

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mr Higgins to the Treasurer

Immediate Works Stimulus Package

1. Would you please advise why it was not possible to use the existing Facilities and Capital Expenditure Grants (FACE) to meet the stated aims of the new Immediate Works Stimulus Package (IWSP) with respect to capital grants for social and sporting clubs?
2. The FACE Grants have a pre-existing administrative structure, and use a 20% contribution from the club as leverage. Why does the IWSP not try to leverage any taxpayer money? Are you happy with the return on investment (ROI) to the Territory taxpayer?
3. What modelling and analysis has been done around the efficiency and effectiveness of the IWSP?

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1. The Immediate Works Stimulus Package (IWSP) is a \$22 million package across four targeted programs to support smaller infrastructure projects across the Territory, which in turn supports the smaller businesses. The program includes:
 - a \$10 million Community Grants Stimulus Program to support community organisations undertake infrastructure upgrades to existing facilities;
 - an additional \$5 million to fast-track repairs, maintenance and minor new works for urban public housing across the Territory;
 - a \$2 million remote Health Clinic Upgrade program; and
 - \$5 million to support the local steel industry through a program of works.

The first program is a package of \$10 million available to all Territory community and not-for-profit groups, for grants up to the value of \$100 000 (or \$300 000 if a \$100 000 contribution is provided by the organisation) for much-needed repairs and upgrades to facilities and existing assets.

The FACE Grant Program funds sport or active recreation organisations, including regional councils, for infrastructure that supports the development of appropriate, affordable and accessible sport and active recreation opportunities for all Territorians.

Implementing part of the IWSP through the Facilities and Capital Equipment (FACE) Grant Program would increase administrative complexity and disadvantage social and sporting clubs compared to other community organisations. Under the IWSP program, organisations are not required to provide a matching contribution up to \$100 000 promoting quick uptake, providing jobs and an immediate economic boost for the Territory.

Applications are now closed for the FACE program in 2016-17. As at November 2016, grants totalling \$1 022 466 have been committed from the total 2016-17 budget of \$1 250 000. Applications are still being assessed and it is expected that the 2016-17 budget will be fully spent.

2. The IWSP does leverage taxpayer money by matching 'dollar for dollar' beyond the initial \$100 000 grant, up to another \$100 000 to help fund even bigger improvements.
3. Previous modelling undertaken by the former Department of Business demonstrates the economic benefit of stimulus programs targeted at small trades. This program will continue to stimulate the economy through targeted investment in the construction industry. The upgraded facilities resulting from the short-term stimulus program will also provide ongoing benefit to the community.