

Estimates Committee 2010
Questions Taken On Notice

(11/06/2010 to 18/06/2010)

Date: 15/06/2010 Output:
Sub Output:
Subject: Ord - Job Development

From: Mr Adam Giles to Hon Malarndirri McCarthy
Regional Development

4-9
Question: Minister, can you please provide details to the Estimates Committee what the future developments and opportunities are for the Northern Territory in relation to the Ord - job development, expenditure, time frame, resources.

Answer:
Answered On: 06/08/2010
Answer: Page 2 of 2

ESTIMATES COMMITTEE
Questions Taken on Notice

Date: 15 June 2010 Output: 1.0 Local Government, Regional and
Community Services
Sub Output: 1.2 Regional Development

Subject: Answer to Question on Notice 4.9

From: Member for Braitling To: Hon Malarndirri McCarthy MLA

Department of Housing, Local Government and Regional Services

Number: 4.9

Question: Can you please provide details to the Estimates Committee what the future developments and opportunities are for the Northern Territory in relation to the Ord – job development, expenditure, time frame, resources.

Answer:

The Department of Resources is the lead Northern Territory Government agency on Ord Stage II responsible for all matters relating to possible engagement by the Territory in this project

Ord Stage II, which was officially launched at Kununurra on 14 May 2010, will increase the Ord River Irrigation Area from 14 000 ha to 22 000 ha on the Western Australian border with the Territory. Cropping of the new areas is scheduled to commence in 2013.

The West Australian Government has allocated \$220 million while the Commonwealth has committed \$185 million as part of a broader East

Kimberley focus including Wyndham, Halls Creek and Kununurra. This will include a hospital upgrade, rehabilitation centre, aged care, environmental health and a sobering up shelter, and educational investment in early learning centres, teachers college and schools. The West Australian Department of Regional Development and Lands has stated that participation by the Territory in Ord II would be of advantage to regional development, with a potential additional 16 000ha of Territory land, providing sufficient scale for development of major crops and supporting infrastructure. The upgrade of the M2 channel is designed to allow sufficient water for the areas of potential irrigation on the Weaber, Keep and Knox River Plains in the Territory.

In 2008 the approximately 12 000 ha of irrigation in the Ord River Irrigation Area grossed returns of \$96 million. This was based on a water allocation of 335 gegalitres (3 per cent of the storage in Lake Argyle). Sandalwood occupies 34 per cent of the land with the remainder being horticultural and field crops.

Under the Ord Final Agreement with the Mirriuwung Gajerrong Corporation (MG Corp), native title issues have been addressed and the MG people receive a range of benefits including land and employment and training opportunities. The construction tendering process is weighted 40 per cent to indigenous employment and engagement. Under the endorsed Aboriginal Development Package MG will be assigned 5 per cent of the land as part of the agreement and can choose 7.5 per cent for purchase at market rates.

The CEO of MG Corporation, David Saunders, advised that Mirriuwung traditional owners on the Northern Territory side of the border are keen to engage in relation to both potential irrigation development and joint management of Keep River National Park. However formal consultation with native title holders in the Territory has not yet occurred.

Local parks in the East Kimberley region are jointly managed by the MG people and the West Australian Government as part of the Ord Final Agreement. However, although the size of the Keep River Park has been significantly increased with the addition of the Spirit Hills area, a proposal for joint management by the Northern Territory Government and Northern Territory land councils was not supported by the Northern Land Council in 2005.

The potential economic benefits to the Territory economy from Ord II, particularly regional and Indigenous economic development, have yet to be determined.