



Senator the Hon Matthew Canavan
Minister for Resources and Northern Australia

2017 Annual Statement

***Our North, Our Future* White Paper on Developing Northern Australia**

7 December 2017

Developing our north with a dedicated infrastructure fund overseen by a dedicated Minister is a key priority of the Liberal-National Government. We are delivering a policy agenda that drives investment and creates jobs that will build and underpin stronger northern communities for generations to come.

The Coalition's \$6 billion investment will ensure the north grows as both a vibrant business centre and as a trade gateway to the Asia Pacific.

Since our first annual statement to this Parliament a year ago, 31 of the White Paper's 51 measures have been delivered, and the remaining 20 are well underway.

The pace of progress is accelerating and will continue to do so.

Strategic partnerships

Ours is not an agenda that can be achieved by any one government. It relies on collaborative relationships across the Western Australian, Northern Territory and Queensland governments, across Government agencies and industry sectors.

From the leadership of the Prime Minister as chair of the Northern Australia Strategic Partnership, to the involvement of northern Ministers and Indigenous leaders — Australians are coming together to better support the north.

Encouraging investment and trade

The north's proximity to Asia and our other major trading partners makes it a critical global gateway.

With close to 400 million people living within five flying hours of the north, the region offers immense export opportunities, involving everything from Northern Territory mangoes and high quality Australian coal to world leading higher education.

We are connecting the north to global investors. To build on the success of our 2015 Northern Australia Investment Forum, I co-hosted a second forum in November in Cairns, with the Minister for Trade, Tourism and Investment.

The 2017 Forum brought together over 500 delegates from 25 countries including high level international investors and their support teams, experts, Australian companies, government representatives, and project proponents seeking investment opportunities throughout the north.

Better roads and rail

Building better infrastructure underpins this whole agenda to make living and doing business in the north easier and more productive.

The north accounts for over 54 per cent of Australian exports and covers over 52 per cent of our landmass. Our northern communities need better roads, rail links and airports so they can stay connected, travel safely, access services and run their businesses, regardless of the season.

We are already investing \$700 million in 38 high-priority road projects across the north.

In July work commenced on the \$53 million Kennedy Development Road (including the Hann Highway) in Queensland. The first stage is to be completed by early 2018 and the final stage by late 2019, weather permitting.

Work is also continuing on other vital northern Australian roads such as the \$100 million investment to upgrade the Outback Way, the essential east-west link across the heart of Australia.

The \$100 million Northern Australia Beef Roads Programme is upgrading key freight roads. With 11.7 million cattle in northern Australia—45 per cent of the national herd—and cattle exports worth almost \$3 billion a year, upgrades to these roads are critical.

Other infrastructure and stronger communities

Our investment in the \$5 billion Northern Australia Infrastructure Facility, is another driver of economic growth in the north.

NAIF is designed to provide concessional finance to support large-scale critical infrastructure projects in partnership with private sector investors.

The NAIF has given its support to its first project, a \$16.8 million concessional loan to the Onslow Marine Support Base, which is expected to create 220 jobs. And there are another 11 projects currently undergoing due diligence assessment (as at 4 December 2017).

It is important to acknowledge the work the NAIF board, led by Sharon Warburton, have undertaken in establishing the NAIF and bringing it to this point. Building anything has always brought out strong opposition from protestors and naysayers who want to stand against progress. Sharon and her fellow board have been unfairly targeted by tiresome fly in activists from the major cities who would rather stop any opportunities from the North than embrace the resources and the opportunities that are there.

Well done for staying the course and ensuring the proper processes to assess projects are in place to have lasting benefits to the north.

City Deals involve three levels of government working together to develop productive, accessible, liveable cities that support job creation, economic growth, investment in local infrastructure and urban revitalisation. The 2016 Townsville City Deal involves the construction of the North Queensland Stadium which is already underway; upgrading the Port; and investment in renewable energy projects. In May 2017, the Australian and Northern Territory Governments agreed to work together to create a Darwin City Deal.

Investment in water infrastructure

Reliable water supplies are the life blood of northern businesses.

While the north receives around 60 per cent of Australia's total rainfall, only around two per cent is utilised.

Through the National Water Infrastructure Development Fund, we have invested \$25.5 million in 15 northern water infrastructure feasibility studies. This will help us better understand how much water is available across the north and where it should be captured and stored to underpin growth.

Growing a diversified economy

The north is already punching above its weight in contributing to the Australian economy—with a population of just 1.3 million it contributes 11.7 per cent to our national GDP and is home to about 93,300 businesses.

Our Entrepreneurs' Programme is supporting small and medium businesses in the north through management advice and business grants.

The north is the backbone of Australia's resources sector, and to secure future investment, the government's \$100.5 million Exploring for the Future program is underway collecting geoscience data to help industry explore for new major oil, gas and mineral deposits.

The Queensland and Northern Territory Geological Surveys recently completed deep seismic reflection analysis across the South Nicholson Basin. Initial results indicate a discovery with potential for petroleum and mineral resources which is already generating interest from industry. Data will be processed and released in early 2018.

Indigenous business innovation and growth

Supporting Indigenous business innovation and growth is a priority.

Township leasing is helping to build economic activity and intergenerational wealth in towns on Aboriginal land.

Government funding has expanded the biosecurity surveillance and protection work of Indigenous rangers across the north. They are helping to protect Australia's reputation for quality, safe produce that is free from diseases and we can see the great work Indigenous Ranger groups are doing on this.

We have invested \$12.4 million to almost double the number of Indigenous ranger groups.

Defence investment

Because of its strategic importance, the north is providing a base for national defence and security, the north continues to attract significant Australian Defence Force investment.

Defence investment in the north from the United States and Singapore has also contributed to growth. Singapore is fully funding military training infrastructure at Shoalwater Bay Training Area and Townsville Field Training Area in Queensland worth up to \$2.25 billion.

The Australian Government is investing \$27.5 billion to strengthen the defence presence across northern Australia, including spending \$18.5 billion in the Northern Territory, \$3.5 billion in Western Australia and \$5.5 billion in Queensland to upgrade defence facilities over the next 20 years.

It is all part of a stronger Australia and a stronger northern economy.

World leading research and innovation

We want our northern-based businesses and industries to get the support they need to stay globally competitive.

To help businesses and industry excel in the north, we have established a new \$75 million Cooperative Research Centre—or CRC—for Developing Northern Australia and we are funding CRC projects in the north.

On the 17 October, seven projects were announced totalling \$13.9 million to increase their competitiveness through industry-led collaborative research to solve unique industry problems in the north.

From reducing infant pearl oyster deaths to ensuring crocodile skin is lesion free, successful project applicants from the CRC for Developing Northern Australia Project Funding round are as interesting as the locations they hail from.

The CRC will assist northern-based businesses and industries stay globally competitive and will bring together investors, researchers and businesses to apply 21st Century digital economy technologies and expertise to address the north's food, agriculture and supply chain challenges.

The Government's investment will leverage a further \$37 million of cash and in-kind inputs from project partners, representing a co-investment of \$50.7 million in commercially-focused research.

The CRC's called for expressions of interest for its \$8 million 2017-18 funding round, which closed on 31 October 2017.

We have also invested \$20.3 million to transform northern Australia into a centre of excellence for tropical medicine research.

Through this initiative, the HOT NORTH project, led by the Menzies School of Health Research, will fund 48 research projects over four years, with 12 already underway tackling issues such as antimicrobial resistance and chronic lung, rheumatic heart and vector-borne diseases.

It is an exciting time for northern Australia. The Liberal-National government is committed to keeping up the momentum so northern Australia realises its full potential which brings benefits to the nation as a whole.

Our vision is now becoming a reality—we are making the most of this important region and ensuring the right supports are in place to grow its economy and communities.

While I have the honour of tabling this second annual statement, I want to credit the Hon Barnaby Joyce, the former Deputy Prime Minister and Minister for Resources and Northern Australia, for his hard work and successful efforts to progress this agenda. He is a passionate advocate for the north.

I commend the drive and resilience of the people of northern Australia—it is their love of the north and their optimism about its future that is making this agenda work.