

# 2015/16 Northern Territory Budget Analysis

28 April 2015

## BACKING OUR STRENGTHS – TTF'S NT POLICY AGENDA

TTF's [2015-16 Budget Submission](#) for the Northern Territory called for:

- An increase in funding for Tourism NT for marketing, infrastructure and strategic product initiatives
- Maintenance of funding for parks maintenance and infrastructure
- Investment in the Darwin port area to support the growth of cruise shipping
- Improvements to key roads, including the Red Centre Way.

## BUDGET HIGHLIGHTS

The Giles Government has identified tourism as key to the Territory's future economic and jobs growth. Describing a 'tilt' away from resources and towards tourism, the government has maintained its investments in tourism marketing while delivering additional funds for tourism infrastructure that will revitalise products and experiences in the Territory.

There has also been a comprehensive investment in the upgrade of roads in and out of some of the Territory's most-visited regions, including Litchfield National Park. Investments in technological innovations, including expansion of WiFi coverage and the deployment of 'i-beacons' will also be key to improving the visitor experience throughout the Territory.

## KEY BUDGET FACTS AT A GLANCE

	2013-14 Actual	2014-15 Estimate	2015-16 Budget	2016-17 Forecast	2017-18 Forecast	2019-20 Forecast
Surplus (deficit) (\$ million)		(57)	(285)	(174)	9	35
Gross State Product (%)	6.5	4.5	4.5	4.5	3.0	3.0
Employment growth (%)	4.6	1.5	1.5	0.7	0.7	2.0
Net debt to revenue (%)		36	41	41	40	39

## VISITOR ECONOMY AND TRANSPORT BUDGET MEASURES

BUDGET MEASURES	KEY POINTS
<b>GROWING DEMAND</b>	
<b>Tourism marketing output</b>	<p><b><i>\$48.25 million in 2015-16</i></b></p> <p>The overall budget for Tourism NT has increased by around \$5.3 million from the last financial year, with the additional funding being invested in tourism infrastructure projects (see <i>Visitor Infrastructure</i> below for further information).</p> <p>The marketing output budget maintains the additional \$8 million in funding to Tourism NT in the 2013-14 and 2014-15 budgets. The marketing spend for 2015-16 includes:</p> <ul style="list-style-type: none"> <li>• \$16.3 million for domestic marketing</li> <li>• \$11.9 million for international marketing</li> </ul>
<b>Business events</b>	<p><b><i>\$2 million in 2015-16</i></b></p> <p>This allocation is part of Tourism NT'S marketing output budget, in addition to the \$28.2 million for domestic and international leisure activity above.</p>
<b>Major events</b>	<p><b><i>Funding in 2015-16 for major events includes:</i></b></p> <ul style="list-style-type: none"> <li>• \$1 million for the inaugural RedCentreNATs motor race</li> <li>• \$2.45 million for the V8 Supercars</li> <li>• \$1.7 million for FestivalsNT</li> <li>• \$1 million to continue the partnership with NRL club, Parramatta Eels, including a game played in the NT</li> <li>• \$1 million to continue hosting AFL matches</li> <li>• \$250,000 as part of Tourism NT's budget to promote major events domestically</li> </ul>
<b>Cooperative marketing with airlines and other partners</b>	<p><b><i>\$4.6 million in 2015-16</i></b></p> <p>This allocation is part of the Tourism NT marketing budget and is for cooperative marketing partnerships with airlines, online travel agents and wholesalers.</p>
<b>NT Aviation Industry and Services Strategy</b>	<p><b><i>\$200,000 in 2015-16</i></b></p> <p>Allocation to the Department of Transport to support the delivery of the strategy</p>
<b>Strategic product development</b>	<p><b><i>\$3 million in 2015-16</i></b></p> <p>The funding will focus on developing products to help the NT achieve its Tourism 2020 target. This funding is part of the additional \$8 million to Tourism NT in the previous two budgets that has been maintained in 2015-16.</p>

## VISITOR INFRASTRUCTURE

<p><b>Darwin Waterfront</b></p>	<p><b><i>\$8 million in 2015-16</i></b></p> <p>Further works on the key Darwin Waterfront mixed-use precinct will include:</p> <ul style="list-style-type: none"> <li>• \$1.2 million for a shaded walk for cruise ship passengers</li> <li>• \$2 million for the construction of an additional pontoon adjacent to the Stokes Hill Wharf for use by harbour cruise operators</li> <li>• \$100,000 for the beautification of vacant land opposite the cruise ship terminal</li> <li>• \$4 million for the preparation of Crown land to support release and development</li> </ul>
<p><b>Cultural infrastructure</b></p>	<p><b><i>\$68.6 million</i></b></p> <p>The spend on cultural infrastructure will include:</p> <ul style="list-style-type: none"> <li>• \$20 million towards an Indigenous Cultural Centre</li> <li>• \$18.3 million to redevelop the Chan Building into a visual arts gallery</li> <li>• \$5.31 million over four years for the Museum and Art Gallery of the NT</li> </ul>
<p><b>Parks and Wildlife Commission of the NT</b></p>	<p><b><i>\$45.4 million in 2015-16</i></b></p> <p>The allocation for parks, wildlife and visitor services as part of has essentially been maintained.</p> <p>Major new capital works in this budget will include:</p> <ul style="list-style-type: none"> <li>• \$10.7 million for the Casuarina Coastal Reserve upgrade</li> <li>• \$10.4 million for the Litchfield National Park upgrade</li> </ul>
<p><b>Infrastructure Development</b></p>	<p><b><i>\$4.75 million in 2015-16</i></b></p> <p>This allocation is part of the Tourism NT marketing output budget and is new funding from the NT Government.</p> <p>A new Tourism Infrastructure Development Fund will be established to invest in regional, remote and indigenous visitor infrastructure. The first nominated project is a facility at Tennant Creek to commemorate the Borella Ride, with other funding to be allocated to operators through a competitive process.</p>
<p><b>WiFi coverage and technological innovation</b></p>	<p><b><i>\$1 million in 2015-16</i></b></p> <p>This allocation is part of the Tourism NT marketing budget.</p> <ul style="list-style-type: none"> <li>• \$1 million in new funding over two years (\$500,000 each in 2015-16 and 2016-17) for the expansion of WiFi</li> </ul>

	<p>coverage across key Territory tourism locations, building on the trial conducted in 2014-15.</p> <ul style="list-style-type: none"> <li>• \$500,000 for the development and deployment of apps and 'i-beacons' to help generate higher yield from visitors.</li> </ul>
<b>TRANSPORT INVESTMENT</b>	
<b>Mereenie Inner Loop</b>	<p><b><i>\$25 million in 2015-16</i></b></p> <p>This project will complete the 43km sealing of the Loop, providing better access for two-wheel drive vehicles and campervans. Tourism NT estimates a \$16.25 million benefit to the tourism industry from this project.</p>
<b>Litchfield National Park road sealing</b>	<p><b><i>\$28.5 million in 2015-16</i></b></p> <p>This project will seal 14km of road in the NT's most-visited National Park, as well as see the construction of a bridge at Lower Finnis River. Tourism NT estimates a \$14.4 million benefit to the tourism industry from the project.</p>
<b>Outback Way</b>	<p><b><i>\$20 million in 2015-16</i></b></p> <p>Co-contribution with a further \$12 million from the Federal government towards the Outback Way project which will traverse remote parts of Australia and take drivers from Cairns to Perth. These works will focus on improvements to the Tjukururu Road and Plenty Highway.</p>
<b>Rural arterial roads</b>	<p><b><i>\$10 million in 2015-16</i></b></p> <p>A further \$3 million will go to upgrade the Gimbat Road in Kakadu National Park, including the Kambolgie Creek crossing. This important road upgrade will significantly improve year-round access to key sites in the South Alligator River area.</p>