

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mrs Lambley to the Chief Minister:

Construction of Albatross Sea Planes

In regards to the Northern Territory government's decision to invest taxpayers' money in a private company to build Albatross Sea planes in Darwin, please provide the following information;

1. **Who recommended and who approved provision of equity and loans totaling \$10 million to Amphibian Aerospace Industries (AAI) to construct Albatross sea planes in Darwin?**

Local Jobs Fund Investment Committee provided the recommendation, which Government approved.

2. **Has any other financial or in kind support been provided to AAI (or related entities) and if so what is the description and value of each item of support?**

No.

3. **Were any of the following undertaken prior to the government's investment decision?**

- (a) **Preparation of a business case;**
- (b) **Cost Benefit Analysis;**
- (c) **Due diligence assessment;**
- (d) **Risk assessment;**
- (e) **Any other financial or commercial evaluations.**

- a. Yes.
- b. Yes.
- c. Yes.
- d. Yes.
- e. During the assessment period, an external independent third party was engaged to provide expert advice and assistance on the Amphibian Aerospace Industries (AAI) project proposal. The consultants also used their expertise and global network, and worked with Northern Territory Government financial units, to provide a detailed analysis of the financial impact to the Northern Territory economy during operations, the outcome of which confirmed AAI's forecast.

- 4. Who undertook the activities mentioned in 3(a) - (e) above, if any, and what was the itemised cost of these activities to government?**

An independent top tier consultancy firm assisted with the due diligence of this submission and a separate law firm to assist with the legal review, matters and contracts. It is estimated that approximately 455 hours were dedicated to this due diligence and legal work before any funds were provided to the proponent.

- 5. Did the government identify and evaluate the sources of finance proposed or accessed by the proponent (other than Northern Territory Government loans and equity) to fund the project and if so were any anomalies identified?**

Yes and no, anomalies were not identified.

- 6. What is the estimated total cost to complete the project as agreed between the government and AAI?**

The total cost of the project is a matter for the proponent. The Northern Territory Government's financial contribution is limited at \$10 million.

- 7. Will further financial or in-kind support be required from the government to complete the project?**

The Northern Territory Government's financial contribution is limited at \$10 million.

- 8. In the public interest and the community's right to know if taxpayers' money is being spent wisely, will you table in the Legislative Assembly any reports prepared in relation to (3) above?**

The reports are Commercial-in-Confidence.