

Australian Government





DEVELOPING THE NORTH

Northern Australia can grasp its full potential and become an economic powerhouse within our great country.

This White Paper is an essential part of our plan to build a strong, prosperous economy and a safe, secure Australia. We can take advantage of our strengths and our natural advantages.

Our north's future will come from its people, its ingenuity, its diversity, and its proximity to Asia.

Covering 40 per cent of Australia's land mass, our north has the resources, the connections across the Tropics, and the land, skills and institutions that the Indo-Pacific region needs; a region that has the savings and the markets to drive northern prosperity.

We will fix the roads and telecommunications, build the dams and deliver the certainty that landholders and water users need.

We will drive down the costs of operating in the north for business; making it a more attractive place to invest and work. By making the right regulations and infrastructure investments, we can encourage jobs and tackle the costs of living far from major cities.

Governments alone cannot develop northern Australia, they can only set the right environment for businesses to profitably invest and communities to flourish. The north will only truly achieve its potential with the participation of all the people who live there, including Indigenous Australians.

We acknowledge the contribution of everyone who made submissions and participated in this White Paper; particularly the Hon. Warren Entsch MP who chairs the Joint Select Committee on Northern Australia, and the Hon. Shane Stone and his Northern Australia Advisory Group. For many years Senator the Hon. Ian Macdonald has been a driving force for development in northern Australia.

We want this White Paper to be the foundation on which successive Commonwealth governments can continue this important work over coming decades.

Ella Bay.



SIMPLER LAND ARRANGEMENTS TO SUPPORT INVESTMENT



Agricultural development in the Ord River. Credit – Image courtesy of the Western Australian Government.

The Commonwealth Government will work with Indigenous communities, business and northern jurisdictions to simplify and modernise land arrangements in the north.

This will create more certainty for investors and increase the value of land for all Australians.

The White Paper aims to make dealing in native title easier and more certain; pastoral leases broader and more secure; and for Indigenous Australians to own their own home or business, if they want to.

The White Paper will deliver simpler and more secure land arrangements in the north, by investing:

- \$20.4 million to support native title bodies to realise their potential and negotiate more efficiently with business
- \$17 million to support secure property rights through more cadastral surveys, area mapping and township leases
- \$10.6 million for pilot land tenure reforms to fund 'next steps' for projects that demonstrate the benefits of tenure reform. They will cover native title, Indigenous land and pastoral leasehold.

The Government will also work with the Council of Australian Governments (COAG) to reduce native title costs and delays, and allow for Indigenous Australians to borrow against or lease out exclusive native title land.

The Government aspires to have all current native title claims finalised within a decade. Efficient resolution of native title claims allows native title holders to more easily use their rights or interests for economic development opportunities, including training and employment.

The north is made up of large tracts of land held under pastoral leases. The Northern Territory, Queensland and Western Australian governments are already taking important steps to reduce the regulatory burden imposed by the north's pastoral leasehold arrangements.

The Government will help drive these reforms as well as demonstrate their benefits to the wider community.

This will involve the Government working with Indigenous business and communities, and attracting global investment to new and diverse investment in the north.

DEVELOPING THE NORTH'S WATER RESOURCES



Water discharging below the Diversion Dam on the Ord river, Kununurra, WA Credit – Angus MacGregor and the Department of the Environment

Building the right water infrastructure in the right place will be crucial to realise the full potential of the north.

Northern Australia receives an average of more than two million GL of rainfall every year (CSIRO, 2015), more than 60 per cent of the national total. That is enough water to fill a bucket the size of the Melbourne Cricket Ground to a height of more than 80,000 km, or more than 20 per cent of the way to the moon.

However, this rainfall is highly variable and seasonal, with most of the year's rain falling in the summer months. In the dry season, zero monthly rainfall totals are common.

Compared with the south, there are substantial knowledge gaps around northern surface water and groundwater systems.

Predicting and meeting demand for new water users and uses is an important driver of water resource development. This will require improved information and analysis of water and soil resources.

The Government will immediately commission water resource assessments in the Mitchell River catchment (Queensland), West Kimberley (Western Australia) and the Darwin region (Northern Territory).

The Government will establish a National Water Infrastructure Development Fund with \$200 million committed to facilitate greater investment in northern water infrastructure.

It is the first step in delivering on the Government's commitment to do the detailed work necessary to build the water infrastructure needed to secure the nation's water supplies while protecting the environment. Further details on the Fund will be announced in the forthcoming Agricultural Competitiveness White Paper.

Secure water rights will be a condition for any water delivered through new Commonwealth funded water infrastructure.

The Government will support the detailed planning necessary to accelerate investment in water infrastructure by providing funding of up to \$5 million each for detailed examinations of economic feasibility of Nullinga Dam (Queensland) and Ord Stage 3 development (Western Australia/Northern Territory). Addressing potential production risks such as soil salinity will be a key component of the Ord Stage 3 investigation.

By providing funding for feasibility assessments the Government will ensure that the right water infrastructure is built.



Northern Australia Water Infrastructure

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OUR BUSINESS, TRADE AND INVESTMENT GATEWAY

More business, trade and investment means stronger growth, more jobs, higher incomes and better living standards in the north and across Australia.

The north has natural advantages in agriculture, mining, energy and tourism — all of which underpin our national income.

It is also Australia's closest connection with our key trading markets and the global scale changes occurring in Asia.

The proximity to the fast-growing Asian and tropical regions presents boundless opportunities where demand for Australian goods and services is reaching unprecedented levels.

The Government will promote our northern business, trade and investment gateway by:

- accessing northern Australia's untapped potential by attracting greater investment, and building greater business and education links with our regional partners
- fostering greater innovation and leadership through dedicated R&D, biosecurity and tropical health measures in the north
- getting out of the way of business by providing a supportive regulatory and economic environment in which businesses operate.

Scientist, Australian Institute of Marine Science, Townsville



Gorgon LNG project, Western Australia. Credit – Image courtesy of Chevron Australia

The Government will help attract more investors to the north by:

- hosting a major northern Australia investment forum in Darwin in late 2015 to bring together international investors, supported by the new value proposition: "Northern Australia emerging opportunities in an advanced economy"
- setting up a new \$75 million Cooperative Research Centre on Developing Northern Australia
- investing \$15.3 million to position the north as a global leader in tropical health
- providing \$12.4 million for Indigenous Ranger groups to expand biosecurity surveillance, with further details on biosecurity to be announced in the forthcoming Agricultural Competitiveness White Paper
- helping business enter new markets and supply chains by increasing access to the Entrepreneurs' Infrastructure Programme.

For too long, governments have tied up investment in unnecessary red tape. The Government will end these delays by partnering with the Northern Territory Government to establish a 'single point of entry' in Darwin to streamline regulatory processes and cut red tape for major investors.

The Government will also remove excessive regulatory burden by streamlining and simplifying cultural heritage, fisheries, and wildlife trade regulations, and supporting northern industries including fisheries and crocodile products trade.

INFRASTRUCTURE TO SUPPORT GROWTH

The Commonwealth Government is committed to ensuring northern Australia has the appropriate infrastructure to support economic and population growth.

Infrastructure plays an integral role in unlocking economic opportunities globally, nationally and especially in the north. It facilitates investment, increases accessibility to markets (especially for remote areas) and helps attract and retain workers.

To improve infrastructure in northern Australia, the Commonwealth Government will focus on funding high priority public infrastructure, while making it easier for the private sector to invest in the infrastructure where it can get a return.

The Commonwealth Government will focus on funding high priority infrastructure through:

- the \$5 billion Northern Australia Infrastructure Facility, providing concessional loans for major infrastructure in the north and supporting projects prioritised on the new infrastructure pipeline
- a new \$600 million roads package to improve key roads in the north, including consideration of upgrades for the Arnhem, Barkly, Flinders, Great Northern, and Hann highways, the Outback Way and the Tanami Road
- a \$100 million beef roads fund which will help improve cattle supply chains
- investing \$39.6 million to upgrade airstrips and subsidise air services in remote Australia
- investing \$5 million in rail freight analyses starting with a pre-feasibility analysis of a Mount Isa to Tennant Creek railway.

The Commonwealth Government has already committed nearly \$5 billion of its \$50 billion nationwide investment in transport infrastructure to the north.

These investments include over \$3 billion for northern sections of the Bruce Highway, \$208.4 million for the Cape York Region Package, \$172.2 million for the North West Coastal Highway and \$90 million for the Northern Territory Regional Roads Productivity Package.



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Northern Australia Transport Infrastructure

A NORTHERN WORKFORCE FOR

<u>GROWTH</u>

A better skilled and more flexible workforce in the north will allow businesses to better meet their labour needs, encouraging increased investment, more jobs, along with higher incomes and living standards in the north.

The north's workforce needs are unique. Many businesses effectively shut down or cut back during the wet season; working long hours in the dry season. Tourism workers often need to



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work outside standard hours, while mining or agriculture workers can be required to stay onsite for extended periods of time.

The Government will build on existing initiatives across Australia, including reforms to higher education, skills and training and a new \$5.5 billion Jobs and Small Business Package to create the right conditions for small business to grow and create new jobs.

The Government is also helping more Australians to work in the north by:

- assisting the Northern Territory Government to streamline recognition of occupational licenses from other jurisdictions, abolishing red tape and expanding job opportunities
- supporting northern business to invest in the skills of their workforce with additional assistance under the Industry Skills Fund
- supporting remote job seekers to work in real jobs through reforms to the Remote Jobs and Communities Programme.

However, Australians are not always available to fill positions vacant in the north. Where Australian workers cannot be found, businesses will need improved access to foreign workers so they can continue to grow and provide the goods and services Australians require.

The Government will help address legitimate unmet labour demands of northern businesses by:

- fast tracking Designated Area Migration Agreements so regions can attract and retain workers
- allowing some backpackers to apply for a second 12 month visa if they work in northern tourism or agriculture
- allowing backpackers to work for 12 months (instead of six) with a single northern employer
- streamlining and expanding the Seasonal Worker Programme to better meet businesses' seasonal labour needs
- piloting a new work visa for 250 citizens from the Pacific microstates in the north.

GOOD GOVERNANCE FOR NORTHERN AUSTRALIA

All governments want northern Australia to be meeting its full potential to benefit people living there as well as those around the country.

The White Paper sets out an ambitious long term reform agenda for the north because a strong north means a strong nation.

The White Paper is a roadmap for achieving our vision for the north by 2035 and we are starting work right away.

To complement our investment, we will continue to work with Indigenous Australians, the northern jurisdictions and industry so the north can reach its full potential.

The Northern Australia Strategic Partnership — the biannual gathering of First Ministers from the Commonwealth and northern jurisdictions — will be made permanent and ensure these commitments are kept.

The Government will pursue making the Joint Select Committee on Northern Australia an enduring feature of the Parliament to ensure ongoing bipartisan support for developing the north.

Shifting the Office of Northern Australia to the north, and the programme of public sector secondments, will also increase links between the north and the Commonwealth.

These actions will lay the right foundations for long term growth by delivering better infrastructure, reducing red tape and improving services in the north.

Darwin Convention Centre. Credit – Image courtesy of Darwin Convention Centre Management.



TOP ACTIONS SUMMARY

LAND AND WATER

- \$20.4m support for native title holders to engage with potential investors
- \$17m investment to support freehold/99 year leases for willing Indigenous communities
- \$10.6m for land tenure pilots to demonstrate benefits of reform
- Working to complete existing native title claims within 10 years
- More efficient and transparent native title processes
- More business friendly information on different land tenures in the north
- Principles and actions to improve the security, bankability and efficiency of pastoral land
- \$200m for the National Water Infrastructure Development Fund

BUSINESS, TRADE AND INVESTMENT

- Major investment forum in Darwin in late 2015
- A Northern Australia Insurance Premium Taskforce
- Stronger economic connections with our region
- Investment to foster business links with Indonesia, Papua New Guinea and Timor-Leste
- Greater business services (such as management advice) including \$13.6m for northern tourism
- \$75m Cooperative Research Centre on Developing Northern Australia
- \$15.3m Tropical Health Strategy and \$2m to build links between tropical health research institutions
- \$12.4m for Indigenous Ranger groups to expand biosecurity surveillance and compliance activities
- Establishing a 'single point of entry' in Darwin to streamline regulatory processes and cut red tape for major investors
- Reforms to visitor visas from China and India
- Reducing duplication and streamlining fisheries and aquaculture management
- More efficient wildlife trade regulation
- Productivity Commission to identify regulatory improvements for fisheries and aquaculture

INFRASTRUCTURE

- \$5b Northern Australia Infrastructure Facility
- \$600m for northern Australia roads package
- \$100m northern Australia beef roads fund
- \$5m for rail freight feasibility analyses

- \$3.7m for a new northern infrastructure pipeline
- Infrastructure Australia's northern Australia audit
- \$39.6m to upgrade airstrips and subsidise air services in remote Australia
- A plan to improve air connectivity in the north

WORKFORCE

- Support business to invest in skills and training in the north through the Industry Skills Fund
- Targets for Indigenous employment and suppliers from White Paper infrastructure spending
- Streamlined recognition of occupational licences in the Northern Territory
- Reforms to the Remote Jobs and Communities Programme to allow participants to be placed in local businesses
- Fast tracking the Designated Area Migration Agreement in the Pilbara, progressing negotiations with the Northern Territory and continuing discussions with Queensland
- Expand and streamline the Seasonal Worker
 Programme
- Allow Working Holiday Maker visa holders to work for longer in northern Australia
- Pilot a new worker visa over five years for 250 Pacific microstates citizens

GOVERNANCE

- A permanent Northern Australia Strategic
 Partnership
- An enduring Joint Select Committee on Northern Australia
- Shifting the Office of Northern Australia north
- Annual progress statement to Parliament
- Public sector secondment programme
- A northern Australia red tape repeal day
- A strengthened defence presence in the north.

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