



Northern  
Territory  
Government

**OUR PLAN FOR  
DEFENCE**

NORTHERN TERRITORY GOVERNMENT

**BUDGET 2015-16**  
MAKING YOUR LIFE  
**SIMPLER**  
**SAFER**  
**SMARTER**



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**Adam Giles**  
Chief Minister



**Dave Tollner**  
Treasurer

In deciding the Budget priorities over the next 12 months we have carefully considered Territorians' desire for improved services and facilities.

We recognise the need to put the community at the centre of everything we do. And having spent the last two Budgets putting Government finances back into shape, we are now in a position to be able to make the types of investments that mean the community is receiving the dividends.

Historically defence has always been a part of the Territory fabric. It is a relationship that started in 1824 when HMAS Tamar transported Royal Marines, sailors and civilians to establish Fort Dundas on Melville Island. The Territory has been an important staging post for overseas conflicts ever since.

For the first time, the NT Government has appointed a Minister for Veterans Support to complement the existing Minister for Defence Industries. These positions represent a commitment to the economic and social contribution of the more than 6000 ADF personnel based in the Northern Territory.

The Territory is experiencing substantial economic growth, especially through the impacts of major projects. However, this represents one component of our diverse economy and the challenge is to ensure that we capitalise on the growth and share the success among all Territorians.

The 2015-16 Budget is a response to the needs of Territorians while still ensuring our lifestyle is the envy of others. The measures outlined in this document are a symbol of our commitment to defence in the years ahead.

On behalf of the Northern Territory Government, we present to you the way ahead.

**The Hon Adam Giles MLA**  
Chief Minister

**The Hon David Tollner MLA**  
Treasurer

# Strategic defence

Defence spending in Northern Australia has been increasing steadily for the past 15 years



Defence spent \$1.5 billion in the Territory in 2013-14, or around 7 per cent of Gross State Product – the highest proportion of GSP of all jurisdictions. We currently have around 8.6 per cent of the country’s permanent Defence Force personnel and two thirds of the Army’s combat power is based in Northern Australia.

Defence Housing Australia (DHA) manages up to 2600 properties located in Darwin, Palmerston and Katherine. DHA is working with the NT Government to provide additional dwellings in Darwin for Defence members, with the excess being made available to the general public.

We expect a squadron of the new Joint Strike Fighter aircraft to be based in the Top End, requiring an upgrade of current facilities worth \$470 million at RAAF Tindal near Katherine.

The new \$18 million Multi User Barge Ramp Facility at East Arm will begin construction in 2015 as a joint project between Defence and the Northern Territory’s Land Development Corporation.

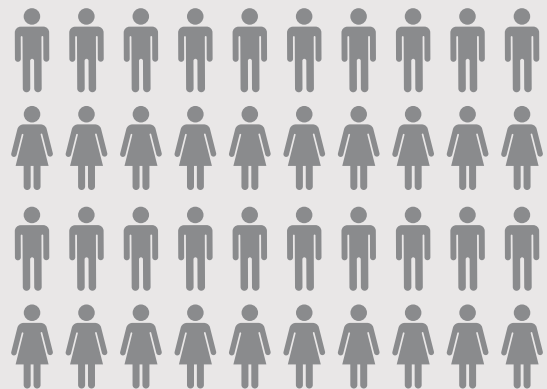
We are in a perfect location to support a variety of Unmanned Aerial Systems which are likely to be used for border and Economic Zone security.

The US–Australia Force Posture Agreement has put in place the formal structure required to increase the rotation of US Marines through Darwin. This creates new business opportunities including the supply of rations, warehousing and maintenance of equipment.

We believe the Northern Territory has the potential to play a major role as an operating and support base into the future, for a range of military and border protection capabilities.

**\$1.5 billion**

**Defence spent \$1.5 billion in the Territory in 2013-14**



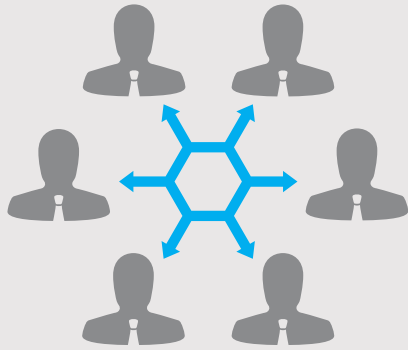
**8.6%** of Australia’s permanent Defence Force personnel are based in the NT



**Defence Housing Australia (DHA) manages up to 2600 properties in Darwin, Palmerston and Katherine**

# The way forward

The Northern Territory Government is working hard to position the Territory to attract defence investment in a way that strategically aligns itself with our nation's defence requirements



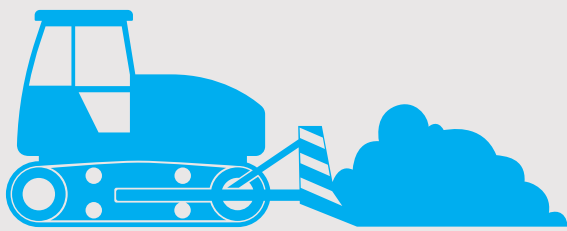
**Strategy For Defence in the NT**  
– The Australian Defence Industry Association, the Industry Capability Network, the Northern Territory Chamber of Commerce and the Department of Business will all have a role in implementing the strategy

## Defence Capital Works

The increasing capability and infrastructure needs of the ADF are expected to provide capital works opportunities for Territory business of more than \$1 billion between now and 2022. It is this type of opportunity that requires business to be prepared.

The government has established strategic relationships with Defence and Defence industries. The Strategic Defence Advisory Board was formed to guide NT Government strategy, through the development of 'A Strategy for Defence in the Northern Territory' aimed at integrating Department of Defence future planning with NT Government planning.

The Australian Defence and Industry Association, the Industry Capability Network and the Northern Territory Chamber of Commerce, together with the Department of Business, will all have a role in implementing the strategy.



**\$603 million**  
package of Defence construction work is planned for the Territory

The strategy aims to connect and promote local Defence industry capabilities to the Defence Materiel Organisation, so that the DMO understands what resources it has available in the Northern Territory for future projects.

The Federal Defence Department has also confirmed a five year \$603 million package of construction work in the Territory.

The arrival of the Joint Strike Fighter at RAAF base Tindal in 2022 will necessitate a large infrastructure project to the value of \$470 million to accommodate and support the new aircraft.

In addition to the Joint Strike Fighter infrastructure additional works include:

- High voltage power supply upgrades to Shoal Bay Receiving Station worth \$6 million;
- Flood mitigation works at RAAF Darwin costing approximately \$10m;



New Married Quarters at RAAF Darwin worth  
**\$53 million**



- The construction of new Married Quarters at RAAF Darwin worth approximately \$53 million; and
- Major aircraft pavement upgrade works at RAAF Tindal and RAAF Darwin costing in excess of \$60 million.

The NT Government will invest around \$3 million in the construction of a dedicated fuelling facility at East Arm Wharf to service the Royal Australian Navy. The Defence Fuelling facility at East Arm Wharf is needed after the decommissioning of the Stokes Hill Defence Fuel Installation, which had been in place since the early 1920s.

The construction of the facility, which consists of berth pocket dredging, a dedicated pipeline and a landing that will allow 24/7 access to fuel supplies from the Vopak terminal by a Navy bunker barge, is expected to start in the second quarter of 2015.

The Darwin Port Corporation will fund the construction project, but will seek a commercial return on the facility from Defence.

This type of expenditure follows on from large scale projects already completed including the \$124 million Defence Joint Logistics complex at Robertson Barracks and the \$11 million contract for facilities at Robertson Barracks to accommodate the US Marines on rotation to the Territory.

Defence has acknowledged the need to sequence these very large projects, so that they minimise the peaks and troughs in local industry capacity.

**6100**

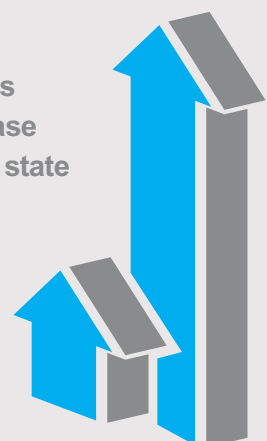


**Defence force personnel employed in the Northern Territory**



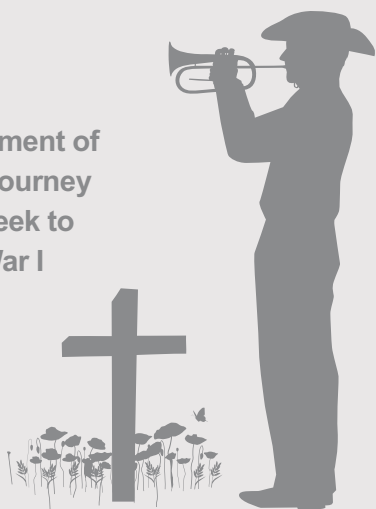
**Exercise Pitch Black contributed \$25 million to the local economy**

**US Marine rotations estimated to increase the Territory gross state product by \$5.6 million annually**





Historic re-enactment of Albert Borella's journey from Tennant Creek to enlist in World War I



### Defence Heritage

The ANZAC Centenary program running from 2014-18 presents an opportunity to enhance and promote the Territory's military history and our serving Defence community.

The highlight of this \$4.5 million Territory ANZAC Centenary program to date has been the historic re-enactment of Albert Borella's journey from Tennant Creek to enlist in World War I.

Over the years ahead, the focus will shift towards the 75th anniversary of the Japanese air attacks on the Top End. The Government is developing a program of community focussed events and projects called *The Territory Remembers* to mark this milestone.

The Northern Territory Government has allocated \$2.25 million over two years which will include:

### Community events

A program of events to commemorate WWII activities across the Territory will be developed through discussion with the community and military stakeholders such as the RSL. These will most likely consist of:

- Regional events to occur across the Territory based on community feedback;
- A Bombing of Darwin Ball to occur in 2016 and 2017 to complement the City of Darwin Bombing of Darwin activities.

### Memorials

A program of memorials will be developed through public consultation across regions and with the City of Darwin:

- Grants to regional locations up to the value of \$25,000 to enhance war memorials or create a memorial commemorating WWII; and
- A competition to develop a memorial that also has practical uses for the Darwin community.



**\$2.25 million**

over two years to commemorate the 75th anniversary of the Japanese air attacks on the Top End

**\$25,000**

of grants to regional locations to enhance war memorials or create a memorial commemorating WWII



### Education

An education program will include initiatives such as:

- The development of a school education package for delivery across the Territory; and
- Essay competition or other activity that engages young people in our war time history

### History

A history program will be developed to research and communicate local stories from across the Northern Territory to include:

- The development of an Indigenous Veterans historical showcase and travelling road show; and
- The development of “War Comes to the Territory” documentary and content for schools and tourism industry.

### Preserving our military heritage

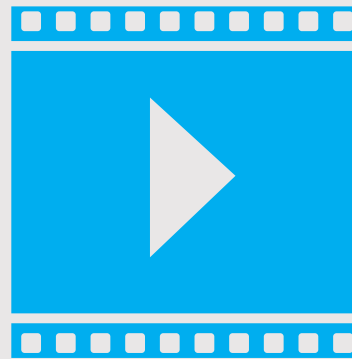
The Northern Territory Government has already taken steps to preserve more of our military history, announcing in March 2015 the three US Navy Catalinas, which were all sunk at their moorings in Darwin Harbour’s East Arm, would be permanently protected.

The Territory’s World War II heritage is one of its greatest tourism assets and we are committed to making it more accessible to visitors with informative displays that properly explain this fascinating chapter of Australian history.

Budget 2015 also includes \$3.05 million over three years to enhance our rich pioneering and military heritage sites, which will include sites of historic interest along Territory highways. The Department of Arts and Museums and Tourism NT will work together to develop these sites into a new Heritage Tourist Trail.



**Education initiatives in schools will include various programs to engage young Territorians in our war time history.**



**Research and communicate local stories from across the Territory**

**\$3.05 million**

over 3 years for enhancement of our military history sites along Territory highways



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