to 3.7% next year and remain above 3% over the forward Estimates period. We are looking at how that aligns with our CPI forecast, it is well above that in the outer years.

Ms UIBO: Treasurer, in last year's budget your government increased regulated electricity, water and sewerage tariffs by 3%. Your own government increased essential household bills higher than the wage growth. Why did your government make this choice?

Mr YAN: As I said, our tariffs are adjusted annually, and they are adjusted in-line with those CPI figures. We have seen our adjustment for this year—which is slightly above CPI if my memory serves me—which was a 5.3% increase in regulated tariffs to commence from 1 July. The CSO offsets are quite a large proportion of that cost—between a \$1,600 and \$2,500 subsidy to households. There are increases in generation costs for TGen delivery of power, water and sewerage services through Power and Water Corporation. These costs have to be passed on.

Mr MCMANUS: The CSO is increased by around \$60m between financial years and allows the electricity and utilities provided to customers to be kept at relatively low prices, particularly in comparison with other jurisdictions. It is underpinned by the cost of generation and network charges through the AER, so we have come in off historically low gas prices and are moving into more market-based pricing—as we are seeing—and increased network charges through the AER. That is what is driving our cost of electricity increases at the moment.

Ms UIBO: In Darwin the CPI rose 4.2% in a year ending March 2026. If wages grew by only 2.3%, do you accept the fact that the budget is squeezing savings for Territory families and not necessarily supporting them?

Mr YAN: I go back to what I said previously—our CPI increases in Darwin have historically been about that 2.6% and below. That has been fairly close with wage growth. The events of February have now caused that spike in CPI which, as I said, we have all seen and we are all affected by it nationally.

On the modelling and projections that we have, we start to see a reduction back down to around 3%, or even lower than that in the outer years with 27–28 down to 1% and 2.5% in 28–29. We have seen an anomaly due to the conflict in the Middle East at this current time, that has caused this bump in CPI. It is very hard to immediately match a wage growth to that initial spike in CPI, but we do see that projections are—not just by us, but also the Commonwealth—that we will see CPI then reducing to normal levels post 26–27.

Ms UIBO: You spoke a little about this, but could you repeat what the anticipated increases on 1 July 2026 are for power, water and sewerage?

Mr YAN: That was 5.3%.

Ms UIBO: My next question relates to the back of the answer you gave before. What is the expected CPI for 26–27 financial year? I think you said roughly 3% but I would like to clarify.

Mr YAN: In 2026–27 it is at 3.2%; 2027–28 at 1%; 2028–29 at 2.5%; 2029–30 at 2.5%—an average across those years of 2.9%.

Ms UIBO: If wages are not keeping up with the prices, how does the budget deliver meaningful new cost-of-living relief for Territory families?

Mr YAN: When we look at our CPI increases across those years, we see they average out at 2.9%. The wage price index sits within the budget at 3.3%, so it is only marginally higher than that average CPI increase over time.

Ms UIBO: The department of Treasury says that Darwin housing costs rose by 5.6% year ending April 2026. What is the average rent increase forecast for Darwin renters in 2026–27?

Mr YAN: We do not have or forecast that data, so we have to take that on notice.

Question on Notice No 2.1.

Mr CHAIR: Opposition Leader, please restate the question for the record.

Ms UIBO: The department of Treasury says that Darwin housing costs rose by 5.6% year ending April 2026. What is the average rent increase forecast for Darwin renters in the 2026–27 financial year?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes, I do.

Mr CHAIR: The question has been allocated the number 2.1.

Ms UIBO: Can you advise the committee how many advertised tenders your department put out that went to Territory-based businesses?

Mr YAN: I am not sure that relates to the opening statement. I did not mention ...

Mr CHAIR: If it was not covered in the Treasurer's opening statement, you can ask where in the outputs you would like to ask it.

Ms UIBO: That is fine. No worries. You have a heads-up for when I want to ask it in the correct output.

Can you table a list of Territory companies that applied for tenders? How does the Treasury balance out Territory businesses?

Mr YAN: I can sit here and read out the list, if you like, but it has been supplied to you in the written questions. Again, it was not part of the opening statement either.

Ms UIBO: You did speak about Territory businesses, though, didn't you?

Mr YAN: Yes, I did speak about Territory business.

Ms UIBO: The question goes to how your department is accessing and supporting Territory businesses.

Mr YAN: Okay. To your question, in as far as support to business, we do professional advisory services through BDO to review an uptake market-led proposal policy, and that was a public tender. More professional advisory services went to Deloitte Advisory Pty Ltd for a detailed business case; that was a public tender. Professional advisory services through ARCA Global Consulting, independent review of return-to-work claims and management; that was a public tender. Recruitment services for board members, senior executives and CEOs in the Northern Territory Public Sector, that was Engage People Pty Ltd; that was a public tender. That is what we have for the Territory.

Ms UIBO: That was a total of five?

Mr YAN: Yes, that is correct.

Ms UIBO: And are they all Territory based?

Mr YAN: Those five are Territory based, yes.

Mr YAN: Those five are Territory based, yes.

Ms UIBO: Is there anything on top of those five that are not Territory based?

Mr McMANUS: Yes, there were a number of other consultancies and tenders that were procured and services that were procured over the financial year. A lot of them are listed with their head offices being interstate, but they have Darwin-based local offices which is part of the assessment criteria when we are looking at weighting for local content. There is a long list of various procurements and tenders that went out as part of the written questions. We can go through them all now ...

Ms UIBO: Just the number would be great, Under Treasurer. I know we received them yesterday, which we appreciate. We had a short amount of time to go through them all. Just for the official record, it would be helpful.

Mr McMANUS: It is 18 in total.

Ms UIBO: Lucky you are a numbers man, Under Treasurer; thank you. We have the list and we appreciate the response to the written question.

Do you accept that it is part of the Treasurer's role to lead those discussions on best of practice with looking at supporting Territory businesses first when it comes to contracts and procurements? We want to see the Territory thrive. Often a lot of the rhetoric from the government is that the private sector needs to lift their belt and do some more heavy lifting for the Territory, but if we are not supporting our Territory businesses through basic government contracts, do you see that is quite ironic, in a way, that the Treasurer is not necessarily always supporting Territory businesses?

Mr CHAIR: Apologies, Opposition Leader, if you could reword that so it is not an opinion?

Ms UIBO: Will you commit to ensuring that more Territory businesses are the focus of any procurement or contracts with your department?

Mr YAN: I 100% support Territory business and always will. The interesting part for Treasury is in respect to some of the specialised work that takes place within Treasury. Some of the services that are required for the Treasury team are not available in the Territory, which is unfortunate. If those services were available in the Territory we would be using them where we could. At times we cannot get a service from a Territory business or there is no Territory business that provides that service the Treasury team needs.

I will pass to Tim to give an example of where we cannot source that expertise in the Territory. Unfortunately, because the Territory is small and the other states and territories are far bigger than us, they have those expert services that we sometimes need to lean on.

Mr McMANUS: I note that of those 18, four of them went to Cumpston Sarjeant consulting actuaries. We use them because we have a good relationship with their Darwin-based office here, trying to take actuarial reviews of several of our superannuation schemes.

The Treasurer is right in that a lot of the advice we cannot procure within the Territory is for specialist technical advice. Examples are that we have a specialist econometric adviser to do some work for us; we had technical advice and development of a demographic projection model that we use the Australian National University support us with; we had specialist commercial advice on various projects which need that high level of expertise to make sure we are getting the right advice and best value for the Territory.

We endeavour to use local suppliers where we can, but there are certain technical aspects of the nature of the work that Treasury undertakes where we need to get that specialist technical advice.

Ms UIBO: Thank you for the detailed response; it is much appreciated.

How much extra did the average Territory household pay in the reporting period when it comes to electricity because of the 3% increase in last year's budget?

Mr YAN: Bear with me while we get that data.

It is hard to break it down by specific household. We have information on the subsidy that we provide through the CSO based on households, a couple or a single person or a small business.

Ms UIBO: Does that include the breakdown? The next series of questions—to give you and the officials a heads-up—is about an average cost for electricity, water and sewerage. Is that the sort of detail you can provide or would I need to ask that on notice?

Mr YAN: If you look at the residential tariffs as of 25 May 2026, you see that our tariffs for residential electricity are 32.63c per kilowatt hour. We are the fourth cheapest in the country. Small business electricity tariffs are, this year, 36.14c.

Ms UIBO: Is that for the reporting period to 31 March, because you mentioned a May date?

Mr YAN: This is as at May, so the residential electricity tariffs as at May 2026 are 32.63c.

Ms UIBO: The two figures you gave, one was for households and one was for small business.

Mr YAN: Small business is 36.14c.

Ms UIBO: Do you have that average for a household for water as well, related to the 3% increase?

Mr YAN: Residential water tariffs of 25 May 2026 are \$3.43 per kilolitre. Sewerage bills ...

Ms UIBO: I am sorry; do you have the small business one for that as well?

Mr YAN: No, I only have residential on that one.

Ms UIBO: What is the sewerage?

Mr YAN: Sewerage is \$954 per annum for residential as at 25 May 2026.

Ms UIBO: I am interested to know the methodology to address or calculate what an average Territory family may pay because of the 3% increase on essential utilities.

Mr YAN: The average household annual consumption—this is an indicative customer impact—of 8,500 kilowatts per annum total bill would be an average of \$2,774 in 2025–26. For 2026–27 it will be \$2,921.

Ms UIBO: Is there a way to identify how much a pensioner household may have paid with the 3% increase?

Mr YAN: Yes, an average household for a pensioner would be lower than that. I do not have that price.

Ms UIBO: Is there a way to calculate that?

Mr YAN: We could take that on notice, Member for Arnhem, and do those calculations.

Question on Notice No 2.2

Mr CHAIR: Opposition Leader, please restate the question for the record.

Ms UIBO: Is there a way to calculate how much a pensioner household has paid because of the government's 3% increase?

Mr CHAIR: Treasurer, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.2.

Ms UIBO: You mentioned small business earlier. So you have any calculations or methodology regarding small businesses and what they may have paid because of the 3% increase?

Mr YAN: For an average small business the total average bill for 2026–27 will be \$11,416.

Ms UIBO: You do not deal with the big companies either, do you? They are on a separate tariff; is that correct?

Mr YAN: Yes, they are not regulated.

Ms UIBO: Thank you for the clarity. How much more did renters pay indirectly if landlords passed on any high water, sewerage or electricity costs to renters?

Mr YAN: It is not a question that I as Treasurer or Treasury can answer. It is something between the renter and the landlord.

Ms UIBO: Transport prices rose by 9.8% for year ending April 2026. What is the average extra amount Territory households are paying for fuel and transport?

Mr YAN: That is quite variable in the current market. As you can imagine, it would be hard to work out what an average is.

Ms UIBO: We do not have the expenditure data on that.

Mr YAN: Yeah. As far as assisting freight and logistics across the Territory, we do not do our road user charges until September or October and will be reviewing the need to increase those should we have to. That will be based on what takes place over the coming months. We have done the \$19m in subsidies on the fuel excise, and that goes across the board. We do not collect the data that you are requesting. Freight charges would be reflected in CPI and cost of fuel.

Ms UIBO: I am assuming that you may not have this data as well based on the last answer. Food and non-alcoholic beverages rose by 2.9% year ended March 2026. Have you modelled how much extra the average Territory family is paying for their groceries?

Mr YAN: That 2.9% increase is pretty close to CPI previously reported in Darwin. There may be some future-based data that Tim has on what our CPI increase is looking like.

Mr McMANUS: Our CPI forecast and CPI are based on a basket of goods and various components of ordinary household consumption. Within that CPI forecast, we have 5.2% or 5.3% in the current financial year, reducing over the forward estimates. That is based on the increased costs that are flowing through into a basket of goods. It is the cost seen in groceries and other components.

Ms UIBO: Is that forecast done annually or quarterly throughout the financial year?

Mr McMANUS: The CPI is forecast quarterly.

Ms UIBO: Will you guarantee that future regulated electricity, water and sewerage increases will not rise faster than wages for CPI?

Mr YAN: Every year we review the tariffs, whether they be for TGen or for delivery of power, water and sewerage services, as well as costs of generation. We review the tariffs based on what the CPI is at the time.

Can I give you a guarantee that those tariffs will not increase over wage cost increases? I probably cannot give that guarantee, but when we look at the tariffs and any changes to tariffs, we are looking at it alongside CPI and the wage price index to make sure that those numbers are reasonably close. We are not specifically out to gouge anybody on that. Also, remember that this is offset by the CSO that is given to every Territory household, which can go between \$1,500 and \$2,300.

Ms UIBO: As the shareholding minister regarding some of those tariffs you spoke about, do you have the power to amend the next electricity pricing order to ensure regulated power prices cannot rise above wage growth?

Mr YAN: As Treasurer, I set the electricity pricing order. That is not done just by me; it is a decision made by budget Cabinet. It is not a decision I will make unilaterally.

Ms UIBO: You have the power to set or cap that.

Mr YAN: No, I said Budget Cabinet has the ability; I do not have that power unilaterally. I said that it is a decision of government to make that change.

Ms UIBO: Is it in your Administrative Arrangements Order that you will be responsible for it, though?

Mr YAN: I am the person who signs off on it, but it is a decision of Budget Cabinet on those prices.

Ms UIBO: Ultimately, you are the final signatory and legally responsible because you are the Treasurer.

Mr YAN: Yes.

Ms UIBO: Do you have the power to cap the water and sewerage increases, power prices and tariffs that come through Power and Water?

Mr YAN: Yes, I do, should they need to be capped.

Ms UIBO: Is your decision-making based on a range of methodologies, is there a certain process in the Northern Territory or do we look at other jurisdictions for that guidance?

Mr YAN: There are a couple of things in that. A lot of the information comes through the Utilities Commissioner who reviews pricing orders, whether it be for PWC, TGen or Jacana. They look at how we perform against other jurisdictions and what they are charging to make sure that we are, I suppose, in the ballpark with everybody else.

On top of that, we look at what the changes in those tariffs may be, alongside CPI and the wage price index, to determine what any changes to the tariffs will be going forward. I am the shareholder, so I have the authority, but it is not a decision I make unilaterally; it is a decision of Budget Cabinet.

Ms UIBO: It is good of you to share the load with your ministerial colleagues.

Can you guarantee Territorians that the next tariff decision will be based on household affordability and not just government revenue or utility balance sheets?

Mr YAN: The next tariff increase has already been assessed, and that is 5.3% which is in line with CPI. When we look at those things we determine, based on a number of factors, what those tariff changes will be.

Ms UIBO: What are sewerage charges anticipated to be for 2026–27?

Mr YAN: That is the same as the other charges, 5.3%.

Ms UIBO: Would that be reviewed quarterly or annually?

Mr YAN: That is reviewed annually.

Ms UIBO: Is that the same for water?

Mr YAN: That is correct.

Ms UIBO: And then power, so all three.

Mr YAN: Yes, all three.

J DAVIS: I have a few questions about the Territory's long-term fiscal sustainability, not just this year's budget but the structural pressures which will determine whether or not current decisions reduce or increase costs for future generations.

What analysis has been undertaken of the NT's long-term fiscal position beyond the forward estimates, including projected expenditure pressures over the next decade?

Mr YAN: We look at those outer years and what those fiscal pressures will be. We report on the outer years, which is the four years of the budget cycle, but we also look way out in the future to see what we can forecast and what those pressures will be. Quite a lot of that work is done through Treasury but also we rely on what we see from Moody's. Moody's does their assessment of effectively what our budget looks like now but they also assess what things look like into the future.

What we are aiming for with our fiscal strategy at the moment is to make sure that we are in line with, or doing better on, a number of measures. We measure ourselves against every other state and Territory.

I will hand to the Under Treasurer to give more detail on that.

Mr McMANUS: We do medium-term modelling, but it is not publicly available. It is to make sure that we are comfortable with the way the budget is tracking over a longer term. As you can imagine, there are a lot of variables between budgets from year to year. We have to take forecasting over a medium term with a grain of salt that these are the numbers. We only really factor in variables that we can have any certainty over.

Looking at our revenue base we will put in some long-term trend growth into those out years and with our expenditure growth regarding where we think our costs will be over the back five years of a ten-year period. We see that over the medium term under the current sittings we are returning to a more sustainable position where we can start to repay some of our debt. In the current budget forecast you can see that our net debt revenue peaks at around \$13.2bn in 2027–28 before starting to taper off. If we can hold to those projections in an actual sense and deliver on those, then we will see in the years beyond that we will be in a position where we can start to repay down some of that debt.

As the Treasurer mentioned, our fiscal strategy is looking at some of those key metrics regarding net debt to revenue ratio and making sure that we align with the average of the states. We do that because it provides a broader picture of the large national and international economic conditions that we are all facing and trying to budget within and looking at some of those measures in those out years where we are tapering off and plateauing with our net debt. Our net debt to ratio is coming down, whereas other jurisdictions are all on the increase.

From a Territory financial sustainability position, we are in a much better position than we have been in the past few years. We have had good outcomes through GST in terms of overall growth in the national pool, our relativity, which is our portion of the distribution of GST, and our population outcomes have all been positive. There have also been really good outcomes in own-source revenues through payroll tax increases, stamp duties and royalties. Those three, particularly our own-source revenues, are an indication of improving economic activity within the Territory, and hopefully they can be sustained and continue into the future. We will be able to build our revenue base while restraining or constraining our growth and expenditure and get to a position where we can start to repay debt.

J DAVIS: Did you say at the start that the long-term modelling was not publicly available?

Mr McMANUS: No, we do not publicly release it purely because it is so volatile. The Commonwealth does an intergenerational report it releases every so often. Like I said, there are so many variables and assumptions that can underpin modelling. There is not a lot of value in it being released publicly, then being held to it because it is difficult to forecast beyond the current financial forward estimates.

J DAVIS: In relation to the Commonwealth intergenerational report, does the Northern Territory look at any formal intergenerational analysis or long-term fiscal sustainability similar to what is done in the Commonwealth and in other jurisdictions?

Mr McMANUS: Our fiscal strategy is focused on debt reduction and returning our budget to a sustainable position. By achieving some of the targets we will position to be more sustainable over the longer term, repay our debt and not have any burden in terms of intergenerational debt on future Territorians.

J DAVIS: In relation to specific expenditure in this budget—Treasurer, you said that this budget identifies reducing crime as a core strategic strategy, with \$2.26bn in new policy commitments—what proportion of this is allocated specifically to crime prevention, including early intervention, rehabilitation and addressing the drivers of offending as distinct from police, prisons and courts?

Mr YAN: Our spend this year is across the board and specifically for a number of things. We are dealing with the issues of crime, but there is also quite a large part of prevention in there. There has been—I know this from personal experience—a lack of expenditure investment in Corrections over a number of years. Crime has been on the increase. We have seen the levels of crime and the stats of that increasing year on year under the previous government.

We came into power with the premise of dealing with crime and we are dealing with crime. We have seen the number of victims decreasing significantly. I am happy to say one of the biggest moves has been in my region in Central Australia.

As we deal with the offenders, we then need to invest in Corrections. I have said it year on year until I am blue in the face, before I even got into government, because the studies were done in New South Wales

many years ago—every dollar you invest in police you need to invest \$1.50 into the justice system. That is with courts, community Corrections, Corrections and some of the other core services that deal with reoffending and rehabilitation.

This did not happen under the previous government. There was investment in police and a lack of investment into the justice system overall behind the scenes. That is something we are now working on achieving. While there is a large spend, of course, on police, Corrections and courts that deal with all those issues—we are now seeing a reduction in remand numbers which is great to see; people are not sitting forever on remand—there is also a focus on rehabilitation measure, specifically within Corrections.

This was not addressed by the previous governments. It effectively turned into what I call a ‘rack ‘em and stack ‘em’ model. There was not a lot of investment into programs and a lack or reduction of investment into industries which I know for a fact—the numbers will bear me out—actually reduced recidivism and aligns to productivity, employment and effectively better community members.

Total expenditure for non-financial public sector is \$12.78bn; public order and safety is \$1.7bn of that. Within that, particularly within Corrections and Community Corrections, there is a focus on rehabilitation. It might be best to ask the Minister for Corrections when he is on tomorrow about how his department is breaking down that spend, specifically within Corrections.

With the Chief Minister, police are doing prevention work rather than—we know prevention is better. Police are doing quite a lot of prevention work, community engagement and active engagement. The police public safety officers will form a large part of that. They will be a visual presence in the public eye. I know from my experience that active visual policing reduces crime. Then we see fewer people in our Corrections centres.

Again, for correctional services, tomorrow might be the time to ask the Minister for Corrections about what his budget breakdown may be within his agency as far as what they are doing for rehabilitation for offenders. Sadly, you have missed the Chief Minister ...

J DAVIS: I was able to ask some questions. My question is for you as Treasurer about what proportion of the budget is given to crime prevention measures.

Mr YAN: That was the number I gave before. Out of the total \$12.78bn in expenditure for the financial public sector, \$1.7bn of that is for public order and safety.

J DAVIS: Does that include early intervention and rehabilitation, public order and safety?

Mr YAN: To give a little more to the answer, there is public order and safety and a number of that sits inside of there. There is also social protection which is \$0.8bn. You could include that in public order and safety. It is 14% of total budget for public order and safety and 7% of total budget for social protection. They are two separate items.

J DAVIS: Has Treasury modelled the long-term cost of prevention compared with the downstream correctional expenditure? The figures you gave me are obviously heavily weighted towards the back end of this issue.

Mr YAN: Treasury has not done any specific modelling on this. Our focus is on reducing crime, so we are working towards that. Corrections and Community Corrections would be looking at strategies they are doing on rehabilitation to try to reduce recidivism. That might be the modelling you may be considering, but it certainly has not been done as an overall from Treasury.

J DAVIS: Is there any work that Treasury does on fiscal long-term cost effectiveness of this strategy to reducing crime?

Mr YAN: No, there has not been any specific modelling done by Treasury as to what it might look like as far as the Reducing Crime strategy goes.

J DAVIS: Is it something Treasury would be considering at any point in terms of making these decisions about the biggest expenditure in our budget?

Mr CHAIR: Questions cannot go into future policy. We can ask questions on current policy and the application of current policy.

J DAVIS: I will leave it sitting there in the universe.

I also wanted to follow up on some questions asked by the Leader of the Opposition. You talked about budget pressures from Blacktip, saying that we are paying more for gas because Eni stopped producing gas. What has happened with our estimated \$4bn contract that the NT Government has with Eni now that Eni has stopped producing gas?

Mr YAN: There is quite a lot that is commercial-in-confidence and I cannot discuss it as far as that contract goes. Power and Water Corporation which negotiated that contract with Eni is now working with them. There has been a dispute over the reduction of supply over a number of years—that curtailment. I cannot speak much more about that. It is probably a question for PWC when they are up next Thursday.

J DAVIS: Can you speak about what exposure or liability Territorians have currently?

Mr YAN: No, I cannot. That is commercial-in-confidence because, as I said, there is a legal dispute currently.

J DAVIS: You also talked about concerns about future gas supply. INPEX supplies a very small proportion of its production to the Territory market—0.4% in the recent Senate inquiry, I heard—the overall majority being exported overseas. Has the government taken any steps to secure additional domestic gas supply from INPEX before pursuing new gas developments?

Mr YAN: Our gas supply is quite mixed. We found that the curtailment from Eni put us in a very difficult position, as far as gas went. We have a number of agreements for gas, INPEX being one of them. We are taking gas from Central Petroleum. We are now not taking any gas from Eni, because that platform has failed, and we will see gas flowing through from the Beetaloo field in September to October this year.

I will pass to the Under Treasurer.

Mr McMANUS: Yes, you are right; we have existing gas supply contracts with INPEX as required, and through Central. In 2024 the previous government entered into a number of contracts to support gas security and energy security for the Territory, but also to support the development of Beetaloo. There is a gas supply agreement with the Beetaloo Joint Venture, another with Beetaloo Energy Australia and, recently, the current government provided a guarantee for the construction of the Sturt Plateau compression facility to expedite the delivery of first gas from the Beetaloo Joint Venture.

We also recently entered into a gas supply agreement with the Palm Valley joint venture to underpin two new wells at the Palm Valley field in Central Australia. By diversifying our gas portfolio and where we receive it from into the future, we are mitigating the risk of that sole supply which we saw through Blacktip. This gives ourselves some capacity to vary our supply should one of those come into any supply issues.

J DAVIS: Specifically, to my question, has the government done any work with INPEX to increase the supply that Territorians can get from the gas INPEX are taking from the Territory?

Mr YAN: We have an agreement with INPEX to take emergency gas when we need it should we have a supply shortfall like we have seen with Eni, so we were able to get gas from there. We also have an emergency agreement with Santos, if my memory is correct, to get gas from them should we require, but it is only when we have shortfall or curtailment from our existing supplies.

J DAVIS: Which is obviously a situation we have faced in recent times. If the government is not pursuing additional domestic supply from INPEX, on what basis are we pursuing new gas developments to meet Territory demand?

Mr YAN: The Under Treasurer just mentioned that we have an agreement now with Central at Palm Valley, so we can get more gas from Central Australia up here to Darwin to power TGen and provide for Darwin, Palmerston and Katherine's needs. We also have those agreements coming out of the Beetaloo, which we should see gas from towards the end of this year. They are the two additional agreements. In the Beetaloo there is not just one supply; there are a couple of supplies we are using out of there, Beetaloo Energy and Tamboran—and Daly Waters Energy.

There are a number of suppliers out of the Beetaloo, which will be supplying into the Darwin marketplace, that agreements have been entered into, as well as Central. Hopefully—touch wood—I can say I will not ever be reliant on emergency gas from INPEX. That would be a wonderful outcome, but the good thing with INPEX

is that it has supported the Territory when we have been in trouble, and it has supplied emergency gas to Territorians to, effectively, keep the lights on.

J DAVIS: Is there modelling about whether Beetaloo will be more expensive for Territorians' gas than INPEX?

Mr YAN: While I cannot go into the exact detail of the price, as it is commercial-in-confidence, the gas coming out of the Beetaloo is far cheaper than emergency gas from INPEX.

J DAVIS: I have one question from the Member for Mulka.

In relation to GST, which you referenced, how much of the Territory's projected \$5.1bn GST revenue is explicitly allocated to programs targeting disadvantaged Aboriginal communities in 2026–27?

Mr YAN: We do not specifically do a breakout of what our GST is as far as where it may go to different parts of the community. Our GST comes in and is allocated through the budget and various agencies. There is no specific breakdown within any of our budget lines as to what the Member for Mulka is asking. Again, GST comes in, is allocated through all our departments and agencies, and then I do not believe there is a specific number that is carved out of, say, what is being spent on what he is asking.

Tim has a bit more information.

Mr McMANUS: GST is provided for delivering mainstream services that service all Territorians, not specifically Indigenous Territorians. We receive additional weightings for remoteness and indigeneity but not necessarily for closing the gap. You can see how money is being spent through our existing classifications, under each agency. Some of those agencies have a greater focus on providing social services and support to remote and Indigenous Territorians. Other mainstream services such as health and hospitals also deliver services to Indigenous Territorians and are probably utilised by a greater rate than non-Indigenous Territorians.

Overall, the budget, through its expenditure allocations, caters for Territorians, but there are certain areas and agencies within the budget that provide a greater focus on those social services. You can see through each of their budget breakdowns.

J DAVIS: This is a question from me, not the Member for Mulka. We talked last year about how GST works. Basically, my understanding is that we get it and a larger proportion than anyone else because of the issues that you have just described. Then the government decides how they will divide it up. Is that correct?

Is there no system in place for tracking whether GST funding is going to where it is intended to, being the need that justified us getting that extra amount?

Mr YAN: There are two parts to GST allocation. There is tied and untied funding. Untied funding is GST that is allocated through our various departments to do the work that they do every day for all Territorians. Then there is tied GST funding for specific items within the budget. A lot of that funding has to be spent within the infrastructure budget. A lot of tied GST funding is allocated within that budget for roads and bits and pieces. They are the two types of funding within the budget.

Mr McMANUS: We receive higher weightings in terms of our assessed need and why we receive a higher GST. It also acknowledges the higher cost of delivering those services in remote and regional areas across the Territory and the rate of use of those services in the Territory compared with other jurisdictions. We receive five times our population share, but that is acknowledging of the cost of the delivering those services.

J DAVIS: I understand. I am interested in knowing how we can know whether the money goes to do what GST is designed to do. I am interested, Treasurer, when you just said that some parts of GST are tied. Is that information available?

Mr YAN: We report on the tied funding. To give you an example, these are the national funding agreements: Better and Fairer Schools Agreement; the National Health Reform Agreement; the National Agreement on Social Housing and Homelessness; the National Mental Health and Suicide Prevention Agreement; and the Federal Funding Agreements Schedules. They total \$1.126bn in the 2026–27 budget.

Then there is land, transport and infrastructure projects: remote housing Northern Territory; the Northern Territory Remote Aboriginal Investment; the National Legal Assistance Partnership; National Access to Justice Partnership; the National Water Grid Fund; Comprehensive Primary Healthcare Delivery;

Restoring Funding for Northern Territory Homelands; hospital and related health services; mine remediation; the National Critical Care and Trauma Response Centre; the Central Australia Plan, A Better, Safer Future for Central Australia; the Social Housing Accelerator Payment; and ...

J DAVIS: Sorry, Treasurer. Is this GST funding or tied grant funding?

Mr YAN: This is tied funding.

J DAVIS: Is there any GST funding that is tied to specific outcomes?

Mr YAN: No, not GST funding.

J DAVIS: Is it just over 50% of our budget?

Mr YAN: It is 48%.

J DAVIS: To be clear, for the almost half of our budget that we get to bring the Territory in line with the rest of Australia, there is no way to track how it is being spent and where it is going?

Mr YAN: You see it within the budget lines. We allocate that GST funding to our agencies to deliver the services for all Territorians. For example, you can see that Health delivers services in Darwin and across our regions. Effectively if you want to try breaking down what is spent on remote health, that gives you an idea of what may be spent specifically over each of the regions. We do not specifically break down what is spent on Aboriginal Territorians. The GST funding is put in place for everybody. As you can see throughout the budget papers you can get an idea of where it is spent.

J DAVIS: I will close this line of questioning with a question from the Member for Mulka; I jumped in the middle of his questions. How does the government ensure that GST—which is allocated due to our high disadvantage—is actually reducing that disadvantage?

Mr YAN: I know what the Member for Mulka is talking about. I suppose that the only answer is through the provision of our services, whether they be in the urban centres or in our remote regions. You get an idea of how the GST is spent through the provision of our services throughout the Territory, specifically in our remote regions.

Mr CHAIR: The committee will now suspend for 15 minutes for morning tea.

The committee suspended.

Mr CHAIR: Welcome back. We will continue questions on the opening statement of the Department of Treasury and Finance.

J DAVIS: You said recently that gas from the Beetaloo would be cheaper for Territorians than emergency gas from INPEX. I appreciate you might be limited in what you can say about commercially sensitive matters. I am sure you would agree, as we all do, that Territorians want the lowest cost and most reliable gas flow available, which means we need to be comparing ordinary supply options, not just emergency arrangements.

Given the millions of dollars in public subsidies already committed to Beetaloo and the fact that the project has yet to demonstrate a commercially viable business case, can you explain why a new gas fracking project at Beetaloo requiring significant investment from the Territory in extraction, transport and processing infrastructure would be expected to deliver cheaper gas than increased domestic supply from the existing INPEX gas fields and infrastructure?

Mr YAN: I need to clarify a couple of things in your question, specifically around investment. We have underwritten one proponent for the compression facility. It is not that we have provided any money to them at all; we just provided the guarantee for their loan to do the compression facility. The premise that we are supplying millions and millions of dollars to these proponents to get things going is not quite correct.

We are doing roads in regions. Yes, they assist the industry, but they also support the communities and pastoralists in those areas. When we are doing roads and bits and pieces, there is a three or fourfold improvement to business and communities in those areas.

I am no gas expert; this may be something to ask the Minister for Mining and Energy tomorrow. From my understanding, the numbers that are coming out of Beetaloo initially are that flow rates are good and the pipelines are in place. That is all done by the private sector; the only thing we have done is underwritten the guarantee on that loan for the compression facility which, I believe, is nearly finished.

By all accounts the flow rates out of Beetaloo are good. In the agreements that have been entered into by the previous government, and now some by this government, the prices are beneficial to Territorians and far cheaper than any emergency gas that we would get from INPEX. The numbers at this stage stack up. There are conditions on all of these contracts—which I cannot go into—about levels of supply should they not be able to supply. Territorians are certainly protected as far as supply out of Beetaloo goes and pricing.

J DAVIS: To clarify, I say again that I am not talking about emergency gas supply. Has there been any modelling done, like a cost–benefit analysis comparing our future gas needs supply being met through existing INPEX production and infrastructure versus developing a new industry?

Mr YAN: INPEX already has its supply contracts overseas. It is set up to supply gas to wherever they are supplying it—whether it is through the Asian markets. There are no contracts to supply to the Territory. No contracts have been discussed nor entered into. The only agreement we had with INPEX is for supply of emergency gas.

That is why we are working with our local suppliers; those being in the first instance Central out of Palm Valley in Central Australia, which now supplies additional gas into Darwin to make up for the curtailment from Blacktip. Of course, with Beetaloo coming online later this year we will be seeing gas coming out of that field through their new pipeline into the Amadeus pipeline to supply Darwin.

Mr O’GALLAGHER: Congratulations, Treasurer, to you and your team on delivering a pragmatic and sensible budget.

It was also good to hear the Leader of the Opposition reference your claim that the 2026–27 budget is for everyday Territorians. On that note, can you explain what the \$95m general government operating surplus in 2026–27 means for everyday Territorians, including those living in my electorate of Karama?

Mr YAN: In simple terms, for the first time in a long time, we have seen a net operating balance of \$95m in 2025–26. What that means is we are not borrowing money to pay for the day-to-day operations of government. To explain what the net operating balance is, it is our total revenue through GST and other revenues, be it from royalty, stamp duties or anything else, less what it costs to run government operations, which is running our schools, hospitals and all those other bits and pieces and paying wages at the end of the day.

We have \$95m surplus for the first time in a long time which means that we are not borrowing money to pay for our day-to-day operations, so we have fully costed those services. That is about a \$360m turnaround from what we were projecting for 2025–26, and we were forecasting a deficit in that year. Now, we have seen a \$95m surplus, which is great to see.

What it means for the people in Karama and for everyday Territorians is that we are not borrowing money just to pay the wages and bills. Borrowing is reserved then for bigger asset items. To explain the difference between the net operating balance and the fiscal balance is that the net operating balance is what we receive in revenue and the bills that we must pay to do day-to-day operations. The fiscal balance then includes what we must borrow to build our roads, schools and infrastructure work. That is the difference between the two.

We see next financial year—post this budget—a dip in the net operating balance. Because of the work that we are doing now we see an increase—there is no net operating balances into the outer years; they drove quite large into the outer years. We are seeing a dip next year of \$42m in deficit. We are working hard to change that maybe by mid-year or in our revised budget next year. We then start to see in our forward estimates far better numbers longer term, with \$199m in surplus, \$273m and in right outer year, 2029–30, a \$372m surplus. That is the first time in a long time we have been able to realise surpluses like these, but we must maintain discipline in our spending.

You only have to look at what happened this year over the last four to five months with the weather events to show many things can change and what those surpluses might look like. That is the discipline that we need as a government to make sure that we are spending appropriately and not wasting any money to try

and maintain those surpluses so, should we see these big events happen, we are not in a difficult financial position and scrambling to try to find money to do the important rebuilds and bring the services back.

Mr O'GALLAGHER: It is good to hear about the forward projections and so on. Just to recap, how have the projections improved in this year's budget compared to last year's budget?

Mr YAN: Variations—we revised 2025–26 to \$360m, and this year in the 2026–27 budget we revised that to an improvement of \$59m. As we look through those outer years we see those numbers changing as we stabilise that debt growth and start to turn around the debt growth and see a reduction by our outer years—in 2027–28, \$182m, in 2028–29, \$221m, and 2029–30, \$261m.

Through that disciplined approach to our budgets and starting to reduce our need to acquire debt, we have stabilised growth now. We are growing debt the lowest in the country. All the other states and territories have done their budgets now. Our debt growth is at 4% and is starting to reduce. All the other states and territories are on a trajectory of debt growth above 14% to 15% or higher. I think the lowest is about 9%, so we are leading the country in reducing debt growth, and we are often one of the first and only jurisdictions to see a plateau in debt growth and to see reductions. We will continue that work to deal with debt and start paying off some of it.

Mrs ZIO: A lot of people in my Fannie Bay electorate are business owners and some work in the construction industry. The ICN NT office is in my electorate, so it is a big interest for me as to what is happening through this budget in relation to the construction and building industry. What is in it for them?

Mr YAN: A lot of our construction and building industry are also small businesses, which are the heart of our economy. These are the groups and the areas which will grow our economy into the future.

First and foremost has been the changes to the payroll tax threshold, moving that from \$1.5m to \$2.5m. That has seen a significant shift and considerable saving for businesses across the board. It has given them the opportunity and confidence, particularly as apprentices and trainees are now exempt from payroll tax, to employ apprentices and trainees, knowing that they will not be hit with the burden of that tax, and to employ more people within their businesses, knowing that they can put more people on and not get hit with not just a payroll tax burden but also the administrative work that goes with that. When we announced this year and talked to businesses, a lot of them kept their employees under that \$1.5m cap so that they did not have to run through the administrative burdens of dealing with payroll tax and everything that went with it.

We have now seen an increase in employees across the board, and business confidence in that sector is high. They are getting more people on the ground with the expansion of the Territory. The red-tape removal taskforce has been done and we are implementing those initial 49 recommendations, these things are also streamlining processes for business as well. It is about them being able to get on with the job and effectively making it easier.

We have had reports, and a couple of luncheons by the Darwin Major Business Group, which highlighted the fact that government spending has been very high for a long time and it creates a bit of a false economy in the building sector. They have been quite open and clear that the private sector now needs to step in to drive that economic growth. The government needs to step away somewhat and the private sector growth and investment should outweigh public sector investment. On the graphs, public sector investment was higher than private sector investment. The only way we can do that is to create the environment for the private sector to get in and invest, which is particularly relevant to the construction industry.

A lot of that work is being done now. Making it easier to do business specifically in the Territory is a key. It is the work that we will keep doing.

Mr CHAIR: My question is related to inflation and CPI in the Northern Territory and the impact that is having on the people in my electorate. What impact is federal spending and the fiscal environment having on the NT's inflation rate and CPI?

Mr YAN: That is an interesting question because we know, and this has been highlighted by the RBA, that increased government expenditure is driving up inflation. The RBA has been clear and open about that. Added to that fact is the issues in the Middle East and how that is now driving inflation, which is compounding what has been happening federally with the federal spend. We are talking about inflation or CPI at levels of over 5% in the Territory which is unheard of. Our projections have always been around 2.2% to 3% year after year. The Commonwealth spending, along with what is happening in the Middle East, has driven that spike before we will start to see a reduction.

I am concerned about the changes in capital gains tax and negative gearing announced by the federal Treasurer in their budget only three to four weeks ago and how that will impact the Territory as a smaller economy. We have seen how decisions can create big bumps in what our economy does.

I think the Leader of the Opposition spoke about state final demand and how it has dropped, previously in parliament. That is off the back of Santos. Santos have done their Barossa project, so we have seen that build through the Barossa. Once that is completed, things will drop down. That is a project by one proponent, but it has a large effect on numbers in the Territory. We saw that after the INPEX construction.

The same goes for what has been announced by the Commonwealth in their federal budget. We get to see what the impacts are going to be. I am concerned that we will see a change in the investment profile and if we will see a reduction in the Territory. That is something that we are watching closely. I do not know—it is too soon to predict what those changes are going to be. I think that over the next six to 12 months—we are seeing interstate that auctions for houses are being cancelled, and investors are stepping away from the market; house prices are dropping.

For the first time in a number of years we are finally seeing house prices in the Territory increase. We have seen them stagnate or deflate for a number of years and have only just seen that turnaround now because our economy has started to push ahead. We have seen good numbers in growth, and that is reflected in housing prices, housing builds and housing investment. I have a concern that the changes from the Commonwealth to negative gearing and capital gains tax will have an effect on that market, see house prices here start to decrease and a lack of housing investment in the Territory. That is a concern.

J DAVIS: I want to go back to the Territory's reliance on our own-source revenue and whether current arrangements are maximising that. Specifically in relation to the Revenue Legislation Amendment Bill 2025 which amends the *Racing and Wagering Act 2024*, what is the difference between the revenue currently collected under the capped wagering arrangements for betting exchange and sports bookmaker licence holders? What would be collected if the 5% rate applied without a cap?

Mr YAN: We do not have that data on hand. That is something that we will have to take on notice.

Question on Notice No 2.3

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: What is the difference between the revenue currently collected under the capped wagering arrangements for betting exchange and sports bookmaker licence holders? What will be collected if the 5% rate applied without a cap?

Mr CHAIR: Treasurer, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.3.

Agency-Related Whole-of-Government Questions on Budget and Fiscal Strategy

No questions.

OUTPUT GROUP 1.0 – FINANCIAL MANAGEMENT Output 1.1 – Financial Management

Mr CHAIR: The committee will now proceed to Output Group 1.0, Financial Management, Output 1.1, Financial Management. Are there any questions?

Mrs ZIO: How is the Territory managing its debt compared with other jurisdictions across Australia?

Mr YAN: While it is good to talk about debt, it is not great to talk about debt. As I said earlier, we are managing our debt far better than other jurisdictions across the country. In relation to our debt profile, we are looking at \$12.55bn in this budget, and we are growing debt at 4%. If you look at that from 2016–17 to 2024–25, there

was an \$8.34bn increase in debt over those eight years, and that was effectively a 19.2% growth in debt per annum. We have reduced that to 4% now.

We are one of the only jurisdictions which is flatlining its debt growth over the forward estimates. When you look at most of the jurisdictions across the country, you will see their debt projections continue to grow at projections from 9% and higher. We measure ourselves on the debt-to-revenue ratio, and when we look at our fiscal parameters that is how we are measuring ourselves against other states and territories to make sure we are in the ballpark.

Our debt-to-revenue ratio is hitting 119%, and I think we will stabilise at about 120% over the next few years, then we will finally start to see a reduction in that debt-to-revenue ratio as we start to see debt decrease. We are sitting at 119.68% currently. Queensland is 124%; Victoria, 180.7%; ACT, 69%; New South Wales is about the same as us at 120%. WA is a bit of an outlier, and it does skew the figures across the board because it has plenty of money coming through from royalties on mines and the iron ore sector. Its debt-to-revenue ratio is at 46%; South Australia is 132%; Tasmania is at 124%; and the Commonwealth sits at 84%. As far as the states and territories go, we are doing pretty well, but that is a number that we need to reduce because that gives us a clear indication of how we are tracking as well as how our debt-to-revenue ratio goes now.

As we see revenue increase, that number should change considerably. Particularly as Beetaloo comes online in the future, we will start to see royalties flowing from there to the Territory. The great news in the last few weeks has been Arafura and Nolans rare earths, which will start moving into construction and production over the coming years.

Our revenue numbers will start looking good, and we have other revenue measures coming online, whether that is with mining and other—what is it? Mount Bundy is coming up and a couple of new mines, which is the first time in god knows how many years. Core Lithium is back online again and we are seeing other proponents moving into the Territory. Our revenue projections look good, so some of those numbers will start to look much better for us longer term.

Mr CHAIR: Just a follow-up, I guess to highlight the need to gross own-source revenue, if our debt-to-revenue figure was translated into own-source revenue what would the percentage be?

Mr YAN: That is a bit of a tough question. It is not something that Treasury specifically models to work out what that percentage might be.

Mr CHAIR: Would it be scary high?

Mr YAN: I am happy to take that on notice because that is a number I would be interested to see.

Question on Notice No 2.4

Mr CHAIR: I will restate the question for the record. To highlight the need for the Territory to grow its own-source revenue, could you translate the debt-to-revenue figure using own-source revenue?

Are you happy to take that on notice?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.4.

Mr O'GALLAGHER: Today is first responders day, and we all acknowledge the great work of first responders. Can you explain in more detail what the expansion in frontline FTE means for Territorians?

Mr YAN: We have expanded frontline FTEs by 864, and that growth figure is specifically in those frontline services, particularly in police, courts, Corrections, teachers, nurses and things like that. By providing that growth in frontline services—they are providing those all too important services for Territorians. They are the ones when we are most in need who are showing up and helping us out.

The other side to that specifically is there has been not so much a reduction but a stabilisation in growth in back-of-house services, particularly in the executive area. That has not changed in a number of years. The

fact is that we have been able to expand our frontline services by that number and we have also maintained a net operating balance in surplus, which is quite important.

Some of the areas that the Health minister may be able to flesh out in some respects is we seem to have a reliance on agency staff within Health during COVID and post-COVID and that drove the costs up. There has been a huge push from Health to make sure that we get our nurses back on the ground, so we are not reliant on agency staff. These people who are employed by Health, live here, have families here and then contribute to the wider growth of the Territory and the Territory economy.

The growth in frontline services is in those areas that provide the most benefit to Territorians and where we desperately need them, particularly in our police. The growth in police—if you include police public safety officers on top of that there is over 200 being recruited, we are hoping to see that component fully filled by next year some time. That frees up police to do all sorts of other things. As I said in contributions earlier today, those officers are on the ground in the public. Apart from freeing up police to do other stuff, it provides that visual presence, which makes a huge difference when we talk about antisocial behaviour and crime across the Territory. Having police public safety officers on the ground will be a huge benefit to the Territory.

If we are increasing frontline services that is where we need to be doing it, to make sure that we are providing benefits to Territorians rather than the back-of-house administrative positions that, yes, a lot of those are important and they provide backup services to the frontline people, but we saw a huge amount of growth in executive positions over the eight years of the previous government. What net benefit has that been to the Territory overall? Are we a bit top heavy?

There is stabilisation now in that cohort which is great to see. If we will expand the public sector, it needs to be the boots on the ground that provide those important services to all of us.

J DAVIS: In relation to the program evaluation unit, I note that you have recently advertised the role of director for that. Can you advise how many evaluations of taxpayer funded NT Government programs were completed in the last 12 months?

Mr YAN: I will pass to the Under Treasurer to provide a response.

Mr McMANUS: Thank you for your interest in program evaluation.

J DAVIS: I am very interested in evaluation.

Mr McMANUS: We collect each agency's program master list. This is a list of all the programs that each agency is participating or undertaking each year. From there, they provide us with an evaluation schedule. We are currently in the process of collecting that for the upcoming financial year. We will have that to hand shortly. I do not have it on hand now but we do collect it. If you would like to put it as a question on notice, we could take that and get back to you.

Question on Notice No 2.5

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: What evaluations of taxpayer-funded NT Government programs were completed?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.5.

J DAVIS: I have a question regarding the internal audit function for Treasury. Is there a structured audit program in your department and if so, who takes it?

Mr YAN: The deputy Under Treasurer, Mick Butler, to provide a response.

Mr BUTLER: We have an audit and risk committee that is a joint committee of OCPE, Treasury and Chief Minister's department. Through that process there is an internal audit function which stars both shared

services and agency specific internal audits. It is undertaken through our shared services arrangement with CMC.

J DAVIS: How many audits were undertaken in the reporting period?

Mr BUTLER: We would have to take that on notice.

Question on Notice No 2.6

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: How many internal audits were undertaken in the reporting period?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.6.

J DAVIS: Is it possible to table audit reports and details of follow-up actions in relation to those reports?

Mr YAN: We will have to take that on notice.

Question on Notice No 2.7

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: Will you table all audit reports and provide details of follow-up actions undertaken?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.7.

Mr CHAIR: That concludes consideration of Output Group 1.0.

OUTPUT GROUP 2.0 – ECONOMIC SERVICES

Output 2.1 – Economic Services

Mr CHAIR: The committee will now consider Output 2.1, Economic Services. Are there any questions?

Madam DEPUTY CHAIR: Can you talk me through how this budget helps restore the Territory economy? I understand it is one of the priorities for this government.

Mr YAN: When we look at our economy—what we inherited was a debt projection, as I said earlier, of over 20% per annum. That was not sustainable for the size of the Territory. Our projections, if it had continued the way it was under the previous government, we would have been reporting a breach of their self-imposed debt ceiling now, in this budget.

We have been prudent about our spending, but we are making sure we spend specifically in the right areas. Part of our primary responsibility and our core priorities, alongside reducing crime and restoring our lifestyle has been rebuilding our economy. This budget starts that all-important work to rebuild the economy. As I said, our debt growth is now reduced to 4%.

We have shown improved ranking across the board when you look at CommSec. It is not providing its report anymore, but on its last report we had moved off the bottom of the ladder up to either third or fourth. We have shown positive improvements on the ANZ Stateometer, and particularly in the Business Council's Regulation Rumble we have seen a big increase in our rankings. We want to get to number one. I can tell you my goal

is to reach number one on those rankings. We were lagging way down the bottom and I think we are up around number two or three on those rankings. That is something where we want to see improvement.

We are leading the nation now in economic growth, dwelling starts and relative population growth. That is the start of the work; now we need to build on those foundations. We know that real growth comes from businesses, households and small businesses. That confidence to invest and create jobs in the Territory is not from just one-off projects. Everything we do has a lens cast over it to see its overall benefit for the Territory and its longer-term benefit. That is something any responsible government should do.

We make sure we are keeping our economic settings competitive. We have the highest payroll tax-free threshold now in the nation, which is great to see, along with that exemption for apprentices and trainees from payroll tax. We have the most generous HomeGrown grants in the country, with the \$50,000 and \$30,000 grants driving building growth. It is not just houses coming out of the ground, it is then the \$270m to \$280m of money that is flowing around within our internal economy in the Territory, which helps all businesses and employees in those local businesses.

We have processed 1,400 grants at the moment. We paid out about \$30m in payments. That supports the construction activity I just spoke about. Now we have extended that out to 2027, we will do the work to see if we continue it on to 2028 based on the figures we are seeing, and provide certainty to builders and families. We were lagging probably last in the country on dwelling starts and construction and now we are up there as one of the leaders, which is wonderful to see.

The red tape removals task force has been done. The report is through and we are implementing the recommendations from that. The Territory Coordinator is using his statutory powers for the first time on the Northern Marine Complex. Our economic growth for 2026–27 is forecast to be 5.8%, amongst the highest in the nation. We are leading the country in economic growth. We want to be up there as number one because we know that we have everything the country needs.

We have our energy exports, as Beetaloo comes online. We have spoken about Nolans; they will be assisting our economic development overall and providing the confidence to other investors to come to the Territory. As a government we need to provide those regulatory settings that have business wanting to come here and invest because we are a stable government that is supporting business to develop.

Mr CHAIR: Are there any further questions on Output 2.1? That concludes consideration of Output 2.1.

Output 2.2 – Payments on Behalf of Government

Mr O'GALLAGHER: Treasurer, can you please provide an update on the health of the motor accident compensation scheme?

Mr YAN: Yes, I met with the CEO last week and I am pleased to say that the scheme is doing well. It is being managed very well and the scheme is stable. Because of that we have been able to put ourselves in a position where I have been able to freeze the increase in MAC payments for the current financial year. That is another cost-of-living saving to Territorians. We did the freeze on registration when we first came into government—the last 12 months. This goes to the broader \$290m cost of living savings. Because the scheme is healthy and being managed well, we were able to make that decision to freeze those increases in the third-party insurance.

Car registration is made up of one piece—the actual registration fee, which is quite small; and the larger component is the compulsory third-party insurance, the no-fault scheme. Because of good management we are able to freeze an increase in the scheme which will put money back in Territorians' pockets. It is great news for everybody. While that scheme continues to perform well we are able to provide those savings to Territorians overall. The scheme is healthy and will remain so.

The key thing to that is road safety; it is a push from myself, my other department, DLI through MAC and AANT. There is a huge push for road safety across all organisations because we do not like to see injuries, accidents and deaths on our roads. That also provides for the health of that scheme.

OUTPUT GROUP 3 – TERRITORY REVENUE

Output 3.1 – Territory Revenue

Ms UIBO: Treasurer, can you provide a break down of how many Territorians have taken up your HomeGrown Territory \$50,000 grant in Darwin, Palmerston, Katherine, Tennant Creek, Alice Springs and Nhulunbuy?

Mr YAN: It is wonderful to speak about this scheme.

Ms UIBO: I just want the numbers, Treasurer.

Mr YAN: Yes, well we are getting to the numbers. We have seen a great take up of the scheme. Unfortunately ...

Ms UIBO: I am looking for the numbers.

Mr YAN: They are coming, but unfortunately in the regions we have not seen the uptake that we would like to see. We do have it by suburb but not by specific regions.

Ms UIBO: I am happy for suburbs.

Mr YAN: I will work through the list. HomeGrown grants initially I will start with the \$10,000 which was at the beginning of the program. HomeGrown grants established dwellings \$10,000 ...

Ms UIBO: I am sorry, Treasure I am keen for the HomeGrown Territory \$50,000 grants first.

Mr YAN: That is easy, Alice Springs ...

Ms UIBO: And then I will ask for FreshStart grants second or are you going to do them altogether?

Mr YAN: Do you want fifties first?

Ms UIBO: Yes.

Mr YAN: Fifties: Alice Springs, one; Darwin, 119; Katherine, 2; Palmerston, 152; Rural, 61; Tennant Creek is zero for a total of 335.

Ms UIBO: Can you provide a breakdown of how many Territorians have taken up your FreshStart Grants for \$30,000 in Palmerston, Darwin, Katherine, Tennant Creek, Alice Springs and Nhulunbuy and rural.

Mr YAN: I do not have a number for Nhulunbuy, that might come under rural as we do not have any land in Nhulunbuy. Alice Springs zero, Darwin 62, Katherine one, Palmerston 62, rural 63 and Tennant Creek zero, a total of 188.

Ms UIBO: Have you or your department done an analysis to understand why these grants have not been taken up specifically in a larger portion other than Darwin and Palmerston?

Mr YAN: That is a good question and something I am cognisant of, particularly for Alice Springs. I can answer for Alice Springs specifically as the difficulty has been finding builders. I do not know if that is also the same for Katherine. Land release in Alice Springs is only for Kilgariff, which is the only new land we have. People are looking to take up the grants but we are struggling to find builders to do the work.

That does not seem the issue in Katherine, Palmerston and the rural area. Katherine may have the same issue finding land; there is land available in the Katherine East development but the issue will be is there the population growth specifically in those areas. There is a larger population growth in Darwin, Palmerston and the rural area but we have not seen that growth in our regional areas being Alice Springs, Katherine and Tennant Creek as yet.

That will probably change in the near future with the expansion of the mining sector specifically in Central and Barkly. New land release is happening in the Barkly region, but as we see economic growth in those regions we would hope to see an increase in people taking up those grants.

Ms UIBO: When you say in the Barkly Region, do you mean specifically Tennant Creek or other areas?

Mr YAN: In the Barkly Region and talking about economic growth, there is ...

Ms UIBO: Are you including Elliott in that?

Mr YAN: Elliott sits in the Barkly Region but it is on the edge of Beetaloo and they may pick up some advantage. Talking about the Barkly Region, we have two mines in Tennant Creek being Peko and Nobles Nob and activity which will take place and Verdant Minerals at Ammaroo sits in the Barkly Region. Whilst I would love to claim Nolans Rare Earths mine sits in the boundaries of the Barkly but it is within Central Australia.

The activity in those areas and businesses wanting to make that commitment to employ local people, one would hope will drive that economic growth in those regions. The second part is housing construction and growth.

Ms UIBO: Are you able to table that list of the numbers for the grants?

Mr YAN: Yes.

Ms UIBO: Are you concerned that only one of those grants has been taken up in your hometown of Alice Springs and, if so, what are your incentives through the department to get more uptake in Alice Springs specifically.

Mr YAN: We are aware of the uptake in regions and only having one in Central Australia is a concern to me. I would like to see more in Central Australia. We are looking at the scheme and how it fits for regional areas but we have not made any decisions yet. Do we change the parameters for our regional areas to try and drive interest and further growth and that is under consideration.

The land exists in Central Australia but the key components are the cost of build and getting tradies to do the construction.

Ms UIBO: Will there be some ongoing work in this next financial year, as per your budget, to look at some of those boosting of areas? You mentioned Katherine East neighbourhood area, which I am very familiar with because that is my local area where I live. Are there any more incentives for that private investment for construction in places like Katherine?

Mr YAN: We are looking at how the schemes, FreshStart and HomeGrown, work in their current form. Do we need to adjust it to suit the regions a bit better knowing it costs more to build in the regions? It is work that we are doing, and we will have to sit down and look at all the numbers and next steps we can take. Is it changing how that scheme works, and are there other ways that we could maybe assist and drive construction and home-building activities in those regions? What will be the best model? That work will be underway.

Ms UIBO: You mentioned more land release in the Barkly, so is that upcoming in Tennant Creek specifically?

Mr YAN: I believe so. It might be a question for the Minister for Lands, Planning and Environment, Minister Burgoyne, as that is in his patch. I have heard that there is additional land release for Barkly on the way. It already exists for Katherine. We have Kilgariff in Alice Springs, and the next stage looks to be getting ready for release. It is good news on the land release front, but the next part is needing to see houses coming out of the ground.

Ms UIBO: Earlier this year, you extended the home grants that were discussed—I will get the correct name—being the HomeGrown Territory and the FreshStart grants. The majority of the former numbers that your department provided to me in the briefing showed that there was a large uptake of the established home grants. I am wondering what the decision was if 80% of those grants were for established homes and dwellings, why they were removed from your scheme.

I understand there are two parts to it: to stimulate the housing and construction industry—I completely understand that, which is what the grants are aimed at. But why remove the established dwellings when that was the grants scheme at the time, and if the idea is to get Territorians a leg-up into their first home, why was it removed by your government?

Mr YAN: The changes in the grants were to start to drive that construction economy. The HomeBuild economy—builders, tradies, plumbers and electricians, concreters, brickies, you name it—start to drive that investment into the Darwin economy, and we are now seeing the results of that. There is \$270m-plus of money flowing through the economy from that construction. They were the decision points relating to taking

the \$10,000 out of the grants scheme at the time and focusing specifically on the \$50,000 and \$30,000 for new builds.

While it is great to provide \$10,000 for first home buyers, what it is not doing is putting new housing and beds into the marketplace, and that was the specific driver behind that. We have a tight rental market, and that is because we did not have enough houses. By focusing on construction through those thirties and fifties, we see more houses being built, more bedrooms available, and that helps the market overall.

The second part to that is there is also the federal scheme for first home buyers. What the federal scheme did not do for home buyers in the Territory, unfortunately, was because they had it capped at such a low level, no-one in the Territory was really able to get into it. It was stuck at \$600,000. I wrote to the federal minister about that and worked hard to get that lifted. They lifted every other ...

Ms UIBO: I think it was Luke Gosling, the federal Member for Solomon, who did that.

Mr YAN: I do not think the—I do specifically remember what the federal member, Luke Gosling, said; he said the \$600,000 cap was sufficient and we did not require an increase in the Territory. He said that publicly; I will happily get the press release or newspaper article which says that. We advocated for Territorians to get that cap increased so that Territorians could get access to it.

The Commonwealth increased the cap for every other capital city in the country and did not change Darwin. Your federal member came out and said publicly that the cap did not need to be increased in Darwin, which put every Territorian who wanted to buy a house out of the ballpark because of that cap. Median house prices in Darwin had increased. When he made that specific statement, the median house price in Darwin was \$641,000. It cut new homebuyers in Darwin out of that federal scheme from his statement.

The federal minister understood where we were coming from after we wrote to her. She made that change to increase the cap. All of a sudden, Territorians could gain access to that federal scheme as first home buyers. She increased it to \$750,000 from \$600,000. It put Territorian first home buyers into the market. If the federal Member for Solomon had his way, we would still be sitting at \$600,000 and the majority of Territorians would not be able to access the federal scheme. He did not have much of a role to play in getting that changed. He wanted to keep it the same.

Ms UIBO: Let us hope you can do your job and get some more houses in Alice Springs and Tennant Creek for us.

J DAVIS: Following on from the homeowner assistance grants—Treasurer, you referenced this earlier—given that median house prices have gone up by nearly a \$100,000 in the last year—you said 6%, but they have gone up by 17%—has the department undertaken any modelling to understand whether these schemes have contributed to rising house prices in Darwin?

Mr YAN: I will pass to the Under Treasurer. He has some information.

Mr McMANUS: We have not done any specific modelling regarding house prices, but it is largely on the back of demand for housing and an increase in population and economic activity. We have one of the lowest median house prices in the nation with very good rental yields. There has been a lot of investor activity in recent months investing and buying into the NT property market. That is what has been driving a lot of the house prices.

J DAVIS: Given that I have heard earlier regarding these housing grants that one of the intentions is to build the Northern Territory population—not people external to the Territory buying things—how does the department intend to measure the long-term impact of these grants in terms of population growth and building sustained homeownership?

Mr McMANUS: We will measure—in terms of the long-term outcome of these will be the number of new dwellings that are established. The objective of this is to get more new houses into the market. We also collect data on the postcode—‘Are you an NT resident, or are you coming in from interstate?’ We will also be able to tell how many are for NT residents.

It would be useful—I do not know if we will be collecting the data—to know how many of the people who have built these homes are staying in them long-term. That is probably something we could look at in terms of the longer-term outcomes and checking back in time as to how many of these new dwellings that have been established by Territorians are still resided in by those Territorians.

J DAVIS: Is that because there is a current timeframe requirement?

Mr McMANUS: Yes. You have to stay in it for 12 months. Ultimately, we would like to see that a lot longer. We do compliance on that to make sure that people are in the house as residents for 12 months.

J DAVIS: Thank you for this that has been supplied in terms of the grants that have been released. How many houses are those where people have their keys and are living in them?

Mr McMANUS: The majority of them are paid on the pouring of the concrete slab, the establishment of the works. We do not want to hold off until there is a certificate of occupancy issued, otherwise they are managing the cashflow. The idea of this is that if they have money upfront, they can pay for it. I could not tell you exactly how many are complete, but it has been going on for quite a few months now—probably 18 months or so—so there would be a number of houses that are complete with people in them and occupying those happily.

Mr O'GALLAGHER: Treasurer we obviously live in an uncertain world with Territory revenue. What are the biggest threats to the projections contained in the budget?

Mr YAN: Of course, we rely heavily on Commonwealth revenue for a lot of our day-to-day business. Our own source revenue adds to that Commonwealth revenue. If we are looking at long term revenue, we are doing quite a lot of work with the Commonwealth on our relativity and what that looks like. We are looking—because we are such an outlier as far as all other states and territories go regarding revenue—at ways for the Commonwealth to work better with us and make it a little simpler for our GST revenue and our relativity longer-term.

One threat that has popped up in the last few weeks is a piece of federal legislation—being pushed through at the moment by the Albanese government—changing foreign lottery and gambling reforms. That would effectively see matched overseas lottery and online Keno banned across the country. A number of those organisations are registered in and operate out of the Northern Territory. That would mean an immediate \$17m hit in revenue to us, and a \$60m revenue hit over the forward estimates. These are decisions that are made by the Commonwealth that effectively have a direct impact on our revenue longer-term.

We are also concerned about the impact with revenue changes on 'mum and dad' investors. I spoke about the change to capital gains tax and negative gearing that are being pushed through in the federal budget. What that means to 'mum and dad' investors—and particularly new investors wanting to get into the marketplace—is that it actually makes it harder for younger people to invest and grow wealth. For those who are already in the marketplace, it is not quite so bad. For a younger family who are doing okay and have bought their first home but want to buy a second home and utilise that as an investment to grow wealth—well they are now going to be taxed at a higher rate than anybody else on that. That is a very large concern for us.

Other global issues that are affecting us include the Middle East conflict with Iran, which could possibly have a long-term effect on us and the price of fuel. The effects on the price of Brent crude at the moment—we are basing a lot of our analysis on Brent crude being around \$100 a barrel. That is around the middle of the range where we might see it. We did not go for the worst-case scenario or the best-case scenario; we forecast ourselves in the middle to see what that would look like.

Natural disasters—you only need look at the last six months when we had two cyclones and some huge flood events. They had a significant effect on the Territory, our revenue, and what we have to spend to make good and keep the territory moving along.

Any of the Federal High Court decisions—particularly around legacy-type mines that were done back in the Commonwealth era. We are seeing the impacts of that now; I think McArthur River Mine is one of those. A \$60m payment on a decision last...

Mr CHAIR: Treasurer, could we wrap this up?

Mr YAN: Yes, sure.

Those are some of the effects that we see and the worries that we have on revenue-specific (inaudible) for the Territory. A lot of things are outside of our control. That is why we work closely with the Commonwealth, particularly on this revenue hit on gambling. We are going to specifically work with the Commonwealth to see

what that looks like, and may be asking the Federal Treasurer for a little help seeing as they will be ripping \$60m in revenue out of the forwards.

J DAVIS: In relation to risk. The NT ranked last out of 12 jurisdictions in the 2025 Australia Council of Auditors-General independence report, behind every other state and territory, Fiji and Papua New Guinea. What that means for us now is the Territory carrying huge debt and high risk. The independent oversight of our public finances is weaker than anywhere else in Australia.

Do you see any risks flowing from that, particularly any in relation to the NT and creditors and lenders?

Mr YAN: There are a couple of points to that question. The Auditor-General has the ability to reach into departments and do those audits as required. You heard today that within Treasury we do our own internal audits and within the agency as well. On top of that, external we have Moody's come in every 12 months and look at what we are doing.

We just passed our budget now. Moody's will be coming to knock on my door within the next few months to look at that. They will go through this quite analytically, looking at our revenue, expenditure and what we are doing in our forward projections. As far as Treasury goes, the risk is quite minimal in most respects. Tim, do you have anything else to add.

Mr McMANUS: I agree. We always meet all our financial reporting obligations of whole-of-government and of agencies and government-owned corporations. We have strong integrity processes across government. We had unmodified audit opinions from the Auditor-General for as long as I can recall.

The current legislation that has come about with the amalgamation of independent offices has not changed any of his capacity to undertake audits as he sees fit.

J DAVIS: There are no concerns about his limited capacity and the fact that we have the weakest Auditor-General in relation to Treasury in Australia and the Pacific?

Mr YAN: I am quite confident and happy with the Auditor-General's capabilities to look into Treasury, as well as our internal processes. They are quite robust. I do not have any concerns.

Mrs ZIO: In relation to payroll tax receipts, can you tell me what the impact of those have been after our changes in last year's budget and what is the predicted impact for the next financial year regarding it?

Mr YAN: When we made those payroll tax changes from \$1.5m to \$2.5m, we were projecting we would take a hit on revenue and lose revenue. Funnily, the opposite has been true. Payroll tax 2026–26 is now expected to be \$323m, \$46m higher than what we forecast in the 2025–26 budget.

We know that 115 Territory employers now claim more than \$27m in exempted wages, saving around \$1.5m payroll tax under the apprentice and trainee measures as well. There are about 4.480 apprentices across the Territory at last count. Each one of those is now exempted from payroll tax, thanks to the changes this government has made.

Also in this year we have seen changes and a higher tax rate of 6.5%, which is one percentage point increase from 5.5%. That applies to employers and payroll tax groups that have \$100m Australia-wide payroll tax or greater. Employers and groups below \$100m still continue with that 5.5% and with a threshold and new deduction ranges they remain unchanged.

This change is estimated to produce about \$25m in additional revenue per year from 2026–27. This measure will not impact businesses that are not headquartered in the Territory. This is those large businesses with \$100m in payroll with a head office somewhere else that are doing some business in the Territory. Any of that additional revenue goes through to funding services within government. Even with the 6.5% tax rate for businesses above, it is still \$50m lower than ACT, Tasmania and Victoria. Our change is broadly comparable with Western Australia. We are effectively coming in line with the rest of the country and still remain below some of the other jurisdictions. For businesses at \$5m and below, the Territory remains below the national average with no tax payable at \$2.5m or less.

Mr CHAIR: That concludes consideration of Output 3.1.

Output 3.2 – Home Owner Assistance

No questions.

Mr CHAIR: That concludes consideration of Output 3.2 and Output Group 3.0.

OUTPUT GROUP 4.0 – SUPERANNUATION
Output 4.1 – Superannuation

No questions.

OUTPUT GROUP 5.0 – ECONOMIC REGULATION
Output 5.1 – Utilities Commission

No questions.

OUTPUT GROUP 6.0 – CORPORATE AND SHARED SERVICES
Output 6.1 – Corporate and Governance

No questions.

Output 6.2 – Shared Services Received

No questions.

Mr CHAIR: That concludes consideration of outputs relating to the Department of Treasury and Finance.

OUTPUT GROUP 7.0 – CENTRAL HOLDING AUTHORITY

No questions.

Mr CHAIR: That concludes consideration of the Central Holding Authority.

OUTPUT GROUP 8.0 – NORTHERN TERRITORY TREASURY CORPORATION

Mr CHAIR: The committee will now proceed to the Northern Territory Treasury Corporation business line. The committee will now consider the income and expenses of the Northern Territory Treasury Corporation.

Are there any questions? Member for Karama.

Mr O’GALLAGHER: I heard you reference Moody’s in a previous answer. What is the outlook for the Territory’s credit rating? How does this budget interact with that?

Mr YAN: Considering the debt position that we inherited and when we did our first budget last year—I have said this a number of times—I was quite worried when Moody’s came to visit and assess our budget. The last two downgrades in our Moody’s rating had been under previous Labor governments, and we had dropped down to Aa3 stable. I was concerned when Moody’s were here and assessing what we were doing—because we were coming off the back of a legacy issue and a debt position that we inherited—that we may have been downgraded, but Moody’s looked at our budget and the work that we were doing and kept us at the Aa3 with a stable outlook. That was a weight off my shoulders, because if we see a reduction in our credit rating that means it increases our cost of borrowings. Our interest rates go up because we do not have the rating that says that we are doing the right thing and managing our finances appropriately, so our interest rates increase which increases our debt burden and the cost to service debt.

Moody’s did our credit rating and kept us at Aa3 stable. Maintaining our Moody’s rating is of course one of our fiscal targets. That stable outlook is very meaningful because if we get a negative outlook we see the possibility of a downgrade within roughly six months to two years. Stable means that we are not going to be staring down the barrel of a downgrade.

The steps that we are taking are to diversify revenue and constrain debt are specifically listed by Moody’s as needed to improve our credit rating over time, which is the work that we are doing now. That is why we work hard to lower our peak debt which would achieve this in this budget by \$757m.

Moody’s will be back in the coming months, and I am not that scared or worried this time. I am looking forward to Moody’s coming back and sitting down with them to discuss the changes we have made since the last

budget and what we are doing in our future budgets to reduce debt and increase revenue and our own source revenue. One would hope that Moody's may not this time—but hopefully in future budgets—will see our debt projections reducing that we will see an increase in our rating from Aa3 back to where it was at Aa2. I would be happy with a Aa3 positive rating.

Mr O'GALLAGHER: To follow up for my benefit, obviously Moody's is a credible rating agency, are there any others involved like Standard & Poor's or is mainly just Moody's?

Mr YAN: Because we are reasonably small we use Moody's as our rating agency. Other states and territories will use a mixture of Moody's and Standard & Poor's. I will pass to the Under-Treasurer who knows more about this than I do.

Mr McMANUS: You are right, there are a number of formal credit rating agencies across the world. We use Moody's and have done for some time. As the Treasurer said, we are small and we do not warrant getting multiple credit assessments. Other jurisdictions use Standard & Poor's and Fitch as well but we stick with Moody's as they have been our credit rating agency for some time.

Mr CHAIR: That concludes consideration of this business line. On behalf of the committee, I thank department officers who provided advice to the Treasurer today. Treasurer, you may briefly thank your staff.

Mr YAN: Thank you, Mr Chair and thank you to the committee. I thank all the Treasury staff who are here with me today. I think everyone understands the amount of the work that goes into preparing for Estimates. It is a good opportunity to have a close look at how we are doing and how we are performing and having a deep dive into what has taken place within Treasury.

I thank my entire team for work they have done in preparing not just for Estimates today but preparing for the budget we delivered last month considering it was done in challenging circumstances coming off the back of those weather events for us in the Territory. And for trying to work out our economy book and provide some of those parameters around our budget based on what was happening overseas with the conflict in the Middle East. I cannot thank my team enough for the work they have done. It has been outstanding and they have been a great help to me and very professional so thanks team. We look forward to the Appropriations Bill next weeks.

Mr CHAIR: Thank you, Treasurer and the committee, on behalf of us all, thank you all for coming in and helping with today's hearing.

The committee will move on to consider outputs relating to the Department of Logistics and Infrastructure and we will break for 10 minutes for the changeover, reconvening at 12.10.

The committee suspended.

LOGISTICS AND INFRASTRUCTURE

Mr CHAIR: Treasurer, I invite you as the Minister for Logistics and Infrastructure and the Minister for Housing Construction to introduce the officials accompanying you, and to make an opening statement of no more than 20 minutes regarding the Department of Logistics and Infrastructure.

Mr YAN: I commence by introducing the officials joining me here today from the Department of Logistics and Infrastructure. Beside me is Gemma Lake, the Chief Executive Officer and Fotis Papadakis, Chief Operating Officer. Adam Walding will be here soon; he has another commitment but will not be far away—I will need him today—and Donna Moore, who is the Chief Financial Officer. They are also supported by the rest of our wider team: Tegan Berg, General Manager of Regions; Ryan Coppola, General Manager of Housing and Land Servicing; Claire Brown, General Manager of Transport and Civil Infrastructure; Kirrily Chambers, General Manager of Built Infrastructure; Alan Chambers, General Manager of Infrastructure NT; Cindy McDonald, General Manager of Transport Safety and Services; and Clint Bambrick, General Manager Corrections Infrastructure.

The Department of Logistics and Infrastructure has a broad range of outputs which help shape the future of the Territory. DLI is the governments construction agency that manages the majority of key government projects and programs. DLI delivers multi-billion-dollar road and housing programs, as well as Corrections,

Police, Health, Education, and economic and (inaudible) infrastructure. DLI also delivers motor vehicle registry, vehicle compliance and road safety services.

As we approach the halfway mark in this term of government we are now focusing on how to support a wide cross-section of sectors through infrastructure to support economic development and empower the private sector to invest and move forward with confidence here in the Territory.

We also have a strong focus on delivering against the three strategic pillars of reducing crime, rebuilding our economy and restoring the lifestyle of Territorians. This years budget invests more than \$250m into the Corrections infrastructure to construct new prisoner work camps in Darwin and Katherine, and deliver much needed upgrades at the Alice Springs Correctional Centre. This provides more correctional capacity whilst supporting rehabilitation to tackle the root cause of crime.

The work camps will provide low-risk offenders with structured employment, training and education pathways that reduce reoffending and ease pressure on prisons. Not only do those regional work camps provide those pathways; they also provide social and economic benefits to the communities where they are based. This has been proven by the success of the work camps in Barkly and in Datjala.

We have made huge progress in the Corrections space. As of 31 March 2026, 1,092 Corrections beds have been delivered under the master plan. I am also pleased to announce that DLI has reached the first milestone for the Katherine work camp, having 20 prisoners onsite as at Friday 29 May 2026.

Infrastructure NT strategically plans, aligns, develops and delivers infrastructure to sustainably grow the Northern Territory for Territorians. Infrastructure NT is currently delivering five strategic projects which contribute to the governments priority of rebuilding the economy. Those five projects are:

- the Territory Energy Link, which is an enabling infrastructure corridor that will underpin major private and public infrastructure projects
- Middle Arm Precinct, which is a multi-use precinct planned to support low-emissions, hydro-carbon and minerals-based processing
- the Darwin Regional Water Supply Program, which will increase the Darwin regions water supply—which is at maximum capacity. This will be done through two specific projects:
 - the Adelaide River Offstream Water Storage (AROWS)
 - the Manton Dam return to service, along with the Strauss Water Treatment Plant
- the Regional Logistics Hubs and the proposed networks of hubs, rail siding, spurs and supporting road infrastructure. It is designed to underpin an estimated \$38bn worth of projects in the mining, minerals, agri-business and energy sectors, supporting an estimated 6,000-plus construction jobs.
- the Northern Marine Complex, including the Darwin Ship-Lift Facility. The common user Darwin Ship-Lift Facility will be a key asset to rebuilding our economy with operations scheduled to commence in 2027. The Northern Territory Government officially designated the Northern Marine Complex as a Territory development area in February 2026.

Most recently, we have had the ongoing supply disruptions which caused short-term volatility because of fuel prices. To support continuity and consistency, DLI has applied temporary arrangements for fuel-related price adjustments in its contracts.

This measure applies currently for invoices paid during March, April, May and June 2026. We moved immediately upon seeing those huge price spikes on fuel in the Northern Territory. We immediately understood the effects they would have on our contractors, those doing our big projects and those doing our smaller works, and period contractors. When they put in for contracts, they price their fuel at a certain level and we knew that with that increase it would have been very difficult for a lot of those contractors going forward. We did that piece of work straight away to make sure they were not disadvantaged.

The built infrastructure function of DLI is responsible for planning, management and delivery of the NT's built infrastructure program and strategic management and maintenance of all NT Government built assets. This includes infrastructure projects across public water and safety, health, social protection, amenities for recreation, culture and religion.

It goes without saying that roads are critical for connecting communities, facilitating trade, supporting tourism and enabling people to access essential services. Territorians rely on these roads for daily travel and for businesses to thrive, and they are vital for industries to operate. The Northern Territory Government and DLI manage 22,000 kilometres of road across our jurisdiction with almost 70% of that unsealed.

As I announced in the 2026 budget, the CLP government is investing more than \$2bn into roads and transport infrastructure across the Northern Territory. The transport and civil infrastructure division is responsible for the design, development and management of transport infrastructure across the Territory. This includes not only delivery of significant upgrades and maintenance works on the NT road network but also other transport assets including aerodromes, barge landings and boat ramps.

DLI has progressed development of the extractive minerals strategy which is being developed to address critical delivery risks, cost overruns and legislative complexities across different land tenures. We are doing this in conjunction with the land councils because they play a large part in our ability to deliver these projects. The extractive minerals strategy which is being developed in conjunction with our agency and other stakeholders will be key to getting these projects done and across the line within a timely manner.

Our housing and land servicing division delivers housing, capital works programs on behalf of the Department of Housing, Local Government and Community Development and delivers enabling land development works for the Department of Lands, Planning and the Environment.

The housing and land servicing division also provides the following services. It undertakes community consultation in relation to remote housing and capital works, planning and delivery of the Northern Territory Remote Housing Infrastructure Investment, including new and replacement homes and extensions or upgrades to existing homes, and delivery of the Urban Housing Program. It is also responsible for the delivery of serviced land, subdivision and infill lots, and essential services infrastructure to support new housing in urban and remote areas.

The Northern Territory and Australian Governments have committed \$4bn in joint investment into the Federation Funding Agreement for remote housing and homelands from 2024 to 2034 with a focus on halving overcrowding across remote communities over 10 years. Under the 10-year \$4bn remote housing program, since 1 July 2024 to 31 March 2026, there have been 346 homes comprising of 1,312 bedrooms delivered or equivalent to 437 three-bedroom homes delivered.

When we look at our regional infrastructure we see that of our total infrastructure programs, about 59% is allocated to new and upgraded infrastructure in remote and regional communities across the Territory. DLI's regional division delivers key functions that drive infrastructure, transport and housing delivery outside the Territory's capital. This includes construction and maintenance of government infrastructure, building roads, transport safety, policy strategy and compliance across all Northern Territory regions.

A key priority is the Alice Springs infrastructure priority plan. The government has developed a priority infrastructure plan for Alice Springs to enhance liveability and lifestyle for the residents and visitors of Alice Springs. Key projects include the development of the Gillen Oval site into a multisport precinct; the establishment of a new multicultural centre; and the delivery of intersection upgrades at Schwarz Crescent.

I am pleased to see the Schwarz Crescent–Stuart Highway intersection upgrade finally progressing, as this project has been on program since 2019–20 and has had constant delays. In Alice Springs this is probably one of the most high-risk intersections in our community, and is desperately needed. I know that I have worked very hard and pushed the department to get this project moving and get it over the line because it has been sitting on program for far too long. The construction tender release is anticipated in quarter 4 of 2026, with completion expected to be by the end of 2027.

The CLP's Alice Springs investment also includes grants and works already progressed to support the Alice Springs Town Council Library and the Tourism Central Australia headquarters and visitor information centre, with stage 1 already being delivered. The Newland Street skate park is already up and running, and it is great to see the families and kids using that facility. There is the Anzac Oval reinstatement, and the Teague Park redevelopment which will be opening next week.

Mr Chairman, I have now covered many of DLI's priorities, projects and reforms. I look forward to moving through each set of the outputs and taking any questions on the opening statement.

Mr CHAIR: For questions on the opening statement, I will hand over to the shadow minister and it will then move through to crossbench and government members and guests of members.

For his debut, the Member for Nightcliff.

Mr SMELT: Thank you, Chair. I will start with Housing.

Darwin house prices have risen by nearly \$100,000 in the past year, with median prices getting up to \$640,000. Unit prices have risen by 20%. Meanwhile, there are virtually no affordable rentals across the Territory for people on minimum wages or single-income families. Although this is good news for home owners and investors, it is extremely concerning for the almost 50% of Territorians who rent, and particularly for Territorians on a minimum or modest wage.

Why is your government yet to produce a new housing strategy, given the depth of the housing challenges across the Territory? Why did you only go out to consultation on this in April?

Mr YAN: There are a couple of points to your question. Some of it needs to be directed to the minister for Housing, not specifically to me as the Minister for Logistics and Infrastructure. Earlier this morning I spoke about the HomeGrown grants, the \$30,000 and \$50,000, in my position as Treasurer. I can give you an answer on some of that. The rest of your question will need to be directed to the Minister for Housing. I will answer what I can.

We have seen an increase in median house prices in Darwin. As we spoke about earlier, that is off the back of an issue around supply. We have seen a reduction in supply, and that is starting to drive house prices up.

Through our \$50,000 and \$30,000 grants we are now pushing towards increasing construction in new homes. As new homes are built, we start to see some of the issues around supply reduce. Across the Territory there had been a stagnation in housing prices across the board for a number of years. House prices in some areas were going backwards.

Since coming to government, making changes and starting to drive the housing construction market, there has now been an increase in housing prices, which is great to see. We are now seeing an increase in additional housing, particularly in Darwin, Palmerston and the rural areas. As additional housing comes online, there will be a change in the demand profile, and one would hope to believe, as more houses are being built, we should see a change in supply and demand which will see a reduction in rental prices.

There was a change, as you mentioned, in median house prices. When we specifically asked for the Commonwealth to change the parameters on first home buyers, the Member for Solomon said that we did not need to change it. He said that the \$600,000 cap from the Commonwealth did not need to be changed in the Territory, but the median house price was \$640,000. When the Commonwealth changed that cap across the country, Darwin was the only one that did not change.

I wrote to the federal minister at the time and asked for the cap to be changed, even while the Member for Solomon said publicly that the cap was sufficient and did not need to be changed. Thankfully the federal minister understood the difficulties faced in the Territory on what the median house price was, how it had changed and raised that cap. We were able to see first home buyers in the Territory access the federal scheme.

The work we are doing in the housing space—I am speaking now as a Treasurer, not as the Minister for Logistics and Infrastructure—is providing those grants for people to get new houses which will change that supply and demand space.

Mr SMELT: We will take that up with the minister for Housing.

The Chief Minister's solution to the housing crisis is for people to just buy a house. Given house-and-land packages in new developments such as Zuccoli or Holtze start at a base level of \$550,000 and go up from there, can you explain how a childcare worker on a wage of only \$75,000 per year can afford to just buy a house?

Mr YAN: I am not sure this question is relevant to me as the Minister for Logistics and Infrastructure. These questions should probably be directed to the Minister for Lands, Planning and Environment or the minister for Housing, Local Government and Community Development. The only interest we, as DLI, would have in that space is if the Minister for Lands, Planning and Environment designates an area for a subdivision and

DLI would be responsible for providing essential services to that area. That would be the only input our department would have.

Mr SMELT: Zuccoli, Holtze, Kilgariff and Farrar West were all in train before you came to government. What are you doing to open up new housing developments across the Territory?

Mr YAN: This question would be for the Minister for Housing, Local Government and Community Development or the Minister for Lands, Planning and Environment, not for me as the Minister for Logistics and Infrastructure.

Mr SMELT: We never want to miss out on the chance, so we will save that one.

Have you done any analysis on how much additional housing supply is required across the Territory to meet future workforce demand?

Mr YAN: This is not a question for me as the Minister for Logistics and Infrastructure. It may have been a question for me in Treasury, but that would be marginal. It may be for the Minister for Trade, Business and Asian Relations, the Minister for Lands, Planning and Environment or the Minister for Housing, Local Government and Community Development.

Mr SMELT: You are constructing the houses. I assume you are talking and working with your colleagues on those aspects?

Mr YAN: Member for Nightcliff, are you talking about housing in general or public housing. You need to clarify your question. The way you are asking it is housing in general. You talked about the subdivisions in Zuccoli, Farrar West and those areas.

Mr SMELT: As a government have you done some analysis on future planning for housing supply across all aspects?

Mr YAN: Again, that is a question not for me as the Minister for Logistics and Infrastructure.

Mr SMELT: You do not get that input from your colleagues, if you are the minister responsible for constructing ...

Mr YAN: Member for Nightcliff, you have the opportunity to ask my colleagues when they come before the Estimates Committee over the following five days.

Mr SMELT: I take that as a no. There is just ...

Mr YAN: No, it is not a matter of ...

Mr CHAIR: I will step in. We had this point yesterday. We will not conclude what a witness states. If a minister refers to another minister, we will put that question and place it to that minister to make sure we get an answer.

Mr SMELT: There is just \$22.8m in the budget for Housing Australia Future Fund projects, most of which is Commonwealth funding. This will support less than 200 new social and affordable homes across the Territory. When our public waiting list has more than 5,000 outstanding applications, why are you not working with community housing providers to attract more federal funding to the Territory?

Mr YAN: Yes, we are aware of the HAFF funding. We have been working towards delivering some increased social and affordable public housing specifically in Tennant Creek and Central Australia. We know that we need to provide more housing to reduce those backlogs.

We have been in power now for coming up to two years and we are coming off the back of issues that were left to us by the previous government. This funding has sat on program since well before we came into government. We are working to deliver on that.

The previous government had ample time—a previous government you are now a member of—to deliver those additional housing specifically in our urban areas. As far as HAFF goes, there was no progress made under this. HAFF sits with the Department of Housing. It may be a question best presented to the Minister for Housing when he is available next week.

Mr SMELT: From a construction point of view, can you please state how many homes have been built in the Northern Territory under the National Housing Accord?

Mr YAN: We will have to have a change of official so we can provide that information to you.

I will ask Mr Ryan Coppola, General Manager, Housing and Land Servicing to provide any answer he is able.

Mr COPPOLA: In regard to the total tally of houses delivered under the housing accord, that is managed by the Department of Housing, Local Government and Community Development. DLI's role is to contribute towards the delivery of new builds. We have a variety of programs under which we undertake that across a number of different funding sources.

Mr SMELT: Can you give me a brief breakdown of the progress?

Mr YAN: What Mr Coppola said is it sits with the minister responsible for housing, not with DLI.

Mr SMELT: Even though you are the one building it? Do we have the stats?

Mr YAN: The overall statistics that you are asking for sit with the department of Housing. We carry the numbers for remote housing, remote public housing and government employee housing. The overall stats sit with the department of Housing. We only have the figures for remote public housing and government employee housing.

Mr SMELT: Are you happy to table that, minister?

Mr CHAIR: In the interests of time, I am happy for that to be tabled. If the information is available we will go through it. It is up to the minister if he wants to table or answer or take on notice.

Mr YAN: I will pass to Mr Coppola. He will provide the breakdown.

Mr COPPOLA: Running through the programs which we have ready figures for this financial year—through the government employee housing program for this financial year, as at 31 March we have delivered seven new builds. Through the remote housing program—this is the \$4bn 10-year agreement—as at 31 March for this financial year, there have been 124 homes completed. In addition to that, a further 14 houses were completed through the urban housing program. If needed, I can provide further information in regard to the additional homes which are currently underway which is in addition to the houses that I have just stated.

Mr SMELT: Is that for the reporting period or the whole of life of the accord to date?

Mr COPPOLA: That is within this financial year as at 31 March.

Mr SMELT: At the current rate we are not expected to meet our housing targets until after 2034, yet the housing crisis is biting for many Territorians now. Will you pursue more Commonwealth funding under the Housing Accord and seek to accelerate the rollout of the delivery under the accord?

Mr YAN: That is a question better directed to the minister for Housing.

Mr O'GALLAGHER: A point of order, Mr Chair! We are continually getting questions that are not relevant to the Department of Logistics and Infrastructure, and I do not think they belong to the opening statement given by the minister.

Mr CHAIR: Thank you, Member for Karama. I leave the opening statement to be the call of the Treasurer.

Treasurer, for the committee, could you briefly outline with regard to housing, what is clearly in Logistics and Infrastructure?

Mr YAN: I suppose the remit for Logistics and Infrastructure is the construction under the program of houses in remote areas, specifically public housing, remote areas, urban and town camps. That would be my understanding of what we are responsible for. Once construction is completed on public housing, the remit moves across to the Department of Housing, Local Government and Community Development.

Mr CHAIR: We will keep any housing questions ...

Mr YAN: I forgot to add there is government employee housing as well.

Mr CHAIR: We will keep questions related to that line of questions.

Mr SMELT: I am happy to, and I appreciate the direction.

According to BP3, page 118, you managed to build 37 urban homes last year and only intend to build 26 in 2026–27. Given the Northern Territory has the highest rate of homelessness, thousands of Territorians living in insecure conditions and thousands more struggling to pay their rent, do you think this is adequate?

Mr CHAIR: I will pause there. Could you rephrase that, Member for Nightcliff. We cannot ask for an opinion; we can just ask a direct question. If you can, rephrase it without asking the minister for an opinion.

Mr SMELT: Why has it dropped from 37 homes last year to only intending to build 26 in 2026–27?

Mr YAN: The 2025–26 estimate—due to weather and related access challenges to remote communities is why we have seen changes. The variations mainly reflect the expected completion of homes under the Social Housing Accelerator program and key worker accommodation in Katherine. That explains those reductions. The new homes delivered are often larger than three-bedroom homes to address overcrowding.

What we see, as we build larger homes—this is a discussion we had with the Commonwealth—is that everyone works on an average of a three-bedroom home. We may build a larger home, like a five-bedroom home, to provide those extra bedrooms which provides more rooms but sees a lesser build rate, if you get what I mean.

Mr SMELT: Is that what is causing the drop to 26 homes in 2026-27? I do not imagine the weather will be impacting the future year.

Mr YAN: Some of those variations mainly reflect that expected completion of homes under the Social Housing Accelerator program. It reflects the remaining homes may not be done through the SHAP. That is what is remaining under the SHAP to be delivered. That is why you see that reduction.

Mr SMELT: Will that program finish once those 26 houses are built?

Mr YAN: That is correct.

Mr SMELT: The federal government has provided \$50m for 100 new social and accessible homes across the Territory under the Social Housing Accelerator program. These homes are designed for seniors and Territorians with mobility issues to continue living in the same home as they age. Can you tell me how many homes have been built under this program?

Mr YAN: I will pass to Ryan Coppola to provide the answer.

Mr COPPOLA: To recap on the SHAP, this is total funding which has been handed to the Department of Housing, Local Government and Community Development to administer in entirety. A portion of those works is allocated to the Department of Logistics and Infrastructure, of which the funding provided to us will see 52 homes in total to be delivered. As the minister highlighted, that is reflecting the houses which are forecast for completion this year and rolling into next year.

In the life of the program to date we have delivered eight homes. The remaining program has already been committed to contractors throughout the Northern Territory. We are anticipating to see a further 19 homes completed this financial year. The balance will roll over into next financial year.

Mr SMELT: Out of those 100, eight are complete; 19 this financial year; and then how many in 2026–27 estimated to be complete?

Mr COPPOLA: That will be the balance of 25 homes rolling into next financial year.

Mr SMELT: As you know, this is an accelerator program. We have only seen eight completed to date. What will you do to try to get these homes built faster?

Mr YAN: I think Mr Coppola has answered that question.

Mr COPPOLA: I can confirm that all these are the procurement for the entirety of the homes which were allocated to DLI for delivery. We expedited procurement in regard to leaning on the capacity of industry throughout the Northern Territory. We have worked with industry in regard to what the preferred procurement methodology would be, which was mostly design and construct. At the moment, all the contracts have been committed to the contractors. They are expediting any design portions before they then proceed into rapid construction.

Mr SMELT: I will now talk about remote housing programs. I have heard that the department is unable to release packages of work due to funding constraints. Can you advise how much cash is currently available to the remote housing program?

Mr YAN: Are you talking about cash for this current financial year or the next financial year, 2026–27?

Mr SMELT: Both, if we can.

Mr YAN: One thing, looking at the housing program, is there was a lack of work done to develop lots and subdivisions in remote communities to deliver housing. From the department there has been a specific focus on delivering lots so that we can get housing on the ground. It is one thing to build houses, but if you do not have anywhere to put them it becomes a moot point. There is a focus at the moment on delivering those lots to get housing out into our remote areas.

As far as cash goes for 2025–26 and 2026–27, I will hand over to Fotis who can speak to what the cash is holistically.

Mr PAPADAKIS: With our capital works cash, essentially we work closely with my Treasury colleagues and government to assess what our projections are year on year. Obviously, a lot of these programs go on multiyear, and were cashed appropriately based on our projections.

Mr YAN: Member for Nightcliff, were you after the cash breakdown for 2025–26 and 2026–27?

Mr SMELT: Correct.

Mr YAN: We will take that on notice.

Question on Notice No 2.8

Mr CHAIR: Member for Nightcliff, please restate the question for the record.

Mr SMELT: How much cash is currently available to the remote housing program for 2025–26 and 2026–27?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.8.

Mr SMELT: I will ask you about the contractor panels for the delivery of the remote housing work. I am hearing concerns that contractors have received very little work as a result of the set-up of these panels. Can you advise how many contractors have been appointed to the remote housing panels?

Mr YAN: We will have to take that on notice. We do not have that detail on hand.

Question on Notice No 2.9

Mr CHAIR: Member for Nightcliff, please restate the question for the record.

Mr SMELT: With regard to the contractor panels for the delivery of the remote housing program, how many contractors have been appointed to each of the different panels?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.9.

Mr SMELT: Can you advise how many work packages and housing projects have been allocated to each panel since establishment?

Mr YAN: I will take that on notice. We do not have that detail to hand.

Question on Notice No 2.10

Mr CHAIR: Member for Nightcliff, please restate the question for the record.

Mr SMELT: How many work packages and housing projects have been allocated to each panel since establishment?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.10.

Mr SMELT: Can you advise how many houses have been delivered versus allocated under these panels?

Mr YAN: There have been 346 houses delivered through the panels.

Mr SMELT: How many have been allocated to deliver?

Mr YAN: The majority of housing has been done through the panels. We do not have the specific detail on the allocations.

I will pass to Ryan.

Mr COPPOLA: To support the minister's comments, over the life of the program 346 homes have been constructed and handed over to the Department Housing, Local Government and Community Development. The majority of these homes—whilst I do not have the exact breakdown of which have been delivered through the panels versus other contract arrangements—have been filtered through the panels that we have in place.

Regarding allocation of houses, can I confirm if the question refers to the tenant allocation?

Mr SMELT: It is in terms of homes allocated to be delivered through the panels.

Mr COPPOLA: Whilst we consider all forms of contracts that we have in place—we have a variety of different contracts, noting that we have four main panels—with the works that we have underway at the moment, that means contracts have been awarded to contractors for delivery. A further 109 homes have been issued for works underway. The majority of those would be through the existing panel contracts.

Mr SMELT: You recently released more new housing lots at Kilgariff Estate in Alice Springs. Can you advise how many new homes have been built at Kilgariff in the past 12 to 18 months?

Mr YAN: That is a question for the Minister for Lands, Planning and Environment. I did not release the lots.

Mr SMELT: Can you advise how many houses or land packages have been sold during that time?

Mr YAN: Again, that is a question for the Minister for Lands, Planning and Environment.

Mr O’GALLAGHER: When reviewing the budget papers I noticed some variations in expenditure across a number of outputs, including civil logistics planning and delivery, transport assets and capital program delivery, with expenditure increasing in some years before reducing in later years. Can you explain why expenditure profiles vary across these outputs and how this reflects the delivery of the government’s infrastructure and capital works program?

Mr YAN: It is an important question because there is a lot of discussion regarding the variations in some of the outputs year on year within the budget papers. A lot of these are due to accounting treatments and how they are applied for works under way and for completed works. It is complex, and I will hand over to the DLI CFO, Donna, who can answer this question with more detail and far better than I can.

Ms MOORE: For the variations that you see in those outputs, particularly the increases in the 2025–26 revised budget, they largely do relate to those non-cash accounting adjustments. Predominantly those adjustments are for works that are delivered by DLI for which when a component of those works is completed, DLI is not the asset owner. Those components need to be funded from the capital works program, but under Australian Accounting Standards we are required to expense them on our operating statement. Most of the time the care and control of those components of those assets are handed off to local government councils for any work we do on local government roads, drainage works and culverts, for example.

Other works include land-servicing works for essential services such as electricity, water and sewage that are handed over to Indigenous Essential Services or Power and Water Corporation. Both of those entities are government controlled. There are other costs that are incurred that do not meet capitalisation criteria—for example, any demolition works that are done, any impairment costs to our assets and any indirect costs.

Those adjustments are taken up once a year. They are estimates only. The actual adjustments that are taken up will not be assessed until the end of the financial year.

Mrs ZIO: My question is specifically about the electorate of Fannie Bay, specifically upgrades that were planned for Bagot Road. Can you talk to me through what the Department of Infrastructure and Logistics are planning regarding making Bagot Road safer for people that use it. It is one of the highest-used roads across the Northern Territory. Can you provide an update on that road?

Mr YAN: It is good to talk about this project. This had been on the program for a long time and had not progressed. We all know the issues on Bagot Road, particularly around Osgood Drive, Totem Road and Fitzer Road. These have been problematic intersections for a long time. If my memory is correct, it has been on program since 2018–19, so it was good that the Commonwealth made the commitment of \$26m with a further \$6m commitment from the Territory to start to address some of the issues in the area.

When I am travelling in and out of Darwin, I use the intersection at Osgood regularly and regularly see crashed cars down the side of the road. I have heard loud and clear from people over the years, as well as yourself, Member for Fannie Bay, in my ear particularly about Fitzer and that there needs to be some work done on that now.

The department had done some planning work already on what those intersections upgrades may look like longer term to try to relieve some of the pressure. My understanding is that planning work will continue now that we have the commitment of funding from the Commonwealth. We will do the planning work and then go out to some consultation with community stakeholders in the area. Everybody hates traffic lights—I am the number one who hates traffic lights—but we will probably need to do some upgrades to the signalisation there at Totem and Osgood.

There is no commitment yet as to the how we will manage Fitzer. The road engineers, people far smarter than I am in that respect, will come up with a solution for Fitzer Road. It will deal with the issues we see at Fitzer, Osgood and Totem Roads. We need to make sure that we keep traffic flow going well, particularly in those high periods of the day like first thing in the morning when everyone is ripping in to town from the northern suburbs to work. We need to make sure that we can do it in a safe manner.

I am glad to see the commitment from the Commonwealth. We will do our piece in DLI to make sure that we get the planning done to do that. The work needs to be done on the planning piece to make sure we get it right, but I am pleased that we have the commitment from the Commonwealth. Previously it was going to be Territory money, but we now have the commitment from the Commonwealth to assist us, so it will be good to get that done and alleviate some of those issues, Fitzer being number one, but then upgrading and streamlining at Totem and Osgood and the intersection with Bagot.

J DAVIS: Can we follow up with that, Chair.

Mr CHAIR: We will come back ...

Mr YAN: I am happy to do it now.

J DAVIS: It is in relation to Bagot Road. I am happy to hear if there will be some improved works on Bagot Road. One of the things research shows is that the fatality risk increases by 3.3% for every additional kilometre of designated road speed. I believe it has been raised with you about extending the 70-kilometre speed limit on Bagot Road to improve pedestrian safety. Can you comment on that?

Mr YAN: The department have done a review on Bagot Road. There are no plans at this point to change speed limits on Bagot Road, as far as where they will remain as they stand. Dealing with the intersection at Fitzer, Osgood and Totem will go some ways to alleviating some of the risks on that road on how traffic is managed, but there is no plan on changing any speed limits on Bagot Road at this point.

J DAVIS: Has the government reviewed speed limits in areas identified as a hot spot, especially pedestrian risks on any other roads in the Territory?

Mr YAN: That happens on an ongoing basis, and recommendations come through to us whether it be police, AANT, MACC or somebody else may put recommendations through to DLI to assess speed limit changes. On air we have seen increased pedestrian accidents. We have done some lighting upgrades, some interactive lighting that shows when people are moving through those areas to highlight to drivers that there are pedestrians in those areas. The work is ongoing, and we review stuff on a regular basis.

Mr CHAIR: We will now break for lunch for 30 minutes and reconvene at 1.35 pm.

The committee suspended.

Mr CHAIR: We are still in questions relating to the opening statement of the Minister for Logistics and Infrastructure.

I will go through again the lines of questioning. We will start with the shadow minister. I will then open to crossbench members and then other members of the committee and guests.

Mr SMELT: Can you explain to the committee the difference between infrastructure program and infrastructure payments or cash?

Mr YAN: That one is reasonably straightforward. Everything we have on program now and into the outer years are what the department will be delivering. Cash is what we put against that program into the budget for delivery.

We have a program of \$4.2bn; of course, that is not completely cashed. We cash what we will deliver in the financial year and we know that there are some carryovers because not everything can be delivered within that budget period. Total infrastructure cash for this financial year is \$2.74bn, but some of that cash is from the government-owned corporations.

Mr SMELT: For example, for the Tanami Road there is an allocation of \$278.4m for upgrades on that corridor. Can you explain to the committee what that number means?

Mr YAN: The \$278m for the Tanami would be the total allocation, if I am not mistaken, for the program overall. Then each financial year there is cash allocated to that program. That comes off the total program cost. That is adjusted year on year.

Mr SMELT: Can you inform the committee what the allocated infrastructure payments or cash is for this corridor in 2026–27?

Mr YAN: I will pass to Fotis to give you a more fulsome reply.

Mr PAPADAKIS: For the current financial year we have \$1.1bn in total cash. That is within that \$2.7bn that is published in Budget Paper No 4. Within that cash we basically, as mentioned earlier, manage to that bottom line. We give projection on all of our projects, then based on how things are going we can reallocate between roads and housing, for example, built infrastructure. Obviously, there are multiyear programs.

The cash for the next financial year is an increase to \$1.4bn which includes what we have adjusted with Treasury based on our forecast expenditure.

Mr SMELT: Do we have a cash allocation for Tanami for 2026–27 at the moment?

Mr YAN: No, there is no specific cash allocation to Tanami.

Mr SMELT: Can you tell us a bit more about this program? What is the overall total funding, whole-of-life, for this joint funded project?

Mr YAN: The Tanami, as we know, is a critical corridor for a number of reasons in that Western Desert region. Not only does it service a number of communities—I have spent quite a bit of time on the Tanami over the years—but it also provides that logistics corridor for Newmont's goldmine and other activities further on for pastoral properties.

It has been a long time coming ...

Ms UIBO: Do you need water, minister?

Mr YAN: No, I have some.

Ms UIBO: You keep coughing.

Mr YAN: I have the dreaded Darwin cough; I need to go home to my desert.

The original program, when it was announced in 2019–20, was \$200m. The construction commenced 2020–21 at that number of \$200m and there have been additions to that program over time. That program out to 2032 is now costed at \$825m.

Mr SMELT: How much has been spent out of that \$825m?

Mr YAN: There has been total expenditure, as at 31 March 2026, of \$224.18m.

Mr SMELT: In terms of the future years funding that we cannot see in the budget papers, what is the program allocation for this corridor?

Mr YAN: That forms part of the current total program of \$825m so we will keep delivering on that corridor. We are anticipating in 2026–27 to be spending another \$30m.

Mr SMELT: Is that the answer to that earlier query about the allocated cash for 2026–27?

Mr YAN: Our anticipated expenditure on the corridor for 2026–27 is \$30m.

Mr SMELT: When we are looking at this figure of \$278.4m that is published in the budget paper, this does not reflect what you plan to spend for the next financial year. It is not the total program allocation. It does not reflect past or future spending, so I am keen to know why you print this number that does not have any real meaning to the committee or the everyday Territorian.

Mr YAN: I will pass to Fotis to provide an answer to that question.

Mr PAPADAKIS: The program essentially is our authority to spend. If we did not have a capital works program we could not commit any funds. The fact that we have \$278m for Tanami is effectively our authority from government to put out procurement accordingly and plan for the delivery of that project.

Mr SMELT: Talking about the infrastructure payment allocations, can you table for the committee the allocations to all major capital works projects for NT Police; Department of Corrections; Department of Logistics and Infrastructure; Department of Health; Department of Housing, Local Government and Community Development; and Department of Lands, Planning and Environment?

Mr YAN: We are happy to take that on notice.

Question on Notice No 2.11

Mr CHAIR: Member for Nightcliff, please restate the question for the record.

Mr SMELT: Can you provide the infrastructure payment allocations to all major capital works projects for NT Police; Department of Corrections; Department of Logistics and Infrastructure; Department of Health; Department of Housing, Local Government and Community Development; and Department of Lands, Planning and Environment?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

In accepting the question, I need to make everybody aware that whilst the allocation is there, payments will be made at different points in time as projects move faster or slower. Something will happen quickly and may require payment or cash earlier. Something may go a bit longer. While it is all good to put the numbers there, as things move—delivery of projects is quite dynamic—and depending on all sorts of things, payments may happen at different times. That is why we have an overall cash allocation. The department can then move fluidly within that allocation to deliver on projects which are on program.

I just need to clarify for the question on notice, for what period?

Mr SMELT: For the 2026–27 financial year.

Mr CHAIR: Member for Nightcliff, before I confirm the question, are you happy with the minister's note?

Mr SMELT: Yes.

Mr CHAIR: The question has been allocated the number 2.11.

Mr SMELT: Would you be keen to commit to reviewing the presentation of BP4 to provide real information regarding project allocations and expenditure in the next budget? We are the only jurisdiction that shows a single financial year in our budget papers.

Mr YAN: It is probably a question you should have asked me whilst I was sitting here as Treasurer because Treasury compiles the books. That is a Treasury function. Fotis explained it well that whilst there is a program commitment there, the cash allocation may be different to the program.

Mr SMELT: More broadly, though, would you be willing to commit to a review?

Mr CHAIR: Drawing on Standing Order 109(3), we cannot ask the minister to announce anything new for government or any new policy. You can only ask about current policy and its application.

Mr SMELT: When should Territorians expect construction to begin on the first of the regional logistics hubs?

Mr YAN: That is a great question—sooner rather than later. I would love to see them.

We are doing quite a bit of work in this space at the moment. We need to note that the logistics hubs are funded by the Commonwealth. That was announced in the October 2022 budget—that \$440m of planned equity for the regional logistics hubs across the Territory.

We are yet to see this allocated to the NT. It remains subject to approval processes under the Infrastructure Australia Assessment Framework. The proposed hubs, rail siding spurs and supporting road infrastructure are designed to underpin an estimated \$38bn worth of projects in the mining, minerals, agribusiness and energy sectors, supporting a number of jobs.

Stage 1, 2 and 3 business cases have been submitted to Infrastructure Australia. In March 2023, under the previous government, stage 1 was accepted. Stages 2 and 3 are progressing through the Commonwealth assessment pathway.

A feasibility study has been completed by National Intermodal Corporation and formally presented to the Australian Government and the minister in December 2025. On 19 January 2026 NIC confirmed that the final feasibility study report was submitted to the Australian Government minister, and the report was received by the NT Government on 2 April 2026. We will now review that study and continue engagement with NIC and the Commonwealth to confirm the pathway forward.

Through that process, the Commonwealth budget has released \$10m to NIC out of the \$440m in equity to support the next stage of business case development.

We are working towards prioritising those locations to support development timelines. We have already assessed and developed a location for Katherine. Barkly is being worked on at the moment. I think that is pretty well locked down.

As these final business cases get sorted out, we will hopefully be able to get that commitment of funding from the Commonwealth to start those logistics hubs. They have been a long time coming and we need to see them up and operational to support business across the Territory.

Mr SMELT: In terms of the timeframes regarding that, we have finished the feasibility. When will we finish the business case process? You said a couple of sites have potentially been already identified, can you give a timeframe for when they will be announced?

Mr YAN: We do not have a timeline as yet on the completion of those business cases. I can provide a timeline on when construction may commence or complete.

Mr SMELT: In terms of the locations, you suggested that Katherine has been identified.

Mr YAN: I think a location in Katherine has been identified. The initial feasibility study by NIC, which was delivered to Catherine King's office, identified the five priority hubs: Berrimah Rail Terminal; Katherine; Tennant Creek; Warburton; and Davenport. This is a question for DLPE, not specifically for me. Land near Katherine has been identified for the logistics hub, which is close to road and rail networks. The same goes for Barkly. Again, it is a question for Minister Burgoyne. The same for those other areas, being Warburton and Davenport.

Mr SMELT: I am keen to talk about reprioritisation. Can you outline every infrastructure project in your most recent budget that has been discontinued, reprioritised or removed compared with the previous budget?

Mr YAN: For this current budget there has been nothing removed from last budget; there have only been additions.

Mr SMELT: Have there been no reprioritisations?

Mr YAN: There has been nothing removed from last budget. From the budget and the infrastructure list that we provided in our 2025–26 budget there has been nothing removed in the 2026–27 budget; there have only been additions.

Mr SMELT: What about compared with your 2024 budget?

Mr YAN: Maybe that should have been asked last year.

Mr CHAIR: We will keep in the current timeframe.

Mr SMELT: I move to underspends. Do you still maintain that under the CLP government all infrastructure projects were delivered on time and on budget?

Mr YAN: I would love to say yes. One day I will be able to sit here in Estimates and say that every project was delivered on time and on budget, but in the previous financial year not all projects were delivered on time and on budget. Some were and some were not. It is a goal that the department and I strive to achieve.

Mr SMELT: In terms of the budget papers showing the revised 2025–26 infrastructure payments were revised down by \$341m, can you table a full list of every project that contributed to the \$341m underspend?

Mr YAN: I am glad to speak to this and clarify some of the rumours that have been floating around on the \$340m that have been put forward by the Labor opposition and the federal Member for Solomon who spoke about this in federal parliament. I am glad to be able to clear the air on what these underspends are. Maybe the opposition and probably the Member for Solomon should have done their homework before going public and raising this in federal parliament, criticising the department and the Territory government on the delivery.

Of the \$340m, there was \$110m that sat with government-owned corporations. They were unable to do some of their work. You can ask this of the GOCs next week. We had to put \$250m of that cash into the budget to deal with your ship lift project.

We had to put that money into the budget and account for it going forward because of the way we are required to under the accounting standards. Sorry, I made a mistake; it is not \$250m. It is \$260m. We must put that money in the budget to account for it. That is money that must carry forward and must be put in the budget so that we are not breaching the *Financial Management Act*. These were some smaller underspends within DLI—minimal, around \$20m to \$25m.

The \$340m that you are talking about and have raised publicly—not only the opposition but also the federal member. That is mainly accounting practices that we must do to deal with the ship lift which, again, is the legacy that Labor left us with. The deals and the contracts left by that and the cost blowouts we have seen on the ship lift—that is \$260m and the rest is the GOCs, which you can ask them about next week in relation to their underspends. It goes across all three of those agencies.

I am glad to be able to speak about that and clear the air on what they are. I will ask Mr Papadakis to clear up a couple of those points as I may not have explained them as clearly as I should.

Mr PAPADAKIS: Thank you, minister and Member for Nightcliff. As the minister outlined, 341 is not just DLI's; it is across the whole of government. For the portion that relates to us, it is primarily the ship lift and it is just a transfer between financial years. I would not call it an underspend. It is just timing of cash between years.

Mr SMELT: Minister, that \$341m presumably was previously allocated to other projects. Can you provide a listing of where that cash was allocated to?

Mr YAN: I have just explained that \$260m of that is the transfer of money between years for the ship lift. The rest of it sits with the GOCs. That is a question you may be able to ask of them when they are in front of you next Thursday.

Mr SMELT: There is still \$25m or so.

Mr YAN: I will pass to Mr Papadakis to provide a clearer picture of that.

Mr PAPADAKIS: The total infrastructure payment table is across government and includes capital grants across government and not just DLI. That is probably a question for Treasury because it the whole-of-government number.

Mr SMELT: There was no DLI project?

Mr PAPADAKIS: The DLI one is the ship lift, which was the major transfer between the years.

Mr SMELT: Is it possible to take on notice then, the \$25m for the other remaining DLI projects?

Mr YAN: That would have been a question you needed to ask Treasury because they manage the whole-of-government expenditure and report on that. It is not something that DLI is able to answer.

Mr SMELT: It must be still related to the DLI projects, so there must have been some cash allocation at the start of the year and then it was revised under this budget, which is the standard process. I am checking if we can see that.

Mr YAN: If we are talking about that entire allocation, \$260m of that was advanced through between the years of ship lift. As I said, Treasury maintains those whole-of-government numbers so unfortunately it was a question that should have been asked of Treasury this morning to provide that detail.

Mr SMELT: That cannot be provided, the \$25m worth of underspend on the DLI projects?

Mr CHAIR: Member for Nightcliff, once the minister gives the answer to this one, can we move on?

Mr YAN: To provide an explanation, with over 2,000 projects that DLI are delivering there are ups and downs within every project. It may be that the way to get the answer you are after, Member for Nightcliff, is to put a written question through my office to Treasury and I will pass to them to provide a response. That is the only way I can see a way forward at the moment.

Mr SMELT: You cannot take it on notice now?

Mr YAN: No, it is a Treasury question, not DLI.

Mr SMELT: You are also the Treasurer.

Mr CHAIR: The minister is here as Minister for Logistics and Infrastructure. We will not be jumping between portfolios.

Mr SMELT: Can you tell us a bit about the jobs impact on the program? For every million dollars which is spent through the infrastructure program, how many Territory jobs they supported?

Mr YAN: I am happy to say that approximately 97% of projects through DLI which have gone out to tender, have gone to Territory businesses. The work that we are putting out the door through logistics and infrastructure goes to Territorians and Territory businesses, which is great to see. That drives our local economy.

I think it was less than 3% of those total projects that went to interstate businesses and they were specific things which no-one in the Territory was able to do. It is great to see that large percentage going to Territory business. There used to be a ratio that TBAR used to determine what that job rate was per million, but they are not doing that anymore. I do not have that detail, but it could be asked of TBAR when they are in front of the Estimates Committee next week.

Mr SMELT: In terms of investment through the Territory's infrastructure program, what is the estimated return on every dollar invested through the Territory economy?

Mr YAN: That question should have been asked of Treasury this morning.

Mr SMELT: You cannot comment on what the infrastructure program does in supporting the economy?

Mr YAN: Apart from what I just stated, that 97% of contracts which are led by DLI go to Territory businesses. We have an infrastructure spend for the next financial year, all of government, of \$2.7bn. If you see 97% of that going to Territory businesses, that is a large whack. From DLI's perspective, that is what the impact of what we are doing has on the Territory economy and business. The question you asked was numbers that Treasury produce.

Mr SMELT: If you are the minister who is looking after this multi-billion-dollar program, can you tell me what the economic return would be on each dollar spent for the program you are responsible for?

Mr YAN: That is modelling that the Treasury does. I do not have that here with me, it is a question that could have been asked of Treasury. It can put a written question through my office that I can provide to Treasury and I will ask them to provide a response.

Mr SMELT: The construction snapshot shows that the Peter McAulay Centre, Joint Emergency Services Communication Centre upgrades have slipped by five quarters. Why has an emergency services communications project been delayed for that long?

Mr YAN: Bear with me, Member for Nightcliff, while I get someone here with the information.

We know that the JESCC project was \$6.6m identified in Budget 2025–26 to upgrade expanded JESCC facility at Peter McAulay Centre. We know the JESCC is critical to asset for the Northern Territory Police and Fire and Emergency Services supporting 000 calls and handling CCTV monitoring and other comms and coordination functions across the Territory.

The full scope of works includes refurbishment of part of the existing JESCC, expansion of the ground and upper floors of the existing floor area and upgrades to the Peter McAulay Centre foyer. The project design is currently at 50% and was endorsed recently by NT Police Force strategic infrastructure committee in May, not that long ago. Once this upgrade is complete, the upgraded facility will improve that operational functionality and increase capacity by an additional 22 people. We are expecting construction to commence in November 2026 and be completed by June 2027.

Mr SMELT: Can you explain why there has been that big change? In the construction snapshot of quarter one in 2025, it said the project was to be completed by quarter one 2026. In the latest snapshot update quarter one in 2026, it said the project was to be completed by quarter two in 2027, which is what you mentioned with June 2027.

I am keen to understand why this critical project has been delayed by five quarters.

Mr YAN: There are a number of issues and work done with police on how we deliver this project. When we initially put it out, we were hoping to get it moving quickly. Needs and workloads at police will determine when things start and when they do not.

I know there was some quite complex work done about how the JESCC would be delivered and put into the existing McAulay Centre, how that work was to happen and how police were then able to keep one going and start moving into the full more wholesome build.

The department has been working closely with police on options and scope on how that can be delivered. Whilst we may have had it in the construction snapshot, we were aiming for that commencement and build. Since then there have been some additional changes and we worked with police on how it will be delivered.

The issues of the past six months, particularly with the Peter McAulay Centre and the work they had to do during Cyclone Fina, Cyclone Narelle and all the subsequent weather events, has probably pushed this to everybody's back of mind while dealing with those events. Now we have come off the back of those, we can get on with this project and get it done.

Mr SMELT: What risks does that delay create for frontline emergency services?

Mr YAN: Probably that is an operational question. I cannot answer that. That would have been a question asked of police commissioner or the minister yesterday. They are best placed to determine what their needs and capacity is.

Mr SMELT: Can you guarantee that there will be no cost increase for the Peter McAulay communication centre upgrade as a result of this delay?

Mr YAN: I would love to sit here and give you a guarantee that there will not be any increases. The department will be working pretty hard to make sure there are no increases in that total budget. You should know better than anyone after working in DLI for a period that sometimes the best-laid plans of mice and men go astray. When you lift the hood and find something, particularly when you are doing a renovation, things can change pretty quickly. I will make sure that the department is doing its piece with Police to make sure that we come in on that budget and that it is scoped and programmed accordingly.

Mr SMELT: Thinking more generally, do you accept that delays increase the risk of cost escalation?

Mr YAN: Yes. I agree with it. Not all delays will do that. I am glad for the question because I look at a number of the projects that we are trying to deliver now that were announced and put on program by the previous government that sat there for some of them up to eight years.

The most recent one I can speak to is the Schwarz Crescent intersection in Central Australia. That was announced back in 2018 or 2019 or 2020. Scoping costed it at approximately \$5m to \$5.5m. It sat there for ever and a day. When we finally got to being able to deliver that project—I pushed the department to do it—we went and had a look at what it will cost now to deliver that project. I was fortunate enough that the federal

minister gave me an additional \$2.5m to deliver that project. That was the change in cost, from when that project was announced to when we will deliver it.

If a project is delayed by six to 12 months, you will not see too much in the way of program cost increases. There probably will be some, particularly when you look at the current environment. When we had a previous government that was leaving some of these projects on program for five, six or seven years then going out to do them and finding out that it does not have enough money and then borrowing more, that puts us into the financial position that we are in today staring down the barrel of \$13.2bn worth of debt and close to \$9bn of debt added to the books in just eight years.

Yes. I agree that delaying projects makes them cost more but it can be the timeliness of that delay which will determine what that cost might be.

Mr SMELT: Yes. There are things like higher labour costs, material costs, contractor costs and mobilisation costs that can all feed into that. In terms of the construction snapshot as it currently stands, can you guarantee that there will not be additional funding required if projects have to be delayed?

Mr YAN: The DLI is doing the work. This is what we had to when we came into government. I had a bloated infrastructure program that was effectively just a lot of announcements, not appropriately costed or scoped. That is why we had to go back and have a close look at that program and reprioritise.

We had to take some things off because the funding that was applied to them was not correct. We have made the commitment now. We looked at the entire program and pulled it back into something that is deliverable so that as we deliver projects they are appropriately scoped and costed. We are not making announcements that we will not deliver on. This government makes an announcement on a new project and we make sure that it is appropriately scoped, costed and delivered in a timely manner. We will not sit there and leave it sitting on program for six years and then wonder why it will cost three times as much.

That is the work we are doing in DLI now. Anything that we have scoped and costed appropriately to make sure there are none of those crazy blowouts seen under the previous government.

Mr SMELT: Would you guarantee that none of the projects will have their scope reduced to stay within budget?

Mr YAN: That is the work that has to be done sometimes. Unlike the Labor government, I will not go out and deliver a project on a scope and then go, 'Oh, it will cost some more money. We will just keep throwing money at it'. Where do I start? Look out the window. There is one over there, the State Square art gallery. The budget for that is \$60m, and now it is well up over \$100m. Tiger Brennan Drive–Berrimah Road overpass—the list goes on and on.

When we have a budget, we will scope the program to fit within the budget. That is the key to delivering projects responsibly, but also responsible financial management. I will not deliver projects and keep throwing money at them because they were not scoped or done appropriately. That is the difference between this current CLP government and the previous Labor government that announced projects and did not scope and cost them properly then kept throwing money at them because it did not do the work that was needed to make sure that it stayed within its budgets.

Mr SMELT: This project is close to my heart, and probably close to yours too and the people of Nightcliff. Can you tell us about the total cost for the current works for the maintenance refurbishment of the Nightcliff Jetty?

Mr YAN: It is good to get the refurbishment done on the Nightcliff Jetty. It is a public asset that a lot of people, not just in Nightcliff but also across Darwin, use. I have been there on the odd occasion when I am in Darwin and have seen the number of people on the Nightcliff Foreshore and the Nightcliff Jetty. Being a bit of a mad fisho, as everybody knows, it is good to see people there, particularly kids fishing off the jetty.

There is a number of maintenance matters that need to be deal with on that. The current project allocation is \$730,000 and expenditure to date is \$43,000.

Mr SMELT: We end up doing these refurbishment and maintenance projects every couple of years. I am keen to know: do we have a long-term plan to replace the Nightcliff Jetty or will we be perpetually patching it up, risking its use for future generations and Territorians?

Mr YAN: The current repairs that are taking place on Nightcliff Jetty were initiated following a structural engineer inspection, which identified some deterioration to the steel piles and protective coatings on the steel structure. Whilst the engineer has not said that the jetty is not fit for purpose, like anything you put in the ocean—I know this all too well—it requires ongoing and continual maintenance.

The advice I have is that the contractor has confirmed a structural engineer has inspected the site, has advised that corroded steel beams identified so far can be repaired to the original design strength and painted to provide corrosion protection and an estimated further 15 years of useful life.

Mr SMELT: Is there any plan beyond that?

Mr YAN: No, we have not made any plans to replace the Nightcliff Jetty at this stage.

Mrs LAMBLEY: I would like you to clarify for me exactly what the \$65.8m you mentioned in my favourite budget paper, the regional overview, is for Alice Springs. What does that include? I note in that document it says that this is in addition to grants and works already progressed for the new skate park, the library, Anzac Oval reinstatement and Teague Park upgrades. If you can itemise that for me—I will be quoting you on this in my next newsletter.

Mr YAN: I did speak about this in my opening statement.

Mrs LAMBLEY: Yes, we are still on the opening statement, I understand.

Mr CHAIR: Yes.

Mr YAN: Those projects are the Gillen oval site.

Mrs LAMBLEY: How much? I want names and numbers, please.

Mr YAN: Standby, I have the names but I do not have the numbers next to it.

Mrs LAMBLEY: And they must add precisely to \$65.8m.

Mr YAN: Gillen Oval Multisport Precinct, \$15m; Alice Springs Multicultural Centre, \$12.8m; Schwartz Crescent intersection upgrades, I believe is \$11—it is \$8.5 plus \$2.5 just recently from the Commonwealth; and Anzac Oval reinstatement, \$672,000.

Mrs LAMBLEY: No. In the document it said that this is in addition to the Anzac oval reinstatement.

Mr YAN: This is reinstatement, so this other work is going on with Anzac oval.

Mrs LAMBLEY: In the note it says:

This is in addition to grants and works already progressed for Anzac Oval reinstatement and the library and skate park and Teague park.

Mr YAN: There are the grants given to the council, which is \$14.96 for the library, TCA Headquarters ...

Mrs LAMBLEY: I am sorry, minister, that excludes that too.

Mr YAN: Yes. I know. That is what else is in there. Skate park was \$1.8m, Teague Park \$200,000. I will ask Tegan who looks after our regional program, who may have the detail with her.

Ms BERG: Member for Araluen, I am Tegan Berg, General Manager, Regions. In terms of the Alice Springs infrastructure priorities, we have \$66m. Is that what you are referring to?

Mrs LAMBLEY: Yes.

Ms BERG: The Gillen Oval Multisport Precinct sits in that and it is \$15m. The Alice Springs Multicultural Centre is \$12.8. We have the Swartz Crescent which is sitting at \$8m was the original program for Schwartz Crescent.

Mrs LAMBLEY: That only adds up to \$35m or \$36m. You are missing \$30m.

Mr YAN: Then there is unallocated balance which is I believe \$12m for Corrections, just to clarify a couple of things, Member for Araluen. The regional overview is the whole program for Central Australia so the stuff we are talking about specifically is with DLI. I am happy to take the question on notice and give you the actual break down of all those projects but I know that the corrections upgrades are a part of that program. I think there is \$12.5m for Alice Springs correctional upgrades to underground works.

Mrs LAMBLEY: There is still another \$15m or \$16m unaccounted for.

Mr YAN: Yes. That is across government and not specifically managed by DLI. I am happy to get those numbers for you and provide them to you.

Mrs LAMBLEY: Does this include the \$4.9m in this budget for flood mitigation? Is that separate?

Mr YAN: No. I believe that sits outside of that, yes. It is an additional allocation that came out of the flood recovery program.

Question on Notice No 2.12

Mr CHAIR: Member for Araluen, please restate the question for the record.

Mrs LAMBLEY: Please provide a breakdown of the exact allocation of the \$66m allocated in the 2026 budget on capital works for Alice Springs.

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.12.

J DAVIS: I am interested, as is the Member for Nightcliff, in long-term infrastructure planning and asset management. Many Territory assets which have been built and maintained today are expected to remain in service for decades; that is what we hope. At the same time, climate projections indicates significantly more extreme heat over the Territory over the lifespan of many of these assets, with Darwin projected to experience substantially more days above 35 degrees and Katherine even more.

What assessment has been undertaken of the Territory's existing infrastructure, including roads, public buildings, schools, hospitals, housing and other public assets, to determine whether they are designed to operate safely? In particular, what classes of infrastructure have been assessed and which have not?

Mr YAN: As we do new builds on all our infrastructure projects, particularly buildings, appropriateness for Darwin and its climate—anything that is built up here, and the same as we move down the track. We look to make sure that what we are building suits our regions and our future.

I will hand over to Adam Walding, deputy chief executive, who does a lot of work on what you are asking about in regard to infrastructure and assessments as far as suitability goes.

Mr WALDING: Member for Johnston, could I get you to ask that again to make sure I address all the bits?

J DAVIS: I am interested in futureproofing Territory infrastructure, basically. Much of the infrastructure we have now is expected to remain, hopefully for the long term. During that time we are projected to experience significantly more extreme heat and other extreme weather events. What assessments have been undertaken to ensure that Territory infrastructure will remain fit for purpose under these future conditions?

Mr WALDING: Each of the projects in the program are managed through the National Construction Code. Under the National Construction Code we comply with section J. I note with the National Construction Code nationwide everyone has accepted that it will be paused at this point in time. We comply with that with all of our buildings; that is a minimum standard for us as we do our works.

We have also got within the build infrastructure team, basically an energy sustainability team that work there. They also create minimum design standards for our build infrastructure program. That looks at innovative

ways for hot water services, air conditioning and those types of items, which sometimes go above NCC, the National Construction Code, on the intent that we get the bang for buck—not the knife basically. It is energy efficiency as we go through.

Outside of that, as we do refurbishment works, it is a key consideration as well. We have the process internally that we look at what those old buildings are if we are doing a complete refurbishment, what we need to bring them up to, and then it is a cost analysis that we do internally. If we do not comply with the minimum design standards, we have an internal process where it gets signed off to say that, no, the cost outweighs the benefit of whatever it may be. I cannot tell you how many times we have used that, because most of the times we comply. It is a key point on the way through.

When we do roads and those types of items there is a different methodology that is under way at the moment for the construction of roads with the recycling of rubber and crushed concrete in different items there. We are working with CDU on the recycled materials on road construction, several waste materials for use in asphalt, bitumen binders and granular pavement layers, including recycled concrete, aggregate, reclaimed asphalt pavement, plastics, crushed glass and crumbed rubber. We are working with CDU on some opportunities to create some efficiencies as well.

J DAVIS: You talked about the National Construction Code within the NT minimum design standards. Is that ...

Mr WALDING: The NT minimum design standards—I will elaborate, minister—are an internal DLI document. We have created a national minimum design standard we use for our projects. It is things like vapour barrier, for example, around buildings to make sure that moisture does not come in. We create the efficiency. We have some specific items that we see on our buildings, in addition above the NCC, to make sure we get the longevity out of it.

J DAVIS: Are those standards publicly available?

Mr WALDING: Yes.

J DAVIS: Where would I find a copy of them?

Mr WALDING: On the DLI internet.

J DAVIS: You made reference to a few things there, but is climate resilience explicitly factored into the minimum design standards?

Mr WALDING: Explicitly? It is more about the energy efficiency and the ability to maintain our buildings up here as well, being in a remote climate and everything else. To say that it is explicitly for future projections, the answer would be no. There will be an element, but it is not explicit.

J DAVIS: Can you talk of what the key assumptions or key things you are measuring against are in looking at the minimum design standards within what we are talking about?

Mr WALDING: Within this it is really about energy efficiency and cost-effectiveness of what that initiative is. I cannot think of the terminology at the moment—hot water systems, for example, what will give us a long life span for the additional cost to install a better quality hot water system or a solar system. Depending on the region we are in, we have different water quality, unless we are down south it is more acidic than up north. It is those types of things we are looking to get, as well as energy efficiency of buildings.

J DAVIS: As part of that, a projected future climate condition is taken into account?

Mr WALDING: Yes, they will be, yes.

J DAVIS: Including projected heat?

Mr WALDING: Yes. The NCC will do a component of that as well. I do not think it will go into the detail you are thinking. Yes, the take into account the changes. However, again it will come down to a cost-benefit analysis of how much extra investment we need to do for bang for buck. Obviously, our budget is a key feature as well.

J DAVIS: Does that include retrofitting existing infrastructure?

Mr WALDING: Yes, above \$500,000 we apply that.

J DAVIS: I have some questions for ...

Mr WALDING: Yes, above \$500,000 we apply that. Sorry, it is \$5m, not \$500,000—a bit different.

J DAVIS: I have some questions from the Member for Mulka which may follow on from a couple of things that the Member for Nightcliff just raised about the remote housing program. Will any of the \$4bn for remote housing now be redirected to repairing or rebuilding flood affected houses in remote communities?

Mr WALDING: No.

Mr O'GALLAGHER: The construction industry continues to face a range of external pressures, including supply chain disruptions, fuel price volatility and increasing input costs. What is your agency doing to address these issues for our local construction industry?

Mr YAN: It is an important question, and it is good to be able to speak about this. We are all aware of what happened in February and the effects that has had on global supply chains. I have said this so many times. There are a few more links in our supply chains than there are in a lot of the southern and eastern states.

The volatility in fuel prices has a direct effect on all those contractors who work to provide services to government through DLI. To support some continuity and consistency, the department has the ability to adjust rise and fall on various contracts and on period contracts. Those timeframes are long and are designed to deal with, for instance, the rise and fall on a large road contract of maybe 10c to 12c a litre on diesel. There have been changes of \$2 per litre on diesel in some places.

The department immediately started applying temporary arrangements on how fuel-related costs apply to our contractors. We never want to send any of our contractors to the wall. We want to make sure they are there doing the work that needs to be done to support our construction, infrastructure projects and, in the longer term, the community.

The department did a lot of work quickly to look at what component of a contract equates to fuel. Every contract has a different percentage. If you are a contractor providing garden services to us, there will be a small percentage attributable to fuel. If you are a contractor building a road for us, the change is different because some of those guys are using up to 30,000 litres a week in diesel to build road.

The department immediately looked at all those contracts, including period contracts, to make adjustments in payments so that those contractors were not left hanging out in the breeze. Rather than longer periods, we made those periods shorter so that we were not creating cashflow problems for contractors doing work for us. We have extended that until the end of June.

We will wait and see what happens with the Commonwealth and the changes to the fuel excise and what that will mean for us in the Territory and for our contractors. We straightaway understood the pressures that anyone delivering a service to government—particularly in the contracts that we administer—would be under and the cashflow they would face. We did that immediate work to make sure that they were not left hanging out to dry with increased fuel costs and still be required to deliver a level of service or commitment to the government.

With long freight distances and a heavy reliance on road transport for everything that we do here, it is about making sure that we adjust those costs within the department to make sure that everyone does okay.

Mr YOUNG: I have a question following on from the Member for Johnston's flood question regarding housing. Yesterday the Chief Minister stated that there will be 20 houses built for Daly River. I am trying to understand if you have a breakdown and whether that is coming out of the remote housing program or not.

Mr YAN: My understanding is that would not be coming out of the remote housing program at all. It is not in the scope of the remote housing program. The funding for that will have to come from somewhere else.

Mr YOUNG: Do you know where the funding would be coming from for those houses?

Mr YAN: At this stage, it is probably too early to determine where that funding may be coming from, unless someone knows more than I do. In whatever we do, we would be looking to get some assistance from the Commonwealth to deliver that outside of the current housing agreement.

Mr YOUNG: Has she made a commitment without a guarantee or ...

Mr YAN: Just hold on a second. Just to clarify, there are some additional homes scheduled for Nauiyu under the current housing program of \$4bn. There are already some slated under that program, but the additional housing—we are talking about 20—would be outside of that \$4bn. Where the funding is going to come from at this stage is unknown, but I will be asking my federal colleagues and doing the work with them to assist us to deliver those homes outside the flood zone.

Mr YOUNG: The Chief Minister has made a commitment without any guarantee of funding for those houses is what you are stating.

Mr YAN: No. I know you are trying to put words into my mouth. I am saying that there has been no ...

Mr CHAIR: Minister, I have the floor.

I have ruled that we will not summarise witnesses, Member for Daly.

I will give the Member for Fong Lim a question, and then we will take a break.

Dr RAHMAN: Treasurer, I am pleased to see your cough has improved.

What are the most common infrastructure delivery risks that we are facing? How will we manage those risks as a government and keep projects on track and deliver value for Territorians? I am particularly interested, if you could outline for us, how the government is working with industry to manage some of our infrastructure challenges?

Mr YAN: There are a lot of risks around how we deliver our infrastructure program. Some of those are within our control and some are outside of our control. One thing that we are doing—I have spoken about this publicly quite a few times now—is how we deliver our program and how we work with industry to deliver it. There has been a heavy reliance, for a number of years, that DLI does all the design and then we send it out to industry to do the delivery. Whilst that works in some instances, there are quite a few times that it probably does not say we have made a commitment.

We have seen good project outcomes where we go to design and construction work alongside industry to deliver projects for the Territory. Sometimes—I am the first to admit—we are not the experts. We may not be the group that is best placed to do some of this work. There is a commitment from government to work closely with industry to look at design and construct where we have a budget, we have an idea and we do a small amount of planning and some concept work. We go out to industry and say, 'What can we do within this budget to deliver what we want for the Territory?'

Some of the other risks sit with the Commonwealth as well. We have relied on the Commonwealth for funding for a number of our projects, and we work closely with the Commonwealth to make sure that they are at the table when we are working out what our program looks like. Earlier today, I was speaking to the logistics hubs. We need the federal government to work with us to deliver on those logistics hubs, which are an economic benefit and driver for the Northern Territory. They are partners at the table along with our construction industry.

We work hard to mitigate those risks where we can. There is lots of contingency put in place with the department when we are delivering these projects, particularly on our road projects, as there are so many variables in delivering them and working with communities.

They key one is the relationships that we are developing with land councils so that we can deliver these projects because they are also a player at the table. A lot of the road projects we are doing are travelling through Aboriginal land, and we are supporting Aboriginal communities on that. We are working hard, and I know my regional team are developing those close relationships with land councils so that we can access water, gravel, sand and those types of extractables. Those are all too often some of the things which delay the delivery of our road projects. There are works afoot to work with the land councils on getting access to extractables and having them at the table with those discussions, because there are opportunities for Aboriginal investment and employment in that area.

Even our own government departments too—the Pastoral Land Board being one. They have done some work as part of that red-tape taskforce to change how they do things. That is now speeding up how we deliver these road projects.

We are working pretty hard to mitigate those risks and expedite the projects that we are doing.

Mr CHAIR: We will have a five-minute break and recommence at 2.53 pm.

The committee suspended.

Mr CHAIR: We will go through until 3.30 pm for afternoon tea. I will hand over to the shadow minister, the Member for Nightcliff.

Mr SMELT: I am keen to hear, what are your top three road sealing upgrade priorities for the Northern Territory?

Mr YAN: Off the top of my head, the Tanami is one, Carpentaria would be number two and the next larger project that we have a timeline committed, is Outback Way, which is to Sandover. There are a number of other projects—I hear the Member for Daly is sighing in the background. I do not think there is a top three, there are a number of projects which we are delivering which are probably as important across the board.

There is Central Arnhem, the road to Wadeye and a number all over the place. There is some work on the Plenty Highway as well and between a couple of communities. They are all as important as each other. If I was going to say number one, it would be the Plenty Highway out in my patch; the Member for Daly would say the road to Wadeye; and Minister Edgington would say the Sandover.

The key ones are, not just to support community but also industry and economic development, Carpentaria and Tanami would be top of the list.

Mr SMELT: Everyone has obviously got their priorities and individual concerns. How would you rank those different corridors?

Mr YAN: That is subjective as far as ranking a corridor.

Mr CHAIR: Standing Order 109; expression of opinion. You did not ask the question in an objective way for the department.

Mr SMELT: What criteria are used to rank projects?

Mr YAN: I will ask Claire Brown, General Manager, Transport and Civil Infrastructure, to provide some detail on those road projects.

Ms BROWN: As the minister said, that can be a subjective depending on where you are and what is important to you as an individual. Overall it is about the connectivity; road hierarchy; the economic development in that particular region at that time; any particular developments that we may know of; and future-proofing the Territory for that.

We have prioritisation in terms of upgrades to existing networks. We are currently doing an assessment, for example, of flood resilience of our national network so that then is also a priority for us making sure that our entire network is more resilient.

There are a number of different elements at play. It changes over time but, as the minister said, from an economic perspective, the Tanami and Carpentaria we have Closing the Gap outcomes which we are trying to achieve. Any of those roads that connect our communities, Port Keats, Central Arnhem, Roper Highway, Santa Teresa and Mereenie Loop are all very strategic important road corridors for us and priorities to upgrade.

Mr SMELT: Does the department have a report of ranks list of road upgrades or road sealing projects across the Territory?

Ms BROWN: Yes we have our 10-year land transport infrastructure plan which does prioritise what the Territory's priorities are over the next 10 years. They are broken down in order of timeframes of those priorities. That is a living document that we update each year and that forms the basis of our future bids to the Commonwealth and Territory for funding.

Mr SMELT: Can that report be tabled?

Ms BROWN: That is a public document and is available on the DLI internet page.

Mr SMELT: When was the last updated version of that?

Ms BROWN: That was in September last year, and we are to update it again in September of this year.

Mr SMELT: Will they both be published publicly?

Ms BROWN: That is correct, yes.

Mr SMELT: The top three priorities that you have named—Tanami, Carpentaria and Outback Way—are those projects fully funded?

Ms BROWN: In terms of clarifying what you mean by fully funded, we have a program—for example, the total funding for the Tanami is \$825m. Are you referring to fully funded to complete the seal to the border?

Mr SMELT: Correct.

Ms BROWN: We are yet to determine that. Obviously, we would like for the full program to complete the seal to the border. As you know and as we have been discussing here, there is uncertainty regarding what those cost pressures might look like going forward, so it is a difficult question to say with accuracy.

Mr SMELT: To recap, for the Tanami, we do not yet know if that will seal entirely to the border, and in terms of Outback Way?

Ms BROWN: Our current program is expected not to do the entire of the Plenty, and we are likely to look at additional cost pressures there. The existing funding program for Central Arnhem will also not seal the entire of the Central Arnhem to Nhulunbuy.

Mr SMELT: The final one in that list—the Carpentaria Highway?

Ms BROWN: Again, this comes down to cost pressures and cost escalations. The current funding will take us to what we are anticipating is close to the Tablelands Highway intersection, so there will not be that much remaining in terms of sealing the Carpentaria. Until the final design is complete for that section of road and costed it is difficult for us to be able to fully say that.

Mr YAN: For clarification on some of those cost pressures, when a number of these projects have been announced—and they are long-term projects, the Tanami, the Carpentaria and the Outback Way—these are multiyear projects. The Plenty will be over six to eight years. The cost and pressures change. The cost of delivering twin seal bitumen goes from about \$1m to \$1.2m per kilometre, and that is per standard straightforward. The reason for that is not a lot of culvert roads, so the minute some complexity is added to the construction the price parameters change. It is difficult to do those entire corridors with the funding available, which is why we continue to work closely with the Commonwealth should be we need extra to finish those projects. The Commonwealth understands how those pricing points have changed over time.

J DAVIS: This is on behalf of the Member for Mulka. You mentioned Central Arnhem Road; for the reporting period, what is the current expenditure on the Central Arnhem Road, and what is the estimated expenditure by 30 June?

Ms BROWN: The total expenditure for the reporting period to 31 March this financial year is \$22.56m, with the total approved program for the overall project being \$350m.

J DAVIS: What will be the main proposed works for the 2026–27 budget for the Central Arnhem Road and the expected spend for 2026–27?

Ms BROWN: What was the number or the work were you after?

J DAVIS: The main proposed works and the expected spend.

Ms BROWN: The expected expenditure for 2026–27 is \$31.25m. Currently we have a package that is under construction. This is an 18 kilometre section at Mountain Valley. It is between chainages 158 to 176. We have another 14.4 kilometre package from Manyallaluk to Barunga which is currently in tender assessment. We are expecting works to commence in August of this year.

We also have a number of consultations undergoing with packages closer to Nhulunbuy end with the Northern Land Council. It is difficult to say at this stage in terms of when those construction programs will be released.

J DAVIS: On behalf of the Member for Mulka, what are the proposed costs and works for the 2026–27 budget for the Ramingining link road?

Ms BROWN: This financial year, it is difficult to say the expected cost because it will primarily involve stakeholder consultation. They will be looking to progress for concept design and delivery, but no likely construction works in this financial year.

J DAVIS: In the 2026–27 financial year?

Ms BROWN: That is correct, yes.

J DAVIS: No work likely?

Ms BROWN: Not for the Ramingining link road. We will be consulting with traditional owners during that time.

Mr CHAIR: I will hand back over the shadow minister, the Member for Nightcliff.

Mr SMELT: To follow on from Central Arnhem Road, in terms of those sections, can you give the order of the sections and their uptime frames for that \$350m program?

Mr YAN: I will pass to Claire for that detail.

Ms BROWN: We have already sealed a total of 24.7 kilometres under this program—package one, which was the Beswick section; package two, the Goyder section; and there was an early works package at Bulman. As I said, we have the section that is currently under construction at the moment near Mountain Valley.

The next package which is currently under tender assessment is Manyallaluk to Barunga. The future packages are subject to consultation with traditional owners for their informed consent. The staging of those works will be dependent on the outcome of those consultations. In that particular area of the Boggy Creek to Dittmar Road section there are about 13 different traditional owner groups that we need to consult with.

At this stage, it is difficult to provide an accurate picture of what those packages will look like and how they will be broken down.

Mr SMELT: There are no defined packages beyond the ones you have mentioned at this stage?

Ms BROWN: Not with certainty. We have broken down into the 100 kilometre section from Boggy Creek to Dittmar Road and a 19 kilometre section from Rusty's Waterhole to Jurassic Lookout and then a four kilometre Waterhouse Creek bridge and Dook Creek floodplain section. Again, that might be subject to change depending on the outcomes of the consultation with traditional owners.

Mr SMELT: There are no time frames around that at this stage?

Ms BROWN: I am happy to continue to speak to that.

Mr YAN: Yes.

Ms BROWN: No, not at this stage, although we have seen some positive engagement with the Northern Land Council and consultation has commenced for the Nhulunbuy end of the Central Arnhem Road.

Mr SMELT: Also, in the neighbouring area in Nhulunbuy Road, I am keen to understand a bit more about the Phelp River crossing that was previously cut from the budget. Can you enlighten us about who made the decision to scrap that critical infrastructure project over the Phelp River Crossing on Nhulunbuy Road?

Mr YAN: When we came into government we had a \$5.2bn or \$5.3bn infrastructure program which was mostly announcements and most undeliverable. There were a number of projects with over \$1bn reprioritised from that original program; the Phelp River crossing being one. I think I have answered this question a number of times in parliament.

There was \$20m allocated to that and that was reprioritised. Just because that was reprioritised, it does not mean that money has completely disappeared. I understand the importance of the Phelp River crossing, but this was a project that was going to be entirely funded by Northern Territory Government. There was no additional input from the federal government on this.

The Phelp crossing is not off the table. I certainly understand its importance, but it is now about how we go—if we are going to deliver this as the Territory government without any support from the Commonwealth—about redesigning it and working out what we can do with the money that we have.

I understand that you look at the debt position we inherited from the previous government. When we came into government we were staring down \$10bn worth of debt and a \$1.4bn blackhole leading into our first budget of unfunded programs and unfunded priorities, which we then had to fund to deliver services to Territorians. We had to make some decisions around what we can and cannot deliver, and we are still making those decisions today.

We will go back at some stage to look at the Phelp River crossing. I will look at what we can deliver within a reasonable budget because I understand the need for the people of Numbulwar to have access to Ngukurr and further afield during the Wet Season—I get that and I understand it, but remember that Numbulwar is one of many remote communities across the Territory who all have the same issues during the Wet Season with isolation and roads being cut. I certainly understand the issues, just because we have cut it now does not mean it is completely gone. We need to assess it, along with a number of other projects, to make sure that we are providing services to all Territorians across remote areas and make sure that they have a reasonable amount of access during Wet Season periods.

Mr SMELT: We have not covered much of the national highway network yet; I am keen to chat about the Stuart Highway; that being our most critical link in the NT and our lifeline from the Top End to the rest of the nation. As we saw with the recent floods, any impact on the Stuart Highway has a dramatic impact on our economy and our community. Since 2024, extra funding has been provided by the Commonwealth to the Northern Territory to progress studies and upgrades of the Stuart Highway. The NT is the only jurisdiction which has a Federation Funding Agreement for land transport infrastructure projects that has not been updated since 2024. Can you tell us why that might be the case?

Mr YAN: I will pass this to Claire to provide some detail on that. I must say, though, that if we look at recent flooding events our network—the Stuart Highway—has held up pretty good considering.

We did see cuts in a couple of areas, specifically Katherine during the floods. We saw the highway cut there—I know the railing was closed just for prudence whilst they assess it. There was a couple of other areas—there is one particular area I know near Tennant Creek which always goes under every time it rains. This is some of the difficulties we have when working with the Commonwealth because we get funding back from the Commonwealth to repair one particular piece, but it is very difficult to use that money to build back better. That is something that we want to do and have made a commitment to doing after this year's flooding events.

There is that one specific spot near Tennant Creek, about 45 kilometres south of Tennant, that always goes under and washes out. We then have to wait for it to dry out to do the repairs. If we spent a couple of extra million extra bucks—rather than just repairing it back to what it was—and lifted it up and dealt with it, we would not be spending that money ongoing.

There are a number of things that we want to do in conjunction with the Commonwealth for when we do repairs to the Stuart Highway, where we know we have issues, to work with them to provide additional funding and, rather than just return it to service, return it to a better state where we know it will not flood again.

As far as the federal funding agreement goes, I will pass to Claire because we have just done some work with the Commonwealth and got some updates on that.

Ms BROWN: The recently agreed federation funding schedule table—when I say recently agreed, it has been approved and signed off in the last week or so—has now been agreed with the Commonwealth. It includes the recent Commonwealth 2026–27 budget announcements, which included the \$200m for progressive duplication of the Stuart Highway from Noonamah to Katherine as well as the additional projects such as Schwartz Crescent and the \$24m for the Bagot Road safety and capacity upgrades. That agreement exists, has been signed by the Territory and is in place until 30 June 2029. As a result, our current program under that agreement is \$3.58bn.

Regarding the Stuart Highway component of the question, going further to what the minister said, we have a national highway flood resilience study underway. That is due for completion in mid-next year. It will then inform the priority areas of the Stuart Highway for upgrades to improve the resilience and future bids for funding for progressive upgrades to the Stuart Highway.

Mr YAN: Following on from Claire Brown said, interestingly enough, during the flood events that we have experienced, they also went to South Australia. Sadly, we are also reliant on South Australia to keep their end of the network open too. Part of the closure to Stuart Highway that we have seen during the recent flooding events were in South Australia too—in particular, the rail line as well. They lost rail line which then affects us. We work closely with our South Australian neighbours to make sure they are doing what they need to do to keep our network open for the rail because it seems to be prone to flooding. It also affects Western Australia, so we had a double whammy. We had our rain and lost our network for a little time, but also earlier on in the period when Central Australia flooded, we lost the network, rail and highway in South Australia, which then affected us too.

Mr SMELT: Funding of \$200m for the duplication of the Stuart Highway was announced in March 2025, and the media release noted that construction would begin in mid-2026. Why has this project not progressed?

Mr YAN: The media release was from the Commonwealth, and negotiations took place with the Commonwealth on that \$200m. Those negotiations with the Commonwealth were for them to exempt the Northern Territory from our commitment for 20% of funding. I am pleased to say that Catherine King agreed to that.

The \$200m for the duplication of the Stuart Highway is now fully funded by the Commonwealth. It was only agreed to within the last week or two with that announcement from Catherine King during the federal budget.

Mr SMELT: Do we have an updated timeline of when a construction tender may be released for the duplication works?

Mr YAN: Not at this stage. There has been some planning done on some sections of the Stuart Highway between Darwin and Katherine. We are looking at other options for additional passing lanes and bits and pieces, so there is work underway as soon as that planning can be done. I remain in communication with Catherine King, the federal minister about what that project will look like, so as we get the planning ready we will be able to get it out to tender and have works started.

Mr SMELT: The 2024 budget contained joint funding of \$30m for national network highway flood resilience upgrades. How much of that program has been spent to date?

Ms BROWN: Of that \$30m program, there has not been any expenditure to 31 March. However, the anticipated expenditure for 2026–27 is \$2.5m. Primarily the expenditure is relating only to the flood resilience assessment that I spoke of earlier. The expenditure will increase once we get to delivering construction of that program.

Mr SMELT: When we continue to experience these closures of the Stuart Highway and it being our most vital road connection, why has this program not progressed?

Mr YAN: As Claire has spoken about, it is one thing to announce the money but you have to know where you will spend it. That is the key part. As Claire has said, we had to do the flood resilience study to determine where we need to spend the money to get best value for money on that network. Whilst I can say that this piece over there needs to be fixed or that piece needs to be fixed, I do not have an overview of the entire network and where the pressure points or the higher risk areas may be.

Mr SMELT: Can you update us as to when construction would occur under that \$30m program?

Ms BROWN: The study is scheduled for completion in mid-2027. Allowing for other investigations that might need to be done, depending on the results of that—that might relate to tenure negotiations, geotechnical sourcing of gravel et cetera and preparation of tender documents—it is difficult to say exactly what that timeframe would be. It would be the department's aim to tender packages of work as soon as possible to be within the agreement timeframes.

Mr SMELT: Potentially it could be five years from the announcement of funding to starting construction on that program.

Mr CHAIR: That is an opinion.

Mr SMELT: Is there no current set timeframe for construction under that program?

Mr YAN: It was clear from what Claire Brown said that once the study is completed and those areas identified—we probably have a bit of an idea of where they are in the first instance—work will move fairly quickly to get works underway. I have no doubt that once that study is done, the areas will be prioritised as well. There will be a priority list of what needs to be done first and last. I have no doubt about that. As soon as the study is complete and we are aware of the outcomes of that, packages will be pushed out the door to deal with what has been identified.

Mr SMELT: That same 2024 budget included joint funding for a business case for the duplication of the Stuart Highway south of Noonamah to Katherine. How much of that project funding has been spent?

Mr YAN: We do not have that detail at the moment and will take that on notice.

Question on Notice No 2.13

Mr CHAIR: Member for Nightcliff, please restate the question for the record.

Mr SMELT: That same 2024 budget included joint funding for a business case for the duplication of the Stuart Highway south of Noonamah to Katherine. How much of that project funding has been spent?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.13.

Mr SMELT: Why has this urgently needed project not progressed since the funding was announced in 2024?

Mr YAN: We have answered that a couple of times now.

Mr SMELT: This is specifically the business case.

Mr YAN: You did not say that in your question. Can you state your question again, please?

Mr SMELT: The business case project for the duplication of the Stuart Highway—we have just taken on notice how much of that has been spent—why has this urgently needed project not progressed, seeing as it was announced in 2024?

Mr YAN: I do not know if we specifically said it was an urgently needed project. It is a project of significance, certainly, and of economic benefit and resilience for transport between here and Katherine. Considering what we will see in activity in the Beetaloo and beyond, I will happily pass down to Claire to provide a bit more detail.

Ms BROWN: In part, the delay in releasing the tender was in relation to the ongoing negotiations with the Commonwealth in regard to the \$200m for the duplication works. When I say negotiations, I am referring to the fact of the potential requirement at that time for the Territory co-contribution. That was, in part, the reason for that delay. That was released in March this year and is currently under assessment. We are expecting award in July this year.

Mr SMELT: I am keen to understand—we have these three major funding pools with the duplication, the flood resilience and the business case; why are these not being given greater priority for your government?

Mr YAN: I suppose I will start by answering—upgrades to the Stuart Highway are certainly a priority, but also a priority is the ability to work with the Commonwealth on how we deliver these projects and how they are funded. The federal government announced the duplication of the Stuart Highway as an election commitment of theirs leading into the federal election.

Once that project was announced by the federal government as an election commitment, we started work to negotiate with them on how it would be delivered. Normally, it is an 80/20 split as far as funding on federal roads go between the Territory and the Commonwealth. We did the work with the federal government specifically on this project to have it fully funded by the Commonwealth, being one of its election commitments, so that took some time, and I am glad we saw the outcome that we did. I thank the Commonwealth for agreeing to fully fund this project.

The negotiation that was underway with the Commonwealth took a considerable amount of time. Do I wish it went more quickly? I absolutely do, and we would probably be further ahead than we are at this point in time, but I only got confirmation that the Commonwealth would fully agree to that funding of \$200m with our co-contribution from the Territory just before the federal budget was delivered a month ago. That was part of the delay—the negotiations we did with the Commonwealth on that project.

Mr SMELT: What will be completed first? Will the business case or the first construction contract for the duplication be released first?

Mr YAN: The business case is underway. We are looking now at areas where we may start that duplication. Quite a bit of planning work has been done on one particularly section, and we will then look at what that section may cost, what is leftover and where we go next, or do we target additional passing lanes or additional duplication in other areas to provide more distance?

That is a piece of work being done now, but I know there is a commitment from the Commonwealth to move pretty quickly on this, as there is from me to move as fast as we can as a department because anyone who travels that corridor on a regular basis knows it is quite difficult at times, with the amount of road train traffic. Then you have residential and tourism traffic. We need to future-proof that corridor as best we can, looking down the track at what will take place industry wise in the Beetaloo and beyond.

Mr SMELT: Indeed, minister. That is a big concern.

Mr CHAIR: Apologies. Member for Nightcliff, we will take the afternoon tea break now. The time is 3.30 pm. We will break for 15 minutes and come back at quarter to. The Member for will have the first question.

The committee suspended.

Mr CHAIR: We are still on questions relating to the opening statement with the Minister for Logistics and Infrastructure.

Mr SMELT: To close out that discussion on the Stuart Highway, I want to confirm if construction works will commence on the duplication prior to the conclusion of the business case.

Mr YAN: My understanding is I do not think that would happen. I will pass to Claire for some clarification.

Ms BROWN: As the minister said, we are continuing to lock in what those packages are for the first lot of the the \$200m. There have been some earlier works done for particular sections. If those sections are the ones that we proceed with then yes, we would likely be able to start commencement of construction within that time frame.

Mr SMELT: They will run in parallel by the sound of it.

Ms BROWN: Yes, that body of work may run in parallel.

Mr SMELT: To pick up on something we discussed before the break, in terms of the 10-year infrastructure plan, I want to confirm—we had a few people get in touch and we checked during the break—is that publicly available?

Mr YAN: Yes, we were to clarify that. I will pass to Claire.

Ms BROWN: Apologies, what I said was incorrect. It is not a public document at this point and is not available on our website. Yes, we were going to clarify that.

Mr SMELT: When will it be on the website?

Mr YAN: We had a discussion during the break and we will take that under consideration as to what we may be able to publish as part of that plan.

Mr SMELT: Would you like to take that on notice?

Mr YAN: I do not know what I can take on notice, Mr Chair.

Mr CHAIR: For the publishing of that document, or is it just under consideration?

Mr YAN: I will take it under consideration—what I can publish.

Mr SMELT: Can you table the previous year's version?

Mr YAN: No, not at this stage. As I said, we made an error in what was said. We will now have a look at that and see what we can take under consideration and what we can table from that plan.

Mr SMELT: Is there any particular reason why that would not be published? All the previous years are all up on the website from 2023 and before that.

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Ms BROWN: There is no particular reason other than an agreement with the Commonwealth that these infrastructure plans would not be made publicly available at this point.

Mr SMELT: Another project I turn our attention to is the Tiwi Islands roads. This had an allocation of \$75m in 2019. Since then I believe we have had only one section completed. These upgrades are critical to access and economic development on Tiwi. What are the next stages? When will the construction tenders for those stages be released?

Mr YAN: You highlighted it was announced in 2019. Here we are in 2026, and we are just starting to deliver some of this stuff now. I met with the Tiwi Land Council post-Cyclone Fina to have discussions about roads and bits and pieces. It is quite difficult to have those discussions when a program was announced back in 2019 and you have only been in government for just on 16 or 18 months and you are dealing with legacy issues on these roads. The previous government should have dealt with this probably a lot faster than it did.

I will pass to Claire Brown who can give you an update on where we are at currently with the Tiwi roads.

Ms BROWN: During 2025–26 the department has progressed with the consultation with traditional owners; completed detailed design for Pirlangimpi Road, which was the next identified priority in the infrastructure corridor investment plan; and undertaken environmental approvals and gravel investigations. We are also working with the Tiwi Land Council for finalisation of the material extraction agreement which we are hoping to be finalised in Q3 of this year. We are then looking to publicly tender the package of works, which is the Pirlangimpi Road from the Threeways intersection in the third quarter of this year.

Mr SMELT: Will no construction occur this calendar year Dry Season?

Mr YAN: No. As per the advice from Claire, we are working now with the TOs on that consultation phase which I know the people of Tiwi would have liked to have seen three or four years ago. We are starting that work now so we can deliver that all too important project for the Tiwis.

Mr SMELT: Indeed, minister, it is a critical upgrade that is sorely needed. How many Dry Seasons have elapsed since the completion of the previous stage?

Ms BROWN: The Paru Road project was completed in October 2024. It would be two Dry Seasons, though we are tendering it this Dry Season for construction next Dry Season.

Mr SMELT: Can you guarantee that construction work will commence in the 2027 Dry Season?

Mr YAN: I will not sit here and give guarantees because there are too many variables. Consultation—as you probably should know, working in the department doing roads—sometimes can be complex and sometimes can be easy. I am hoping that the people on the Tiwis can work with us and get the consultation done quickly because the quicker we get the consultation completed means the faster we can get out and deliver the project.

Mr SMELT: Turning to the NT strategic roads package, this was announced by the Auditor-General with \$415m in joint funding with the 2022 budget. So far, only little of this program has been delivered. This is focused on providing access to remote communities with better year-round access and supporting the tourism industry in accessing Central Australia. How much of the \$415m program has been spent and what has it been spent on?

Mr YAN: Before I pass to Claire for a more detailed answer, I can give advice on specific pieces that I am aware of. The Mereenie Loop has been sitting on this program for I cannot remember how long. There has been a concerted effort since we came into government to work with the land council to get this program moving. I know that my manager who looks after the regions has developed some very good relationships with the land council to start progressing some of these works that have been sitting there for far too long.

The same also goes for the Santa Teresa Road. There was a very simple section done by the previous government of about nine kilometres, and then it was like the harder work that needed to be done stopped. We finally announced the next piece has gone out to tender on the Santa Teresa Road. That is due to the hard work done by the regional team in developing relationships with the land council to get the approvals across the line. It would have been nice to get it done much faster because the people of Santa Teresa have been waiting a long time for that road. It was announced, but the work just seemed to stall and not go anywhere. It is moving now.

Perdjert Street in the Wadeye community is another one. That will be a piece when we do the seal into Wadeye. That is progressing. As we said earlier, that will be going out this year, I believe. The Arnhem Link Road section between Cahills and the Central Arnhem Road is underway.

I will pass to Claire to give a more detailed picture of that program.

Ms BROWN: The program covers a number of different priorities roads, as the minister has said, Mereenie Loop, Santa Teresa, Perdjert Street, Arnhem Link Road, the Milingimbi mainland barge ramp for Ramingining and the Roper Highway.

Of the program to date there has been to 31 March \$12.48m expended. The anticipated expenditure for 2026–27 is \$30m. To date a seven-kilometre early works package on Santa Teresa was completed in February 2024. Package 1 of Santa Teresa, which is upgrade and seal between chainage 40.15 and 62.69 is tendered at the moment. That closes on 22 June, and works are expected to commence onsite before the end of this year.

The Mereenie Loop package 1 that upgrade to sealed standard between chainage 168 and 193 is also anticipated to be released this year in Q3, and that is subject to the Central Land Council clearances.

We have a design consultancy that has recently been awarded to Aurecon for detailed design for upgrade of the Roper Highway to sealed standard.

As the minister referred to, the Perdjert Street detailed design is about 95%. We are looking to tender that in the first quarter of 2027, separately to the Port Keats project which will be tendered towards the end of this year.

That is an overview of what we have spent and what we will be spending in 2026–27.

Mr YOUNG: My question is regarding the Perdjert Street upgrade. You answered part of the question where the tender will go out to 2027 in quarter 1; is that correct?

Ms BROWN: Quarter 1 of 2027, and that is obviously subject to our traditional owner approvals, but that is what we are anticipating.

Mr YOUNG: How much has Perdjert Street been costed for?

Mr YAN: We do not have the detail on costings for Perdjert Street. We are happy to take that on notice.

Question on Notice No 2.14

Mr CHAIR: Member for Daly, please restate the question for the record.

Mr YOUNG: What is the costing for the Perdjert Street sealing of the road?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.14.

Mr SMELT: This funding that has been around for five years, and we have only spent \$12.48m out of \$415m. What is holding back the vital upgrade of these roads, particularly for the Central Australian tourist industry?

Mr YAN: That is maybe a question you should ask of your colleagues who were formerly in government.

Mr SMELT: You have been in government for two years.

Mr YAN: Yes, and for two years we have been doing quite a lot of work to make sure we progress these projects that have been stalled for a long time. As I said in my remarks earlier, the remote or regional team have been doing substantial amounts of work to develop those relationships with Northern Land Council and Central Land Council, so we can start to progress these projects along.

With Mereenie there has been negotiations with the land council and TOs about access to extractables to be able to deliver that project, which has been ongoing and is an issue that we see across a number of our Territory road projects. That is why we are developing those relationships—to resolve this problem.

If we can deliver those projects for people in the bush—the people in the bush want these roads sooner rather than later. I agree with them; I want to build them sooner rather than later, but we need to work constructively with the TOs to make sure to get the necessary approvals for the corridors in the first instance, but secondly for access to extractables to be able to build them.

The same goes for Santa Teresa Road; the delays there have been negotiating outcomes with the land councils. Now that the regional team developed those relationships we are finally seeing movement after it was stalled for years. I complement the team and commend them on the work they have done to date to get those projects moving because I have been adamant that these projects need to happen—particularly if you look at Mereenie Loop. Not only does it support a number of communities out along that road corridor; it also starts to support tourism. We are at 95% design completion on that section 1, yet we have not been able to deliver it, which is difficult for me to comprehend. That is why it is important to develop those relationships and get approvals. It will then go to stages 2 to 6 on the rest of that Mereenie project.

I am so glad that Santa Teresa is now out to tender, and now we just need to do the work to get stage 2 done, which is from chainage 40 back to chainage 20. There are some hurdles to get through with CLC and traditional owners because of some sites along that corridor, but I am confident that the team will be able to work through that and get that package out soon. The residents of Santa Teresa have been waiting forever to get that road sealed. There are a number of pastoralists who use that road as well, so it is a benefit to the community of Santa Teresa and to the wider pastoral industry.

Perdjert Street is another example, and that will link in with the next part that we are doing on that road into Wadeye to provide that all-weather access to Peppi. I know how critical that is and that it needs to be done, but again, it is the relationships that we are developing with land councils to get approvals and get it across the line.

That is something that the previous government probably should have done; they probably should have pushed a little harder. I am pleased with the way the team has worked now in developing those relationships so that we can get the projects moving.

Mr SMELT: Finally, on the NT Strategic Roads Package, can you table a list of projects, the allocated funding and expenditure to date for this program?

Mr YAN: We can take that on notice to provide that.

Question on Notice No 2.15

Mr CHAIR: Member for Nightcliff, please restate the question for the record.

Mr SMELT: Can you please provide a breakdown for the NT Strategic Roads Package, the project name, total funding allocated and expenditure to date for the reporting period to 31 March?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.15.

Mr YOUNG: I picked up in your commentary that you mentioned you were looking forward to sealing the road from Wadey to Peppimenarti. Is that the case?

Mr YAN: I might have got the name wrong? Sorry, it is Palumpa. I got Peppi and Palumpa mixed up.

Mr YOUNG: You got me excited.

Mr YAN: Do not get too excited, Member for Daly.

Mr YOUNG: I have other questions.

Mr CHAIR: We will come back. We will go to the Member for Johnston and come back.

J DAVIS: I have questions from the Member for Mulka, but I also have questions for myself. I am wondering if I could ask.

Mr CHAIR: Member for Johnston, the time is yours. If you just want to state if it is a question on behalf of the Member for Mulka, that is fine.

J DAVIS: Thank you. On behalf of the Member for Mulka, apart from the remote housing program and the spending for roads, what infrastructure funding is there in this 2026–27 budget that will provide investment and development in the Gove Peninsula region?

Mr YAN: Off the top of my head, there is the \$30m investment in the cyclone shelter at Nhulunbuy. We had the roads package going ahead out there. We are just pulling together some data now. I spoke about this when I was out at Nhulunbuy with the budget roadshow. I am happy to take that on notice to provide a more fulsome response to the Member for Mulka.

Question on Notice No 2.16

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: Apart from the remote housing program and the spending for roads, what infrastructure funding is there in this 2026–27 budget that will provide investment and development in the Gove Peninsula region?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes, I do.

Mr CHAIR: The question has been allocated the number 2.16.

J DAVIS: On behalf of the Member for Mulka, has any funding been provided in this budget for the barge landing upgrades that the funding was withdrawn from last year?

Mr YAN: This has been discussed quite a bit. We are working with—I need to clarify, this was part of the cleanup of the infrastructure program that we did last year. There were a number of barge landings and other bits and pieces that were on the program with a dollar figure attached that was not relevant. Rather than leaving all that stuff on there, it made the program quite messy. We have taken those away.

The work that is happening is that we need to clarify and work out the details with TOs and the Northern Land Council, because there are a number of section 19 issues in relation to changes to the barge landings. As we work through with the land council to determine what needs to happen on those barge landings, then we will have an idea of what those costs will be. Then we can put them on program and budget for them correctly, because they had a figure on the program previously that really did not have a lot of relevance, so to clean and tidy up the program, they were taken away.

It is not to say we will not do them. The work continues on those negotiations with the Northern Land Council and the section 19 leases. Once that is done, we will have a much better idea of what costs will be and what we need to do. Once we can do that and we know what the costs are, we will put them on program and start to work through those deliverables.

J DAVIS: There is no funding in this budget because the process is that you ...

Mr YAN: No. We are still trying to work through. Sadly, this is one of those things that has been ongoing for quite some time. The barge landings have been on program for four or five years, or longer than that. It has been a challenge to reach consensus on those barge landings, so we are hoping to see that soon. Again, it is about developing those relationships with the land council so that we can have the conversations and work out what we need to do.

The communities need those upgraded barge landings. Trust me, the people who run the barges are on my case continually because they want the barge landings fixed as well. I understand that. This is about making sure we have connectivity to those remote communities through the Wet Season. Once I can work out what the costs will be—because at the moment it is unknown—we can put them on a program, cost them, put them in the budget and then deliver them.

J DAVIS: Are you working on a time frame for that?

Mr YAN: As fast as I can, Member for Nightcliff. You can tell the Member for Mulka ...

J DAVIS: Johnston, I am not Nightcliff.

Mr YAN: Sorry, Johnston, Mulka, I get confused. We are working on this as fast as we can. The quicker we can get it done, the quicker we will be able to cost it up properly and the quicker I will be able to get it on program and deliver.

J DAVIS: On behalf of the Member for Mulka, what funding is identified in the 2026–27 budget for homeland towns?

Mr YAN: That is probably a question for the Minister for Housing.

J DAVIS: On behalf of the Member for Mulka, what funding is provided in the 2026–27 budget for upgrading power infrastructure in remote communities and homelands to move away from reliance on expensive diesel generators?

Mr YAN: That will be IS, so that also is Local Government, minister Edgington.

J DAVIS: Final question from the Member for Mulka, many of the Miwatj Health Clinics operate from NTG buildings that are in need of significant renovation. Can you advise if there is any funding in this 2026–27 budget for remote health clinic upgrades or new builds?

Mr YAN: We should have some of that data, Member for Johnston. I will have a quick change of officials to be able to provide that.

In addition to that, I met with John Boffa recently. We had some discussions about some of those remote health clinics and the transition of those possibly across to the Commonwealth, in conjunction with the ACCHOs. It is something that they want to happen. I have no issue with that happening. There would be some work we would need to do to make sure that those clinics meet a standard before we could transfer the asset. It makes sense that if an ACCHO is funded federally and we are looking after the asset, the Commonwealth would like to take on the asset and then work with the ACCHO for longer term maintenance. It makes sense to me.

J DAVIS: To clarify the Commonwealth would take over the infrastructure if that happened.

Mr YAN: That is early discussions at the moment. This is something that John Boffa, who is the chair of one of the boards that deal with GPs—RAGP-something. Anyway, there was a discussion we had recently. I have been talking to minister Edgington about it as well.

I will pass to Kirrily.

Ms CHAMBERS: We have a number of health clinic projects on program. One is the Borroloola Health Clinic, which is (inaudible) clinic. We also have on program the Department of Health upgrades to the existing Umbakumba clinic, which was recently transitioned last year across to ACCHO control.

Mr CHAIR: Sorry, Ms Chambers, please turn on your microphone on.

Ms CHAMBERS: That helps. We also work closely with the Department of Health to add projects into its minor works program. There are a number on their draft program, but we are in the process of finalising those at the moment with them before we raise projects for the 2026–27 financial year.

J DAVIS: Are any of the Miwatj health clinics included in that?

Ms CHAMBERS: I could not tell you that off the top of my head.

J DAVIS: I also have some questions on behalf of me, the Member for Johnston. I am not sure whether I can ask against the opening statements? I just wanted to check. I have questions in relation to Middle Arm.

Mr YAN: I spoke about Middle Arm in the opening statement, so I am happy to take questions now.

J DAVIS: Can you confirm over the reporting period and across all budget years, what the total amount of NT Government spending has been on Middle Arm, including staff, studies, master planning and consultancies?

Mr YAN: I think we have the detail you are after here. I will pass over to Gemma.

Ms LAKE: I thought I better get on the transcript.

Our operational expenditure on Middle Arm for 2025–26 to 31 March is \$1.329m. In terms of our infrastructure spend, which is consultancies mainly around Middle Arm, total expenditure to 31 March 26 is \$26.231m.

J DAVIS: Is that total expenditure for the reporting period or total expenditure to that point?

Ms LAKE: That is total expenditure for Middle Arm.

J DAVIS: Are you able to give a breakdown specifically for what that money has been spent on?

Ms LAKE: I do not have a specific breakdown here. Most of the expenditure has been on consultancies, particularly around the environmental work we have been doing for Middle Arm. Most of it is consultancies, but if you need more detail, I will have to take that on notice.

J DAVIS: That would be great, thank you.

Question on Notice No 2.17

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: Could you provide a breakdown of the expenditure on Middle Arm to date?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.17.

J DAVIS: You referred to this Ms Lake, I understand from your data that you are currently conducting over 200 studies to inform the strategic environmental assessment. Are those studies you mentioned covered under that consultancy figure?

Mr YAN: I will just have Alan come up. Alan is looking after the Middle Arm project and can provide the detail you are after.

Mr CHAMBERS: The \$26.231m is total expenditure to date, to 31 March, this year. There are current works in progress for the strategic environmental assessment. Those works are planned to continue to the end of this year, 2026.

J DAVIS: Is it possible to have the information about who is conducting those studies?

Mr YAN: We can probably take that on notice and provide what data we can.

Question on Notice No 2.18

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: Who has been contracted to conduct those studies?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes. We will provide what data we can.

Mr CHAIR: Member for Johnston, do you accept that note from the Minister?

J DAVIS: Yes.

Mr CHAIR: The question has been allocated the number 2.18.

J DAVIS: Mr Chambers, I think you said you are expecting that to be completed by the end of this year. Is that when you will be preparing a draft DIS?

Mr CHAMBERS: The strategic environmental assessment, and all the studies to inform that, are all in progress as we speak. We are targeting to complete the data for a submission by the end of this year, ready for submission in quarter 1 of 2027.

J DAVIS: Has the stage 3 business case been accepted by Infrastructure Australia?

Mr YAN: Not at this stage.

J DAVIS: Has it previously been rejected by Infrastructure Australia?

Mr YAN: Alan will provide some detail.

Mr CHAMBERS: The original assessment that went through to Infrastructure Australia came back with some questions and queries. Some of those relate to the environmental work currently underway. That work is being looked at. The focus is, at the moment, on the environmental assessment as the critical path item.

J DAVIS: More broadly, I understand this is a big investment, takes time and you need to get it right, what is a specific measurable definition of success for Middle Arm? By what date do you expect to be able to demonstrate it?

Mr YAN: I do not think I will answer that question at the moment. Currently our focus is the strategic environmental assessment. To get that through will be a key point in what the next steps will be. Once we get that assessment we will be able to determine where we go to from there and what mitigating factors and other measures we will have to put in place. A lot of it will be determined upon the outcomes of the environmental assessment.

J DAVIS: Noting there has been significant, as well as our investment, Commonwealth investment in this—I think your own website describes Middle Arm as a key to rebuilding the economy. I guess saying that we hope it will happen. People who are asking me to ask this question want something stronger than that, given it has gone on for a long time. The business case has been rejected more than once, from what I understand. There is no-one signed on, no final investment decision and no construction contract signed, from what I know.

I think I have heard you say that we cannot answer yet. What is going to happen?

Mr YAN: I go back to the environmental assessment, which will be a key piece that determines the next part of work and the mitigation measures. The environmental assessment will determine what mitigations will need to be put in place, what can be done and where, what work will need to be done to be able to start developing Middle Arm.

I know there are 'do not deals' in place, I believe, through the Land Development Corporation. There are proponents there ready to go. The key piece is that environmental assessment. We need to do that and get it right. From that piece of work we take the next steps as to what we can do, where and how on Middle Arm. It takes time. You are right, we do have to get it right. The work is being done now and we will submit that, as said, at quarter one next year. Hopefully we will get a response back fairly quickly on that and we can take the next steps.

J DAVIS: What is the contingency plan if this cannot go ahead, given the significant public investment already gone into it, and other issues we have dealt with, with Major Infrastructure. At what point is there a line in the sand of saying we are going to continue with it or not?

Mr YAN: That is a bit of a hypothetical at the moment. I cannot answer a hypothetical.

J DAVIS: Is there a business case for Middle Arm?

Mr YAN: The business case we are doing sits with Infrastructure Australia which is the body that holds the funds for the development of Middle Arm. That business case has come back because we need to get the environmental assessment done and get it right.

One is contingent on the other. The environmental assessment will then feed into the business case for Infrastructure Australia. It will then look at it holistically. It holds the dollars for the investment. It will determine where we go from there.

J DAVIS: I am not sure if this is under your portfolio, but I have some questions about the D2 data centre.

Mr YAN: DCDD—that one over there.

J DAVIS: They are infrastructure-related questions.

Mr YAN: Is that the one over here?

J DAVIS: Yes.

Mr YAN: That is private sector. We do not have any involvement.

J DAVIS: My question was in relation to whether Infrastructure has any involvement in relation to—this may not be a question for you either—energy and water use for that data centre.

Mr YAN: That would be a question for the government-owned corporations next Thursday. The land would sit with Lands, Planning and Environment, so Minister Burgoyne. It is a private sector investment, nothing to do with DLI.

J DAVIS: Briefly, while I have the mic, I have been asked by many of my constituents to ask about the Casuarina bus interchange. Many people have raised with me issues. They are unhappy about the changes to the bus interchange; that it is inconvenient, not weather-proofed, people have to walk across big areas to change buses. Has there been any evaluation of the impact of that on public transport users?

Mr YAN: We are looking at what is taking place with the Casuarina interchange. On another hand there are a lot of people who are happy that it is closed because it has dealt with a lot of antisocial behaviour and removed it and a lot of issues at the interchange. While some people are happy, some people are upset and inconvenienced by it. However, overall we have seen a reduction in antisocial behaviour in that area.

We are doing some work now on how timing works. We had some problem with buses pulling out where they are not supposed to. The department is working with CDC to try to remedy that. We have some other ideas that we may work through.

To provide an idea on what the changes have been this is data for transit officer jobs from 27 October 2024 to 31 March 2025 compared with 27 October 2025 to 31 March 2026. The total jobs at Casuarina bus stop for transit officers in 2025 was 6,467. That has now decreased to 1,010. Disturbances in that area have gone from 360 down to 119. Welfare checks have gone from 85 down to 19. Violent disturbances have gone from 154 down to 28. Alcohol and drug-related interactions have gone from 751 down to 91. Assist public instances have gone from 590 down to 77.

J DAVIS: I appreciate that. From people I know who use that area, they are strongly feeding back to me that antisocial behaviour around the bus stops has moved, not ceased. It has now moved to areas close by and those issues continue. Thank you for the update.

My last question is about underground power—one of my favourite subjects—as my constituents continue to ask me about it. We have heard frequently that underground power is too expensive to continue with, so what consideration has been given to looking at new technology, such as community batteries, solar panels or offering some form of grants to homeowners in older suburbs without underground power, to look at alternative power sources that don't pose the same risks as overground power?

Mr YAN: I am not sure that is a question for me. Underground power sits with Power and Water Corporation, and the energy side sits with the Minister for Mining and Energy, Mr Maley. He is here tomorrow; that would be a question for him.

On the underground power—I have spoken at length about this in the Chamber because the previous government had allocated \$60m for a project that was going to cost probably closer to \$600m or \$700m. If we are going to do that, it needs to be properly costed and rolled out. We are not in a financial position to be able to do that and neither is Power and Water.

If the debt position was not what it is, we may be able to look at a staged approach over years—you also have to have underground HV with LV. The previous submission was only around HV and you need economies of scale to do them both together, otherwise it becomes cost prohibitive.

Power and Water will be able to tell you much more about that than I can.

J DAVIS: I am particularly interested in looking at alternatives rather than options that may not be viable for us.

Mr O'GALLAGHER: I think one thing we can all agree on is that the strategic development of our regional roads is really important to the future of the NT and its economy. On that basis, can you give me an indication of what proportion of your road funding budget is allocated toward regional roads as opposed to urban roads.

Mr YAN: I think that the largest portion of our road program is appropriated to regional roads. If you look at our entire infrastructure budget, as I said earlier, the majority of our spend within DLI is in our regions and remote areas; upwards of 60%.

Mr O'GALLAGHER: So close to 60%?

Mr YAN: Regional roads, when we look at it, are well over 60% to 70% of our total infrastructure spend on roads. They are all big roads—we spoke about it earlier—we are talking Tanami, Carpentaria and the Plenty. We are now spending money on Santa Teresa, we have an upcoming budget for Mereenie—but then we start to move into the Top End roads; Central Arnhem, the road to Wadeye, Buntine Highway and Buchanan. All those major roads in those regions service remote communities and our pastoralists. The majority of our road spend is going into our regional roads, not specifically into our urban roads.

Mr O’GALLAGHER: I noticed in your speech that you indicated wanting to get a lot of those roads happening as soon as possible, but you also said that there is a range of variables going on, such as negotiations with the Commonwealth, land councils, TOs and so on; a whole range of parameters. Is it naive for someone to ask you for a car-sign guarantee of when it is all going to happen?

Mr YAN: Absolutely. I would love to be able to give guarantees to everybody of when we are going to deliver this stuff; I really would. But it is not responsible to do that, and I want to be as open and honest with people as I can when we look at delivering this stuff. I will not deliver a promise saying I will deliver a road next year when I know there is a possibility that I cannot.

There are a number of complexities, particularly on the road program, where we need extractables to build those roads and renegotiate section 19 corridors because the minute we go from a narrow dirt road to twin lane seal, the width of the corridor expands greatly. We are working with TOs on the section 19 leases to deliver those corridors, and it takes time. Sometimes it is easy to get TOs together to agree and make a determination under section 19 lease; sometimes it is hard to get everybody together because there are so many variables in the bush.

That is why I cannot give a cast-iron guarantee that I will deliver this right now. When I have a budget, we make sure we allocate a budget for these projects, but the next part is delivering on that package based on negotiations we must have in certain areas. I could use the Stuart Highway as an example as in we may be able to do some of that fast because the corridor for the Stuart Highway is extremely wide because it is a national highway, so we may be able to do stuff in that corridor. We may need to do some AAPA approvals, but we may not have to get specific compliance with TOs because the road corridor is already approved.

The difference will be extractables. The key thing that delays most of our projects is getting access to gravel to build these roads; it does not come from nowhere. Most of the time those extractables are on custodian land. We need to work closely with them to make sure that we can get the extractables to build those roads.

Mr YOUNG: I appreciate the question from the Member for Karama. I am trying to get an understanding of when the tender will be released for the sealing of Port Keats Road from Wadeye to Palumpa and when works will start for the sealing of that road?

Ms BROWN: We are anticipating that the tender for the Port Keats Road upgrade will be advertised in quarter 3 of this year, with the construction contract expected to be awarded hopefully by the end of the year and project completion in 2030.

Mr YOUNG: When will the construction start on the sealing of the road?

Ms BROWN: If we award it by the end of this year, we will expect construction to commence in the Dry Season of next year.

Mr YOUNG: Will that be ...

Ms BROWN: In 2027.

Mr YOUNG: Yes, 2027. Will it be the first quarter or Q2?

Ms BROWN: Potentially Q2.

Mr YAN: It will depend on the Dry Season and Wet Season. For the Wet Season we just had we were still having a Wet Season in May—it rained yesterday, go figure. If we get some normal weather patterns, hopefully that work will commence asap.

Mr CHAIR: We will now take a short break and recommence at 4.45 pm.

The committee suspended.

Mr CHAIR: We will recommence questions on the opening statement with the Minister for Logistics and Infrastructure.

Mr YOUNG: I just have one question, then I will hand back over to the shadow minister. You are the Treasurer, Minister for Logistics and Infrastructure and Minister for Housing Construction. We have seen widespread flooding across the Northern Territory. I am trying to gather, in my electorate in particular, what communities you have visited since the water has receded from Nauiyu to Wooliana Road, Douglas Daly, Palumpa and Darwin River.

Mr YAN: I have not made it anywhere in the Daly during the flooding events. The only place I visited, post a flooding event, is Katherine. I have not had a chance to get anywhere else yet. In saying that, I have been in constant contact with businesses and people I know down in the Daly region, particularly around Wooliana, to check in and see how they are going, and I get regular feedback from them amongst others and people we have on the ground.

Mr SMELT: The construction industry needs certainty. Regional communities need certainty. Businesses, contractors, tradies, apprentices and suppliers all need to know what work is coming up, where it is coming and when it will be delivered. We talked earlier about the 10-year plan and what will be in that. Will you publish a regional pipeline of projects for each region for that 10-year period?

Mr CHAIR: We can ask questions of current policy and its application, but we cannot ask the minister to announce anything new on behalf of the government.

Mr SMELT: In terms of the pipeline that will be published, will that be broken down by region for the 10 years?

Mr YAN: We publish that larger piece. The department advises me that we can break that down by regions.

Mr SMELT: Will that plan include funding, commencement dates and completion dates for each of those projects?

Mr YAN: We already have the Territory-wide piece that we put out. If we did anything for the regions it would mirror what is in the whole-of-Territory one. Whatever is in the large Territory one, we would mirror that if we did something specifically for the regions.

Mr SMELT: We are still waiting on this pipeline. No pipeline or 10-year plan has been published under your government to date. Is that correct?

Mr YAN: No, I do not agree with the premise of that question, Member for Nightcliff. There is a pipeline of works going out the door all the time. I will pass over to the CEO, Gemma Lake, to provide some detail on that.

Ms LAKE: In relation to the infrastructure plan of pipeline document, we have a KPI in BP3 to deliver that annually. Before my time, but it was not delivered in 2024 because it was an election year and we were waiting for the outcome. During 2025 we were working through government's infrastructure program. We also collect a lot of data for that pipeline document, including from the private sector and local councils. We were pulling that together last year.

For 2026 we are on track to develop and provide the infrastructure plan of pipeline by 30 June.

Mr SMELT: To confirm, there are two separate documents. We will have a plan in pipeline in June and then a 10-year infrastructure plan in September?

Ms LAKE: I can clarify that for you, Member for Nightcliff. There is an infrastructure strategy document. There is also an infrastructure plan in pipeline document. They will be by 30 June. Then, I think it is called the Land Infrastructure Transport Plan; I probably do not have the name right. That is the one that we look at annually. That is due for September.

Mr SMELT: Confirming both those documents will be published?

Ms LAKE: The strategy, yes; the plan in pipeline, yes. The third one, as the minister mentioned, is under consideration.

Mr SMELT: That is one of the biggest bits of feedback we have been hearing from industry and regional businesses that they do not understand what the pipeline looks like, when it will be. We are awaiting for that document to be published.

We will now look at revote. In terms of the current budget, what is the total value of capital works projects revoted into the 2026–27 budget?

Mr YAN: I will ask Donna Moore, the CFO, to provide detail on the question.

Ms MOORE: Could you please repeat the question?

Mr SMELT: What is the total value of capital works projects revoted into the 2026–27 budget?

Ms MOORE: The estimated revote incorporated into the 2026–27 budget is \$3.517bn.

Mr SMELT: How much of that revote relates to projects in budgets under the previous Labor government?

Mr YAN: You would understand, as everyone in the room would understand, that a lot of these projects, particularly if you look at our roads projects, they will be developed as part of the road infrastructure program longer term. They will cut across from your government to our government. A lot of the projects will cut across both.

I do not have the detail here on what was in program when you were in government versus when we are in government and what that revote is. I am happy to take that on notice and supply it. No, a lot of these larger programs, particularly road programs, cross multiple years—three, four, five years. If you look at Tanami, that has been ongoing for quite some time.

Any detail there needs to be understood as the larger projects go over long periods. They will cross over successive governments whenever they change.

Mr CHAIR: Before we go to a question on notice, Member for Nightcliff, noting the terms of reference of the timeframe this committee can go into, are you asking about revote in the period that we are looking at?

Mr SMELT: This is looking at this year's budget in terms of what proportion of that—sorry, what is the value of the current budget that has been rolled over from the previous government.

Mr CHAIR: I will leave it with you, minister. It does go out of the terms of reference.

Mr YAN: I agree. I do not think it fits with the premise of what we are looking at, whether it is the last financial year versus this current financial year. I am happy to provide the detail on projects from last financial year to this financial year as far as revotes go.

Mr CHAIR: I hand back to the Member for Nightcliff.

Mr SMELT: Just to confirm, Mr Chair, was that taken on notice?

Mr CHAIR: No, it is out of the terms of reference. Part of the question is going back to the previous Labor government's commitments, which goes out of the terms of reference of the committee.

Mr SMELT: When the government talks about the size of its infrastructure program, does that include the revoted projects from previous years?

Mr YAN: The program includes revote from the previous year. Not all projects, as you know, can be delivered in one particular year. Some of these larger projects, particularly the road projects which are large construction projects, are multiyear projects. They will go over multiple years and be revoted in. I think this was raised recently in parliament about money still sitting on program for the Mandorah jetty. That was a multiyear program, and there is still money sitting there from remediation and stabilisation works of the old jetty. Also, that program has gone over multiple years and will sit there in the next financial year. You will see bigger projects sit on the program and roll over year on year because they take longer than one year to deliver.

Mr SMELT: What are the genuinely new infrastructure projects in the 2026–27 budget?

Mr YAN: We have that detail. I can rattle a couple off the top of my head. For new major works, I have a budget total of \$612m for financial year 2026–27, a new minor works budget of \$124.4m for 2026–27. Some of the items included in that \$612m of major new works include the \$60m road asset modernisation program; \$7m for the Kirkland intersection; \$110m for the Palmerston special school; and the \$124m in minor new works.

Mr SMELT: Would it be fair to say that a significant part of this budget is not new infrastructure, that the absolute bulk of the budget is projects carried forward from previous years that have not been delivered.

Mr YAN: I think I have explained a couple of times now that bigger projects take multiple years. I will use the new project on program now: the Palmerston special school. There is \$110m for that, and I will not be able to deliver that, nor can the department, in one year. That will go over multiple years. You will see the \$4.2bn program for DLI run over multiple years. I do not think that many larger projects are deliverable in one year, so yes, there will always be a large component of revotes.

This is the same for all governments. I remember sitting in Estimates and asking the same question of the previous Labor government. I am effectively giving the same answer as them in some respects, although our program is probably more deliverable than the previous program was, because they were just rolling over announcements, but we are rolling over projects that we can actually deliver. Those longer-term larger projects take more than one year to deliver so they will always rollover into the outer years. That is the way the program works. It is then how the program is cashed year on year, as to how that is then delivered.

Mr SMELT: It is great you have had that enlightenment of coming into government, but what are you going to do to reduce the amount of revote that you were previously railing against?

Mr YAN: We have already done that work. We took the previous infrastructure program at \$5.2bn, of which over \$1bn was just announcements, and paired that back to what we are actually going to deliver.

When I responded to the Member for Johnston about barge landings, that is a very prime and practical example of how we have cleaned up the program to make sure we are not putting stuff on there that cannot be delivered or is just revoted year on year. We have a program that is clean and tidy. We cannot deliver the barge landings at the moment because we do not know what the cost is going to be. When we work out with the traditional owners and the land councils what a section nine release is going to look like, and we know what it is are going to cost, we will put them onto the program, cash them and put them into the budget, and we will deliver them.

We have done the work already. We did that in the first year we came into government. We looked at the infrastructure program which was just announcement after announcement with a fallacy dollar figure put against it, revoted every year, and announced by the previous government as the biggest infrastructure program on record. It was the biggest revote on record because it was projects that were not going to be delivered, probably could not be delivered or were never going to be delivered, with costings against them that were not realistic.

The work was done when we came into government in 2024. The first thing I did was sit down with the team at DLI, look at the program and asked, 'What can we deliver and what are just announcements?' Then we cleaned up the program. We now have a realistic infrastructure program that we know we can deliver, cash appropriately and deliver as required within reasonable timeframes. Then we look at what we are going to do next, barge landings is a good example. Once we know what those costs will be, we will put those back onto the program, cash them appropriately, put them into the budget, and we will deliver.

We are not going to do what the previous government did: just make an announcement, put out a press release saying we are going to build this for \$20m, jam it on the program and it sits there for five to six years. That is madness, and it is not being honest with the people of the Northern Territory. That is why we cleaned the program up and why we are delivering the program the way that we are.

Mr SMELT: If that is the case, and you have cleaned up the program, does that mean the revote is going to continue to drop every year under your government?

Mr CHAIR: I will let that through.

Mr YAN: The revote will fluctuate, and it always will, based on what comes on program and what comes off program. As projects are delivered, they will come off program, and as new projects are approved, they will go onto program. The revote will always change. Some years it is going to be lower, some years it is going to be higher, depending on what the program looks like. As we see, some of the big road projects come off once they are completed and fade away, such as Tanami, will something else take its place? That has not been determined at this point in time. Will it be as big as Tanami? Maybe not. That will change the revote figure. To say it will be larger or smaller, yes it will be, depending on what is on program and what the revote happens to be. There is no definitive answer to what the revote is going to be. It will be based on what has been delivered, what is then coming onto program for delivery, and it will continually change.

Mr SMELT: When you cancelled the Aboriginal and Torres Strait Islander Art Gallery of Australia, you did not just cancel a project, you cancelled what had been described as ‘the most significant infrastructure investment in Central Australia’. You said that alternative funding options would be considered to support arts, culture and the broader economy of Central Australia. Central Australians are entitled to know what the cancellation costs were, what repayments had to be made and what replacement projects they will get.

At the time you cancelled the project, how much had been spent on it?

Mr YAN: I think I have been quite public about our spend on ATSIAGA. I will talk about that particular project; it goes to the heart and core of the way the previous government was delivering infrastructure projects.

There was \$80m put up by the Territory government, and it was matched by the Commonwealth for the delivery of the ATSIAGA. We found out when we came into government that the project and plans to deliver that gallery would cost in excess of \$300m. Labor knew this, but it was still progressing down the road.

This goes to the heart and sole of project delivery. The budget was allocated \$160m, but Labor was prepared to push on and spend \$300m-plus on this project. Where would the money come from? I have always asked. It meant it would be borrowed from somewhere. This is money that cannot be used to do other things.

When we got into government we looked at the project, found out what it would cost, spoke with Sitzler and were lucky enough to be able to stop future construction because they had not moved to the next phase. We went away and redesigned the gallery to fit within the budget we had. That is what responsible governments do. I will not throw an extra couple hundred million dollars at something when we do not have it.

We got the redesign done on the gallery and made the commitment to save Anzac Oval, which we did. With the plans we had, we looked at how we would fit on that site, and the work was gone to do that.

The federal Member for Lingjari did not like the project plan or design, then went to the federal minister and said that she did not agree with it. That created problems for the release of funding. This went back and forth for a number of months. At a point in time, you have to draw a line in the sand, Member for Nightcliff. I did not have the money, the federal government would not stump up any more money, so the decision was made to cease progression on ATSIAGA. I could not justify borrowing probably an extra \$200m to deliver that project.

The total expended cost on project inception in 2020 to 31 March 2026 was \$23.14m.

Mr SMELT: Can you provide a breakdown between Australian Government and NT Government for that \$23.14m?

Mr YAN: That is quite easy. The \$23.14m was all Northern Territory money. We did not use any of the federal government money.

Mr SMELT: Were there any termination payments paid to the contractor to cancel the project?

Mr YAN: No, there was not any cancellation payments required.

Mr SMELT: If it was a fifty-fifty joint funded project, how come the feds did not stump up half of the \$23.14m?

Mr YAN: It was not required to at that stage. Your government was in the planning stage of ATSIAGA, and part of that included the compulsory acquisition of Anzac Oval. The federal government had not put any money into it at that stage. There would have been progress payments should construction had commenced, which it did not.

Mr CHAIR: Member for Nightcliff, I will let you continue in this line of questioning, noting that the Member for Johnston has a question as well.

Mr SMELT: Minister, in making that decision, did the government receive any legal advice before cancelling the project?

Mr YAN: I am not 100% sure that we did or did not. I remember there was some legal advice but I am happy to take that on notice.

Question on Notice No 2.19

Mr CHAIR: Member for Nightcliff, please restate the question for the record.

Mr SMELT: Did the government receive legal advice before cancelling the project.

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.19.

Mr SMELT: With that advice, which you will take on notice, do you know if that identified any penalties or compensation payable?

Mr YAN: I cannot answer that because I am not exactly sure whether we received advice or not. If I knew that I got advice on penalties from legal I would have told you in my last response that yes, I did receive legal advice. It is a bit hard to answer that question.

Mr SMELT: You quoted an ABC article as saying you did not want taxpayers burdened by potentially significant penalties if the project continued to be delayed. What were those penalties you were referring to?

Mr YAN: I obviously made the comment that I did not want us burdened with penalties. We were not burdened with any penalties when we stepped away from that commitment.

Mr SMELT: Those penalties were avoided by cancelling the project?

Mr YAN: We did not have to pay any penalties to Sitzler when we cancelled the project. I stated that in the previous answer.

Mr SMELT: When you cancelled the gallery you said alternative funding options would be considered to support arts, culture and a broader economy of Central Australia. Can you tell us what those alternative projects are?

Mr YAN: At the time I talked about providing some assistance to Araluen Arts Centre which needs a little love—that is for sure; it has been neglected for far too long, particularly since ATSIAGA was first spoken about in early 2016.

Because it was a CLP commitment then, the government since then probably was not investing where it should have into Araluen, based on the fact that it was to deliver on the ATSIAGA. That time line is quite telling. This was announced by the CLP in 2016 and the decision was made to cease future works on the ATSIAGA in 2024.

That is eight years it sat with the previous government and it still was not delivered. Those were eight years when Araluen did not get the funding that it should.

We made those commitments for investment in Alice Springs in other areas—the Gillen Oval, the multicultural centre and Schwarz Crescent. We are still investing into our community, along with our commitment to grant funding to council and Tourism Central Australia.

Mr CHAIR: Member for Nightcliff. I will give you the last question on this line, then we will go to the Member for Johnston.

Mr SMELT: To wrap on that, with the Araluen Arts Centre, can you describe what is the nature of commitment, when will it be and how much is it?

Mr YAN: That has not been decided as yet.

Mr SMELT: There is no currently committed replacement projects for ATSIAGA?

Mr YAN: No.

J DAVIS: A question on behalf of the Member for Mulka. What was the overall cost for all prison infrastructure in the NT in the reporting period?

Mr YAN: We have that question here. I thank our team for their work over the past 12 months.

I believe we have delivered 1,092 additional beds into the correctional arena over the past 12 months, which is a phenomenal effort. When you consider that both prisons—Alice Springs and Darwin—have been overcrowded for quite some time; Alice Springs particularly. I know this from experience. There was very little investment into additional beds within Corrections. I know that Corrections had been asking the previous government year on year to invest into Correctional Services, knowing that they had bed pressures. It got to the point where we saw prisoners housed in watch houses, both in Darwin and Alice Springs. At least the work is being done now to get those prisoners out of those watch houses and into more appropriate settings.

Expenditure for 2025-26 to 31 March has been \$54.571m.

J DAVIS: Are you able to provide a breakdown across each prison including Youth Justice facilities? I am happy to take this on notice is needed.

Mr YAN: I would have to take that on notice.

Question on Notice No 2.20

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: Could you please provide a breakdown of infrastructure spending across each prison in the Northern Territory including Youth Justice facilities?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.20

J DAVIS: How many times has the occupancy permit increased over the reporting period for each of the detention facilities?

Mr YAN: I am not sure that is a question for me. That might be a question for the Minister for Corrections.

J DAVIS: Are you sure? I do not want to get bounced back.

Mr YAN: Can you repeat the question for me?

J DAVIS: How many times has the occupancy permit been increased over the reporting period for each of the detention facilities?

Mr YAN: Yes, that is not...

J DAVIS: That is not an infrastructure question?

Mr YAN: No. We build the facility, but then we do not have anything to do with it after we have built it; we give it away.

J DAVIS: You do not manage the occupancy permits?

Ms LAKE: We do, but we would have to take that on notice.

Mr YAN: I stand corrected. Yes, I am happy to take that question on notice. I just learnt something.

Question on Notice No 2.21

Mr CHAIR: Member for Johnston, please restate the question for the record.

J DAVIS: How many times has the occupancy permit increased over the reporting period for each of the detention facilities?

Mr CHAIR: Minister, do you accept the question?

Mr YAN: Yes.

Mr CHAIR: The question has been allocated the number 2.21

J DAVIS: What modelling has been done to predict what upgraded and expanded prison infrastructure will be necessary should imprisonment continue at the current rate?

Mr YAN: I suppose that first and foremost, as part of the prison master plan, we have the first 20 prisoners now in Katherine. We are working toward construction of that work camp in Katherine. The second part we are working toward at the moment is a work camp in Darwin. I think it is 197 beds—192 beds here to relieve some of the pressure that we are seeing. I announced in the budget last month that we put \$15m aside to start doing the work to look at the bigger piece should we need another Corrections centre; what size and design to cater for what type of prisoner. There is \$15m in the budget for next year to start that work on what that design, capacity and capability might be.

Modelling is being done through Corrections and Treasury to inform the master plan that we have at the moment. We will now do the next piece of work to determine, should we need another facility, what size is needed, what type of offender would be housed and where it would go. It is a large piece of work. That work is commencing as we speak.

J DAVIS: Can you advise what the total cost of the master plan has been to date?

Mr YAN: Expenditure to date on the Corrections master plan has been \$100.488m, as at 31 March 2026.

J DAVIS: Does that include the \$15m you just quoted?

Mr YAN: No. That is additional. That is in next year's budget to inform the planning for a new facility.

J DAVIS: Can you say that figure?

Mr YAN: It is \$100.488m.

Mr SMELT: I pick up from a conversation on the housing program earlier today. Regarding the federal government's \$50m for the 100 houses under the Social Housing Accelerator program, can you confirm that you are only building 52 out of the 100? Is that correct?

Mr YAN: I will ask Ryan to provide that detail.

Mr COPPOLA: To go back to what we discussed previously, yes, that is correct. Fifty-two houses are the number of houses being delivered by DLI, noting that we have a portion of the overall agreement allocated to the Northern Territory Government. There is a portion of houses which are being delivered by, or through, the Department of Housing, Local Government and Community Development in addition to the 52 from DLI.

Mr SMELT: Will the other 48 be delivered under Minister Edgington's department?

Mr COPPOLA: I cannot confirm that number. Housing would be best to confirm what they deliver.

J DAVIS: This is in relation to Middle Arm. The expenditure in this period and then the whole expenditure, could someone clarify that number for me? I wrote down \$26.21m for the entire period ...

Ms LAKE: The whole-of-life total expenditure to 31 March was \$26.231m. The operational expenditure for this financial year to 31 March was \$1.329m.

Mr YOUNG: You stated earlier that you had not visited any communities affected by floods in my electorate from Nauiyu to Wooliana Road to Douglas Daly to Palumpa to Darwin River. Given that you are the Treasurer and you are making budget allocations, why have you not shown up to those communities affected by the floods?

Mr CHAIR: We are in DLI ...

Mr YOUNG: As the minister for Infrastructure.

Mr YAN: I am not sure how that relates to Estimates, but I will provide an answer where I can. I have a lot of experienced and professional people who I value and trust their opinion. I have a number of members—Mr Walding, my CEO and other officials—who have been down on the Daly, as well as people from Chief Minister and Cabinet. I get firsthand reports from people who are there, providing advice to DLI on what works need to be done, working with our contractors to develop plans for repairs and maintenance and whatever work needs to be done.

I rely on the advice of those people. They are professionals and very experienced in what they do. Would I like to be there to see some of that stuff firsthand? Certainly, I would. Unfortunately, time constrains me a bit. I do not get to where I would like to be all the time, and that is why I rely on the advice of the professionals. I believe at the moment we have an agency representative there from Chief Minister and Cabinet who works in conjunction with our DLI representatives, providing regular reports back to the CE and deputy CE. They are reporting back to me on a regular basis.

From that reporting, I get a clear picture, particularly on the DLI side, of works required, looking at roads and infrastructure, and then getting contractors on the ground to start delivering those works. I always say I want to mark one eyeball on everything where I can, but unfortunately I sometimes cannot. I rely on the professionals I have working with me, and some are at the table today, providing me with advice. I value and respect their opinion and advice, particularly in relation to road infrastructure.

I am no expert on roads; I am pretty good at driving on them, but I am not that great at fixing them or understanding what needs to be done. Again, if you look at Wooliana Road, which I use as the example, we have a roads team within our infrastructure team who go there and look at those roads, see what can be done and provide that advice through the agency and to me so that I can make informed decisions on what needs to be ...

Mr YOUNG: Thank you, minister. No-one has ...

Mr YAN: I have not finished my answer yet, Member for Daly. Then they provide that advice to me so that I can make informed decisions on what works need to be done, what contractors we may need onsite and what expenditure will possibly be needed on those repairs.

I thank the team for all the work they have done over the past season, dealing with two cyclones and the flooding events.

Mr YOUNG: You are repeating yourself now. My concern is—no-one is questioning the value of the department. It is concerning that the Treasurer does not care about the people of the Daly region ...

Mr CHAIR: Member for Daly!

Mr YOUNG: ... and you have not even bothered to go there and see it for yourself to have an understanding.

Mr CHAIR: It is not the time. We have gone through a whole day with a very disciplined committee. Let us keep it that way for the final minute.

Mr YOUNG: He is repeating himself, Mr Chair.

Mr CHAIR: So that we do not cut off in the questions or in the answers, minister, you have one minute for any questions on notice.

Answer to Question on Notice No 2.9

Mr YAN: I have an answer to Question on Notice 2.9 in Output Group 9.0. The question was about the contract panel for the remote housing program, how many contractors appointed to each of the different panels.

For the period panel contract T23-1940 Northern Region, blockwork construction dwellings, extensions, refurbishments and upgrades, 16 contractors; T23-127 Southern Region, blockwork construction dwellings, extensions, refurbishments and upgrades, 15 contractors; T23-1912, Northern Region, panel contract design to construct storage and insulation in modular housing for a period of 36 months, it was 15; T24-1028 Southern, panel contract design to construct storage and insulation in modular housing for a period of 36 months, 10 contractors.

Answer to Question on Notice No 2.10

Mr YAN: This is the second question on notice we have an answer for. It is question number 2.10 under output 9.

The question was: how many work packages and housing projects have been allocated to each panel under the remote housing program?

The answer is that as at 31 March for T24-1027 southern region: blockwork constructed dwellings, extensions, refurbishments, upgrades—five requests for quotations and five projects awarded.

For T24-1028 southern, panel contract design and construct, storage and installation of modular housing— one request for quotation, one project awarded.

For T23-1940, northern region: blockwork constructed dwellings, extension, refurbishments and upgrades— 11 requests for quotation, 11 projects awarded.

T23-1912, northern region: panel contract design and construct, storage and installation, modular housing— three requests for quotation and three projects were awarded.

Each project awarded and noted in this response equates to one work package released under each request for quotation/project award. Works packages may contain numerous houses to be delivered as a works package.

Mr CHAIR: That concludes consideration of outputs relating to the Department of Logistics and Infrastructure. On behalf of the committee, I thank the Treasurer for appearing before the committee today, and all the officers who provided advice.

Minister, I will give you a brief moment to thank your staff before concluding Estimates.

Mr YAN: I thank my entire team here from DLI who, again, have put in significant work preparing for Estimates. When you look at the level of detail in the briefs we had before us, it is quite high. Before I was interrupted before, I wanted to thank the team for the work they have done.

Over the past six months, looking at the weather events we had with floods and the two cyclones, they have gone above and beyond to get out there and make sure they were doing the work needed for Territorians, to get communities and roads open and keep people safe across the Territory. I thank the team wholeheartedly for that.

Mr SMELT: Mr Chair, on indulgence, could I endorse that sentiment from the minister. As someone who has been involved in Estimates preparation, I know it is hundreds of staff and hundreds of hours to prepare all of that. I thank them and appreciate the work that has been put in.

Mr CHAIR: On behalf of the committee, thank you to everyone who came in today as well.

That concludes Estimates hearings for today. Hearings will recommence at 9 am tomorrow, Thursday 11 June, with questions of the Minister for Agriculture and Fisheries.

The committee suspended.

DRAFT