

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY**WRITTEN QUESTION**

Mr Burke

to Minister for Territory Development

Territory Development Office

1. What will be achieved by the Office through the expenditure of \$120,000 in 2001-02?
2. How many staff are assigned to the Office as at January 1, 2002.
3. What amount of the net budgetary impact identified for the Office in your costings document is made up of travel needs or is the travel expenditure of the Office going to be funded by the Department of Chief Minister.
4. What cost will be incurred in the provision of suitable office accommodation for the Office of Territory Development, including any design and refurbishment costs?
5. How will the performance of the Office be measured?
6. How will the office avoid duplicating the investment-related activities of agencies such as the Office of Resource Development, the Department of Industries and Business, the Department of Asian Relations and Trade etc?
7. Will there be a reduction in these agencies capacity in the area of investment attraction as a result of the development Office.
8. Will the Office have the capacity to offer incentives to potential investors and what incentives would be considered appropriate.

ANSWER

1. The Office of Territory Development (OTD) is the cornerstone of the Government's objectives in diversifying the economy, job creation and fostering industry suited to the Territory's strengths and modern economic conditions. Current projects include:
 - (a) acting as the Territory's lead agency in coordinating the Government's initiatives to bring gas onshore. This includes the recent announcement by Phillips Petroleum that, subject to the ratification of a treaty with East Timor by the Australian Government, gas will be brought onshore by 2006;
 - (b) facilitating value adding investments in the railway and other long-term investments in the Territory. OTD has been bringing major investors to the Territory and assisting them to develop proposals and business plans;
 - (c) assisting with the development of an application for some \$3 Million per annum in Commonwealth funding for the Desert Knowledge Cooperative Research Centre;
 - (d) taking a key role in the development of an Economic Development Strategy for the Territory;
 - (e) assisting with the development of an application for \$20M in Commonwealth Networking the Nation funding for telecommunications to remote communities; and

- (f) exploring other opportunities for the development of the Territory economy by building on our research and development potential in tropical knowledge.
- 2. As at 1 January 2002, twenty-two staff were assigned to the Office of Territory Development. All of these staff have been transferred from other agencies or from within the Department of the Chief Minister.
- 3. Travel expenditure for the Office of Territory Development will be funded by the Department of the Chief Minister.
- 4. The Office of Territory Development recently moved to the 14th Floor NT House. Final accounts have not yet been received however; removalist and technology relocation costs are estimated at \$1000 per person. Refurbishment of the office space has been limited to the removal of some internal walls and minor cabling changes to accommodate more staff than were previously in that location. No additional furniture or fittings have been purchased.
- 5. With responsibility for such high level projects as bringing gas onshore the performance of the Office will be clearly evident to all. In addition to this, the Office is developing a business plan to cover its other key projects and the initiatives in the Economic Development Strategy.
- 6. The Office of Territory Development will not duplicate the investment-related activities of former Agencies as the relevant responsibilities have been transferred to the new Office. Strong synergies have been forged with other Agencies, in particular Department of Business, Industry and Resource Development, to ensure that all investment opportunities are actively pursued.
- 7. New agencies and their respective responsibilities were announced in the restructure of the Public Sector in November 2001. The Agencies referred to in the question no longer exist. The overall capacity of the government to be involved in investment attraction has increased with the establishment of the Office of Territory Development in conjunction with the role of the Investment Ambassador.
- 8. Incentives for potential investors will be considered on a case by case basis.