

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mr Higgins to the Minister for Trade, Business and Innovation:

Appropriation Bill – Department of Trade, Business and Innovation

Please provide copies of:

- All questions, which have been received from the public in relation to the Estimates process and consideration of the Appropriation Bill for the 2017/18 financial year; and
- The answers to those questions that were presented to the Estimates Committee.

Please provide the information requested below for Agencies and Government authorities for which you have responsibility, as at 31 March 2017.

DEPARTMENT OF TRADE, BUSINESS AND INNOVATION

Please accept apologies if questions are not under the correct Output. Where this is the case, it would be appreciated if you could indicate the appropriate Output in your response. Thank You.

OUTPUT GROUP: BUSINESS INDUSTRY DEVELOPMENT AND SUPPORT

OUTPUT: BUSINESS AND INNOVATION NT

First Home Owner Grant

The questions numbered 1 to 6 have been answered by the Department of Treasury and Finance.

- 1. In assessing the success or otherwise of the First Home Owner Grant scheme, is it important to look at the number of First Time Buyer sales as a percentage of the overall market?**

The First Home Owner Grant was introduced in 2000-01 to ameliorate the effect of the introduction of the GST on housing prices for first home buyers. Over the 17 years since it was introduced, the policy drivers of the Grant have changed. Currently, the Grant is intended to assist first home buyers to enter the new housing market, both to support or increase the participation of first home buyers in the housing market generally but also to support or stimulate the new home construction business sector.

To the extent that one of the intended policy outcomes of the Grant is to support or increase the number of first home buyers, it is appropriate to examine the proportion or number of first home buyers that are participating in the market.

2. Has the percentage of First Time Buyers changed since the introduction of the First Home Owner Grant on September 1 2016?

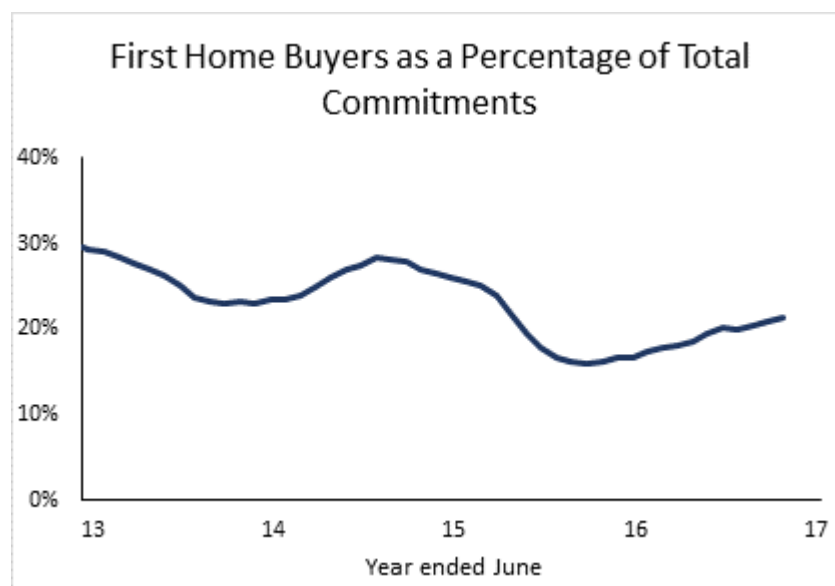
The First Home Owner Grant was introduced on 1 July 2000.

On 1 September 2016, the Government increased the stamp duty First Home Owner Discount to a full concession on stamp duty for first homebuyers on the initial \$500 000 value of the home, for purchases of established homes valued up to \$650 000.

Sales data does not indicate whether a purchaser is a first home buyer and not all first home buyers are eligible for or claim the concession, so the exact proportions of sales is difficult to measure. The best available proxy is housing finance commitments, excluding refinancing (i.e. loan approvals for actual purchases), although finance commitments have a timing difference to sales and not all finance commitments lead to sales. In September 2016, first home buyers comprised 18 per cent of housing finance commitments. In April 2017, this has increased to first home buyers comprising 21 per cent of housing finance commitments.

3. Has the percentage of First Time Buyers been broadly consistent as a share of the market over the previous 4 years?

Based on housing finance commitments, the percentage of first home buyers has varied markedly over the previous four years, from a high of 30 per cent in April 2013 to a low of 13 per cent in February to April 2016. This is set out in the chart below.



4. How does the current percentage of First Time Buyer compared with long run averages and trends? If it has changed, by how much?

Based on housing finance commitments, first home buyers comprised 21 per cent of housing finance commitments in April 2017. This compares to a long run (10 year) average of 25 per cent.

5. What business case was done prior to the announcement of this election commitment? Please provide a copy.

The Government's election commitments, developed while in Opposition, were developed to meet the challenges facing the Territory and in response to feedback received from Territorians. These policies were clearly set out ahead of the election.

6. Will Territorians be given a firm commitment that the First Home Owners Grant will remain in place until the election in August 2020?

Given the current economic circumstances facing the Territory, providing targeted assistance to encourage first home ownership in the Territory remains a priority. There are no current plans to remove the First Home Owner Grant.

NT Defence Advocate

1. In the budget there is \$1.5 million over 3 years to support the work of the NT Defence Advocate in Canberra. What consultation was done prior to the announcement in Budget 17/18?

The Northern Territory Government commissioned Air Commodore (Retd) Anker Brodersen to undertake a review to identify ways the NT Government could improve its engagement with Defence. One of the recommendations in the 2017 Brodersen Review was the appointment of a Defence and National Security Advocate. A number of other states have appointed advocates to support their engagement with Defence. Prior to the announcement in Budget 2017-18 the department consulted with the New South Wales Government regarding their recent appointment and also met with the Australian Capital Territory Defence Industry Advocate. There were extensive discussions with NT Defence focussed businesses and industry associations, in particular Master Builders Australia NT, about how to best advance NT interests at the national level leading up to the decision.

2. How is the Government assisting local business to win Defence contracts?

The NT Government continues to work closely with Defence, local industry and Defence prime contractors, and Defence industry peak bodies to maximise the local opportunities that will flow to industry from the announcements in the Commonwealth Government's 2016 Defence White Paper. This has included conducting a number of engagements with Defence and Defence prime contractors in relation to Defence infrastructure spending in the NT, contributing to high profile Defence workshops, providing submissions to relevant Senate enquiries and providing niche training opportunities to local Defence industry. The NT Government has also provided significant business engagement opportunities for the local defence support industry to encourage industry development and growth through a range of activities showcasing industry capability at key exhibitions and events.

- The NT Government funded workshops to assist local NT industry to engage and win work from Defence; these included Doing Business with Defence and Quad Chart Development.
- Defence NT currently delivered or scheduled the following workshops:
 - Defence 101 – Doing Business with Defence: September 2016, April 2017, September 2017.
 - Successful Defence Tendering: April 2017.
 - Quad Chart workshop: September 2016, September 2017.
 - US Defence Procurement training: June 2017.

3. How is the Government pitching industry capability and capacity to secure major head contracts with US military tenders?

The NT Government worked with the Australian and United States (US) Governments to host an Industry Day event in Darwin on Wednesday, 21 June 2017. Under the US Force Posture Initiatives, both Australia and the US will be funding and delivering construction projects. The US Naval Facilities Engineering Command (NAVFAC) is the organisation responsible for the delivery and management of the US funded projects. The Industry Day provided general information to Australian businesses interested in working with NAVFAC. Additionally, the NT Government recently funded the delivery of training to local NT contractors who are considering bidding to deliver work associated with US Department of Defence tendered construction projects. This training complemented the Industry Day.

4. Will the Government pitch capacity and capability for sub contracts?

The NT Government will work with managing contractors and head contractors successful with winning Australian Defence or US Defence tenders to ensure they understand the capacity and capability of local NT based subcontractors. This will include liaising closely with the peak industry bodies, such as Master Builders Australia (NT), the Australian Industry and Defence Network NT, the Industry Capability Network NT and the Chamber of Commerce NT, to ensure that their networks of NT businesses are informed of opportunities.

Innovation Fund

1. In the budget papers there is \$1.8 million to support initiatives to drive and support business innovation. What does this mean in real and specific terms for small business?

\$1.8 million will be used to support small businesses as follows:

- \$1.0 million of Business Innovation Support Initiatives (BISI) Grants and Vouchers funding is allocated for small businesses in 2017-2018.
- \$800 000 for additional operational and staffing costs, mainly support for new Business Incubators, the Innovator in Residence Program, extending the BISI program to remote communities, Innovation events to help companies become more competitive and productive, assistance with access to finance, programmes to attract investors, and an Aboriginal Innovation project for Alice Springs.

2. When will this money be available to business and what are the amounts?

The BISI grant and vouchers are available from the start of the new financial year, 1 July 2017.

3. How will they go about accessing it and what is the eligibility criteria?

BISI (grants and vouchers) funding will be awarded to eligible companies which are Small to Medium Enterprises (employing less than 100 employees) and have a business registration in the NT. The maximum payment for a BISI voucher is \$25,000 (or 60% of the project value), and the maximum payment for a BISI grant is \$60,000 (or 50% of the project value).

The Innovation idea will be examined by an experienced team of Assessors and ranked for example, on innovative content and potential value to the NT economy. Applicants can submit an online application through www.business.nt.gov.au and/or call (08) 8999 5007 to speak to a Department of Trade, Business and Innovation staff member to assist with any enquiries.

Business in the Bush Workshops

1. Please advise how much Business in the Bush Workshops have cost?

The cost of delivering 14 Business in the Bush workshops was \$185 000. Funding was for:

- Running business start-up workshops and mentoring services with up to 75 prospective Aboriginal business people in 15 regional towns and communities.
- Providing suitable venues for each workshop, all required materials and catering during the program.
- Written report for each workshop, including names and contact details of attendees, the nature of their prospective or current business and ongoing mentoring services.
- Travel arrangements/accommodation and interpreter services.

2. Where have the workshops been held?

The workshops were held in Wurrumiyanga, Angurugu, Maningrida, Kalkarinji, Borroloola, Ngukurr, Numbulwar, Galiwinku, Gapiwuyak, Yirrkala, Lajamanu, Yuendumu, Arlparra and Mutijulu.

3. How many new businesses/jobs have been created because of these workshops?

Objectives of the Business in the Bush workshops were to identify entrepreneurs and explore and advance business opportunity and ideas from Aboriginal people in communities in the NT. While there have been a small number of business created (less than 5), many of the attendees made connections with Small Business Champions working in their community and are progressing their business ideas.

4. What is the return on investment to Territory taxpayers of these workshops?

Return on investment includes over 120 remote Aboriginal community residents with improved awareness and knowledge of business development practices. Increasing commercial knowledge in communities will have flow on benefits to individuals and organisations. Additionally, government has, through the on-ground workshops, accumulated valuable data around the types of enterprise Aboriginal people on community have self-identified as being of interest. This information is valuable in honing support programs and services into the future.

5. How has business in those areas been boosted?

Some attendees to the workshops were employed in local businesses and community organisations, and included community leaders. Improving business acumen in these people has improved knowledge within local businesses and allowed for sharing of ideas within the local community.

6. What is the methodology?

Attendees brought their business idea to the workshop and through group and individual activities addressed issues covering finance, operations and marketing, presented in a culturally appropriate manner. By the end of the workshop the attendees were able to identify the business's name, vision, product and branding.

Study NT

1. Please explain the purpose of the \$1 million additional funding.

The \$1 million is for the Study NT team including employee, operational and grant expense. Study NT promotes international education and training.

Small Business Champions Unit

1. \$7.9 million has been allocated to the Small Business Champions Unit to support business round tables. Please provide the measures that indicate the value for money aspect of this spend.

\$7.9 million is the budget for the Small Business Champion's unit which incorporates \$50 000 for the Business Round Tables.

This budget allocation is to support the logistics and organisational aspects of the initiative (i.e. venue hire).

The organisation and facilitation of the Business Round tables is undertaken from within the existing resources of the Small Business Champions team.

2. Please provide some evidence that feedback from these round tables is being incorporated into Government policy.

Feedback provided through previous Business Round Tables has included:

- Concern about break and enter of local businesses in Palmerston.
- Revitalising the Central Business District of Alice Springs.
- Details regarding the Buy Local Policy.
- Impact of law and order (anti-social) issues on business.

Several issues that were raised were business-specific and were handed to a Small Business Champion to address directly with the business owner.

Relevant Ministers and their staff, and also representatives from the Department of Trade, Business and Innovation attend the meetings to ensure follow up of issues presented by business.

Evidence of direct action in response to the impact of anti-social issues onto business is the release of the Business Security Assistance Program.

A number of changes to Buy Local have been influenced by feedback received through the Business Round Tables. These changes include the capping of price weighting in tender evaluations to no more than 30% and prohibiting the practice of shortlisting on price alone.

Buy Local - Buy Local Advocate

1. Budget 17/18 allocates \$200 000 for an independent 'Buy Local Advocate'. What amount of this allocation will be a salary component?

The salary allocated to the Buy Local Industry Advocate position is based on the 'Class C2: Expert High Impact' classification in accordance with the NT Government Statutory Bodies by Classification pursuant to section 10(1) of the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act*. Assuming 47 week full time (52 weeks - 5 weeks leave) remuneration would be \$168 965 (\$719 daily rate) + \$16 051 superannuation.

2. Are operational expenses of the Buy Local Advocate included in the \$200 000?

The Buy Local Industry Advocate will be provided additional support in the form of office space and secretariat support. It is anticipated that additional costs associated with the Buy Local Industry Advocate role will be funded from within the Department of Trade, Business and Innovation's existing budget.

3. What modelling, research or consultation has been done to inform the \$200 000 allocation?

The allocation of salary has been informed by the 'Class C2: Expert High Impact' classification in accordance with the NT Government Statutory Bodies by Classification.

4. How many staff will be employed in the office of the Buy Local Advocate?

The Buy Local Industry Advocate is a single position; no additional staff will be employed in the Office of the Buy Local Industry Advocate. It is anticipated that any support required by the Office of the Buy Local Industry Advocate will be provided from within already existing staffing resources of the department.

5. When will the Advocate commence?

A public expression of interest process was advertised in May 2017 and applications are currently under consideration. The Buy Local Industry Advocate will commence as soon as a suitable candidate has been appointed, and pursuant to the candidate's availability.

6. How will the Advocate enforce 'Buy Local' rules?

The primary role of the Buy Local Industry Advocate is to promote the adoption of Buy Local principles and oversee agency and industry compliance with the Buy Local Plan.

As a member of the Procurement Review Board, the Buy Local Industry Advocate will have oversight of procurement planning and practice across government. The Buy Local Industry Advocate will also chair the Buy Local Subcommittee (of the Procurement Review Board) comprising non-government members. The Subcommittee will focus on compliance with and effectiveness of the Buy Local Plan.

The Buy Local Industry Advocate will utilise a Value for Territory Assurance Program, comprised of internal and external audits, to monitor compliance with the Buy Local Plan. Audit reports from the Value for Territory Assurance Program will be publicly released.

7. What are the consequences for a breach of the policy?

Agencies are required to ensure contractors deliver on all contractual commitments, including Buy Local commitments. Under the Buy Local Plan, contract performance reports are required to include contractors' performance against Buy Local Commitments.

These performance reports will be considered as part of future tender assessments. Contractors who fail to fulfil their Buy Local contractual commitments will perform badly against the Local Content and past performance assessment criteria, significantly reducing the likelihood of them winning future tenders. The Buy Local Industry Advocate will also make recommendations to government on ways to improve the Buy Local Plan based on their observations and findings.

Audit reports relating to agency compliance with the Buy Local Plan will be publicly released.

8. Have the level of fines been set? What are they?

The Buy Local Industry Advocate does not have the power to issue fines.

Business Confidence

1. What new money is in the Budget to repair private business confidence and encourage private investment, given that the SENIS survey of business confidence, released in the March Quarter, shows business confidence is the lowest in the nation at 18%?

The Sensis Business Index (SBI) is not a statistically significant measure of business confidence levels in the NT due to a small and unrepresentative sample size (78 survey responses for over 14 000 businesses). To address this, the Department of Trade, Business and Innovation (DTBI) developed the NT Business Confidence Survey (the Survey), with a significantly higher sample size and including results by region and industry sector. Results are calculated on a net balance basis, consistent with the SBI publication.

During the March quarter 2017, DTBI's Small Business Champions conducted the Survey with 622 businesses across the NT. The survey found that the NT-wide business confidence level was +43%. This is comparable to the March quarter 2017 business confidence nationally, reported by SBI.

Additional funding for key Government initiatives to support local business and improve business confidence include:

- The 2017-18 Budget provides \$1.75 billion for infrastructure expenditure across the NT, including investments in roads, housing, works to stimulate the economy, and projects to enhance quality of life, culture and provide for families. This includes \$10 million for headworks to support the Darwin Luxury Hotel development.
- \$54.2 million in grants across 2016-17 and 2017-18 to support work opportunities for small businesses, including:
 - \$30 million for the Immediate Work Grants program to enable incorporated not-for-profit and community organisations to carry out repairs, maintenance and improvements.
 - \$16.3 million for the new Home Improvement Scheme for NT home owner occupiers to undertake home improvements.
 - \$7.9 million for the Home Renovation Grant program for NT first home owner occupiers.
- \$5 million for the Biz Secure program for NT businesses to install or upgrade security at business premises.
- \$5 million towards the construction of the Ship Lift Facility to catalyse further development of industrial land at the East Arm logistic precinct. This will further develop the marine service precinct and increase economic and skilled employment opportunities in the maritime and related sectors.
- An additional \$1.8 million to Business Innovation Support Initiative to deliver a range of programs to support business innovation including innovation events to help companies become more competitive and productive, assistance with access to finance, and programs to attract investors.
- \$1 million to undertake feasibility and market testing for seniors' villages and a Darwin-based water park.

- \$0.68 million for peak bodies to ensure NT businesses are well represented and supported.
- \$0.5 million to coordinate and deliver major Government-initiated projects and facilitate private sector major projects.
- \$0.5 million to establish a Canberra based NT Defence Advocate to enhance engagement with Defence and key stakeholders.
- \$0.376 million to bring back the Arafura Games to leverage the economic, cultural and social benefits of hosting an international sporting event.
- Strengthened 'Buy Local' rules to provide maximum opportunity for local business to win government work. \$0.2 million is allocated in the 2017-18 budget to establish an independent Buy Local Industry Advocate to provide oversight and advice on the application of local content in government procurement.

This is in addition to existing programs such as Start.Run.Grow business support initiatives and support offered by our network of Small Business Champions. This includes a range of capability building opportunities through the Business Enterprise Centre and upskills workshops.

Thoroughbred Racing NT

These questions have been answered by the Department of the Department of Attorney-General and Justice.

1. **The NT News ran a story on May 13, 2017 showing that the Chairman of the Darwin Turf Club Mr Brett Dixon had donated \$100 000 to Territory Labor prior to the August 2016. In Budget 17/18 we see in Budget Paper 2 on page 47 a \$700 000 increase in funding to Thoroughbred Racing NT from \$2.5 million in financial year 16/17 to \$3.2 million in financial year 17/18. Is there any correlation between these two events?**

See response at question 2. Please note, the Department is not in a position to confirm the donation.

2. **Please provide evidence to support the Government's position.**

The former government reduced funding to Thoroughbred Racing NT (TRNT) between 2014 - 2016.

As part of its pre-election commitments, the NT Government committed to the payment of an additional \$2.5m per annum to TRNT for the 2016-17, 2017-18, 2018-19 and 2019-20 financial years for the racing industry. The commitment is identified under the Healthy, Strong Communities Policy as part of the 'Lifestyle, Arts, Sport and Recreation', 'Racing Industry Agreement restored'.

The actual contribution by the NT Government under the agreement will be reduced by the amount of Direct Racing Sector payments received by TRNT from UBET NT Pty Ltd (UBET) (via an agreement that underpins the NT totalisator licence).

The \$700 000 increase identified in Budget Paper 2, is not an increase to TRNT's funding but an increase to the Department's budget allocation needed to meet TRNT's baseline funding arrangement taking into account estimated UBET payments to TRNT. TRNT's funding for 2017-18 remains at \$17.88 million in-line with Government's election commitment.

Business Policy

1. In relation to procurement how is a business assessed as local - what is the specific criteria?

For the purposes of NT Government procurement a Territory Enterprise is defined as an enterprise operating in the NT, with a significant permanent presence in the NT and employing NT residents.

Territory Enterprises must satisfy all three elements of the definition:

- **Operating in the Northern Territory** - the enterprise is currently engaged in productive activities (i.e. production of goods or delivery of services) within the NT.
- **Significant permanent presence** - the enterprise maintains an office, manufacturing facilities or other permanent base within the NT.
- **Employing NT residents** - the enterprise employs Territorians. An enterprise which relies exclusively on transient, interstate/international labour or a fly-in-fly-out workforce will not satisfy this element.

2. How many staff (and at what levels) will be engaged in the defence advocacy unit in Canberra? What is the selection process and when will this commence? What is the total cost for this unit?

The NT Government's Defence and national security advocacy will be supported by a Canberra-based team that comprises the recently appointed NT Defence and National Security Advocate (the Advocate). The Advocate, as chair of the NT Strategic Defence Advisory Board (the Board), will be supported by six board members. There are no staff based in Canberra in addition to the Advocate.

The Advocate and the Board is expected to cost up to \$800 000.

3. What is the work in partnership with Land Councils outlined in Budget Paper No 3? What are the projects and which specific Aboriginal people and communities will benefit? What resources are allocated to this?

The partnership specifically is the support of an Economic Development Prospectus with the Northern and Central Land Councils through the establishment of the Aboriginal Land and Sea Economic Development Agency (ALSEDA) currently being administered on behalf of the land councils by Centrefarm.

ALSEDA aims to allow the Aboriginal estate to return cultural and commercial benefits to Aboriginal people and contribute to the overall economic development of the NT.

As part of the ALSEDA program there are six trial sites which are currently being developed for potential commercial horticultural investment. There are three trial sites in the Mataranka district involving the communities of Beswick and Elsey. There are two projects in the Southern Barkly located at Wycliffe Well and Warrabri which will specifically involve the community of Ali Curung. The final project is on Pine Hill near Ti Tree.

4. Please detail what is included in the \$3.6 million allocated for Aboriginal employment programs. What is the target for employment and in which communities?

The Aboriginal Employment program started on 1 July 2017 to give effect to the Government's Jobs Plan.

Funds will support regional and remote skilling programs delivered through DTBIs Workforce Training Coordinators in the Regions. Opportunities for accredited and non-accredited training will be provided to deliver jobs for local Aboriginal Territorians in communities across the NT.

The target is Jobs, wherever they might be. The focus is on supporting employment where opportunities exist and where there is evidence that jobs will come from economic activities. This includes government supported projects such as the roll out of the National Disability Insurance Scheme and the Remote Housing - Room to Breathe Program.

Funds from the program will support the development of services that can help people connect to and to stay in jobs, and for employers to be able to expand or strengthen their existing Aboriginal workforce. This covers urban areas as well the regions and communities.

The new program will also be used to support pre-employment, language literacy and numeracy and mentoring, where there is clear line of sight to ongoing employment. This includes apprenticeships and traineeships.

The program will be monitored to ensure best value for money and outcomes achieved through the expenditure and to inform directions for the new program as it beds down.

5. What are the specifics of the \$1 million to support remote Aboriginal economic development initiatives, what is planned and how is this money going to be spent?

The \$1 million funding to support remote Aboriginal economic development initiatives. Firstly a fund will be created for Aboriginal project proponents who are based in or who have projects based in remote areas of the NT (outside of major population centres). The final guidelines have not been released however it is anticipated that they will assist business start-up and development, market analysis and investment attraction.

OUTPUT: STRATEGIC POLICY

Asia Ready Business Grants

These questions have been answered by the Department of Tourism and Culture and a copy has been provided below.

- 1. What analysis or modelling underpins the \$5 million Asia ready business grant program?***
- 2. How many businesses have submitted an application for an Asia ready grant?***
- 3. How many have been successful?***
- 4. Who are the recipients?***

Answers to questions 1 to 4

There is no \$5 million Asia ready business grant program. The Department of Tourism and Culture received \$5 million over two years to attract more tourists from China and India. This funding is used for marketing activities, in-market trade education, attraction of aviation services and to assist the tourism industry to adapt products and services to suit these visitors.

Immediate Works Grants Program

- 1. Information received from the Treasurer mid-March regarding the Immediate Works Grants Program advised the number of applicants to date was 312 and the number of successful applicants was 69. Please explain why there was a 78% fail rate/rejection rate for the program at that time in March.**

Not all applications received had been assessed as of March 2017. Details of the program at the time are below:

- 312 applications received.
- 143 applications awaiting assessment.
- 169 applications at various stages of assessment (of which 69 were approved, 25 were found ineligible and 75 required further information) – this equates to an ineligibility rate at that time of 14.7%.

- 2. What was the cost of processing the 312 applications?**

The operational and staffing budget for the Immediate Work Grants is \$300 000 over a period of 18 months.

- 3. What is the average time for processing one application?**

Each Immediate Work Grant application can include up to 10 different works and therefore 10 different grants. Processing of applications can take between 2 and 4 weeks, longer if there are more complex issues that require resolution.

- 4. Given the very high fail rate, what steps will be taken to improve the outcome for applicants?**

The Department of Trade, Business and Innovation does not believe there is a high failure rate for the program. This view is supported by the fact the program has an ineligibility rate of only 14.7%, which is not inconsistent with similar programs.

5. Given the stated objective of the Immediate Works Stimulus Package is/was to get money flowing into the local economy are these results indicative of a failed program?

As at end of March 2017, 69 applications had been approved for a total grant value of \$4 410 032, which have supported not-for-profit organisations to carry out improvements, repairs and maintenance to their property in the NT. Since March, there have been many more applications approved.

6. How much was spent on advertising for the Immediate Works Stimulus Package?

Total cost of advertising for the Immediate Work Grants was \$50 059.

7. What is the median grant size?

As of March 2017, the average value of each grant (i.e. each approved works) was \$32 733. The average value of grants for each approved organisation was \$71 160.

8. Please explain why \$4 910 032 of Immediate Works Grants money has been approved yet only \$60 629 had been issued at the time the answer to our question was provided?

Works approved under the Immediate Work Grants are generally large jobs which can take on average 3-6 months to complete. As of March 2017, while 150 vouchers had been issued, only a small number of jobs had been completed and therefore businesses had not yet applied to redeem their vouchers.

First Home Buyer - \$10 000 Home Renovation Scheme

1. How many people have elected to take a \$2 000 upfront payment to purchase white goods as part of the Home Renovation Scheme?

As of 30 June 2017, 167 eligible first home buyers had elected to access the Household Goods Grant of up to \$2000.

2. In respect of the first Home Improvement Scheme under the past Government and the new revamped scheme under this Government, please advise as at 1 October 2016 and 31 March 2017

- a. The number of applications received;**
- b. The number of successfully assessed applications;**
- c. The number of businesses that registered for the scheme; and**
- d. The total amount committed in vouchers for all successfully assessed applications.**

For the 2016 Home Improvement Scheme, as of 1 October 2016:

- a) 7851 applications were received.
- b) 7199 applications were approved.
- c) 1148 businesses were registered to participate in the program.
- d) \$12 293 682 were committed in grants.

For the re-instated 2017 Home Improvement Scheme, as of 31 March 2017:

- a) 2608 applications were received.
- b) 1132 applications were approved (the rest were either under assessment, waiting assessment, or a small number declined as ineligible).
- c) 1136 businesses were registered to participate in the program.
- d) \$3 250 463 were committed in grants.

As of the closing date of 2 June 2017, for the 2017 Home Improvement Scheme:

- a) 8833 applications were received.
- b) 4919 applications were approved (the rest were either under assessment, waiting assessment, or a small number declined as ineligible).
- c) 1511 businesses were registered to participate in the program.
- d) \$13 878 257 were committed in grants.

Home Improvement Scheme

1. Why did the government scrap the scheme not once but twice when it was so successful in stimulating the economy?

The Home Improvement Scheme (the Scheme) objective was to support small businesses during a transition period for the NT economy. In October 2016, the NT Government's objective was to assist first home buyers to get in the market and make a long term commitment to the NT.

In early 2017, the NT Government announced it had re-assessed the state of the economy and listened to the business community's concerns about trading conditions. As a result, the Scheme was re-instated with a budget of \$15 million. As per the terms and conditions, the Scheme was to continue until the end of December 2017 or until the grant funding budget ran out. Grant funding ran out at the end of May 2017 and led to the Scheme closure to new applications.

2. What will happen once the full \$15 million in grants has been allocated? Will some of those who applied by the cut-off date be excluded from the Scheme?

The NT Government has stated that all applications received prior to the Scheme's closure will be assessed and all approved applications will be honoured.

3. Given the work has to be completed within the three months of after the cut-off date and not to December 2017 as promised, will the government reconsider extending the time for works to be completed under Scheme to December to avoid a sharp and abrupt end for work for Tradies?

Works must be completed within three months of the date of issue of the voucher, not from the date applications closed. The Department of Trade, Business and Innovation will also consider and assess bona fide requests for an extension on a case-by-case basis.

OUTPUT: NORTHERN AUSTRALIA DEVELOPMENT AND TRADE

Department of Business- Asian Relations supporting export led wealth creation

- 1. What allocation does Budget 17/18 make towards re-establishing an office of Asian Trade and Investment?**

The Northern Australia Development and Trade division has a budget allocation in 2017-18 of \$3.482 million, and includes funding to continue operation of the Office of Asian Engagement, Trade and Investment.

- 2. Under the former Government the Territory previously maintained a network of in-country representatives in China, Indonesia, Timor-Leste, the Philippines, Thailand and Malaysia. What money is being allocated to this presence in Asia in Budget 17/18 and the forward estimates?**

The Northern Territory Government International representation over the past few years has been in Indonesia and Singapore. In 2017-18, \$0.448 million has been budgeted for these representatives.

Tiwi Plantation Corporation

These questions have been answered by the Department of the Chief Minister.

- 1. Tiwi Plantations Corporation is on the brink of collapse. The Northern Territory Government is a secured creditor of the corporation and has already agreed in October last year to freeze repayments from a taxpayer loan of \$6.8 million. When did these matters become known?**

All negotiations regarding the Northern Territory Government's involvement with Tiwi Plantation Corporation are commercial-in-confidence.

- 2. What actions is the Government taking to protect taxpayer's investment and save jobs on the Tiwi Islands?**

Government is taking all reasonable steps to protect taxpayer's investment and is working closely with Tiwi Plantation Corporation and the Tiwi Islanders to drive jobs growth across the islands.

Indigenous Innovation Unit

- 1. In the Labor Party's Northern Territory Jobs Plan, there is reference to an Indigenous Innovation Project. Why is there no mention of this project in the Budget papers?**

The Indigenous Innovation Project is part of the \$1.8 million for business innovation support initiatives listed in Budget Paper.

Online Gambling- Point of Consumption Tax

This question has been answered by the Department of Attorney-General and Justice.

- 2. Online bookmakers are greatly concerned by moves at COAG and by some States to introduce a Point of Consumption (POC) Tax. There are currently 17 such major employers in the Northern Territory. These companies support 500 jobs and inject over \$50 million to the local economy every year. What action is being taken to address this by the Government and what resources are allocated in the budget for this purpose?**

The South Australian POC commenced on 1 July 2017 and it is understood that a number of other jurisdictions will be adopting a wait and see approach as to the possible impact this may have on the SA racing industry.

The Northern Territory currently licences 21 sports bookmakers/ betting exchange operators. With regards to action taken by the NT on this matter, the Department, along with Department of Treasury and Finance are exploring possible options should further jurisdictions decide to introduce a similar tax.

At this stage no resources have been allocated to this purpose in the 2017-18 budget.

Economic Summits

- 1. Page 46 of Budget Paper 2 shows that the Economic Summits have cost Territory tax payers a minimum of \$1.193 million. Previously the budget for the Economic Summits series was \$550,000. Please explain this close to 100% blowout in the budget for the Economic Summit series.**

The actual spend on the Economic Summits in the 2016-17 financial year was \$473 000.

- 2. What contracts were awarded to Bespoke Territory Pty Ltd to support the Economic Summits and at what cost? Was there a competitive tender process for this?**

There were no contracts awarded to Bespoke Territory Pty Ltd relating to support for the Economic Summits.

- 3. It is noted that Deloittes Consulting provided their professional services de gratis to the Government for the Economic Summits series. Is this still the situation?**

The tender awarded to Deloittes Consulting was delivered as per contracted conditions including provision of their professional services gratis. The contract is now complete.

- 4. How many Government contracts did Deloittes win before this complimentary work on the Economic Summit Series?**

From 1 July 2016 to 11 October 2016 Deloitte was awarded seven contracts across the NT Government. The Economic Summits tender was awarded to Deloitte on 11 October 2016.

- 5. How many Government contracts did Deloittes win after this complimentary work on the Economic Summit Series?**

From 11 October 2016 to 31 March 2017 Deloitte was awarded five contracts across the NT Government. The Economic Summits tender was awarded to Deloitte on 11 October 2016.

6. What input was sought and received from Aboriginal Communities into the Economic Summit Series?

Aboriginal communities were engaged in a number of ways. There were in excess of 50 direct engagement opportunities held across the Northern Territory, including Nhulunbuy, Katherine, Tennant Creek, Timber Creek, Groote Eylandt and Alice Springs attended by Aboriginal people, Aboriginal representative groups and organisations. These included peak organisations, including the four land councils, NT Indigenous Business Network, Centrefarm/Aboriginal Land and Sea Economic Development Agency and individuals.

7. With respect to the Economic Summits, how did the Government engage with the Wadeye community?

There was direct engagement with Wadeye people and organisations by way of a visit to Wadeye on 16 March 2017. The mayor of the West Daly Regional Council, Mr Harold Wilson also attended the Phase 1 update at the end of 2016, as well as the final forum held in Darwin in March 2017. The government also gave consideration to work already undertaken by the community over 2015 to develop an economic plan for the region.

Trade

1. Regarding the record delegation of 93 people travelling to China, what outcomes have been achieved? What has been the amount of investment from the region since public servants took this delegation to Rizhao?

The Rizhao-NT Joint Economic Cooperation Forum (the Forum) was arranged by the Rizhao Government with the assistance of the NT Government. Invitations were sent out to NT, Rizhao, Shandong and wider China companies who chose whether they wished to attend. NT companies who attended the Forum made their own travel arrangements. For a number of companies, this was their first trip to China, Shandong Province or Rizhao. As such, the primary purpose was to enhance their China knowledge and form connections in Rizhao in light of investment from that city into the NT, particularly through the Landbridge Group.

Some companies have advised the NT Government that they have established new relationships, some closer connections than had previously existed and that they are confident that these may lead to greater opportunity in the future. At the Forum, agreements were signed in regards to industrial and logistic park development in Darwin and Rizhao (both of which are proceeding), education (a group of NT VET students will shortly travel to Rizhao as part of an exchange plan), hospitality staff exchanges (planning underway) and agriculture, particularly donkey farming. The latter is generating significant interest. Return visits by Chinese investors have also occurred including visits to Groote Eylandt as a result of Anindilyakwa Land Council participation on the mission.

2. What has been the return on investment for the international education program?

International education and training is a growth sector for the NT, with around 2600 students contributing \$81 million to the NT economy in 2015-16 and supporting 444 jobs.

3. What is the target for new international students in relation to the additional \$1 million to support this initiative of the previous government?

The additional \$1 million to support international education and training will contribute to achieving the target of 10 000 students by 2022 identified in the NT Economic Development Framework. The students will be across higher education, schools, VET, English language training, overseas delivery and study tours.

China Trip (Shandong)

1. Did the Chief Minister travel to any or all of Guangzhou, Shandong Province, Rizhao City and Shanghai, China as part of a joint NT-SA Government mission in early May 2017?

No.

2. If not, why not?

There was never any intention for the Chief Minister to travel with the South Australia (SA) mission. This mission took place shortly after the signing of the Strategic Partnership agreement between NT and SA to establish greater co-operation in the international arena.

SA issued an invitation for NT Government officials to travel on the mission to China to develop better relationships between respective trade and investment officials, and to enable NT Government to observe how SA missions are conducted. This invitation was issued not long prior to the mission commencing and there was not an intention to try and invite NT businesses at short notice but rather a plan to see how NT businesses might join any future missions. The President of the Australia China Business Council (ACBC) (NT branch) did join the mission to better advise ACBC members on the value of participation in future missions to China.

3. If yes, why was there no press release detailing airfares and accommodation expenses?

Not Applicable.

4. If the Chief Minister did not go, who did and where did they go in China?

Two officials from the Office of Asian Engagement, Trade and Investment of the Department of Trade, Business and Innovation went on the mission. They joined the SA mission at its commencement in Guangzhou. NT Government officers deviated for one day to travel to Rizhao to meet with Rizhao officials before re-joining the SA delegation in Qingdao and travelling with the mission to Jinan. Post Jinan, they returned to Darwin and did not participate in the final Shanghai leg of the mission which was predominately based around the AFL match staged in that city.

5. Did the Chief Minister or any NT Government representative meet with Landbridge or any representatives of the Landbridge Group when in Rizhao City, China?

No. Rizhao City officials only.

6. Who did the Chief Minister or any NT Government representatives meet when in China in May 2017?

NT Government officials, with the exception of a brief detour to Rizhao, to meet with Rizhao City officials, stayed with the SA delegation and did not hold any meetings outside the SA delegations program with the exception of a brief (15 minute) meeting with the Deputy Director General of the Shandong Department of Commerce in Jinan on the sidelines of the SA forum. The reason for this was that a third party had advised the Deputy Director General of the NT's interest in donkeys and he was keen to better understand the NT's position in this area.

7. What were the outcomes of those meetings?

Better relationships with SA international trade and investment officials and an understanding of Rizhao City Governments plans for the Rizhao Industrial Park located in Rizhao City and how it might be relevant to the NT.

8. What are the tangible achievements resulting from those meetings in China?

Better relationships with SA international trade and investment officials and an understanding of Rizhao City Governments plans for the Rizhao Industrial Park located in Rizhao City and how it might be relevant to the NT.

9. According to the SA Government Department of State Development website, the joint SA/NT trip to China in May 2017 had the following priority areas for South Australia as Research and Development, Education and Training, Water, Health and Aged Care, Business Development. What were the NT focus areas?

Development of better relationships between respective trade and investment officials in SA-NT and a better understanding of how NT could participate in future SA missions to Asia. Establishing areas of common interest where the NT and SA interests are complementary and add value including tourism, food and other commodities.

10. What NT businesses and business organisations were invited to participate in this May 2017 trade mission to China?

ACBC-NT, Chamber of Commerce NT and Industry Capability Network.

11. What NT businesses and business organisations travelled as part of this mission to China in May 2017?

ACBC-NT.

12. Why was there not an open expression of interest to participate in the SA/NT trade mission in May 2017 for example on the NT Department website as was the case in South Australia?

SA had been planning this mission for many months and had had extensive engagement with SA businesses about the mission, its objectives and rational for businesses to attend. SA invited NT to send some representatives on the mission to gain an understanding of how SA missions are conducted and to enhance the relationship. It was never an intention to invite NT businesses on this particular mission at short notice. The mission also followed very closely after the signing of the Memorandum of Understanding between SA and NT at which the intent of the SA/NT relationship was established.

13. How much preparatory work was done by the Department of Trade, Business and Innovation before the China May 2017 trip?

Travel to promote economic opportunities in the NT is core business for the Department of Trade, Business and Innovation, and due to administrative burden, tracking of effort to this level of detail is not undertaken.

14. How many man hours were invested in this trip and what was the cost to the NT Government?

Travel to promote economic opportunities in the NT is core business for the Department of Trade, Business and Innovation, and due to administrative burden, tracking of effort to this level of detail is not undertaken.

Major Projects

1. What is the detail of the \$5 million allocated to the due diligence of the ship lift facility and how does it relate to the considerable investment made into the feasibility of the project undertaken by the Paspaley Group of companies?

The Northern Territory Government has committed to provide up to \$100 million from the proceeds of the Darwin Port lease to develop the Ship Lift Facility at the Marine Industry Park in Darwin.

In July 2016, the Northern Territory Government selected Pearl Marine Engineering as the preferred proponent to enter an exclusive negotiation phase to negotiate an agreement to deliver the Ship Lift Facility.

2. What firm commitments have been received from the Federal Government to utilise this facility for defence border protection and other Commonwealth purposes? Please provide copies of the correspondence with the Commonwealth in relation to this important project which has bi-partisan support.

The \$5 million budget allocation is for use as the Northern Territory Government's contribution to necessary feasibility/due diligence work to be undertaken as part of the agreement negotiated with Pearl Marine Engineering and forms part of the Government's contribution of \$100 million.

The Federal Government has expressed its support for the development of the Ship Lift Facility and both the Australian Defence Force and Australian Border Force have indicated strong interest in using the Ship Lift Facility.

3. What specific projects has the Government submitted to the NAIF Board for consideration since September 2016?

The Department of Trade, Business and Innovation is not aware of any specific projects submitted by the Government for Northern Australia Infrastructure Facility (NAIF) board consideration since September 2016. The Northern Territory Government is actively assisting a number of project proponents with their enquiries with the NAIF, as well as engaging with the NAIF and Commonwealth officials to ensure the NAIF can fulfil its potential to unlock private sector investment and drive economic and population growth in Northern Australia.

The Northern Territory Government has committed to investigate a number of new projects, including the Darwin Water Theme Park, Seniors Lifestyle Accommodation and tourism/commercial opportunities in Alice Springs. As these projects are progressed, the Northern Territory Government will explore appropriate funding and financing models, including the NAIF and other Commonwealth programs, to determine their capacity to facilitate private sector finance in the delivery of these projects.

Initial discussions have commenced with NAIF in relation to these projects so the NAIF Board is aware that the projects are being further developed and are likely to result in NAIF support being sought.

4. What is the project plan for the \$10 million public infrastructure to support the Darwin Luxury hotel? Please provide a copy of the plan.

Under the Development Agreement, the Hotel Developer is responsible for all aspects of construction, including the public infrastructure works which it will undertake on behalf of the NT.

The NT has agreed to contribute up to \$10 million towards the public infrastructure works, including road works and the connection of site services. This contribution will be paid by way of reimbursement to the Hotel Developer in instalments, upon completion of portions of the works and satisfactory evidence of associated expenditure by the Hotel Developer in relation to those works.

The public infrastructure works is included in the Hotel Developer's Programme of works. This programme forms part of the Development Agreement and is commercial-in-confidence.

Northern Australian Development Office (NADO)

1. What is the expenditure of the NADO from 1 September 2016 to 31 May 2017? Please break this down to standard classification expense items.

Total expenditure of the NADO cost centre from 1 September 2016 to 31 May 2017 was \$ 1 533 106 as per detailed below:

Description	Amount (\$)
Employee	1 230 985
Operational	232 121
Grants	70 000
Grant Total	1 533 106

One Belt, One Road

1. The Federal Government has recently decided not to proceed at this time with the Chinese Government's One Belt, One Road plan due to security concerns. What impact will this have on Territory businesses?

One Belt One Road (OBOR) is a Chinese state initiative designed to promote Chinese infrastructure capability, supply chains and international trade. NT businesses should not be directly impacted by OBOR unless their specific business wishes to participate in an OBOR project, and a Chinese company chooses to instead work with a company from an OBOR aligned nation.

2. Will the Government continue to support the One Belt, One Road plan?

The Northern Territory Government is in the process of establishing a position which will be communicated to the Federal Government.

3. What actions will the Government take to support Territory businesses that want to participate in One Belt, One Road?

The decision by the Federal Government not to endorse OBOR means that there will be no OBOR affiliated projects in Australia. Any NT company that seeks to participate in an OBOR project will therefore be looking for involvement in a project outside Australia where the Northern Territory Government has no formal role to play. NT companies should seek advice and assistance from Austrade.

4. How much will be spent in support and what form will this take?

Not Applicable.

Darwin MOU City Deal

These questions have been answered by the Department of the Chief Minister.

1. Who are the stakeholders involved in negotiating the City Deal?

The Northern Territory Government has signed a Memorandum of Understanding with the Commonwealth Government, and is working with the City of Darwin and Charles Darwin University as key partners in co-designing a Darwin City Deal.

2. What are the key projects that Government is taking to the negotiating table to become part of the City Deals program?

The Government has committed \$100 million towards the City Deal initiative. It is anticipated that the package will be made up of a number of projects aimed at creating a transformed CBD and sense of place for Darwin. The process for developing a package for negotiation with partners and investors is underway.

3. What is the timeline for negotiation of the City Deal and when will money start to flow?

The Darwin City Deal partners are working with the Commonwealth Government to develop a City Deal by December 2017. The NT Government has committed \$100 million towards the City Deal initiative, with investment expected to support immediate implementation.

4. If the \$50 million Myilly Point Museum is not considered a priority to re-vitalise the Darwin CBD and therefore does not form part of the City Deal, will the Government allocate this money to a project that has been identified as a key priority?

The Government has made a budget commitment of \$50 million towards a Museum at Myilly Point that will contribute to the vibrancy of Darwin's arts, cultural and community spaces for residents and visitors alike. A tender has been released to consult stakeholders, develop a brief and provide preliminary concepts for the museum. The Government intends to showcase our heritage and cultural assets of Darwin and the Northern Territory.

Delegation to Indonesia and Singapore

1. Please advise who representatives from the NT Government met with in the May 2017 mission to Indonesia and Singapore and what outcomes were achieved from these meetings?

Indonesia

The Chief Minister met various Indonesian Government officials and business representatives during his visit to Indonesia and Singapore. The visit promoted investment and trade with the NT, signalled the NT's willingness to investigate joint opportunities and reinforced northern Australia's strong links with Indonesia.

The visit focussed on the Indonesian business environment and future trade and investment opportunities. It was also an opportunity to introduce the new Chief Minister to a range of Indonesian contacts. The Chief Minister used the occasion to highlight the NT's proximity to Indonesia and its long-standing relationship and people-to-people links.

The Chief Minister met with representatives of the Indonesian Government and private sector. These included the Ministry of Foreign Affairs, Ministry of Trade, Ministry of Economy and Natural Resources, Indonesian Chamber of Commerce, Indonesia-Australia Business Council Board Members and alumni of the Conference of Australian and Indonesian Youth (CAUSINDY).

Singapore

The Chief Minister and representatives from the NT Government visited Singapore from 31 May 2017 to 2 June 2017, and met with key academics from the National University of Singapore, business executives and government officials with relevant expertise in urban planning, sustainable design and green building.

The Darwin City Deal initiative aims to build a long term vision with a 10 year implementation plan for revitalisation of Darwin City Centre to be a vibrant, attractive and sustainable city. The development of this plan will build on existing best practices and draw on successful projects, and lessons from other jurisdictions including Singapore.

Singapore is a city-state that thrives in a humid tropical climate due to its innovative architecture and heat-mitigating strategies. The delegation served to investigate best practice design and provide networking opportunities with relevant policymakers behind Singapore's innovative city developments.

Although there are key climatic differences between Darwin and Singapore including, regularity of rainfall, prevalence of cyclones and strong high winds, there are a myriad of ways that strong collaboration with government officials, academic and private sector expertise in Singapore could benefit and fast track the development of options to revitalise Darwin.

The focus of the visit was to gain a more detailed and nuanced understanding of projects, approaches and lessons learnt in Singapore's approach to city revitalisation and to establish relationships for continued knowledge exchange. These relationships will be fundamental to developing a long term plan for Darwin City Centre revitalisation.

The visit focused on engaging with key Singapore contacts to build an evidence base on:

- Policy options to incentivise builders, businesses and the community to incorporate heat mitigation and greening into buildings (such as changes to planning and development processes and regulation).
- Heat mitigation approaches developed and implemented in Singapore and lessons learned from these projects.
- Options to incentivise better water usage and efficiency in cities.

OUTPUT: STRATEGIC INFRASTRUCTURE AND PROJECTS

1. This Output was reduced by \$255 000 at Mid-Year Review. Please explain why this happened and how the reduction will affect this output.

This was due to an internal restructure of an executive officer position following the machinery of government changes in September 2016.

State Square Project

These questions have been answered by the Department of the Chief Minister.

1. Please provide details of the final plans and costs in relation to the State Square project?

Government activity has been focused on securing a City Deal for Darwin, which could include Commonwealth Government investment. The Commonwealth Government's City Deals Policy provides the opportunity to bring together all levels of government, the private sector and the community, in a coordinated approach to build a unique and vibrant city centre.

On 24 April 2017, the NT Government released a media statement that articulated a \$100 million commitment to a Darwin City Deal, which included the redevelopment of State Square. The proposed redevelopment includes: freeing up public space and reducing heat generation by underground car parks (near the Supreme Court), demolishing the Chan Building and moving the NT Government computer centre, building an Art Gallery, moving the bus terminal, and refurbishing the Old Reserve Bank, which will include updating the building and road parking area for tourist bus and cruise ship connections.

All efforts will aim to deliver an integrated package of initiatives to make Darwin more attractive to investors, residents and business that will result in a revitalised city centre and increase jobs and economic growth.

2. Is there a business case and if not, when will it be available?

The Government is committed to working with Council, business and community in the redevelopment of State Square. Early concepts for the redevelopment are being prepared for public consultation in August 2017.

3. Please provide plans for the Chan building?

In relation to the Chan building, there have been many studies over the years into the viability of repurposing the building none have demonstrated a compelling value proposition for refurbishing and retaining. On 24 April 2017, Government released a media statement confirming that the Chan building will be demolished as part of the refurbishment of State Square. Concepts for the redevelopment will be realised in August 2017.

4. Will plans be made public?

The Government is committed to working with Council, business and community in the redevelopment of State Square. Early concepts for the redevelopment are being prepared for public consultation in August 2017.

5. What advice has been received from the Government Architect?

The Government Architect supports the planned approach.

Strategic Issues

1. In relation to page 58 of Budget Paper 3 please name the private sector projects that the Government has facilitated and the number of jobs created.

Darwin Luxury Hotel

The luxury hotel development is expected to provide a significant economic boost. Landbridge expects about 500 jobs to be generated during the construction phase and about 150 ongoing jobs once it commences operations.

Ship Lift and Marine Industries Facility

Throughout construction, Pearl Marine Engineering has estimated that up to 100 workers will be employed in the construction of the Ship Lift and Marine Industries (SLAMI) Facility.

Once operational, it is estimated that SLAMI Facility itself could employ up to 5 full time equivalents.

The more significant job and economic benefits will flow from the role of the SLAMI Facility as an enabling facility for the development of an associated marine maintenance industry in Darwin.

Northern Gas Pipeline

Throughout construction of the Northern Gas Pipeline Jemena estimates that more than 900 workers will be employed, at least 600 of which will be for locals.

Inpex Ichthys

Background

The Ichthys LNG Project has made significant progress since work commenced in April 2012. The Project remains in the construction phase with the Project 90% complete globally and the onshore LNG plant construction about 87% complete. A major workforce ramp up at Bladin Point is expected in the coming months. Production at Bladin Point is expected to commence in March 2018.

INPEX continues to demonstrate its commitment to an Industry Participation Plan aimed at optimising NT business engagement and local employment opportunities in the Project; and working with the Industry Capability Network NT.

- 1. How much consultation with Industry was conducted regarding the wind down of the construction phase of the Inpex Ichthys project?**
- 2. How were the groups engaged? How was the engagement conducted? When and for how long and what did it cost?**

Answers to Question 1 and 2

The company has continued to engage with industry as the Project transitions from construction to operations, for example:

- Phase 3 of the SME Maximiser Development Program gave industry participants the opportunity to engage with operators and major contractors at a speed networking event on 12 September 2016
- the Supply Chain Facilitation Programme - an engagement between AusIndustry, INPEX, Jemena and local supply chain businesses was held on 7 March 2017 to assist eligible businesses to identify their greatest supply chain opportunities and work through any challenges they faced
- the Ichthys Project Managing Director (Louis Bon) delivered a key note Project update to industry members and guests of the Petroleum Club NT on 23 March 2017, and
- the Chamber of Commerce, Industry Capability Network NT and the NT Indigenous Business Network, in partnership with INPEX, hosted an INPEX Onshore Operations Industry Information Forum on 22 June 2017.

Representatives from the Department of Trade, Business and Innovation have regular dialogue with INPEX and relevant industry representatives to maximise local industry participation; and frequently engage with the Project's key contractors.

Team NT delegation attendance at the Australasian Oil and Gas Conference in February 2017 and the Australian Petroleum Production and Exploration Association Ltd Conference in May 2017 provided networking and meeting opportunities with various local, intrastate and overseas oil and gas industry representatives. Funding allocation has not been identified as attendance was not entirely INPEX Project specific.

Major Project Status

- 1. In financial year 15/16 there were 18 projects with Major Project Status. In financial year 17/18, this number is set to drop to 14. Please explain the reduction.**

The Major Project Status policy incorporates a continuous process of project review to ensure that commitments made by each party are being delivered. As part of this process, Major Project Status would be removed where projects are completed.

The number of Major Project Status projects on the list from period to period is dependent on the status of projects and new Major Project Status applications lodged and approved.

- 2. What projects have lost Major Project status or have since been completed?**

It would not be appropriate to comment on the status of specific private sector delivered Major Project Status projects.

3. What new Major Projects has the Government signed up since coming to Government in August 2016?

The Verdant Amaroo Project was awarded Major Project Status in December 2016.

4. Please provide plans to attract more major projects to the Northern Territory.

The Northern Territory Government encourages private investment in major projects. It continues to promote a responsive and transparent process to facilitate the delivery of major projects in the NT.

As part of the recent Economic Summits process, the Northern Territory Government made a commitment to review the Government's Major Project Status Policy Framework.

The Government, in June 2017, released its revised Major Project Status Policy taking account of comments received through stakeholder consultations.

The Government is currently pursuing a range of project initiatives which target private investment. These include:

- Darwin Water Theme Park
- Seniors Lifestyle Accommodation in Darwin, Darwin rural and Alice Springs
- Alice Springs tourism commercial.

The Northern Territory Government's investment promotion and facilitation unit, InvestNT, are also active in meeting potential domestic and international investors, coordinating and arranging forums, conferences, business roundtables and seminars aimed at increasing awareness of opportunities in the NT, ensuring that investment collateral across departments has a consistent look and feel, and in the coordination and encouragement, and attending where appropriate, of NT business involvement at relevant Australian and overseas investment related events.

Business and Skilled Migration Visas

1. On page 62 of Budget Paper 3, the Government expects skilled visa nominations to be 700 ahead of the PEFO estimate for financial year 17/18. What are these numbers based on?

The estimate for 2016-17 was extrapolated from the actual visa numbers associated with the nominations and sponsorships at the reporting date 30 March 2017.

2. What impact will changes to the 457 skilled migration visa have on this projection?

The changes have most impact on the mainstream 457 visa scheme and as the Department of Trade, Business and Innovation has no nomination/sponsorship role in the mainstream scheme, it is anticipated the impact on the 2017-18 projection will be minimal.

3. What impact will the Foreign Worker Levy have on skilled migration to the Northern Territory?

The Foreign Worker Levy (the Levy) is to be introduced in March 2018, subject to the passing of legislation. The Levy will take the place of the current Training Benchmarks that are applied to all employers who apply to become Standard Business Sponsors for Subclass 457 visas. While it is likely that the Levy will result in increased costs for some NT employers and reduced costs for many others, it is not possible to make an accurate assessment of the impact on the NT until the details of the Levy have been finalised.

4. Has the Government commissioned any research into potential impacts or effects of these changes?

Officers of the Department of Trade, Business and Innovation are monitoring and assessing the impact and effects of the changes being made to the skilled migration program and skilled visas on NT employers. Further, there have been ongoing discussion changes with officials of the Department of Immigration and Border Protection. As a result of representations made by key stakeholders there were changes on 1 July 2017 which reversed some of the changes announced in April 2017.

5. Have any attempts been made to seek an exemption for the NT from the Foreign Worker Levy?

No specific representations have been made to the Australian Government at this time. These changes are not to be implemented until March 2018 with details yet to be finalised.

6. Has the DAMA been modified since the government came to office in August 2016?

Since the signing of the DAMA Deed of Arrangement the only modifications made have been to the DAMA Occupation List to reflect the current occupation shortages identified in the NT Skilled Occupation Priority List. The 2017 DAMA occupation changes are scheduled to be agreed with the Department of Immigration and Border Protection in early August 2017.

7. Will the government be lobbying for changes to DAMA?

The Chief Minister wrote to the Minister for Immigration and Border Protection soon after the skilled migration policy changes were announced. He highlighted the importance of the NT DAMA to NT business in meeting our unique workforce needs and sought assurances that the NT DAMA would not be impacted.

Subsequently the Department of Immigration and Border Protection advised that the occupation caveats that have been placed on the mainstream Subclass 457 will not apply to occupations on the NT DAMA occupation list. Consideration is being given to variations to the NT DAMA to better reflect NT employer needs. Any variations put forward by the NT Government must be agreed by the Department of Immigration and Border Protection before the NT DAMA Agreement can be varied.

8. How often has the Chief Minister met the Federal Minister for Immigration and Border Protection?

The Chief Minister has not met the Federal Minister for Immigration face to face. A meeting is currently being organised for when the Chief Minister is in Canberra in September.

Purchase of Assets

- 1. Page 65 of Budget Paper 3 details 'purchase of assets' worth \$964 000 in Budget 16/17. Please outline what these assets are, and how long they will be held for.**

The budget of \$964 000 was allocated for the future development of an IT system. This project was transferred out of the agency as part of the machinery of government changes.

OUTPUT: CHIEF SCIENTIST

- 1. Has the Government scrapped the Office of the Chief Scientist?**

Establishment of the Office of the Chief Scientist has been deferred and therefore the operational funding allocation of \$0.9 million as part of the 2016-17 budget has been reprioritised to support the broader innovation agenda.

Please refer to Hansard - Estimates Committee Proceedings – Monday, 19 June 2017 page 114.

- 2. Who is the Chief Scientist?**

Not Applicable.

- 3. What resources are at his/her disposal?**

Not Applicable.

- 4. Who is the Chief Scientist accountable to?**

Not Applicable.

- 5. When will the Office of the Chief Scientist have a digital presence/website/social media presence?**

Not Applicable.

- 6. How often does the Chief Minister meet with the Chief Scientist?**

Not Applicable.

- 7. What is the role and how many support staff does the Chief Scientist have?**

Not Applicable.

OUTPUT GROUP: EMPLOYMENT AND SKILLING

OUTPUT: EMPLOYMENT AND SKILLING NT

Inpex Ichthys Post Construction Phase Transition

- 1. What plans have been put in place to manage the post construction phase of the INPEX Ichthys project?**

In late 2016, INPEX and the NT Government signed an industry participation agreement that recommits and continues to support ongoing job, training and business opportunities for Territorians on the Ichthys LNG Project during the Operations Phase.

During the 40+ year operational phase, it is estimated that around \$500 million per annum will be expended each year to support operation of the plant and its offshore facilitation through its Darwin logistic supply base.

It is anticipated that over its operation life of 40 years, the Ichthys LNG Project will create vast business and employment opportunities for Territorians.

2. What budget has been allocated to this reskilling and transition program?

The Northern Territory Government has allocated \$500 000 to support the re-skilling of local workers retrenched as the INPEX Ichthys project transitions from the construction phase to the operational phase.

This includes working closely with ISAC NT to refer workers to the appropriate training provider.

3. What measures are in place to support job creation in the NT?

The Northern Territory Government's new Economic Development Framework (EDF) identifies and focuses on key sectors for economic and employment growth, and development.

These include:

- Agribusiness.
- Tourism.
- Energy and minerals.
- International education and training.
- Defence and defence-related industries.

Through the EDF the Northern Territory Government will partner with industry, business, landowners and the community to deliver the elements of job creation by including:

- Providing certainty in government and policy.
- Transparency in our relationships and in our decision making government investment that leverages private sector investment.
- Coordinated promotion and marketing of the Territory.
- Embracing innovation and emerging technology and unleashing the creativity of the Territory's private and public sectors.

The EDF also defines further Development Sectors, that present significant growth and development opportunities and job creation, including:

- Tropical health and research.
- Creative industries.
- Renewables energy.
- Environmental services.
- Human services.

Northern Territory Government agencies such as Strategic Infrastructure and Projects and InvestNT are also active in meeting potential domestic and international investors, coordinating and arranging forums, conferences, business roundtables and seminars aimed at increasing awareness of opportunities in the NT, and in the coordination and encouragement, and attending where appropriate, of NT business involvement at relevant Australian and overseas investment related events. This activity is all designed to attract investment to the Territory that will contribute to further economic and employment growth.

We are positioning the NT for further economic and employment growth through Major Projects - both Private Sector initiated and those facilitated by the NT Government.

4. What studies have been conducted to identify skills shortages in the NT? How much has been allocated and spent on achieving this outcome?

The Northern Territory Government funds the Industry Skills Advisory Council (ISAC NT) to undertake a wide range of activities related to the workforce. These include:

- advice and industry intelligence on skill shortages, skill gaps, recruitment difficulties, regional labour market issues and workforce development needs, and
- qualitative data (market research) on occupational shortages to inform the development of the NT Skilled Occupation Priority List (NTSOPL).

The NTSOPL is an annually-produced list of skilled occupations that are in high demand or considered critical by business and industry in the NT. The list is developed by the Department of Trade, Business and Innovation in conjunction with ISAC NT and other industry associations. The methodology and current list can be found at <https://nt.gov.au/employ/for-employers-in-nt/hard-to-fill-jobs-in-the-nt>.

5. Please provide a value for the retraining, and reskilling budget in the NT for financial year 16/17. How does this compare to financial year 15/16?

Nil funding was allocated in the 2015-16 year to reskilling and retraining ex-INPEX workers as the project was in the construction phase (refer to Question 2 above).

OUTPUT GROUP: CORPORATE AND GOVERNANCE

OUTPUT: CORPORATE AND GOVERNANCE

Staffing

1. How many Full Time Equivalents are currently employed within this Agency, broken down by Output and Business Unit?

Output Group	Output	FTE
Business and Industry Development and Support	Business and Innovation NT	68.5
	Strategic Policy	7.8
	Procurement NT	19.4
	Northern Australia Development and Trade	42
	Strategic Infrastructure and Projects	7.7
	Chief Scientist	0
Employment and Skilling	Employment and Skilling NT	47.4
Corporate and Governance	Corporate and Governance	41.3
Total FTE		234.1

2. How many Full Time Equivalents have resigned, retired, taken a redundancy package or have been made redundant, or terminated? Please break down these numbers by Output and Business Unit?

Separation Reason	Output Group	Output	Separations
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Redundancy Voluntary	Business and Industry Development and Support	Northern Australia Development and Trade	1
Resignation	Business and Industry Development and Support	Business and Innovation NT	3
		Strategic Policy	0
		Procurement NT	2
		Northern Australia Development and Trade	7
		Strategic Infrastructure and Projects	1
		Chief Scientist	1
	Employment and Skilling	Employment and Skilling NT	3
Corporate and Governance	Corporate and Governance	3	
Total			21

3. What has happened to these positions? Has the work been reallocated to existing staff?

4. Are there any plans to fill these positions in the near future?

Answer to Questions 3 and 4:

One employee was given approval for voluntary redundancy. The position was transferred to the Department of Trade, Business and Innovation with the Machinery of Government changes. It transferred to the Department of Trade, Business and Innovation at a higher level than what was required in the new divisional structure. It was redesigned to a lower level and the employee requested a voluntary redundancy. The redesigned position will be advertised.

Eleven (11) supernumerary (SUPN) employees resigned. These employees resigned early to either take up employment elsewhere or for other personal reasons.

Note: all our funded positions have been, or are in the process of being, established. SUPN's undertake temporarily funded, time limited work and are not 'back-filled'. If there is outstanding work, it is absorbed within the immediate work unit.

Nine (9) employees held against established positions resigned. These employees resigned to take up work outside of the NTPS or for other personal reasons. All established positions have been, or are in the process of, being recruited to.

Procurement

1. \$442 598 out of \$560 705 in legal fees for Trade, Business and Innovation went to Minter Ellison. This is 79% of the total spend to one firm. Is this firm local and does it have a NT resident partner?

Minter Ellison is a national legal practice with a large Darwin office, established since 2003, with long term local NT resident partners.

A large proportion of the legal fees for the Department of Trade, Business and Innovation is for Government facilitated strategic projects.

Engagement of legal advisors for outsourcing of Government legal advice is conducted through the Department of the Attorney-General and Justice via a

competitive process. Local law firms are invited to participate in the competitive process, and local content is a mandatory criteria in the evaluation process.

2. Why did so much of the total spend go to one firm?

Minter Ellison successfully won tenders on merit to be the Government's legal representative on a number of significant strategic projects.

A large focus of all Northern Territory Government legal outsourcing arrangements are commitments to professional development and local upskilling for local business and Northern Territory Government officers.

3. The Strategic Defence Advisory Board spent \$259 252 for one meeting over the requested reporting period, for nine months up to March 31 2017. What has been achieved for this expense?

The costs attributed to the Strategic Defence Advisory Board (SDAB) included not only the physical board meeting held in February 2017, but also a number of virtual board meetings and other work conducted by SDAB members. In 2016, an NT Government delegation visited Europe to champion NT Defence industry for the through life support of the future Offshore patrol Vessel, which included Rear Admiral (Retd) Mark Purcell, a marine industry specialist and member of the SDAB.

The delegation's key message was that the most effective and strategic location for Offshore Patrol Vessel sustainment is Darwin. The companies were made aware of current and future infrastructure capability in Darwin, including the proposed Ship Lift and Marine Industries Facility.

A member of the SDAB also met with Defence NT and senior government executives for a week in December 2016, to provide specialist industry advice to Industry Capability Network NT and strategic policy advice in relation to proposed changes to Defence NT leading up to the Brodersen Review and the 2015 Defence Strategy.

4. What is the return to Territory taxpayers of this investment?

Defence is a significant contributor to the NT economy through the creation of direct and indirect employment, building of infrastructure and generating demand for local goods and services. Defence expenditure in 2015-16 contributed 7.3% to the NT's Gross State Product or \$1.6 billion, in inflation-adjusted terms. Expenditure for the NT included in the 2016 Defence White Paper is estimated to be valued at about \$8 billion over the next decade, and a further \$12.2 billion between 2025-26 and 2035-36 and includes investments by US Defence. The role of the SDAB is to assist the NT Government to achieve its strategic directions regarding the attraction and retention of defence-related investment to the NT.

5. Why was the Procurement policy review awarded to a South Australia firm?

The procurement for '16-0637 Provision of Procurement Framework Review Services' was undertaken through a select process, with six consultancy firms invited to quote. The six firms invited to submit quote all have a permanent local presence within the Territory, employ Territorians, and identified experience or capacity to undertake the consultancy requirements.

Four quotations were received and assessed against the predetermined assessment criteria, including Local Content. The quotation from Zed Consulting was assessed as representing the best value for the Territory, significantly outscoring other offers against the criteria of capacity, and were awarded the contract.

6. Why do 20% of contracts continue to go outside the NT?

Given the NT's business, industry and economic environment, there are requirements Territory Enterprises are unable to meet. Where goods or services are not available from Territory Enterprises, or where procuring from Territory Enterprises does not represent good Value for Territory, these goods and services are procured from interstate suppliers.

7. What action will the Government take to address this situation?

The Northern Territory Government is establishing a Buy Local Industry Advocate who will help ensure that Territory Enterprises are provided full, fair and reasonable opportunity to compete for government contracts and that Local Content is considered at every step in the procurement lifecycle.

8. There is a \$205 032 contract to Melbourne University for foreign Country Engagement Plans. Why was this task sent to Melbourne? Please provide a copy of these rather expensive documents?

In 2015-16 a public tender process was undertaken¹ for the procurement of foreign Country Engagement Plans. Of the 12 responses received, only four responses were from Territory Enterprises. The University of Melbourne was identified as representing best value for the money. The documents provided under the contract will be available for public consumption in Quarter 4 of 2017.

Travel

1. Further to responses to Questions 38 and 39 in the recently answered Written Questions on Agency Administration, please advise the names of those public servants that travelled interstate and intrastate, as were provided for those who travelled internationally.

Below is a list of public servants that travelled interstate, intrastate or/and internationally.

Abbie Northwood	Jason Bingham	Murray MacAllister
Andrew Cowan	Jason Garry Schoolmeester	Nadia Reid
Andrew David Peers	Jason Howe	Nicky June D'Antoine
Andrew Thorogood	Jason Mark Dyer	Nicole Civitarese
Angelika Herzog	Jason Robertson	Patricia Sigston
Anne Louise Pearce	Jason Schoolmeester	Paul Rider
Anne Tan	Jayde Leanne Hayes	Peter Morris Sims
Bardia Bodaghi	Jeffrey Peter Stewart	Peter Sims
Bernice Harris	Jessica Powter	Phillip Sutherland
Brett Macdonald	Jo Fitzpatrick	Rachael Jane Shanahan
Bridget Dooley	Joel Liddle	Rebecca Christine Weller
Bridget McCue	John Henry McCue	Rebecca Tinkham
Bryan Dinning	John Patrick Illidge	Renee Ramm
Carley Scott	Joseph Aladin	Richard Foo
Carol Pettersen	Joseph Kuhn	Ross Andrew Nowland
Chantelle Salandanan	Josephine Bethel	Samual Hill
Chris Mouat	Joyce Vandermaas	Scott Lovett
Chris Turner	Julie Wilson	Shane Andrew Mccorkell
Christine Anne Hoffman	Karan Hayward	Shirley Anne Wilkshire
Christopher Laurence Howard	Karen Lo-Lai	Sibylle Brautigam
Christopher Ralph Martin	Kate Walker	Skei Batton

¹ Value for Money is consistent with the procurement policy at the time of assessment and award.

Claire George	Kelvin Strange	Stephanie Elizabeth Hawkins
Craig O'Halloran	Kenneth John Orwell	Stephen Gelding
Damien Ryan	Kevin Raymond Fong	Stephen Mencshelyi
David Boustead	Kim Jenkinson	Steve Newland
Deb Carr	Kym Nolan	Suzanne Archbold
Debbie-Joy Paylor	Linda Rose-Marie Fazldeen	Tenielle Arnold
Dianne Fong	Luke Bowen	Teresa Hart
Emma Jade Warren	Mandy Caulfield	Teresa Holdsworth
Fay Miller	Mark Darby	Teresa Mckay
Gail Humble	Mark McCrindle	Tim Nicol
Garry Wayne Giles	Mark Wilson	Tim Pickford
George James	Mary Adelaide Martin	Tracy L Clark
Giovina D'Alessandro	Meg Mcgrath	Tung Thanh Thai
Gowan Alfred Bush	Michael Frederick Steller	Vakina Stefanidakis
Graeme Neil Kevern	Michael John Williams	Wayne Douglas Fan
Graham Tribe	Michael Reed	Wendi Masters
Grant Butler	Michael Tennant	Wendy Joy Pritchard
Jane Kearney	Michelle Graf	William J Murphy
Jane Wang	Morag Lynne Dwyer	

Hospitality

- 1. Further to responses to Question 41 in the recently answered Written Questions on Agency Administration, please advise the names of the Ministers and public servants that incurred hospitality expenditure in each instance.**

The administrative effort required to respond to this question is excessive as this information is not captured in the Ledger (GAS accounting system) and would result in undue division of resources during the financial year end and statutory reporting period.

Note that the Department of Trade, Business and Innovation does not pay for the cost of hospitality of Ministers.