



NORTHERN TERRITORY

# 2025-26 BUDGET

NORTHERN TERRITORY  
ECONOMY



## Contents

Executive summary	3
Chapter 1 Structure of the economy	7
Chapter 2 Economic growth	13
Chapter 3 External economic environment and trade	27
Chapter 4 Population	35
Chapter 5 Labour market	41
Chapter 6 Prices and wages	47
Chapter 7 Residential property market	53
Abbreviations and acronyms	59
Explanation of terms	60





## Executive summary

The Territory's domestic economy is growing solidly in 2024-25, driven by strong public investment spending and construction of the Barossa project, with state final demand (SFD) expected to grow by 4%. However, gross state product (GSP) will contract, driven by lower exports from the Ichthys liquefied natural gas (LNG) plant due to unexpected maintenance in late 2024.

In 2025-26, the Territory's GSP is forecast to grow by 7.8%, driven by the Barossa project's transition from construction to LNG production for export. Although private sector investment will detract from growth during this period, this impact is outweighed by higher exports. By 2026-27, the Ichthys and Darwin LNG plants are expected to be at full operational capacity, with exports continuing to fuel GSP growth. In 2027-28, export levels are forecast to stabilise, no longer contributing to growth, while public investment is anticipated to decline from recent highs to more sustainable levels. By 2028-29, the Territory's GSP growth is expected to revert to trend.

Table i: Northern Territory – key economic forecasts (%)

	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Gross state product <sup>1</sup>	4.6	- 2.6	7.8	5.9	1.7	3.0
State final demand <sup>1</sup>	4.5	4.0	- 1.8	- 0.6	1.1	2.6
Employment <sup>1</sup>	1.5	1.2	0.8	1.2	1.6	1.6
Unemployment rate <sup>2</sup>	4.4	4.5	5.0	4.7	4.6	4.5
Consumer price index <sup>3</sup>	3.0	1.7	2.9	2.4	2.5	2.5
Wage price index <sup>1</sup>	4.1	3.2	3.0	3.1	3.2	3.3
Population <sup>3</sup>	0.8	0.7	1.0	1.1	1.2	1.2

a: actual; e: estimate; f: forecast

<sup>1</sup> Year-average percentage change.

<sup>2</sup> Year average.

<sup>3</sup> Year-ended percentage change.

Source: Department of Treasury and Finance; Australian Bureau of Statistics (ABS)

Household consumption is expected to increase by 1.5% in 2024-25, supported by moderating inflation, real wage increases, tax cuts and a cut to interest rates announced by the Reserve Bank of Australia (RBA) in February 2025. Household consumption spending is expected to trend upwards over the forward estimates to stabilise around the medium-term trend, consistent with the outlook for employment and real wage growth.

Public consumption growth is forecast to remain strong in the near term, growing 4.2% in 2024-25 and 0.9% in 2025-26, largely reflecting greater demand across frontline services such as health, community safety and education. Growth in public consumption is expected to fall in 2026-27 as these pressures ease before stabilising over the rest of the forecast period.

Private sector investment is estimated to increase by 5.2% in 2024-25, before contracting by 20.1% in 2025-26, as the construction phase of the Barossa project is completed. There are several major projects proposed that are not included in the forecasts and, if they receive final investment decision status and proceed during the outlook period, will contribute to stronger than expected economic growth and employment outcomes.

Private dwelling investment is expected to benefit from the HomeGrown Territory and FreshStart grants during 2024-25 and 2025-26. Following the conclusion of this stimulus, dwelling investment is forecast to decline in 2026-27 but recover in 2027-28 and 2028-29, driven by underlying factors that typically influence dwelling investment such as population, interest rates, household income and economic conditions.

Public investment is expected to remain robust, with growth estimated at 14.3% in 2024-25 and 12.9% in 2025-26, driven by progress on large infrastructure projects alongside ongoing roads and public housing programs. Public investment growth is anticipated to slow over the forward estimates period, but remain elevated, supported by a consistent pipeline of infrastructure works across all levels of government.

The Territory's balance of trade is forecast to narrow in 2024-25 before recovering in 2025-26 and stabilising over the forward estimates period. This reflects the disruption in Territory goods exports due to an unplanned maintenance shut down at the Ichthys LNG plant in 2024-25 before recovering in 2025-26 as exports from the Barossa project commence and exports from Groote Eylandt Mining Company (GEMCO) return to normal. However, this recovery will be partially offset by significant planned maintenance activities at the Ichthys LNG plant. Imports are expected to remain strong in 2024-25 and detract from the balance of trade, reflecting goods imports for the construction of the Barossa project. In 2025-26, imports are expected to continue to grow driven by higher service imports related to the Barossa floating, production, storage and offloading vessel service contract. Thereafter, the Territory's imports are expected to generally grow in line with investment activity and economic growth.

Employment growth is forecast to be 1.2% in 2024-25 before easing to 0.8% in 2025-26 as several major investment projects are completed, although labour demand is expected to be supported by ongoing private and public investment. Employment growth is then expected to increase over the forward estimates period, growing slightly stronger than trend due to changes to worker eligibility under the new Designated Area Migration Agreement (DAMA). The unemployment rate is expected to peak at 5% in 2025-26 before declining over the forward estimates period as employment growth improves.

Darwin's headline inflation is estimated to slow to 1.7% over the year to June 2025 before increasing to 2.9% over the year to June 2026 as the Commonwealth energy bill relief fund ends. Across the forward estimates period, year-ended consumer price index (CPI) growth is expected to return to 2.5%, consistent with the mid-point of the RBA's target band.

Wage growth is expected to continue moderating in 2024-25 as wage pressure eases after recent strong growth. Territory wages are estimated to grow by 3.2% in 2024-25 and 3% in 2025-26. Across the forward estimates, wage growth is expected to increase to around 3.3%.

The Territory's population is estimated to grow by 0.7% to 256,819 persons in 2024-25. Population growth is expected to remain steady as natural increase remains flat, and interstate and overseas migration flows continue to ease from recent elevated levels. Population growth is expected to increase to 1% in 2025-26 as natural increase, in particular births, recover. The Territory's population is forecast to continue growing over the forward estimates period, averaging 1.2% growth per annum.

Ongoing uncertainty in relation to trade disruption, tariff rates and associated volatility in financial markets is weakening consumer confidence and business sentiment, which if sustained will have implications for consumption and business investment, including in Australia and the Territory.

For the Territory, direct trade with the United States (US) is small at 0.1% of Territory goods exports. The indirect effects on Australia and the Territory will be felt through Australia's major trading partners, particularly China and our Asian neighbours, who have larger direct trade relationships with the US. Particular sectors will be more affected than others, with mining expected to see the largest impact.

## Risks to the outlook

Economic forecasts are subject to risks due to uncertainties in the assumptions and data relied on to generate the forecasts. The uncertainty around the current forecasts is higher than usual given the ongoing tariff negotiations between the US administration and major trading partners. The forecasts in this publication are baseline forecasts (Table i). They do not account for the impact of the tariffs announced to date due to the high level of uncertainty around their ultimate implementation. The Department of Treasury and Finance will update the baseline economic forecasts in the Mid-Year Report.

The forecasts do not reflect election promises of the incoming Commonwealth Government, the effects of which will be integrated when the commitments are included in the Commonwealth Budget or relevant legislation is passed.



## Chapter 1

# Structure of the economy

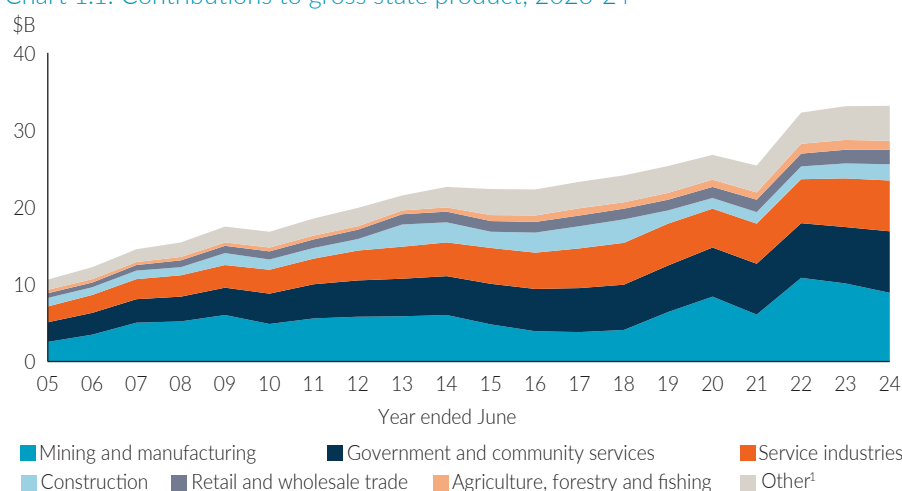
## Overview

The Territory economy operates in a unique environment characterised by significant mineral and petroleum resource reserves, natural and cultural attractions, and strategic importance to the nation's defence.

Economic activity and employment in the Territory are driven by several key sectors including mining, government and community services, and service industries. Collectively, these sectors contribute more than two-thirds of GSP.

In 2023-24, the Territory's GSP was \$34.6 billion, representing a 4.6% increase from 2022-23. The two largest sectors account for around half of GSP, with about 25% of the Territory's GSP derived from mining, and 24% from government and community services (Chart 1.1). Industry output can be volatile in the short term, for example during major investment projects like the \$6 billion Barossa project, which began construction in 2020-21 and is expected to be completed in September quarter 2025. Broader changes in the underlying structure of the economy tend to occur over the medium to long term, reflecting the increasing scale of the Territory's economy and its relative comparative economic advantages.

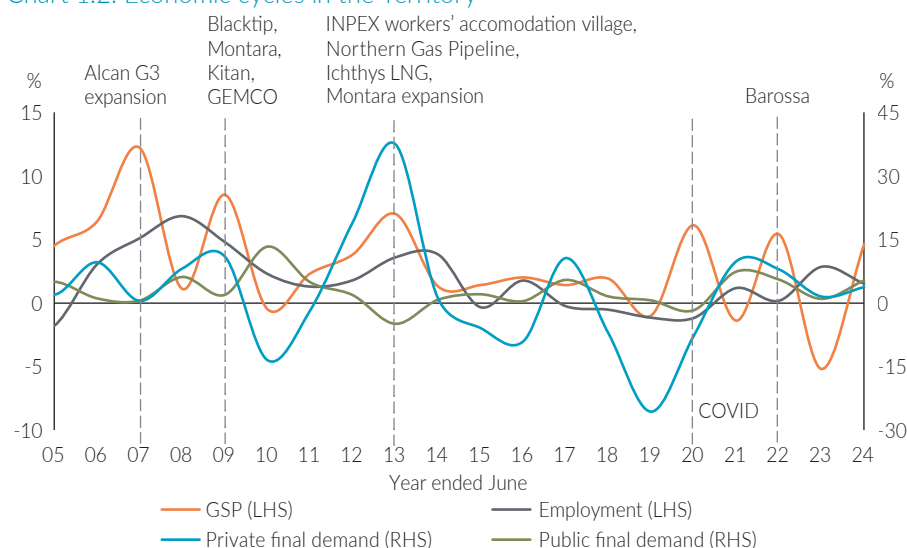
Chart 1.1: Contributions to gross state product, 2023-24



<sup>1</sup> Tourism is not reported as an industry due to the nature of its output being derived from other industries.

Source: ABS, *Australian National Accounts: State Accounts*

The small size of the Territory economy means major investment projects can generate significant impacts on GSP growth and private final demand (Chart 1.2). While sectors directly impacted by major projects can be volatile, growth in the government and community services, retail and wholesale trade, and service industries sectors have remained relatively stable over the last two decades. Growth in these industries largely reflects changes in population and real income growth, and makes up around half of the total economic activity, and around 85% of employment in the Territory. The stability of these sectors and their large share of employment drives growth outside major project investment cycles (Chart 1.4).

Chart 1.2: Economic cycles in the Territory<sup>1</sup>

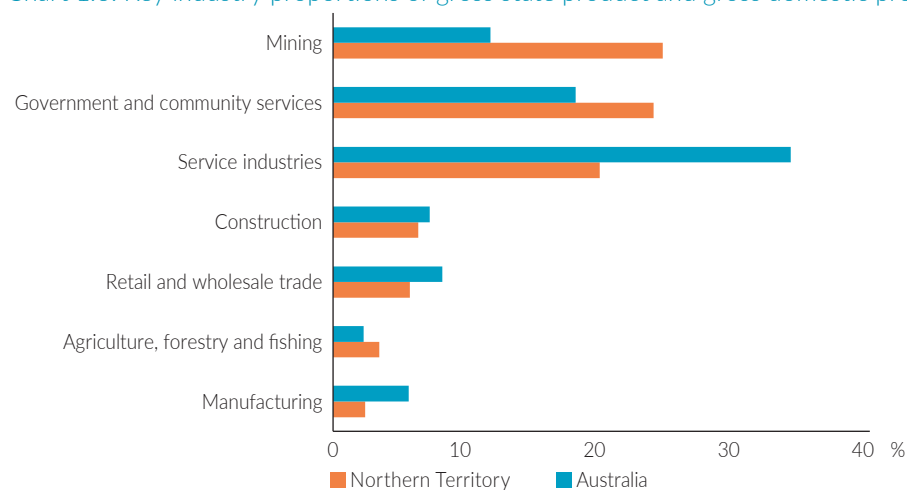
GSP: gross state product; LHS: left-hand side; RHS: right-hand side

<sup>1</sup> Year-average change.

Source: ABS, *Australian National Accounts: State Accounts, Labour Force, Australia, National, state and territory population*; Department of Treasury and Finance

Government and community services, and the mining sector are the largest industries in the Territory economy. This contrasts with the relative size of these industries at the national level, where the services sector is more dominant (Chart 1.3).

The services industry sector covers a broad range of discrete industries that support other sectors of the Territory's economy. These include services that support tourism, such as arts and recreation, and accommodation. Nationally, the services industry sector has more sophisticated services compared to the Territory, which is more concentrated in essential services.

Chart 1.3: Key industry proportions of gross state product and gross domestic product<sup>1</sup>

<sup>1</sup> Defence and tourism are significant industries in the Territory but not discrete industries in ABS reporting. Specific reporting for these industries is captured in the Department of Defence annual reports and *Tourism Research Australia: State Tourism Satellite Accounts*. For more information, see the *Defence and Tourism* sections of *Industry Outlook*.

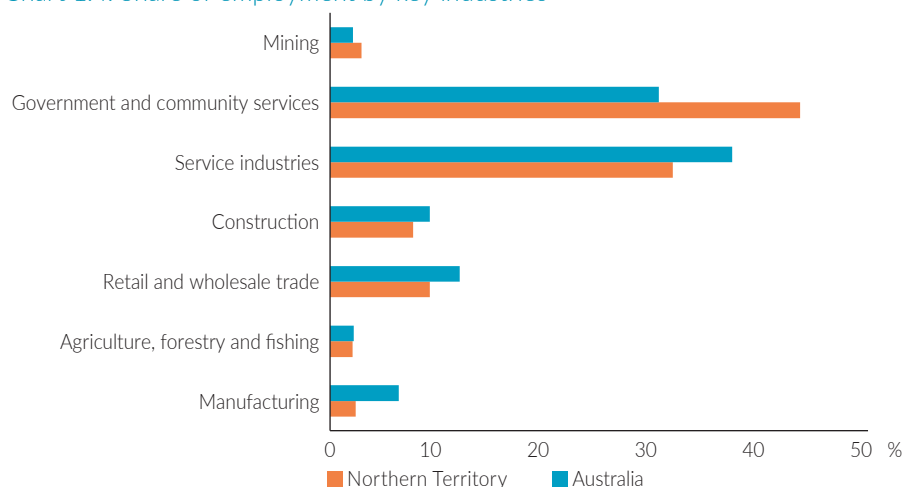
Source: ABS, *Australian National Accounts: State Accounts*

The Territory's government and community services sector is the top employer, driven by service demands and complexity of service delivery compared to the rest of Australia. The mining industry, despite its significant economic output, has had a consistently lower contribution to employment due to the capital-intensive nature of its operations (Chart 1.5).

The Territory's manufacturing industry has a lower share in economic activity than nationally, accounting for 2.4% of GSP, compared with a 5.5% share in gross domestic product (GDP). This reflects a smaller share of the fabricated metals and food manufacturing industries in the Territory, than nationally. A similar picture can be seen in terms of employment share, with the Territory's manufacturing sector being less labour-intensive than nationally, reflecting a lower proportion of jobs available in the fabricated metals, food and transport equipment manufacturing industries (Chart 1.4). Retail and wholesale trade is driven by household and business consumption, and is influenced by growth in employment, population and consumer spending.

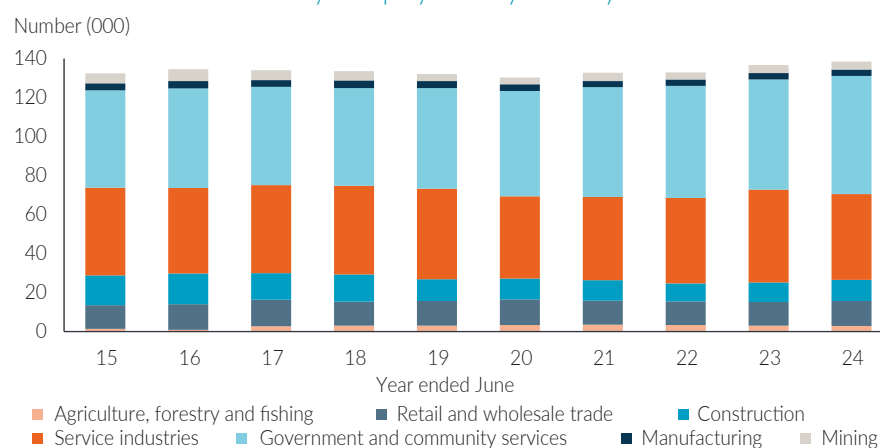
In the Territory, construction is driven by engineering activity, followed by non-residential and residential building activity. Historically, mining and energy projects as well as defence have significantly increased economic activity during construction. Public investment in roads, infrastructure and housing also support the construction sector.

Chart 1.4: Share of employment by key industries



Source: ABS, *Labour Force, Australia, Detailed, Quarterly*

Chart 1.5: Northern Territory's employment by industry over time



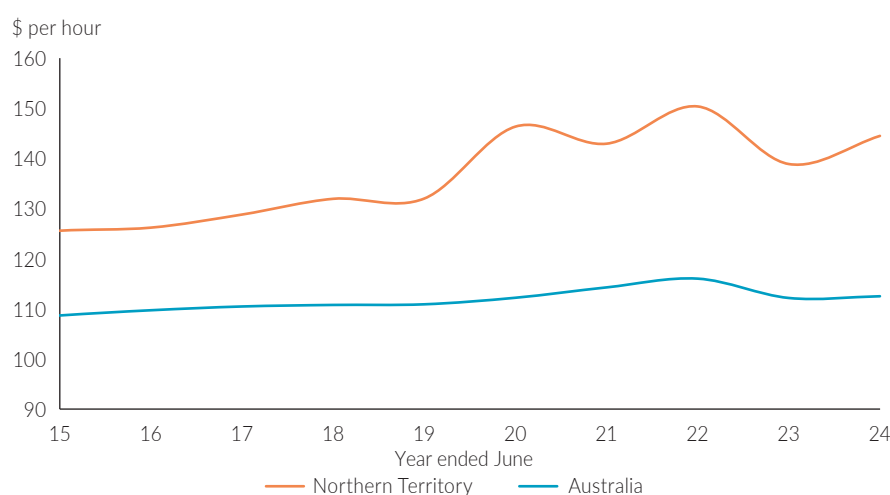
Source: ABS, *Labour Force, Australia, Detailed, Quarterly*

Territory industries often have strong backward linkages. Backward linkages refer to the output of one industry being dependent on locally sourced intermediate goods and services from other industries. The production of industries like agriculture, forestry and fishing; electricity, gas, water, and waste; construction; and transport, postal and warehousing services show high levels of reliance on inputs such as machinery, infrastructure, logistics services and raw materials, for example, feed and fuel sourced from other industries in the Territory.

Output per hour worked in the Territory is high, reflecting the capital-intensive nature and large share of key industries in the economy like mining and non-residential construction. In 2023-24, each hour worked in the Territory generated around \$145 of output, compared with \$113 per hour nationally (Chart 1.6).

In the Territory, output per hour worked has grown at an average rate of 1.6% per annum over the 10 years to 2023-24, compared with 0.5% nationally.

Chart 1.6: Output per hour worked



Source: ABS, *Australian National Accounts: State Accounts, Labour Force, Australia*; Department of Treasury and Finance

## Sectors of the economy

### Mining

The significance of mining to the Territory's economy reflects the abundance of natural resources, including natural gas, manganese, zinc/lead, gold and bauxite, along with rare earths and critical minerals such as lithium.

In 2023-24, the mining sector accounted for 24.6% of GSP, a contraction of 3.7 percentage points compared with the previous year. The mining sector is the largest contributor to the Territory economy and has increased as a share of GSP by 9 percentage points over the past 20 years. The Territory's mining sector reported about 4,100 jobs in 2023-24, accounting for 2.9% of total Territory employment. This is higher than the national average share of mining employment, which was around 2%.



## Government and community services

The government and community services sector accounted for 23.9% of GSP and 43.7% of total employment in the Territory in 2023-24. This sector comprises:

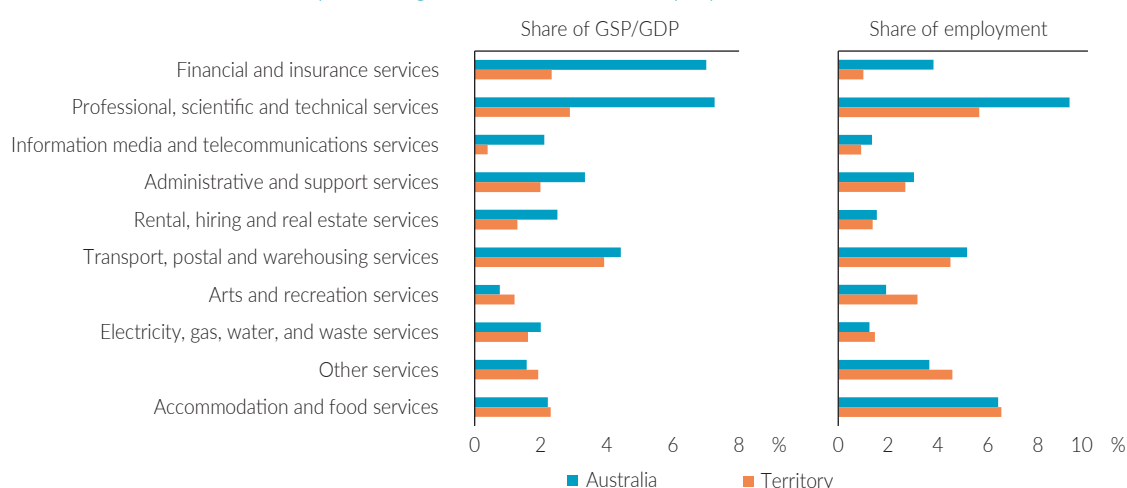
- public administration and safety (10.2% of GSP)
- health care and social assistance (8.7% of GSP)
- education and training (5.0% of GSP).

The sector has been relatively stable, accounting for around 23.1% of GSP over the past 20 years. Employment largely reflects growth in healthcare and social assistance, with about 26,000 jobs reported in 2023-24.

## Services sector

Services account for 19.9% of GSP and 31.9% of employment, comprising several smaller industries, each accounting for 0.4% to 3.9% of GSP in 2023-24 (Chart 1.7).

Chart 1.7: Service industries percentage of GDP/GSP and employment



GDP: gross domestic product; GSP: gross state product

Source: ABS, *Australian National Accounts: State Accounts*; Department of Treasury and Finance

Service industries are a steady source of economic growth for the Territory, with the sector's share of GSP largely unchanged over the past 20 years. This sector reported about 44,100 jobs in 2023-24, largely reflecting growth in transport, postal and warehousing services, and electricity, gas, water and waste services. A larger share of people are employed in labour-intensive industries, such as accommodation and food services, and arts and recreation services in the Territory, than nationally.

Nationally, the services sector has the largest contribution in economic activity, which is driven by industries such as professional, scientific and technical services, and financial and insurance services (Chart 1.7). The Territory is driven more by essential services such as transport, postal and warehousing.

## Retail and wholesale trade

The two components of this sector collectively accounted for 5.7% of GSP in 2023-24 with retail trade accounting for about 3% and wholesale trade almost 2.8% of GSP. These industries' shares of GSP have been relatively stable, averaging 5.7% over the past 20 years. This sector accounted for 9.3% of total Territory employment in 2023-24. Retail trade accounted for about 10,600 jobs, while wholesale trade accounted for about 2,300 jobs in 2023-24.

## Construction

In 2023-24, this sector accounted for 6.4% of GSP, reflecting an increase of 0.6 percentage points compared with the previous year. This is due to an increase in the residential and non-residential construction projects, primarily in the last few quarters of 2023-24. As a share of GSP, this sector has averaged 8.5% over the past 20 years. However, this varies significantly each year due to large defence and resource-related projects. Construction accounted for 7.8% of total Territory employment, with 10,700 jobs reported in 2023-24.

## Manufacturing

The manufacturing sector accounted for 2.4% of GSP in 2023-24, which was consistent with the previous year. Manufacturing as a share of GSP has averaged 4.7% over the past 20 years. The decline relative to the 20-year average share reflects that helium production was shut down at the Darwin LNG plant in 2023 and lower levels of construction, leading to weaker demand for materials. Significant manufacturing industries in the Territory include food products, fabricated metals and transport equipment. Manufacturing accounted for 2.4% of total Territory employment, with 3,300 jobs reported in 2023-24.

## Agriculture, forestry and fishing

In 2023-24, the agriculture, forestry and fishing sector accounted for 3.4% of GSP, a contraction of 0.3 percentage points from 2022-23. In terms of employment, the sector accounted for 2.1% of the Territory's employment in 2023-24. Agriculture, forestry and fishing as a share of GSP has averaged 3.2% over the last 20 years. Although the sector accounts for a small share of GSP, it is an important source of economic and workforce activity in regional areas. Employment in the Territory reported 2,900 jobs, reflecting increased herd building by cattle producers due to favourable weather conditions.

## Chapter 2

## Economic growth

## Outlook

SFD in the Territory economy is forecast to grow by 4% in 2024-25, driven by strong public and private sector investment and solid consumption spending. Unexpected maintenance works by INPEX interrupted gas shipments in late 2024, lowering exports and driving a contraction of around 2.6% in GSP. In 2025-26 and 2026-27, GSP growth will be driven by LNG exports as the Barossa project moves into production. In the medium term, growth is expected to return to trend at around 3% by 2028-29.

Table 2.1: Territory economic growth forecasts<sup>1</sup> (%)

	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Gross state product	4.6	- 2.6	7.8	5.9	1.7	3.0
State final demand	4.5	4.0	- 1.8	- 0.6	1.1	2.6

a: actual; e: estimate; f: forecast

<sup>1</sup> Year-average percentage change.

Source: Department of Treasury and Finance; ABS, *Australian National Accounts: State Accounts*, *Australian National Accounts: National Income, Expenditure and Product*, *Balance of Payments and International Investment Position*, *Australia*

## Summary

The Territory's domestic economy is growing solidly in 2024-25, driven by strong public investment spending and construction of the Barossa project, with SFD expected to grow by 4%. However, GSP will contract, driven by lower exports that will detract around 5.8 percentage points from growth reflecting unexpected maintenance works at the Ichthys LNG plant and substantial lost production in late 2024. Heightened risks of a US recession are increasing risks to global growth. Tariffs introduced by the new US administration are causing an upheaval of the global trade system, which could have implications for the baseline forecasts for the Territory depending on the outcome of negotiations (see Box 2).

In 2025-26, Territory GSP is forecast to increase by 7.8% as the Barossa project transitions from construction to production of LNG for export. This will see private sector investment detract from growth in 2025-26, however this is more than offset by higher exports. The first year Ichthys and Darwin LNG plants are back in operation and assumed to be running around full capacity is 2026-27. This will see exports again driving GSP growth. In outer years, export levels stabilise and public investment eases from recent record highs, and the Territory economy is then forecast to return to trend.

## Drivers of economic growth in the Territory

The Territory's domestic economy is growing solidly in 2024-25, driven by strong public investment spending and the final stages of construction of the Barossa project, with SFD expected to grow by 4% in 2024-25. SFD is also being supported by modest household consumption growth, following strong performance in the previous year. Lower inflation, real wage growth and easing interest rates, have all improved household budgets and real household disposable income. However, in 2024-25 Territory GSP is expected to decline by around 2.6%, reflecting a contraction in exports due to unexpected maintenance at the Ichthys LNG plant between August and October 2024 (Chart 2.1).

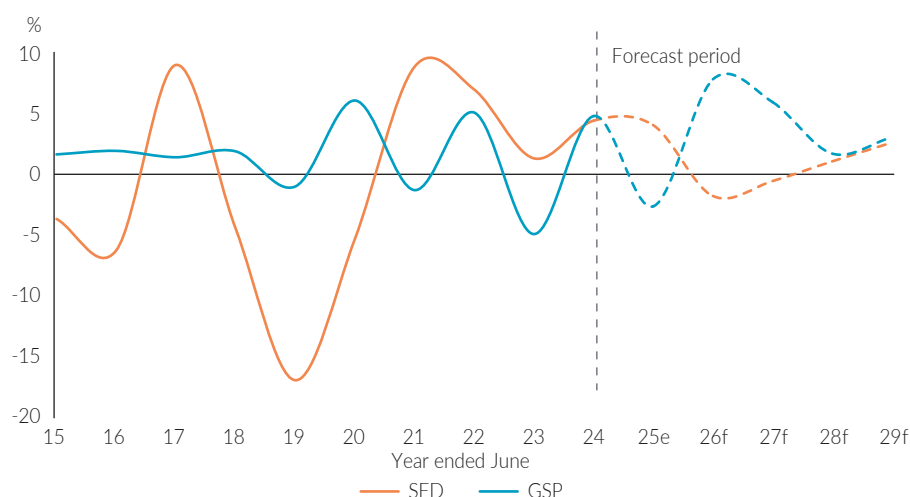
In 2025-26, Territory GSP is forecast to rebound with a 7.8% increase as the Barossa project transitions to the export production phase and exports return to normal from the GEMCO manganese mine. This growth will be partially offset by a large maintenance shutdown at the Ichthys LNG plant scheduled for the September quarter 2025. SFD is forecast to decline during this period, reflecting reduced private investment following the completion of the Barossa project. However, ongoing growth in public investment spending, solid growth in household and public consumption and strong growth in dwelling investment, driven by the HomeGrown Territory and FreshStart grants, will partially offset the decline in private investment (Chart 2.2).

In 2026-27, GSP is forecast to grow by 5.9% with both the Ichthys and Darwin LNG plants assumed to be operating at around full capacity. SFD is forecast to detract slightly from growth as public investment eases from record levels and public consumption eases following elevated demand for services. This will be partially offset by continued solid growth in household consumption and a staged return to trend growth in private investment as the impact of the Barossa project's completion diminishes.

In 2027-28, GSP is forecast to grow by 1.7% following strong growth in the previous year. Growth is supported by stable exports, strong household and public consumption, and private investment. With no significant changes in LNG production capacity, exports are expected to remain steady. Similarly, in 2028-29, GSP growth is expected to return to trend at 3%, as major export facilities maintain stable production. Both consumption and private investment are forecast to contribute steadily to economic growth as the economy returns to trend levels of output and growth.

The Territory economic growth projections do not factor in potential or planned projects yet to reach final investment decision. Some of these projects may reach final investment decision during the forecast period but are not currently reflected in the outlook (see, for example, Box 1).

Chart 2.1: Territory gross state product and state final demand<sup>1</sup>



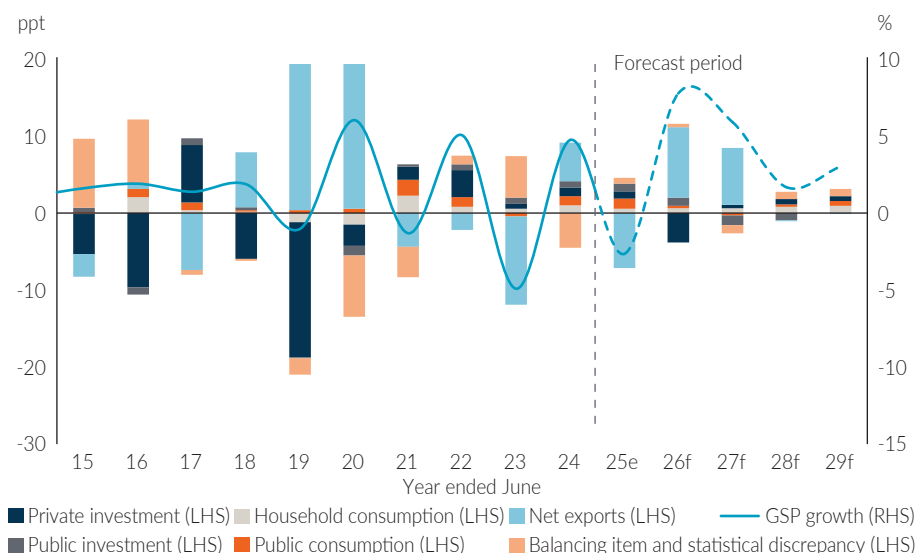
e: estimate; f: forecast; GSP: gross state product; SFD: state final demand

<sup>1</sup> Year-average percentage change.

Note: Data contained in the chart incorporates latest revised figures from quarterly ABS releases and will not be the same as those in the annual state accounts release.

Source: ABS, *Australian National Accounts: State Accounts*, *Australian National Accounts: National Income, Expenditure and Product*, *Balance of Payments and International Investment Position, Australia*; Department of Treasury and Finance

Chart 2.2: Contributions to Territory gross state product growth



e: estimate; f: forecast; GSP: gross state product; LHS: left-hand side; ppt: percentage points; RHS: right-hand side

Note: Data contained in the chart incorporates latest revised figures from quarterly ABS releases and will not be the same as those in the annual national accounts release

Source: Department of Treasury and Finance; ABS, *Australian National Accounts: State Accounts, Australian National Accounts: National Income, Expenditure and Product, Balance of Payments and International Investment Position, Australia*

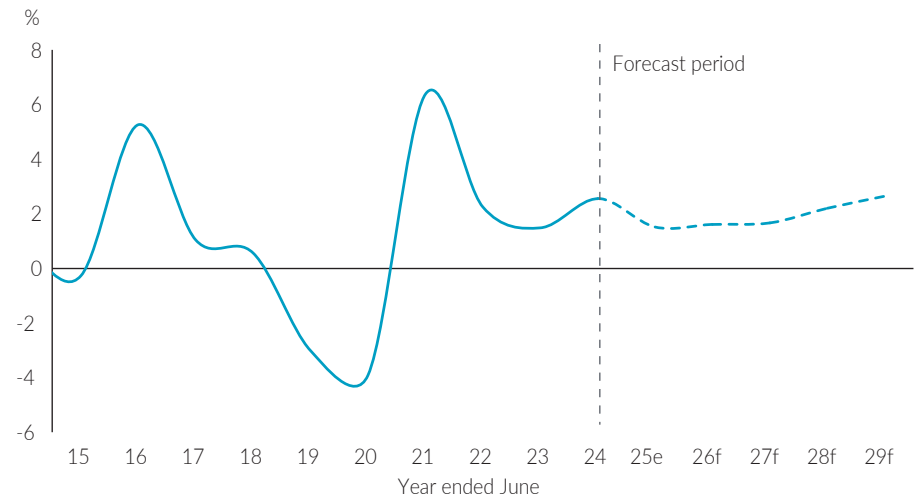
## Household consumption

Household consumption is estimated to increase by 1.5% in 2024-25 (Chart 2.3). Household spending will be supported by moderating inflation, real wage increases, tax cuts from 1 July 2024 and the first 25 basis point cut to interest rates announced by the RBA in February 2025.

Darwin inflation fell faster than nationally, which will support real household disposable income and real wage growth, and consequently stronger growth in household spending. Territory households are continuing to spend on non-discretionary items, and services spending remains relatively strong. Solid household consumption is also reflected in an increase in the Territory's household spending indicator, up by 0.9% over the year to December 2024. The household spending indicator accounts for a large share of the household consumption of goods, but lacks coverage of several important consumption categories, such as rents.

Over the forward estimates, household consumption growth is expected to trend upwards, growing by 1.7% in 2026-27, 2.2% in 2027-28 and 2.6% in 2028-29. This is consistent with the outlook for employment growth and real wage growth, which will drive a solid recovery in compensation of employees, a key driver of consumer spending over the forward estimates period.

Chart 2.3: Household consumption<sup>1</sup>



e: estimate; f: forecast

1. Year-average percentage change.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*; Department of Treasury and Finance

### Private investment

Private investment is estimated to increase by 5.2% in 2024-25, before contracting by 20.1% in 2025-26 (Chart 2.4), as the construction phase of the Barossa project is completed. Private investment is forecast to increase by 3% in 2026-27 before accelerating to 5.2% growth in 2027-28 as the economy adjusts and the impact of the Barossa project's completion diminishes. Thereafter, private investment is forecast to increase by 4.6%, consistent with capital stock growth to support trend output.

Projects expected to continue to contribute to private investment include the Tanami Expansion 2 and rehabilitation of the Ranger mine site. The Territory's economic growth projections do not factor in potential or planned projects yet to reach final investment decision. Expansion of the D1 Darwin Data Centre received approval from the Development Consent Authority in April 2025, which may further support growth.

The Darwin Convention Centre Hotel is yet to receive approval, which if received, presents immediate potential upside to the current forecasts for private investment over the forward estimates period. Some other very large projects may also reach final investment decision during the forecast period and materially impact economic growth. These are discussed in Box 1.



## Box 1. Projects with potential to impact economic growth

### Nolans rare earths

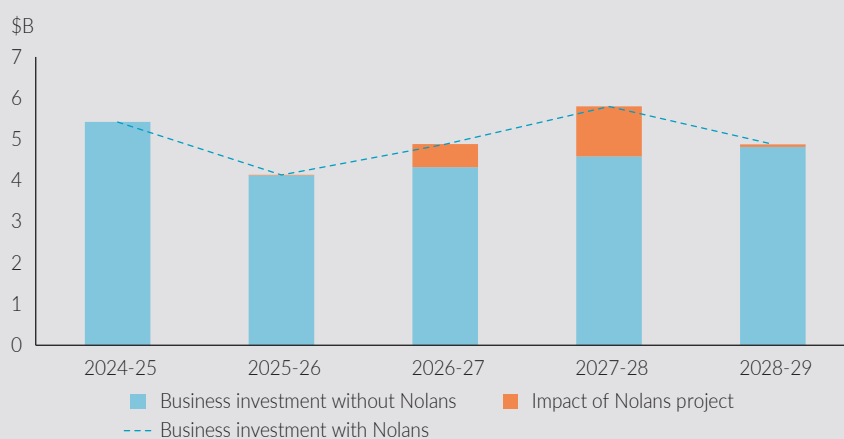
The Nolans rare earths project is a well-advanced ore-to-oxide project of global scale. It will include an open-cut mine with beneficiation, extraction, separation and sulphuric acid plants, as well as related non-process infrastructure. The initial mine life is anticipated for 38 years. Arafura has offtake agreements with Hyundai, Kia, Siemens Gamesa and Traxys Europe SA.

The rare earths-bearing minerals at Nolans can be used in a wide range of products including vehicles, wind turbines, electronics, air conditioners and robotics. There is increasing global demand for these minerals to be used to reduce global emissions.

When the project reaches final investment decision, it will have a positive impact on the Territory economy. The initial capital cost is estimated to be US\$1.2 billion, with operating costs of about US\$230 million per annum. Construction is expected to take 37 months with peak construction workforce expected to be 600 and operational workforce to be 350.

#### Impact of Nolans project on Territory business investment and state final demand (percentage points)<sup>1</sup>

	2024-25	2025-26	2026-27	2027-28	2028-29
Contribution to business investment	0.0	0.2	13.3	12.7	- 21.0
Contribution to state final demand	0.0	0.0	1.6	1.9	- 3.4



<sup>1</sup> Assuming Arafura Nolans project reaches final investment decision in March quarter 2026.

Source: ABS, *Australian National Accounts: State Accounts*; Department of Treasury and Finance

In January 2025, Arafura announced it received A\$200 million in equity funding from the National Reconstruction Fund Corporation, a Commonwealth-owned entity, further advancing its funding goals. Arafura is targeting total equity funding of US\$793 million (about A\$1.2 billion), having already achieved its conditional debt financing goal of US\$1 billion (about A\$1.5 billion) from various Australian and international government entities. In April 2025, Arafura announced it is evaluating a potential joint venture, which could reduce the equity funding required. Once the additional equity funding is secured, Arafura is expected to announce its final investment decision for the Nolans project.



## Box 1 *continued*

### Beetaloo Sub-basin

The Beetaloo Sub-basin, 500 kilometres southeast of Darwin, is estimated to contain 500 trillion cubic feet of gas. Key companies focused on developing the Beetaloo include Tamboran Resources (Tamboran) and Empire Energy with pilot projects investing about \$500 million pending a final decision. Falcon Oil and Gas has an exploration permit in the Beetaloo Sub-basin with Santos also holding exploration permits in the basin.

A final investment decision is expected in mid-2025 for Tamboran's Shenandoah South pilot project, with first gas planned in the first half of 2026. Drilling and construction of a facility and pipeline infrastructure are expected to commence in late 2025. Tamboran has an agreement to provide the Territory with 40 terajoules of gas per day starting in 2026 for an initial term of nine years, with the option to extend until 2042.

On 17 December 2024, Tamboran and APA Group announced they had entered into a binding agreement to construct the Sturt Plateau pipeline, a new gas pipeline connecting Tamboran's Shenandoah South pilot project to the Amadeus gas pipeline, with APA constructing, owning, and operating the Sturt Plateau pipeline. The pipeline will be about 37 kilometres long and cost \$66.5 million.

Empire Energy's first gas deliveries from the Carpentaria pilot project are expected in late 2025, subject to constructing midstream gas processing infrastructure. Empire Energy has signed a binding long-term gas sales agreement to supply the Territory Government up to 25 terajoules of gas per day for 10 years commencing in 2025.

On 31 March 2025, Tamboran and Arafura entered into a non-binding letter of intent to progress discussions for potential gas supply from Tamboran's Beetaloo Sub-basin assets to the Nolans rare earths project. Arafura intends to support the development of Tamboran's assets in the Beetaloo Sub-basin by purchasing 18 to 25 terajoules per day.

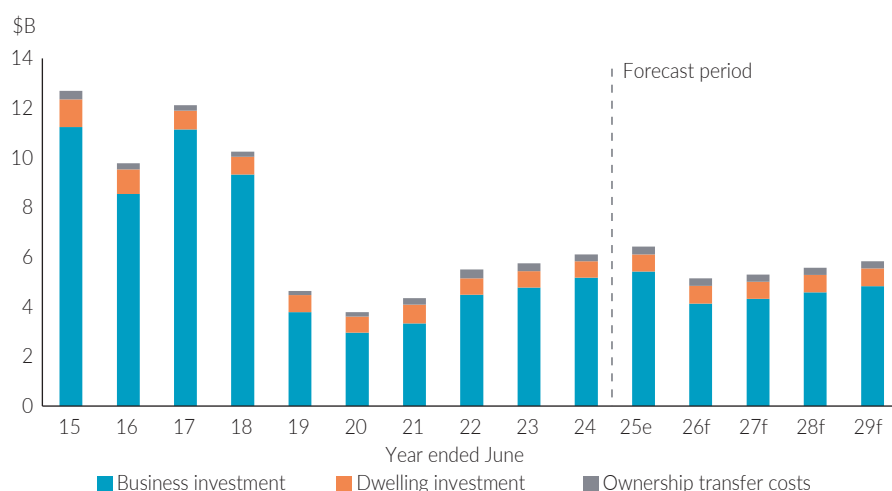
### Carbon capture and storage

Santos is investigating the potential for carbon capture and storage at the now-depleted Bayu-Undan field to potentially store up to 10 million tonnes of carbon dioxide annually. It will leverage existing infrastructure to provide a cost-competitive carbon capture and storage. Front-end engineering design (FEED) for the project is currently 97% complete.

INPEX is also exploring carbon capture and storage at the Bonaparte Basin, and has commenced pre-FEED work to support this development. The carbon capture hub is proposed for Darwin's Middle Arm peninsula and is likely to also include common marine infrastructure to import carbon dioxide from overseas. The project's indicative first injection into the Bonaparte Basin is around 2030, with the goal of reducing greenhouse gas emissions by about 2 million tonnes per annum.



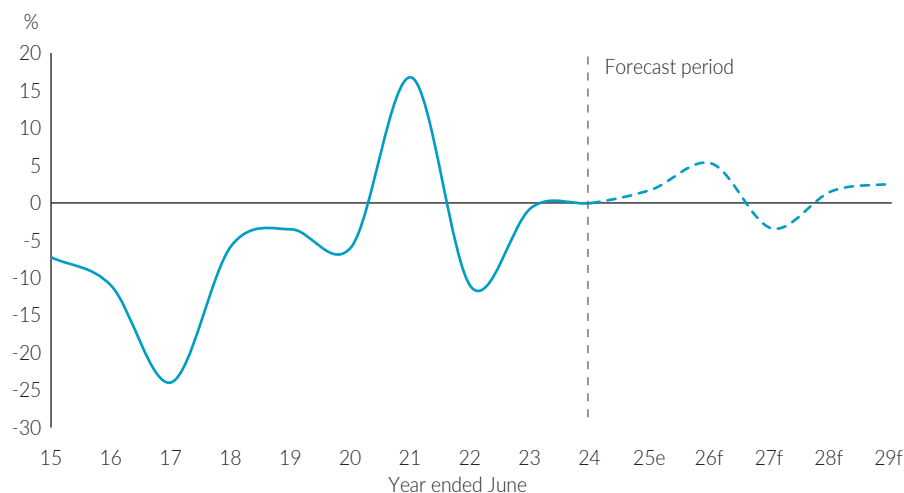
Chart 2.4: Territory private investment



e: estimate; f: forecast

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*; Department of Treasury and Finance

Private sector dwelling investment is anticipated to increase by 1.8% in 2024-25 with growth expected to accelerate to 5.2% in 2025-26, as the introduction of the HomeGrown Territory and FreshStart grants drives new building activity. The HomeGrown Territory grant offers \$50,000 for first home buyers to put towards building or buying a new home, or \$10,000 if they buy an established home. The FreshStart new home grant offers \$30,000 to buy or build a new home for those who are not first-home buyers, with funding to support over 500 new home builds across the Territory (Chart 2.5). Private dwelling investment is forecast to decline by 3.4% in 2026-27 as the heightened demand eases when the new building grants cease. Private dwelling investment is forecast to grow modestly by 1.6% in 2027-28 before accelerating to 2.6% in 2028-29, in line with long-term drivers of dwelling investment such as demographic and economic factors.

Chart 2.5: Territory private dwelling investment<sup>1</sup>

e: estimate; f: forecast

1. Year-average percentage change.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*; Department of Treasury and Finance

## Public consumption

Public consumption is estimated to grow by 4.2% in 2024-25 and 0.9% in 2025-26, contributing 1.3 percentage points and 0.3 percentage points to GSP growth, respectively. Growth in these years largely reflects ongoing demand pressures across frontline services such as health, justice, and corrections, as well as revised timing of various programs from 2024-25 to 2025-26.

Public consumption is expected to decline by 0.9% in 2026-27 and detract 0.3 percentage points from GSP growth as demand eases and programs are completed. Public consumption growth is expected to resume modest growth from 2027-28 and grow in line with the local economy towards the end of the forward estimates period.

## Public investment

Public investment is expected to grow by 14.3% in 2024-25 and 12.9% in 2025-26, and add 1 percentage points and 1.1 percentage points to economic growth, respectively. Public investment spending is currently elevated reflecting a number of significant large-scale projects across key portfolios including transport and logistics, public housing and defence, driving investment activity in the near term, including:

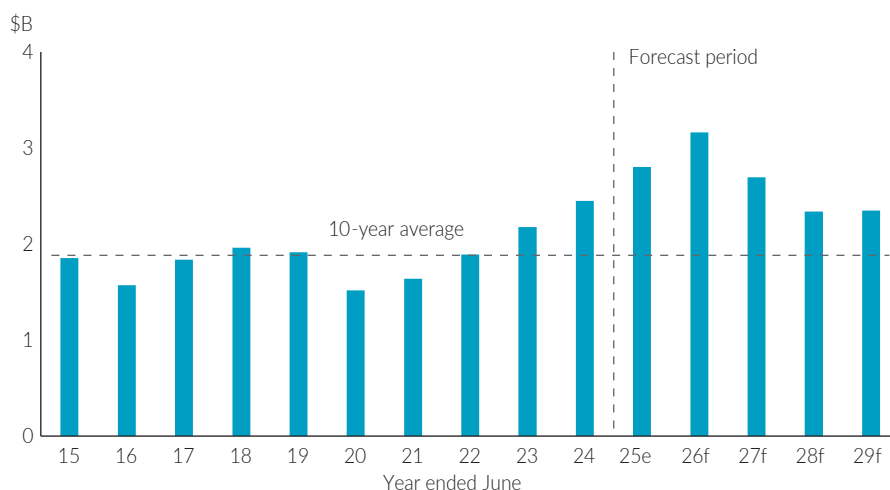
- Darwin ship lift facility
- the Northern Territory Art Gallery
- Manton Dam return to service
- Tiger Brennan Drive and Berrimah Road overpass
- the Rum Jungle mine remediation
- several significant defence projects.

At the state and local level, significant investment spending in the near term includes revised timing of expenditure and additional funding for public infrastructure projects including the construction of the Darwin ship lift.

Public investment is expected to decline by 14.8% in 2026-27 and 13.1% in 2027-28, largely reflecting completion of the ship lift, and the level of spending will begin to return more sustainable longer-run average levels. Other major projects expected to be completed over the period includes the Northern Territory Art Gallery and the return to service of Manton Dam. Public investment is expected to detract 1.3 percentage points and 0.9 percentage points over these years, respectively. Public investment is then expected to stabilise in 2028-29 with a steady pipeline of infrastructure projects continuing to develop and support economic activity in the Territory (Chart 2.6).

The Territory's strategic importance to national and regional security is expected to see ongoing investment by the Commonwealth and US governments over the forward estimates period. This could see upward pressure on public investment towards the end of the forward estimates period (refer to the *Defence* section in the *Industry Outlook* publication for further information).

Chart 2.6: Public investment in the Territory



e: estimate; f: forecast

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*; Department of Treasury and Finance

## Balance of trade

Exports are expected to decline by 10.7% in 2024-25 due to unexpected maintenance activity at the Ichthys LNG plant. Exports from the GEMCO mine were initially anticipated to resume in the March quarter of 2025 but are now expected to start in mid-2025, subject to no further weather impacts. Exports are anticipated to increase by 19.2% in 2025-26 when the Darwin LNG plant is expected to recommence LNG production, but the increase will be partly offset by the largest maintenance shut down at the Ichthys LNG plant since it commenced operations. In 2026-27, exports are expected to increase by 14.8% and remain steady across the remainder of the forward estimates as both Ichthys and Darwin LNG plants operate at full production capacity.

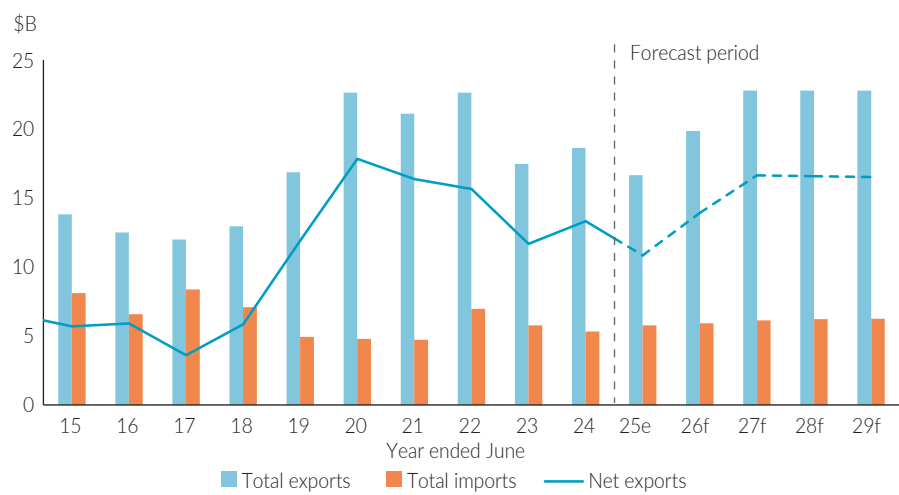
Imports are estimated to increase by 8.9% in 2024-25 due to work associated with the Barossa project. In 2025-26, imports are expected to grow by 2.2% driven by higher service imports related to the Barossa floating production, storage and offloading vessel service contract. The contract is for 15 years, with 10 years of options, and is valued at US\$4.6 billion. Advanced lease payments of around \$1 billion were paid during the construction period.

Imports are expected to grow moderately over the rest of the forecast period, in line with the Territory's investment activity and economic growth.

The balance of trade is expected to narrow in 2024-25 (Chart 2.7), with decreased exports and increased imports. Net exports should stabilise from 2027-28 and over the remainder of the forward estimates period, when both the Ichthys and Darwin LNG plants are assumed to operate at around full capacity.

The increased gold production from the Tanami Expansion 2 from 2028 will not be reflected in increased goods exports as the gold is sent to Western Australia for processing, and will be considered as interstate trade and captured in the balancing item.

Chart 2.7: Territory net exports



e: estimate; f: forecast

Source: ABS, *Australian National Accounts: State Accounts, Balance of Payments and International Position, Australia*; Department of Treasury and Finance

Table 2.2: Components of Territory gross state product (expenditure)<sup>1</sup>

	Chain volume measure (\$M) <sup>1</sup>					
	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Total consumption	24 270	24 918	25 238	25 369	25 802	26 411
Household consumption	13 393	13 571	13 789	14 019	14 328	14 707
Public consumption	10 877	11 347	11 449	11 350	11 474	11 703
Total investment	8 565	9 229	8 300	7 984	7 906	8 172
Private investment	6 102	6 428	5 139	5 291	5 567	5 825
Dwelling investment	662	676	711	687	698	716
Ownership transfer costs	273	329	301	284	286	289
Business investment	5 167	5 422	4 127	4 320	4 583	4 820
Public investment	2 463	2 801	3 162	2 693	2 339	2 347
State final demand	32 835	34 147	33 539	33 354	33 708	34 583
Net exports	13 342	10 870	13 953	16 663	16 601	16 563
Total exports	18 669	16 674	19 882	22 821	22 830	22 839
Total imports	5 327	5 804	5 929	6 158	6 228	6 276
Balancing item <sup>2</sup>	- 11 596	- 11 282	- 11 131	- 11 507	- 11 149	- 10 796
<b>Gross state product</b>	<b>34 581</b>	<b>33 735</b>	<b>36 361</b>	<b>38 510</b>	<b>39 160</b>	<b>40 350</b>

	Year average change (%)					
	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Total consumption	3.2	2.7	1.3	0.5	1.7	2.4
Household consumption	2.8	1.5	1.6	1.7	2.2	2.6
Public consumption	3.7	4.2	0.9	- 0.9	1.1	2.0
Total investment	8.2	7.8	- 10.1	- 3.8	- 1.0	3.4
Private investment	6.4	5.2	- 20.1	3.0	5.2	4.6
Dwelling investment	- 0.2	1.8	5.2	- 3.4	1.6	2.6
Ownership transfer costs	- 10.8	17.1	- 8.5	- 5.8	0.8	1.1
Business investment	8.4	5.0	- 23.9	4.7	6.1	5.2
Public investment	13.1	14.3	12.9	- 14.8	- 13.1	0.4
State final demand	4.5	4.0	- 1.8	- 0.6	1.1	2.6
Net exports	14.1	- 18.6	28.4	19.4	- 0.4	- 0.2
Total exports	6.8	- 10.7	19.2	14.8	0.0	0.0
Total imports	- 8.1	8.9	2.2	3.9	1.1	0.8
Balancing item <sup>2</sup>	15.2	- 2.3	- 1.3	3.4	- 3.1	- 3.2
<b>Gross state product</b>	<b>4.6</b>	<b>- 2.6</b>	<b>7.8</b>	<b>5.9</b>	<b>1.7</b>	<b>3.0</b>

	Percentage point contribution to the change in year average GSP					
	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Total consumption	2.3	1.9	1.0	0.4	1.1	1.6
Household consumption	1.1	0.6	0.6	0.6	0.8	1.0
Public consumption	1.2	1.3	0.3	- 0.3	0.3	0.6
Total investment	2.0	1.9	- 2.8	- 0.9	- 0.2	0.7
Private investment	1.1	0.9	- 3.8	0.4	0.7	0.7
Dwelling investment	0.0	0.0	0.1	- 0.1	0.0	0.0
Ownership transfer costs	- 0.1	0.1	- 0.1	0.0	0.0	0.0
Business investment	1.2	0.7	- 3.8	0.5	0.7	0.6
Public investment	0.9	1.0	1.1	- 1.3	- 0.9	0.0
State final demand	4.2	3.8	- 1.8	- 0.5	0.9	2.2
Net exports	5.0	- 7.2	9.1	7.5	- 0.2	- 0.1
Total exports	3.6	- 5.8	9.5	8.1	0.0	0.0
Total imports	1.4	- 1.4	- 0.4	- 0.6	- 0.2	- 0.1
Balancing item <sup>2</sup>	- 4.6	0.8	0.4	- 1.0	0.9	0.9
<b>Gross state product</b>	<b>4.6</b>	<b>- 2.6</b>	<b>7.8</b>	<b>5.9</b>	<b>1.7</b>	<b>3.0</b>

a: actual; e: estimate; f: forecast

<sup>1</sup> Inflation adjusted, components may not add to totals due to rounding and ABS chain volume estimation.<sup>2</sup> Balancing item includes statistical discrepancy.

Note: Actual result for 2023-24 is sourced from ABS State Accounts released annually in November. Forecasts are derived from quarterly publications, ABS National Accounts and Balance of Payments, which incorporates the most up to date data and revisions. Therefore, comparisons between actuals to the forecasts will not align.

Source: ABS, Australian National Accounts: State Accounts, Australian National Accounts: National Income, Expenditure and Product, Balance of Payments and International Investment Position, Australia; Department of Treasury and Finance

## International and national outlook

Global factors remain a key source of risk to the Territory's economic growth over the budget and forward estimates period. The US administration is rapidly undertaking major changes to the geopolitical and trade arrangements that have been the foundation of the world economy for over 70 years. Trade has been a key driver of global growth since the Second World War. These changes to trading relationships among major economies have the potential to disrupt trade flows and supply chains, impact relationships between major currencies, and disrupt financial markets and government debt markets in the US and around the world.

The International Monetary Fund (IMF) released the *World Economic Outlook* on 23 April 2025 incorporating information available as of 4 April. The swift escalation of trade tensions and extremely high levels of policy uncertainty are expected to have a significant impact on global economic activity. As a result, the outlook has downgraded global forecast growth to 2.8% in 2025 and 3% in 2026 (down 0.5 and 0.3 percentage points, respectively, compared with the previous outlook published in January 2025).

Nationally, the RBA cut the cash rate in its February 2025 meeting, following 13 consecutive increases in rates up to the November 2023 meeting. The RBA decided to leave interest rates unchanged in March, with minutes from the meeting outlining that board members discussed the implications for the global economy of ongoing trade policy uncertainty.

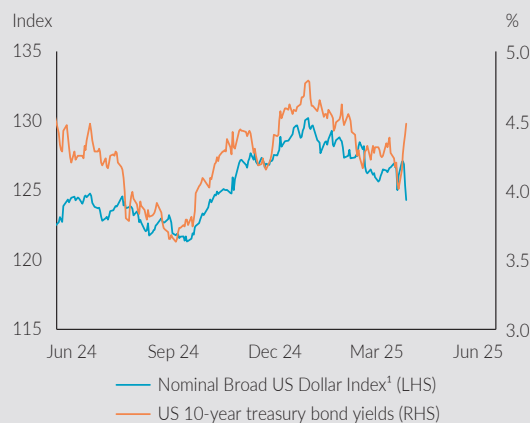
Australia and the Territory economy should be relatively well insulated from US tariffs given the limited volume of direct trade between Australia and the US. However, real impacts on Australia's major trading partners will have flow-on effects for the national economy. The IMF projects GDP growth for the Australian economy of 1.6% in 2025 and 2.1% in 2026. This represents a downgrade of 0.5 and 0.1 percentage points, respectively, compared with the January 2025 outlook. The scale of the economic impacts will depend on the timing and outcome of negotiations. The forecasts in this chapter are the baseline forecasts and do not account for the impact of tariffs, due to the high level of uncertainty of what will ultimately be implemented. The possible impacts of new tariffs on the Territory economy are outlined in Box 2, and updated forecast will be provided in the Territory Mid-Year Report.



## Box 2. Impacts of United States tariffs on the Territory

Volatility and uncertainty in financial markets arising from changes to tariffs by the new US administration risks an upheaval of the global trade system. This has reduced consumer and business confidence. While negotiations may ultimately lead to lower changes in tariffs than those announced on 3 April 2025, in the US risks are increasing, most evident in US bond yields and the US exchange rate.

Value of US dollar and 10-year bond yields

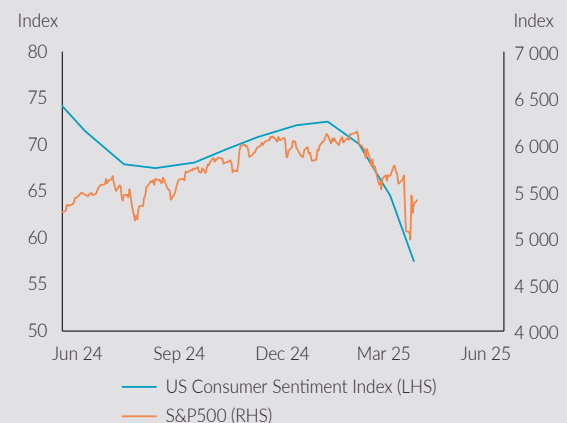


LHS: Left-hand side; RHS: Right-hand side

1 A weighted average of the foreign exchange value of the US dollar against the currencies of major US trading partners.

Source: Federal Reserve economic data

Consumer Sentiment Index and S&P500



Source: University of Michigan, surveys of consumers, preliminary results for April 2025; MarketWatch

The longer this period of disruption continues, the more likely it will cause consumers to increase saving and reduce spending, and businesses to defer new investment. These policies can also lead to increased inflationary pressures, reduced competition, restricted access to foreign markets and reduced choices.

The Australian and Territory economies are not expected to feel significant direct impacts from US tariffs, and indirect impacts felt through major trading partners are expected to be limited due to several key buffers. Reactionary stimulus measures in major trading partners are likely to support demand for Australia's mining exports. The Australian dollar has been an important automatic stabiliser for the economy during sizeable global shocks and is expected to continue to play that role. The exchange rate tends to depreciate during periods of lower global demand, which makes Australian exports more affordable. Australian exporters also have experience in diverting trade if demand shifts, as demonstrated during the trade restrictions with China in 2020.

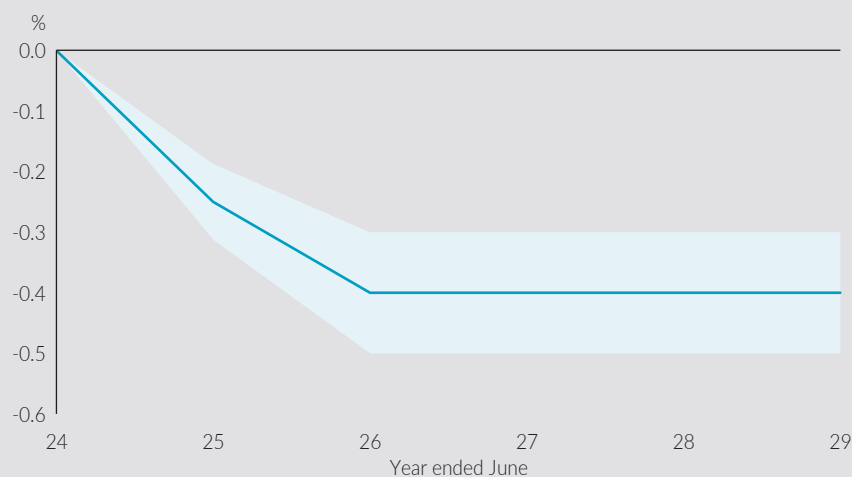


## Box 2 continued

Australia is relatively well placed to provide fiscal and monetary policy stimulus if needed. Commonwealth debt is around 35% of GDP, well below most peer economies, and the current monetary policy setting provides room for further cuts if uncertainty leads to a more sustained period of weaker demand.

Economic modelling released by Warwick McKibbin indicates the impact of tariffs on the Australian economy would reduce GDP growth by 0.25 percentage points in 2025 but, more importantly, lead to a permanent reduction in GDP of 0.4%, largely through the impact on activity in the mining industry.

### US tariffs (3 April announcement) would lower GDP and GSP



1 Line represents central case, shaded area represents range of uncertainty.

Given the mining industry's share of the economy in the Territory is around twice that of the national economy, the impact of changes to global tariff regimes could be felt more acutely in the Territory economy. This might manifest through some of the more marginal mining projects being less likely to proceed, however this is highly project and commodity dependant.

For example, the Territory's largest commodity export is LNG which is largely sold into Asia and not directly exposed to trade with the US. Much of the Territory's LNG exports are sold through long-term contracts, which are less affected by short-term market fluctuations. However, global energy markets have been impacted by assumptions that tariffs will drive trade and global growth lower and if sustained, this could impact assumptions on medium-term demand for energy and energy prices.



## Chapter 3

# External economic environment and trade

## Outlook

Exports are expected to fall significantly in 2024-25 due to unexpected maintenance at the Ichthys LNG plant in the second half of 2024. Exports will rebound in 2025-26 and 2026-27 driven by LNG exports commencing from the newly completed Barossa project.

Table 3.1: Territory trade (\$M, chain volume measure)

	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Total exports	18 669	16 674	19 882	22 821	22 830	22 839
Total imports	5 327	5 804	5 929	6 158	6 228	6 276
Balance of trade	13 342	10 870	13 953	16 663	16 601	16 563

a: actual; e: estimate; f: forecast

Source: ABS, *Australian National Accounts: State Accounts*; Department of Treasury and Finance

## International trade

There is significant uncertainty around the outlook for international trade following the US administration's announcement on 3 April 2025 of the intention to levy tariffs on most trading partners (see Box 2). The uncertainty is impacting commodity prices due to concerns about weaker global growth and business confidence, and is a major headwind for new export investment decisions, particularly for energy projects.

In 2023-24, exports increased by 6.8%, while imports declined 8.1%. The increase in exports was driven by a greater number of LNG cargoes shipped in the year. The decline in imports was driven by goods imports, which fell from \$5.1 billion in 2022-23 to \$4.4 billion in 2023-24. This was partially offset by an increase in services imports, largely reflecting overseas travel. The Territory's balance of trade contributed 5 percentage points to GSP growth in 2023-24.

In 2024-25, INPEX experienced an unplanned maintenance shutdown at the Ichthys LNG plant from August to October 2024, which significantly reduced gas exports. The strength in imports reflects ongoing work to bring the Barossa project online, which requires imported capital goods. Currently the plant is scheduled to begin operation in the September quarter 2025. Balance of trade is expected to detract 7.2 percentage points from GSP growth in 2024-25. This is driven by a decline in exports of 10.7% and an increase of 8.9% in imports.

In 2025-26, strong growth in exports will be driven by LNG exports commencing from the Barossa project. Ichthys LNG exports are expected to be slightly lower than 2024-25 due to significant maintenance activities planned from mid-August to early October 2025. Services imports are anticipated to increase, driven by lease payments relating to the floating production storage and offtake vessel for the Barossa project. Balance of trade is projected to contribute 9.2 percentage points to GSP growth in 2025-26.

The resumption of manganese exports from South32's Groote Eylandt mine is expected in mid-2025, following completed work to rebuild the wharf and restore production capacity, after Cyclone Megan caused significant damage and a production halt in late March 2024. Some production has already commenced and is being stockpiled, which may further boost exports in 2025-26.

In 2026-27, production from the Barossa project is assumed to approach full capacity and exports from the Ichthys LNG plant will also return to around full capacity. As a result, exports will again drive growth, with balance of trade anticipated to contribute 7.5 percentage points to GSP growth. Thereafter, LNG exports are projected to remain stable around levels consistent with full capacity at both production facilities, notwithstanding the need for regular maintenance and occasional shutdowns. Strength in imports is expected to detract from GSP, as imports recover following the completion of construction activity for the Barossa project. Thereafter, imports are anticipated to grow in line with the Territory's investment activity and economic growth.

There is a risk that any potential delays associated with completing the Barossa project may change how the Territory's balance of trade evolves over the forecast period.

The recent depreciation of the Australian dollar will support exports, however this will increase the price of imports in Australia. If the depreciation in the Australian dollar persists or accelerates, it may reduce demand for imports relative to the base line forecast.

## Global economic outlook

The IMF released the *World Economic Outlook* on 23 April 2025. The swift escalation of trade tensions and extremely high levels of policy uncertainty are expected to have a significant impact on global economic activity. As a result, the outlook provides reference forecasts incorporating information available as of 4 April. Under the reference forecasts, global growth is estimated to be 2.8% in 2025 and 3% in 2026 (down 0.5 and 0.3 percentage points, respectively, compared with January 2025). This largely reflects the direct and indirect effects of tariffs imposed by the US (Chart 3.1).

The impact of tariffs is expected to be varied across countries, depending on trade relationships, industry composition, policy responses among trading partners (implementing reciprocal tariffs on the US), and opportunities for trade diversion to third parties.

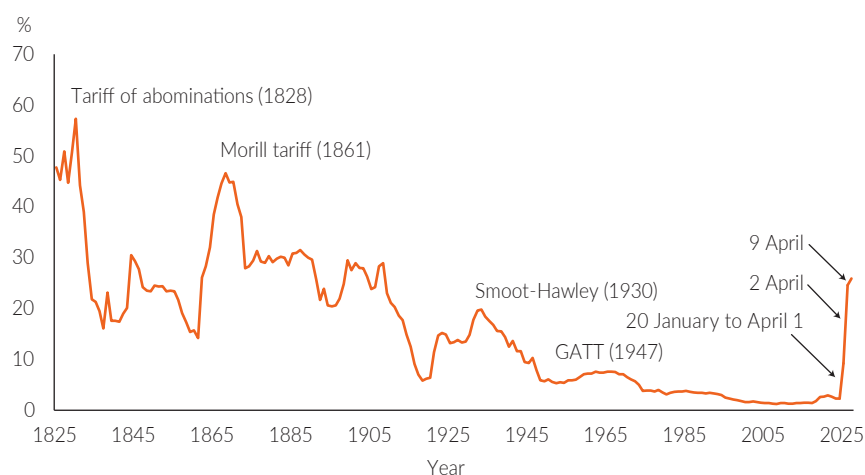
Global headline inflation is expected to moderate at a pace that is slightly slower than what was expected in January, reaching 4.3% in 2025 and 3.6% in 2026, with notable upward revisions for advanced economies. The impact of tariffs on inflation depends on whether the tariffs are perceived to be temporary or permanent, the extent to which firms can adjust prices to offset increased import costs and if imports are invoiced in US dollars or local currency.

Intensifying downside risks dominate the global outlook over the short and medium-term. Escalating trade tensions could further deteriorate growth prospects and add to inflationary pressures. Rapidly changing policies could lead to asset repricing beyond what occurred when additional tariffs were announced and contribute to volatility in exchange rates, capital flows and broader financial instability. Central banks may also maintain tighter monetary policy conditions for longer. However, the IMF notes a de-escalation in tariffs and newer, clearer agreements may stabilise trade policy and uplift global growth.

The Organisation for Economic Co-operation and Development (OECD) *Interim Report* March 2025 also indicated slowing growth and the OECD now expects global GDP growth to moderate from 3.2% in 2024 to 3.1% in 2025, and 3% in 2026. Rising trade barriers and increased geopolitical and policy uncertainty are expected to negatively impact investment and household spending. The newly imposed tariffs will raise revenue for the governments imposing them but will weigh on global activity, incomes and regular tax revenues. They will also exacerbate trade costs, particularly where inputs cross borders multiple times and duties are incurred at each point.

The Commonwealth *Pre-election Fiscal Outlook* April 2025 (Commonwealth PEFO) states the outlook for economic growth in the global economy is projected to be subdued. The direct impacts of the tariffs are expected to be limited for Australia, however the indirect effects will be greater with certain sectors (mining, steel, aluminium and agriculture), anticipated to be disproportionately impacted more than others. Uncertainty related to trade hostilities and volatility in financial markets will weaken consumer and business confidence which will negatively impact consumption and business investment for Australia.

Chart 3.1 US effective tariff ratio on all imports



GATT: General agreement on tariffs and trade

Source: US Bureau of the Census; US International Trade Commission; IMF

Table 3.2: Reference forecast IMF economic growth outlook, April 2025<sup>1</sup>

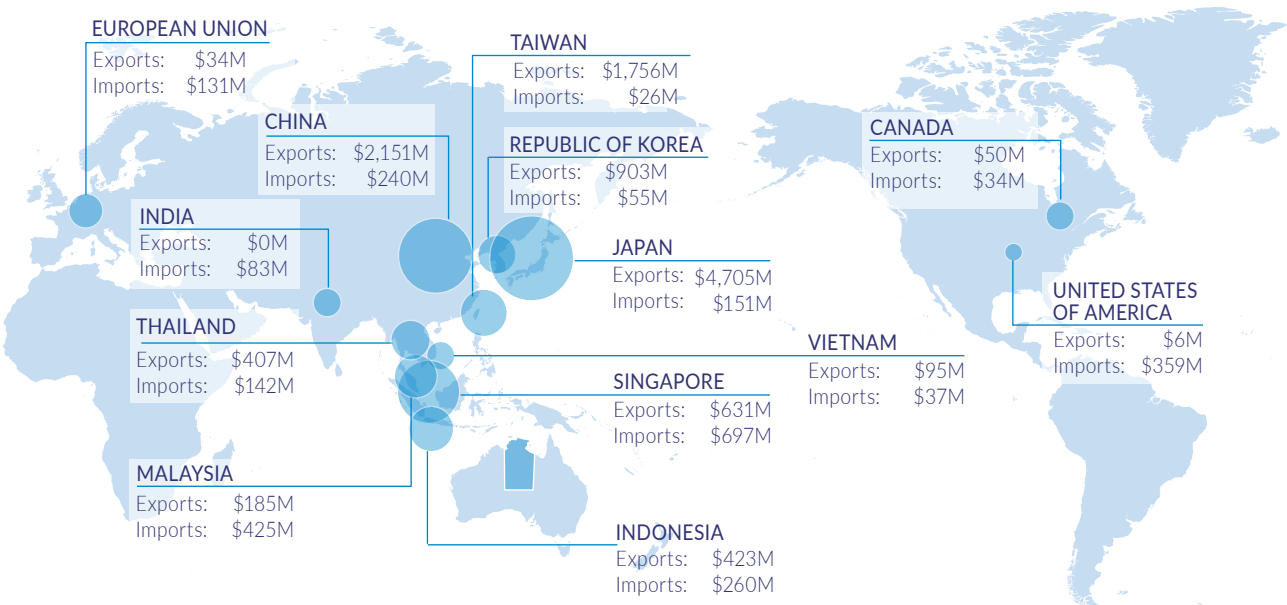
	2023a	2024f	2025f	2026f	2027f	2028f	2029f
Australia	2.1	1.0	1.6	2.1	2.3	2.3	2.3
Canada	1.5	1.5	1.4	1.6	1.7	1.6	1.6
China	5.4	5.0	4.0	4.0	4.2	4.1	3.7
European Union	0.6	1.1	1.2	1.5	1.6	1.6	1.5
India	9.2	6.5	6.2	6.3	6.5	6.5	6.5
Indonesia	5.0	5.0	4.7	4.7	4.9	5.0	5.1
Japan	1.5	0.1	0.6	0.6	0.6	0.6	0.5
Korea, Republic of	1.4	2.0	1.0	1.4	2.1	2.1	1.9
Malaysia	3.6	5.1	4.1	3.8	4.0	4.0	4.0
Singapore	1.8	4.4	2.0	1.9	2.3	2.5	2.5
Taiwan	1.1	4.3	2.9	2.5	2.4	2.3	2.2
Thailand	2.0	2.5	1.8	1.6	1.9	2.1	2.3
United States	2.9	2.8	1.8	1.7	2.0	2.1	2.1
Vietnam	5.1	7.1	5.2	4.0	5.2	5.3	5.3
Emerging market and developing economies	4.7	4.3	3.7	3.9	4.2	4.1	4.1
Advanced economies	1.7	1.8	1.4	1.5	1.7	1.7	1.7
<b>World</b>	<b>3.5</b>	<b>3.3</b>	<b>2.8</b>	<b>3.0</b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>
<b>Territory major trading partners</b>	<b>2.5</b>	<b>2.4</b>	<b>1.9</b>	<b>1.9</b>	<b>2.1</b>	<b>2.0</b>	<b>1.9</b>

a: actual; f: forecast

<sup>1</sup> Year-average change in gross domestic product.

Source: IMF, *World Economic Outlook*, April 2025; ABS, *International trade in goods, Australia*; Department of Treasury and Finance

Map 3.1: Territory's major trading partners, 2024<sup>1</sup>



1 Annual total.

Source: ABS, *International Trade in Goods, Australia*; Department of Treasury and Finance

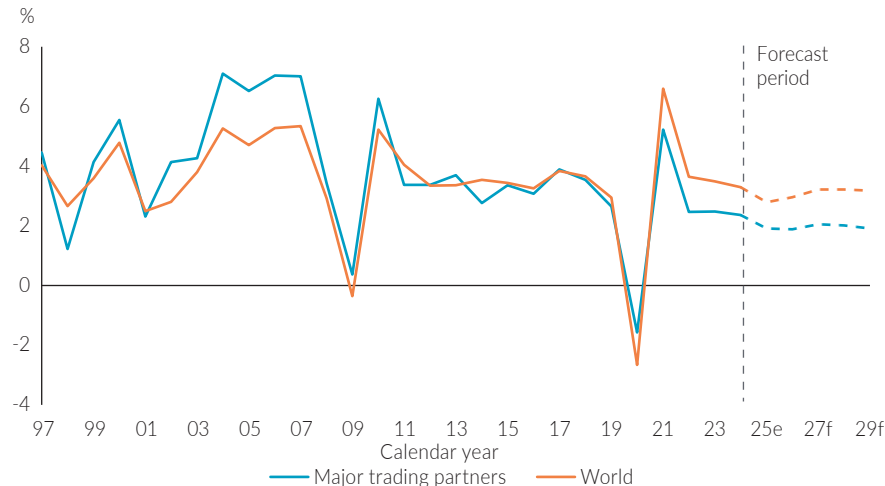
Major trading partners

The Territory's major trading partner index tracks the aggregate GDP of 13 of the Territory's largest current and historical export destinations (Chart 3.2). These are: Japan, China, Taiwan, Republic of Korea, Singapore, Thailand, Indonesia, Malaysia, European Union, India, Vietnam, Canada and the US (Map 3.1). Together they comprised 98.4% of the value of all goods exports in 2024.

Using IMF reference forecasts, aggregate growth in major trading partners is expected to decline from 2.4% to 1.9% in 2025 and remain within a narrow range thereafter. This can largely be attributed to the path of economic growth in Japan, China, Taiwan and the Republic of Korea, as these economies carry the greatest weight in the index.

The increase in economic growth in Japan from 0.1% in 2024 to 0.6% in 2025 reflects higher household disposable income due to real wage growth. China's economy is expected to moderate from 5% growth in 2024 to 4% in 2025 due to the recently implemented tariffs and ongoing challenges in the property sector. Taiwan and the Republic of Korea are also expected to see their economic growth ease, resulting from a slowdown in exports and subdued domestic demand.

Chart 3.2: Major trading partner growth



e: estimate; f: forecast

Source: IMF, *World Economic Outlook*, April 2025; ABS *International Trade in Goods, Australia*; Department of Treasury and Finance

## Commodity outlook

The main commodities produced currently and previously in the Territory include LNG, bauxite, manganese, lithium, gold and cattle, with LNG recording the largest share of production. The impact of tariffs imposed by the US creates significant uncertainty for commodity markets. The effect is anticipated to be varied across different sectors, with production and trade shares likely to change as producers and consumers adjust to changes. For example, reduced imports by the US due to higher costs associated with the tariffs may lead to oversupply in other markets thereby putting downward pressure on prices.

Gas exported from the Territory is largely sold under medium to long-term contracts, therefore export volumes tend to remain relatively stable for the Territory at around full capacity for production facilities regardless of near-term market fluctuations. However, prices for contracts relating to new supply can be sensitive to market pressures. Energy prices (oil and gas) have declined following the tariff-induced market uncertainty. However, the Australian dollar tends to depreciate during periods of weaker global growth, which will provide some buffer to the prices of Australian exports that are usually denominated in US dollars.

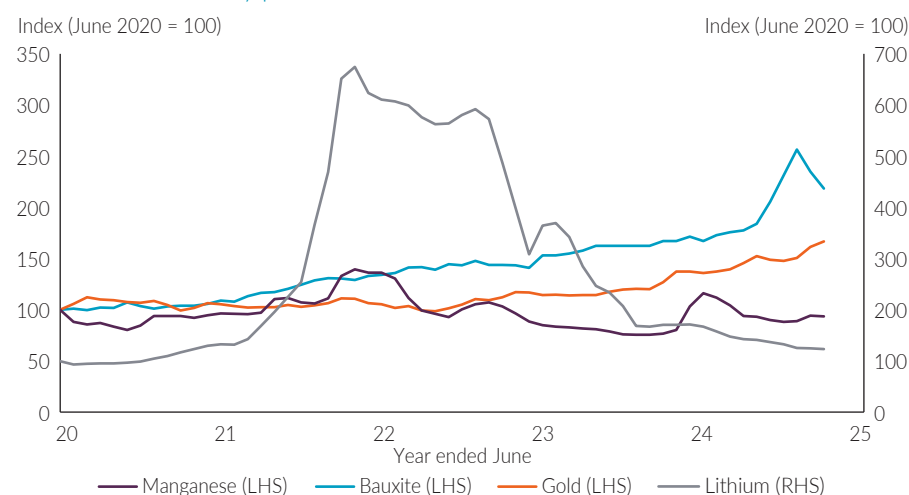
Bauxite and manganese are key inputs for aluminium and steel production, respectively. In 2024, bauxite prices rose due to strong Chinese demand amid constrained supply, while manganese prices fluctuated due to weak Chinese demand and supply concerns from the Groote Eylandt mine shutdown caused by Cyclone Megan. Aluminium demand, driven by energy-efficient technology, is expected to support bauxite prices, with electric vehicle (EV) demand to drive manganese demand for use in batteries. Manganese prices saw a slight increase following the announcement of additional tariffs by the US administration on 3 April 2025, however they have since started to decline. In contrast, bauxite prices have declined in response to the additional tariffs.

The move towards decarbonisation of economies has driven demand for lithium, which is widely used in green technologies such as EVs. Lithium prices remained low in 2024 as EV sales growth moderated at a time when additional production from projects, previously incentivised by high prices, came online. Prices are anticipated to recover at a slow pace, supported by mine production suspensions and global EV sales growth. Electric trucks and other heavy-duty vehicles are expected to account for a growing share of global lithium demand. Lithium prices also declined following new tariff announcements.

The price of gold grew strongly over 2024, driven by global economic uncertainty and monetary policy easing. Demand for gold has been supported by central bank purchasing and a rise in gold investment. Gold prices are expected to remain elevated in 2025 due to its status as a safe-haven asset before moderating on the back of greater mine output, lower central bank purchasing and reduced concerns over inflation.

The Territory's main live animal export is cattle. In 2024, the price of cattle fluctuated over the first half before rising in the remainder of the year. During this period, the Territory exported a total of 274,181 head of cattle, compared to 184,597 the previous year, with Indonesia being the largest destination. Much of the increase was due to greater availability of supply supported by favourable weather conditions and lower prices compared to the first half of 2023. The late onset of the wet season is anticipated to contribute to steady cattle exports and prices. However, with Indonesia issuing only 350,000 import permits for cattle in 2025, there is some uncertainty for the Territory's cattle trade. A key US meat price monitor saw prices rise since the additional tariffs were announced, however the impact on live cattle export prices is still unclear.

Chart 3.3: Commodity prices



LHS: left-hand side; RHS: right-hand side

Source: AME Group; IMF; Department of Treasury and Finance

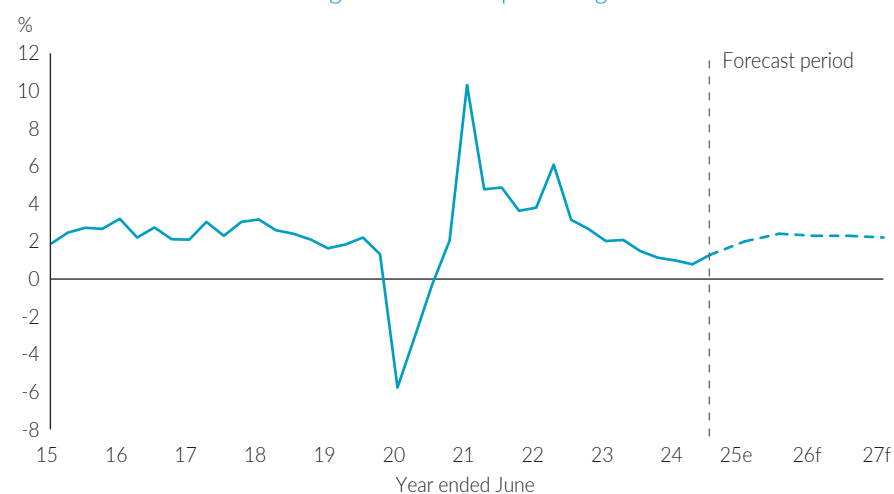
## National economy

Australia's GDP grew by 1.3% over the year to December 2024. Economic growth over the past year was moderate, supported by public and private expenditure.

Private consumption was supported by non-discretionary spending, whereas public consumption reflected Commonwealth spending on social benefits to households and energy bill relief payments by some state governments. Investment was subdued over the first-half of the year but rose thereafter, driven by public investment in defence equipment, hospitals and roads. Private investment also rose modestly driven by dwelling construction and business investment associated with ongoing renewable energy and mining projects. Over this period, exports were supported by increased demand for LNG and coal, as well as education-related travel and intellectual property services, with imports driven by consumption goods.

The RBA's *Statement on Monetary Policy* February 2025 forecasts GDP growth of 2% over the year to June 2025, rising to 2.3% over the year to June 2026 and then steadily growing over the remainder of the forecast period (Chart 3.4).

Chart 3.4: Australia – annual gross domestic product growth



e: estimate; f: forecast

Source: ABS, Australian National Accounts: National Income, Expenditure and Product; RBA

Economic activity is expected to be driven by an increase in household consumption as real household disposable incomes continue to recover. The anticipated path of monetary policy easing is also expected to further support household budgets and spending. Private investment is expected to remain subdued, picking up towards the end of 2025 in line with the assumed decline in cash rates and supported by digitisation of firms' operations, and the pipeline of infrastructure work related to renewable energy projects.

An anticipated weakening of the Australian dollar is expected to support growth as imports become relatively more expensive while exports become less expensive.

Underlying inflation has moderated faster in recent months than had been previously anticipated. Inflation is expected to be 2.4% over the year to June 2025 before rising to 3.7% by December 2025 and gradually easing thereafter.

The *World Economic Outlook* reference forecasts for the Australian economy, incorporating information up to 4 April 2025, projects GDP growth of 1.6% in 2025 and 2.1% in 2026. This represents a downgrade of 0.5 and 0.1 percentage points, respectively, compared with the January 2025 outlook. The downgrade reflects the uncertainty created by rapidly changing trade policies.

## Interest rates

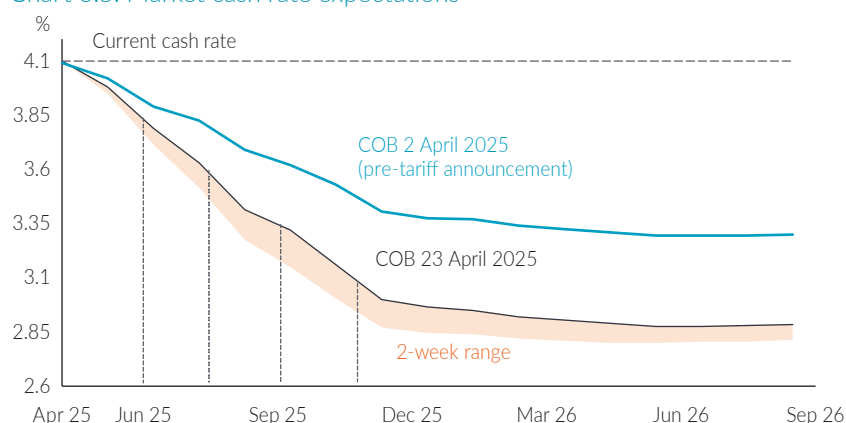
In February 2025, the RBA lowered the cash rate by 25 basis points to 4.1%. This is the first rate cut since the RBA commenced its monetary policy tightening cycle in May 2022.

Inflation has declined from its peak in 2022, with headline inflation of 2.4% over the year to December 2024, down from 4.1% in the previous year. Headline inflation has reached the mid-point of the RBA's 2% to 3% target, driven lower by energy subsidies, while underlying inflation remains higher but is expected to return to the RBA target band in 2025.

Long-term government bond yields rose in the US, reflecting expectations for fewer interest rate cuts and uncertainty surrounding policy decisions. In other advanced economies, yields were little changed or had not kept pace with the US due to these economies exhibiting fewer upside results and their vulnerability to US tariffs. In Australia, market expectations for cash rate cuts have been brought forward (Chart 3.5), contributing to bond yields declining relative to most other economies. Markets now expect around 100 basis points of easing in 2025.

The announcement of further tariffs and the subsequent 90-day pause on implementation has led to volatility in financial markets. As the value of stocks declined in response to additional tariffs, there was a simultaneous sell-off in bonds. Sentiment in bond markets remains cautious with investors monitoring any developments closely as the situation continues to unfold.

Chart 3.5: Market cash rate expectations



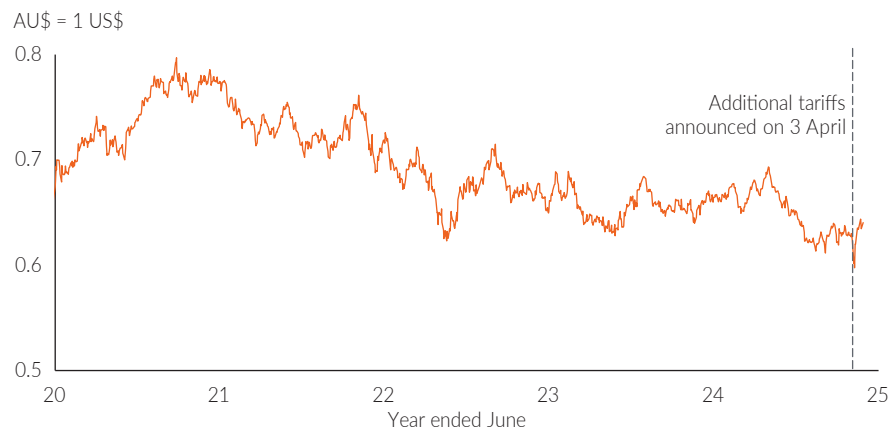
COB: close of business

Source: Department of Treasury and Finance; Australian Securities Exchange

## Exchange rates

Movements in the Australian dollar are influenced by domestic and international interest rates and demand for commodities. International markets, such as mining and tourism, are sensitive to fluctuations in the exchange rate. This is important for the Territory given it is highly reliant on trade and investment, with balance of trade accounting for 38.6% of the Territory's output in 2023-24. The Australian dollar fluctuated against the US dollar over most of 2024, declining sharply towards the end of the year. This reflects the strength of the US dollar, which has been supported by strong relative productivity gains and economic growth, improvements in the US terms of trade, expectations that countries affected by US tariffs may depreciate their currencies, and delayed expectations for further monetary policy easing in the US. In 2025, the Australian dollar has continued to fluctuate around a narrow range before falling steeply in April as financial markets responded negatively to the US' tariff announcement. The Australian dollar has since recovered and is around pre-tariff levels. A lower Australian dollar, relative to the rest of the world, has the potential to support the Territory's tourism industry, boost exports and attract greater foreign investment.

Chart 3.6: Australian/US dollar exchange rate



Source: RBA



## Chapter 4

## Population

## Outlook

The Territory population is expected to grow by 1% in 2025-26, driven by net overseas migration and natural increase. Over the forward estimates period, population growth is forecast to increase by 1.2% per year, reflecting normalising migration flows.

Table 4.1: Territory population forecasts

	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Population (persons)	255 069	256 819	259 426	262 246	265 351	268 557
Year-ended change (%)	0.8	0.7	1.0	1.1	1.2	1.2

a: actual; e: estimate; f: forecast

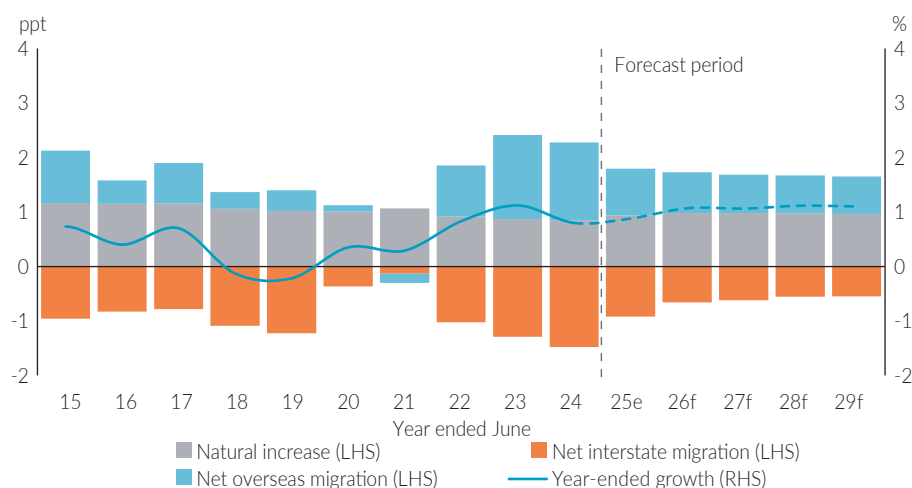
Source: ABS, *National, state and territory population*; Department of Treasury and Finance

The Territory's population is estimated to grow by 0.7% to 256,819 persons in 2024-25 (Chart 4.1). Population growth is expected to remain steady as natural increase remains flat, contributing around 0.8 percentage points to growth, and interstate and overseas migration flows continue to ease from recent levels, detracting 1.1 percentage points from and contributing 0.9 percentage points to growth, respectively.

Population growth is forecast to increase to 1% in 2025-26. Natural increase, in particular births, is forecast to recover as migration outcomes improve and cost of living pressures ease. Elevated public final demand is a key driver of economic activity and labour force needs in the Territory. This is expected to support improvements in interstate migration outcomes and ongoing overseas migration into the Territory. Natural increase and net overseas migration are forecast to contribute 0.9 percentage points and 0.8 percentage points, respectively, to growth while net interstate migration is forecast to detract 0.7 percentage points.

The Territory's population is forecast to continue growing over the forward estimates period (2026-27 to 2028-29), averaging 1.2% growth per annum and reaching 268,557 persons in 2028-29. Natural increase and net overseas migration are expected to remain steady contributors to growth, averaging 1 percentage point and 0.7 percentage points per annum, respectively, while net interstate migration is expected to continue easing towards longer-term historic levels, detracting on average 0.5 percentage points from growth per annum.

Chart 4.1: Territory's annual population growth and percentage point contribution by component



e: estimate; f: forecast; ppt: percentage points; LHS: left-hand side; RHS: right-hand side

Source: ABS, *National, state and territory population*; Department of Treasury and Finance

Risks remain elevated around the population forecasts. Covid resulted in significant volatility to migration flows, with interstate and overseas migration currently at or near historically low and high levels, respectively. While migration flows are expected to normalise, the timing and final outcome of the normalisation process remains uncertain.

Recent changes to the Territory's DAMA are expected to improve the Territory's access to overseas labour and therefore ability to grow the population (and labour market) through migration. However, Commonwealth national migration policy settings are currently intended to limit Australia's total permanent overseas migration flows to reduce inflows of migrants to the east coast capital cities. The Territory requires flexible and supportive overseas migration settings to ensure businesses can access the skilled labour, and to support government objectives to increase population growth.

The Territory's natural increase, in particular births, has continued to decline post-covid. The degree to which this is part of a broader trend of declining fertility rates or a deferment in child-bearing intentions due to covid, economic uncertainty and increases in cost of living pressures is uncertain. The forecasts assume a recovery in births over the forecast period as deferred child-bearing intentions are realised. With interstate migration outcomes influenced by economic opportunities, population growth outcomes may be stronger than forecast if major projects in the Territory's investment portfolio reach final investment decision over the forecast period.

The implementation of US tariffs and the trade conflicts that may follow (discussed in Chapter 3 *External economic environment and trade*) may have indirect impacts on the Territory population by delaying resource projects, decreasing demand for labour, and reducing net interstate and overseas migration.



### Box 3. Population growth targets in the Northern Territory Economic Strategy 2025

The Northern Territory Economic Strategy 2025 outlines government's plan for rebuilding the Territory economy over the next three years and includes a target to grow the Territory's population by at least 4,000 persons per annum, including net migration of at least 1,300 persons per annum to meet demand for labour by Territory employers.

This target is ambitious but set at a level where government can effectively manage increased demand for infrastructure and services.

Along with broader measures to reduce crime and improve and restore the Territory's lifestyle, the strategy outlines strategic initiatives to achieve the population target, such as:

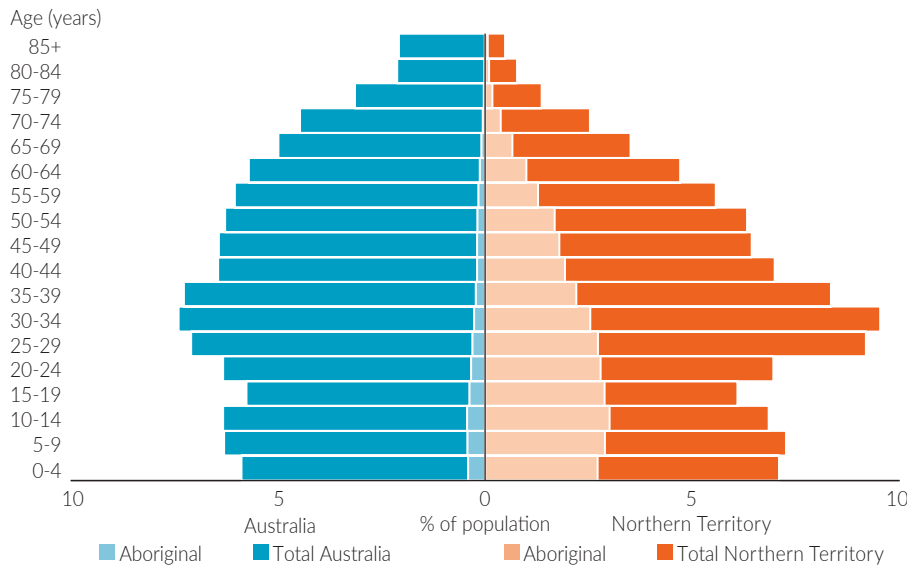
- creating good jobs through a supportive environment for business
- driving private investment by improving regulatory certainty
- focusing on employment pathways to attract, skill and retain workers
- increasing engagement with the Commonwealth to attract skilled migrants.

The Territory's population forecasts will be revised as measurable impacts of the strategy on economic growth, private investment and population growth are realised.

## Population profile

The Territory's population is characterised by a relatively young age profile, with a median age of 33.4 years, compared with 37.7 years nationally. This reflects a large number of persons aged 25 to 34 years living and working in the Territory, as well as the Territory's large Aboriginal population that, based on the 2021 Census, had a median age of 26 years (Chart 4.2). Around a third of the Territory's population identifies as Aboriginal (31%), compared with 3.8% nationally. The Territory's population also comprises a larger proportion of males than females (102.8 males to every 100 females), compared with 98.6 males to every 100 females nationally.

Chart 4.2: Population age profile – Australia and the Territory by Aboriginal status, 30 June 2021



Source: ABS, 2021 Census

### Recent activity

In 2023-24, the Territory's population grew by 0.8% to 255,069 persons. Growth was driven by natural increase and ongoing strength in net overseas migration, partly offset by net interstate migration.

#### Natural increase

Natural increase has been moderating in the Territory, contributing on average 1 percentage point to population growth over the five years to 2023-24, which is double the national contribution of 0.5 percentage points. The greater contribution of natural increase reflects the Territory's younger age profile and higher fertility rate, although the fertility rate in the Territory has been declining over time. In 2023-24, the total fertility rate, which represents the average number of children born to a woman during the reproductive lifetime, was 1.6 for the Territory compared to 1.5 for Australia.

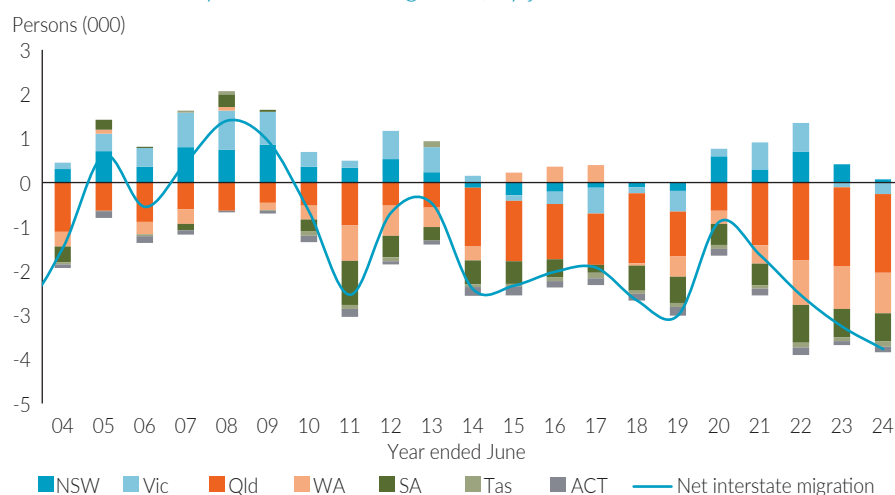
Along with other jurisdictions, the Territory has seen weaker levels of births in the post-covid period. This is likely driven by a combination of deferred child-bearing intentions as a result of covid, cost of living pressures and a decline in the stock of overseas migrants (who have higher fertility rates) during the pandemic.

#### Interstate migration

Interstate migration is the most volatile component of population growth and generally detracts from the Territory's population. Over the five years to 2023-24, net interstate migration detracted on average 0.9 percentage points per annum from population growth.

In 2023-24, net interstate migration continued to worsen, largely driven by a deterioration in arrivals to the Territory from New South Wales and Victoria, and steady but weak arrivals from Queensland, Western Australia and South Australia. Net migration to Queensland and Western Australia comprised the largest number of persons leaving the Territory at around 1,800 and 900 persons, respectively (Chart 4.3).

Chart 4.3: Territory net interstate migration, by jurisdiction



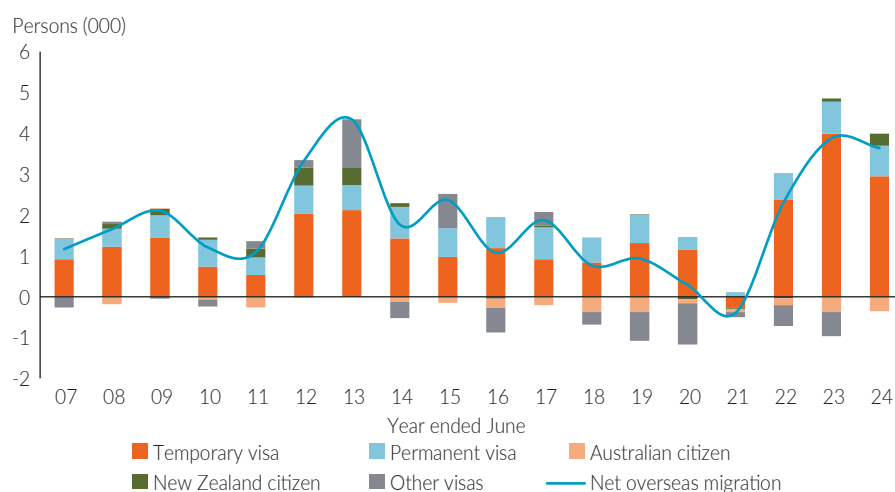
Source: ABS, *National, state and territory population*

## Overseas migration

Historically, overseas migration has supported population growth in the Territory, contributing on average 0.8 percentage points per annum over the five years to 2023-24.

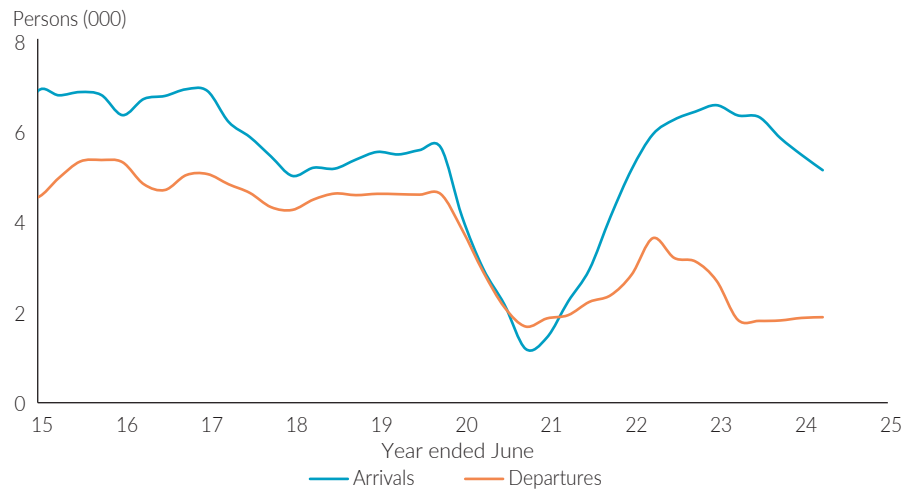
The Territory's net overseas migration levels remained near historic highs in 2023-24, driven by ongoing elevated levels of temporary visa holders (Chart 4.4).

Chart 4.4: Territory net overseas migration, by visa category



Source: ABS, *National, state and territory population*

The Territory's overseas arrivals have eased over recent quarters towards pre-covid levels (Chart 4.5), led by lower arrivals of temporary students and work visa holders. The Territory's overseas departures have remained significantly subdued. Ongoing weakness in overseas departures likely reflects the shock to the number of overseas migrants during covid, and the Territory's ongoing need for overseas migration to fill labour requirements has likely contributed to this weakness.

Chart 4.5: Territory overseas migration arrivals and departures<sup>1</sup>

<sup>1</sup> Moving annual total.

Source: ABS, *National, state and territory population*

## Regional growth

Table 4.2: Territory population by region, 30 June 2024

	Population	Proportion of total	Year-end change	5-year average year-end change
	No.	%	%	%
Greater Darwin	152 489	59.8	0.9	0.7
Darwin city	29 076	11.4	0.6	0.4
Darwin suburbs	58 532	22.9	0.4	0.3
Palmerston	41 432	16.2	1.0	1.7
Litchfield	23 449	9.2	2.2	0.5
Rest of the Territory	102 580	40.2	0.6	0.7
Alice Springs	41 962	16.5	1.0	1.0
Katherine	21 453	8.4	0.2	0.5
Daly-Tiwi-West Arnhem	18 374	7.2	0.5	0.6
East Arnhem	14 724	5.8	0.3	0.3
Barkly	6 067	2.4	0.4	0.2
<b>Total</b>	<b>255 069</b>	<b>100.0</b>	<b>0.8</b>	<b>0.7</b>

Source: ABS, *Regional population*

The Territory's population grew across all major regions of the Territory in 2023-24. Greater Darwin's population grew by 0.9% while the rest of the Territory grew by 0.6%.

Greater Darwin's population growth has been led by growth in Palmerston and Litchfield in line with growing residential developments, followed by growth in Darwin city and Darwin suburbs. Growth in the rest of the Territory was largely led by Alice Springs. There has also been modest growth of around 0.5% in Daly-Tiwi-West Arnhem, 0.4% in Barkly, and 0.3% in East Arnhem. Katherine experienced subdued growth of 0.2%, similar to the previous year.

## Chapter 5

## Labour market

## Outlook

Employment growth is forecast to slow to around 1.2% in 2024-25 before easing to 0.8% in 2025-26 as several major investment projects are completed. As a result, the unemployment rate is expected to peak at 5% in 2025-26 before declining to average around 4.6% over the forward estimates period, broadly in line with the Territory's natural rate of unemployment.

Table 5.1: Territory labour market (%)

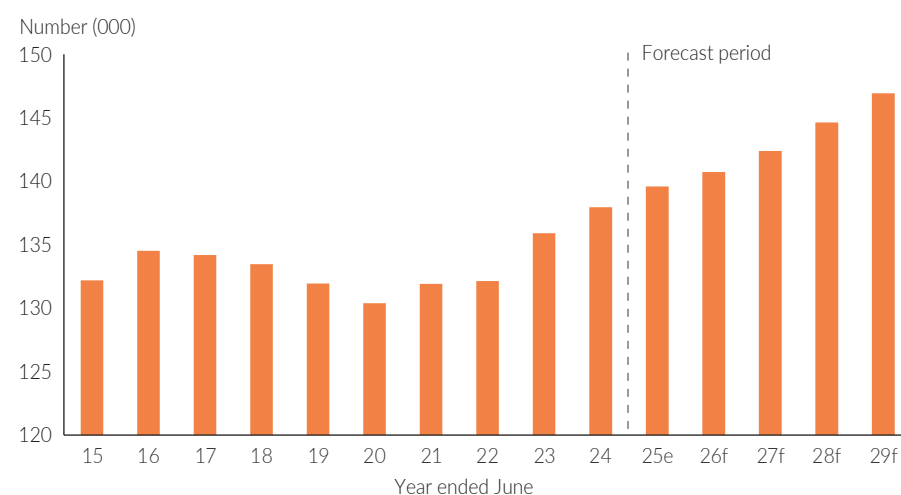
	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Employment growth <sup>1</sup>	1.5	1.2	0.8	1.2	1.6	1.6
Unemployment rate <sup>2</sup>	4.4	4.5	5.0	4.7	4.6	4.5
Participation rate <sup>2</sup>	72.7	72.8	72.8	72.3	72.3	72.3

a: actual; e: estimate; f: forecast

1 Year-average change.

2 Year average.

Source: ABS, *Labour Force, Australia*; Department of Treasury and Finance

Chart 5.1: Territory employment<sup>1</sup>

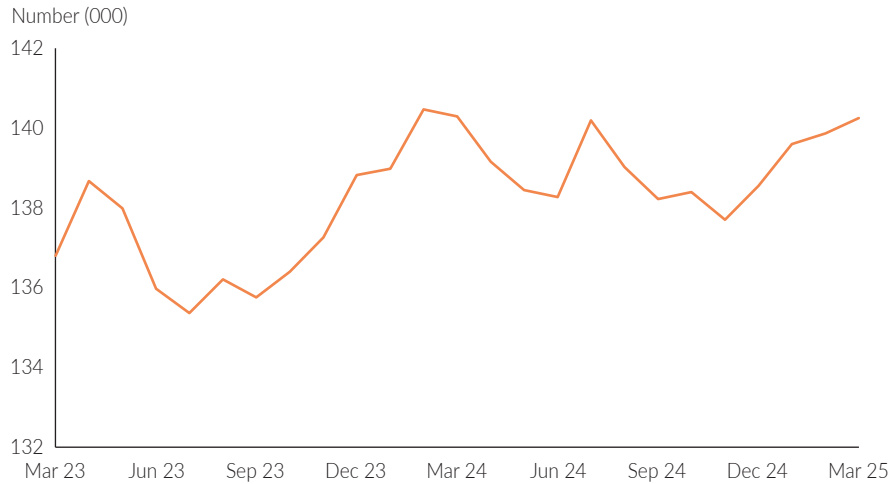
e: estimate; f: forecast

1 Year average.

Source: ABS, *Labour Force, Australia*; Department of Treasury and Finance

The Department of Treasury and Finance's baseline forecast is for employment growth to moderate to about 1.2% in 2024-25 (Chart 5.1). This reflects the recent easing of growth in the labour market in the December quarter 2024, following a particularly strong period of growth. These conditions have persisted in the latest data, with no growth in employment over the year to March 2025 (Chart 5.2). This is likely due to higher labour costs working through the labour market and winding down of several major construction projects that are nearing completion by mid-2025. Although wages growth over the year to December 2024 has moderated compared to growth over the year to March and June 2024, labour productivity has not improved significantly. This is likely placing downward pressure on labour demand as employers' willingness to hire eases.

Chart 5.2: Territory employment by month<sup>1</sup>



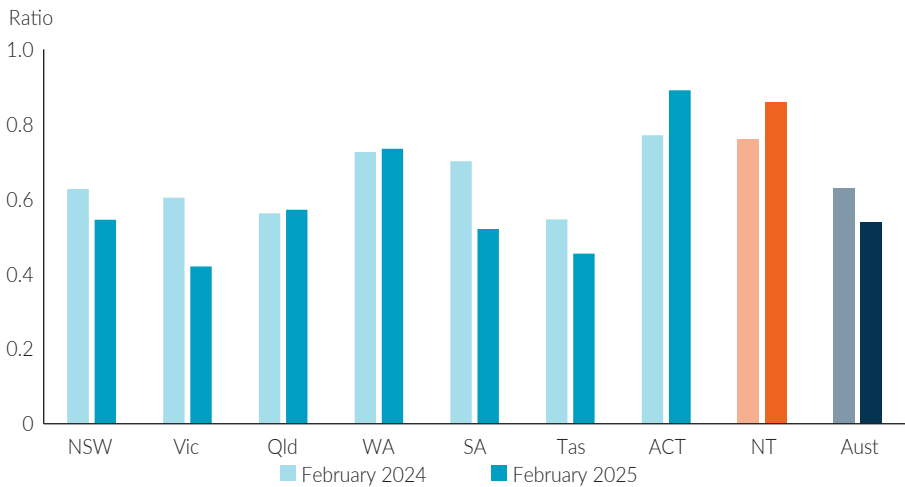
<sup>1</sup> Seasonally adjusted.  
Source: ABS, *Labour Force, Australia*

Despite recent easing labour market conditions, domestic economic activity has continued to grow over the year to December 2024. This is expected to contribute to moderate ongoing labour demand in the near term. Other contributing factors include a reduction in the cash rate in February 2025 and several Commonwealth and Territory Government policies (see *Government initiatives* section).

The number of job vacancies in the Territory peaked at 8,500 in the February quarter 2022, largely due to the impact of travel restrictions on labour supply. Following the lifting of covid health measures in early 2022, job vacancies trended down over 2022-23 and 2023-24, in line with the rest of Australia.

In the latest data, Territory job vacancies increased by 12.5% to 5,400 over the year to February 2025, compared to a decline of 9.3% nationally. There are now 0.9 vacancies for every unemployed person in the Territory compared to the national average of 0.5 (Chart 5.3). The gap between the Territory and other states highlights ongoing skilled labour supply shortages, with high dependence on overseas and interstate migration to fill vacancies.

Chart 5.3: Ratio of job vacancies to unemployed persons by jurisdiction



Source: ABS, *Job Vacancies, Australia, Labour Force, Australia*

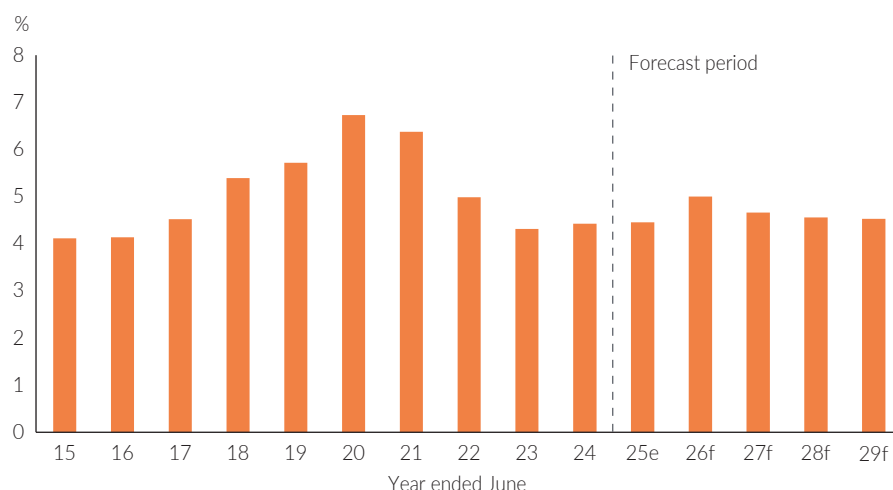


The Territory's elevated job vacancies indicate overall labour demand remains high. This is likely to be partly alleviated by the new five-year DAMA signed in March 2025, which lifts the number of approved nominations per year from 625 to 1,500 and expands the range of eligible occupations from 135 to 325.

Despite these factors, employment growth is forecast to ease to 0.8% in 2025-26, after the Barossa project is complete. This outlook is lifted by a pipeline of significant projects, including works on the Darwin ship lift and Manton Dam. Employment is forecast to grow by 1.2% in 2026-27, in line with population growth, before settling at 1.6% over 2027-28 and 2028-29. This is slightly stronger than trend employment growth due to the direct contribution of overseas workers to Territory employment levels under the new DAMA and assumptions of take-up by Territory businesses.

The unemployment rate is forecast to increase to around 4.5% in 2024-25, before increasing to 5% in 2025-26 (Chart 5.4), reflecting softer labour demand as the construction of the Barossa project moves towards an expected completion date in September 2025. Over the forward estimates period, the unemployment rate is forecast to moderate to 4.5% by 2028-29 as employment growth improves.

Chart 5.4: Territory unemployment rate<sup>1</sup>



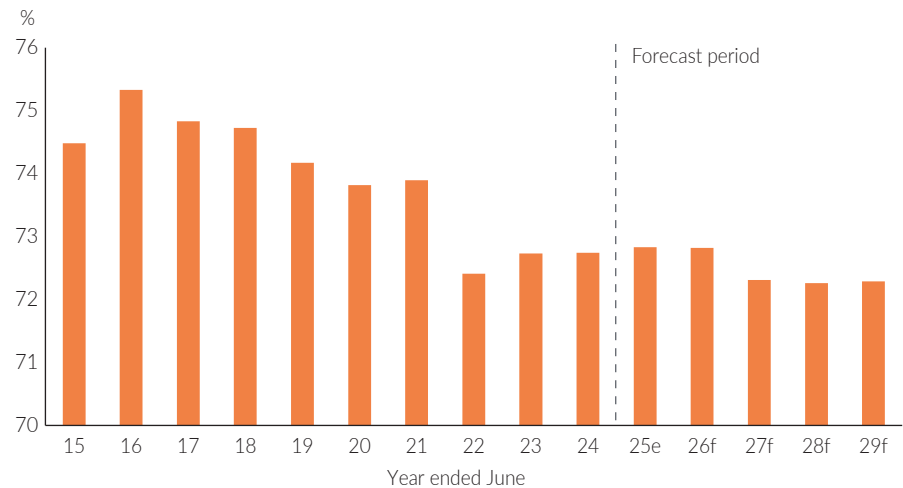
e: estimate; f: forecast

<sup>1</sup> Year average.

Source: ABS, *Labour Force, Australia*; Department of Treasury and Finance

Participation is expected to trend up over the rest of 2024-25 as labour force growth outpaces civilian population growth and overall job vacancy levels remain elevated (Chart 5.5). However, as labour demand eases, the participation rate is expected to moderate. This reflects the Territory's project-driven economy and transient population, with a tendency for job seekers unable to secure local work to move interstate. Over the forward estimates period the participation rate is forecast to stabilise at levels consistent with a period where private business investment returns to trend.

Chart 5.5 Territory participation rate<sup>1</sup>



e: estimate; f: forecast

<sup>1</sup> Year average.

Source: ABS, *Labour Force, Australia*; Department of Treasury and Finance

### Risks

Construction of the Barossa project is expected to be completed in September 2025. This timeframe also coincides with several large defence projects nearing completion, with limited new contracts being issued. This period could see larger declines in employment than anticipated as temporary contracts come to an end. Nonetheless, there are several potential developments that could push up employment over the budget and forward estimates period, including the Nolans rare earths project and Beetaloo Sub-basin development. The rehabilitation of the Rum Jungle and Ranger uranium mine sites are also in progress and expected to contribute to Territory employment.

### Government initiatives

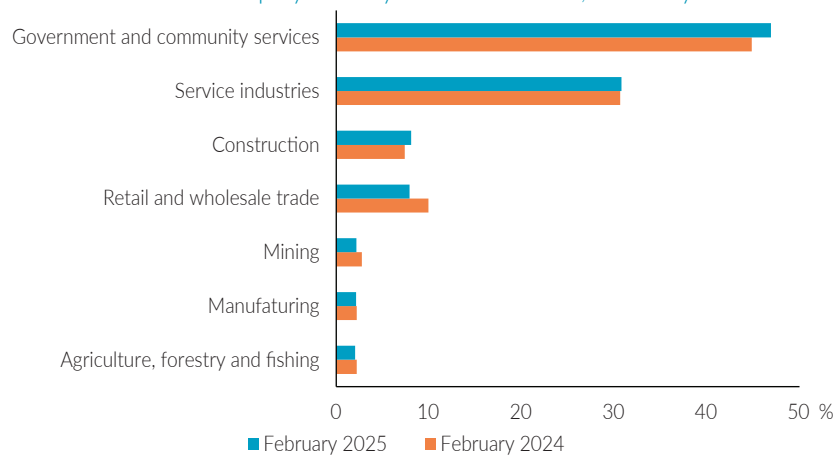
In January 2025, the Territory Government amended payroll tax laws to raise the tax-free threshold from \$1.5 million to \$2.5 million, and lower payroll tax for businesses with payroll liability between \$2.5 million and \$7.5 million. Wages paid to apprentices and trainees have also been exempted. The changes will take full effect from 1 July 2025 and are expected to reduce labour costs for small businesses and support employment growth in the Territory.

The Territory Government's revised capital works program is also expected to support jobs, with an additional \$338 million to support capital works in 2025-26 and a further \$147 million in 2026-27, including construction of the Darwin ship lift. The capital works program includes investment in roads and public housing, which tend to be labour-intensive works.

### Industry analysis

In February 2025, the government and community services sector accounted for the largest share of employed persons in the Territory at 46.9% (Chart 5.6), with health care and social assistance being the largest component. Health care and social assistance has accounted for a growing share of employed persons over the past year, which follows a major advertising campaign for health workers in early 2023. The service industries sector (30.8%) accounted for the next largest share of employment, followed by the construction sector (8.1%). The construction workforce is expected to decline in 2025-26 as project work eases from its peak.

Chart 5.6: Share of employment by selected sectors, February 2025



Source: ABS, *Labour Force, Australia, Detailed, Quarterly*



## Chapter 6

# Prices and wages

## Outlook

Inflation in Darwin has slowed more than expected and is currently tracking below the midpoint of the RBA's 2 to 3% target band. Underlying inflation in Darwin has eased more quickly than occurred nationally, reflecting less inflationary pressure from rents and construction costs in the Territory. Wage growth is expected to ease in 2024-25 and 2025-26, before stabilising around 3.3% over the forward estimates period.

Table 6.1: Darwin consumer price index and Territory wage price index (%)

Financial year	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
<b>Consumer price index</b>						
Year-ended change	3.0	1.7	2.9	2.4	2.5	2.5
Year-average change	3.6	1.8	2.7	2.6	2.4	2.5
<b>Wage price index</b>						
Year-ended change	3.8	3.2	3.0	3.1	3.3	3.3
Year-average change	4.1	3.2	3.0	3.1	3.2	3.3
Calendar year	2023a	2024a	2025f	2026f	2027f	2028f
<b>Consumer price index</b>						
Year-ended change	3.9	1.7	2.8	2.8	2.4	2.5
Year-average change	4.9	2.5	2.1	2.8	2.4	2.5

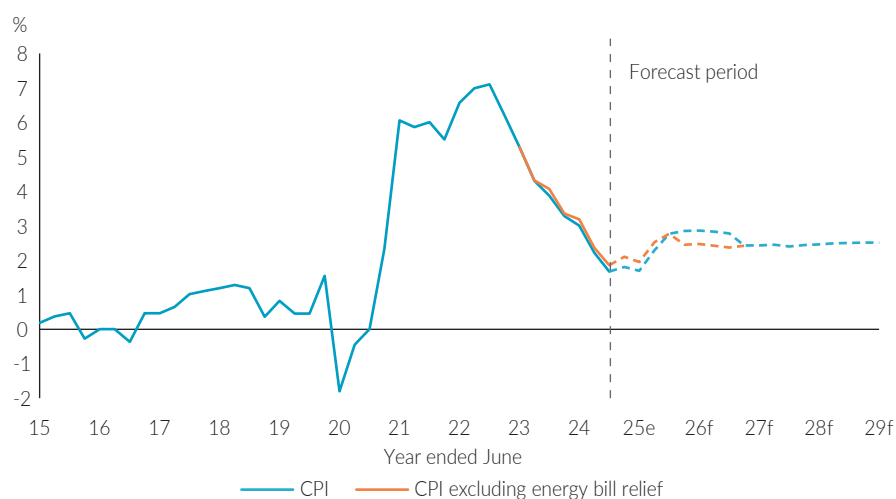
a: actual; e: estimate; f: forecast

Source: ABS, *Consumer Price Index, Australia*, *Wage Price Index, Australia*; Department of Treasury and Finance

## Consumer price index

### Outlook

Inflation in Darwin appears to be largely contained and is expected to remain close to the midpoint of the RBA target band, with temporary deviations reflecting Commonwealth energy bill relief (Chart 6.1). In year-ended terms, growth in Darwin's headline CPI is estimated to decline to 1.7% over the year to June 2025 before accelerating to 2.9% over the year to June 2026 as the Commonwealth energy bill relief ends. Across the forward estimates period, year-ended CPI growth is expected to return to 2.5%, consistent with the midpoint of the RBA target band.

Chart 6.1: Consumer price index, Darwin<sup>1</sup>

e: estimate; f: forecast

<sup>1</sup> Year-ended change.Source: ABS, *Consumer Price Index, Australia*; Department of Treasury and Finance

Electricity prices as measured in the headline CPI remain subdued due to the Commonwealth energy bill relief. As announced in the Commonwealth 2025-26 Budget, the scheme was extended by 6 months and it is now expected to expire in December 2025. As the \$75 quarterly payments end, headline inflation will temporarily increase from the March quarter 2026.

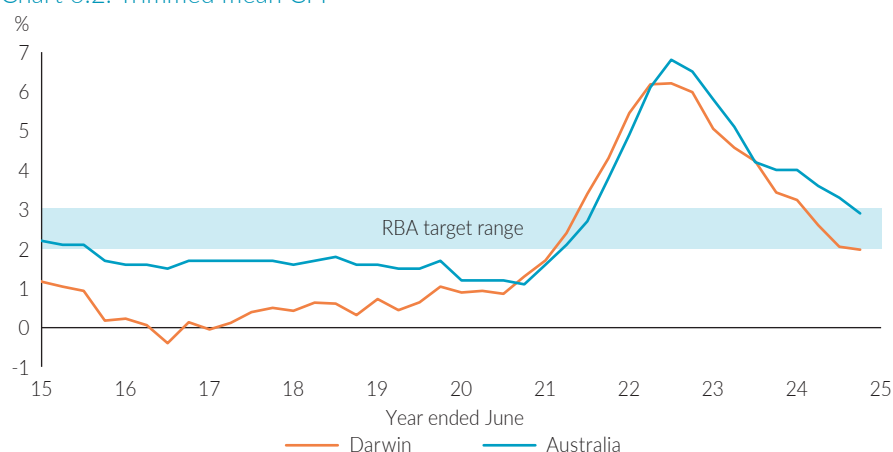
Dwelling construction inflation is currently subdued due to low demand in 2024 and the introduction of the HomeGrown Territory and FreshStart grants, which have lowered construction costs. Dwelling construction inflation is expected to increase in 2025-26 as demand for new dwellings improves. Rent inflation, as measured in the CPI, is expected to moderate further in 2025-26, reflecting relative stability in advertised rent prices. The rent component of CPI tracks the average price across the entire stock of rentals and is slow to react to changes in advertised rents.

Price growth is expected to increase for goods and services from current low levels, as real incomes improve, interest rates ease and demand returns to around long-run average levels. This is expected to leave price growth around the middle of the RBA's target band.

There is significant uncertainty around the outlook for inflation following the US's announcement on 3 April 2025 of the administration's intention to levy tariffs on most trading partners. The forecasts presented in Table 6.1 are the baseline forecasts and do not account for the impacts of tariffs. Overall, the tariffs are expected to pose a small risk to inflation in 2025-26 due to a weaker exchange rate and trade disruptions, and downward pressure thereafter as global growth slows.

### Recent activity

Headline inflation in Darwin declined to 1.7% over the year to March 2025, its lowest level since 2020. The result was lower than expected at PEFO due to a larger than anticipated decline in electricity prices from the Commonwealth energy bill relief and lower automotive fuel prices. Underlying inflation (which adjusts for irregular or temporary price changes) has also eased, with trimmed mean inflation declining to 2% in March 2025, compared to 2.9% nationally (Chart 6.2).

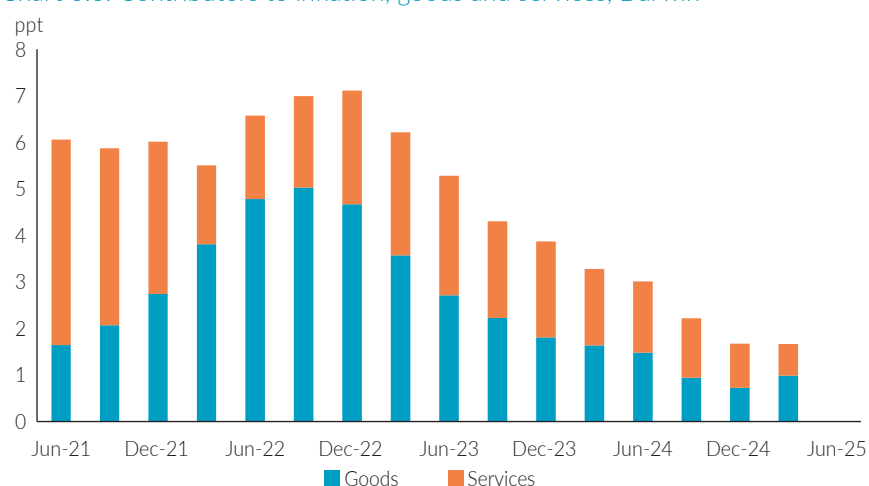
Chart 6.2: Trimmed mean CPI<sup>1</sup>

<sup>1</sup> Year-ended change.

Source: Department of Treasury and Finance calculation; ABS, *Consumer Price Index, Australia*

Goods inflation declined swiftly in 2023 as supply constraints eased across global supply chains, with prices of some goods even experiencing disinflation as trade flows normalised. Services inflation also declined relatively swiftly in the Territory, in part reflecting rental price growth easing in Darwin faster than occurred nationally (Chart 6.3).

Chart 6.3: Contributors to inflation, goods and services, Darwin



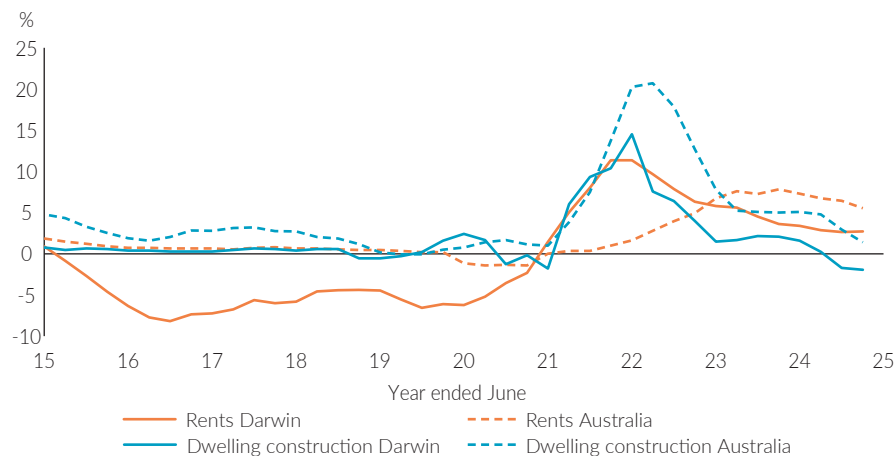
ppt: percentage points

Source: ABS, *Consumer Price Index, Australia*; Department of Treasury and Finance

The categories of education, health, and alcohol and tobacco recorded the largest price increases over the year to March 2025, all increasing by over 5%. These categories consist largely of administered prices driven by Commonwealth excises and rebates, which are often indexed to past rates of inflation and therefore lag the rest of the CPI basket. All other categories saw price growth below 4% over the same period.

Rents and dwelling construction costs were a key contributor to the post-covid inflation surge in Darwin and nationally. Price growth in both components has since moderated significantly in Darwin, outpacing the declines reported nationally (Chart 6.4). The faster pace of easing in rent and dwelling construction inflation in Darwin reflects lower underlying demand, noting population growth has remained relatively subdued across the Territory and below the national average.

Chart 6.4: Rents and dwelling construction inflation



Source: ABS, *Consumer Price Index, Australia*; Department of Treasury and Finance

## Wage price index

### Outlook

Wage growth is expected to continue moderating in 2024-25 as wage pressure eases after reaching a recent peak (Chart 6.5). Territory wages are estimated to grow by 3.2% in 2024-25 and by 3% in 2025-26. Across the forward estimates, wage growth is expected to increase to around 3.3%.

Chart 6.5: Territory wage price index<sup>1</sup>

e: estimate; f: forecast

<sup>1</sup> Year-ended change.

Source: ABS, *Wage Price Index, Australia*; Department of Treasury and Finance

Private sector wage growth is expected to decline to around 3% in 2025-26, reflecting loosening labour market conditions and easing inflation. This view is consistent with annual wage increases observed across recently signed enterprise agreements and the outlook for future minimum wage decisions, which are likely to be lower on account of inflation returning to the RBA target band in 2025.

In the medium term, private wage growth is assumed to pick up to around 3.5%, consistent with the outlook for national wage growth as Territory businesses increase wages to remain competitive.



Public sector wage growth is expected to remain largely in line with private sector wage growth in 2025-26. Northern Territory Public Sector (NTPS) enterprise agreements are assumed to be renegotiated with annual wage increases of around 3% once they expire, consistent with NTPS Bargaining Policy.

The RBA expects the national wage price index (WPI) to increase by around 3.2% in 2025-26, slightly higher than the Territory forecast.

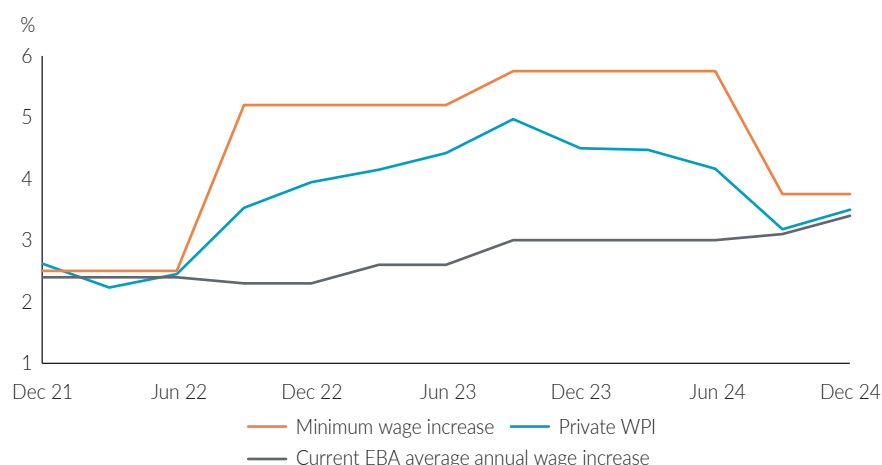
### Recent activity

Wage growth has moderated from recent highs of over 4%. The Territory WPI increased by 3.4% over the year to December 2024, driven by a 3.5% increase in private sector WPI and 3.1% increase in public sector WPI. The national WPI increased by 3.2% over the same period.

The easing in wage growth is due to several factors. Stronger labour supply and lower inflation has reduced employee bargaining power for higher wages, notwithstanding recent improvements in real wage growth over the past year. Higher labour supply and strong migration flows have reduced competition among businesses for workers. The 2024 minimum wage increase of 3.75% was well below the 2023 increase of 5.75%, which has placed downward pressure on wage growth (Chart 6.6). Additionally, a large share of enterprise agreements signed in the last few years have been front-loaded, with large pay rises offered upon signing, followed by a tapering off in later years.

Other measures of wage growth have also eased over the past year. The WPI is calculated based on a fixed sample of jobs and is not affected by changes in quality (composition of the workforce) and quantity (hours worked). In contrast, average weekly full-time (ordinary time) earnings (AWOTE) account for changes in the composition of the workforce. Average earnings account for changes in earnings due to both changes in quantity and quality. AWOTE increased by 2.9% over the year to November 2024 compared to 5.1% a year earlier, while average earnings growth was stronger at 5.1% due to average hours increasing over the past year.

Chart 6.6: Territory private WPI, EBAs and minimum wage increases<sup>1</sup>



EBA: enterprise bargaining agreement; WPI: wage price index

<sup>1</sup> Year-ended change.

Source: ABS, *Wage Price Index, Australia*; DEWR, *Trends in Federal Enterprise Bargaining*; Fair Work Commission; Department of Treasury and Finance



## Chapter 7

# Residential property market

## Outlook

Residential construction activity is expected to increase in 2025, supported by new housing grants and easing monetary policy.

Residential construction activity was subdued over the past year as high interest rates weighed on individuals' borrowing capacity, particularly for new housing. In response to this, the Territory Government introduced the HomeGrown Territory and FreshStart grants in October 2024 to stimulate new housing construction. The HomeGrown Territory grant offers \$50,000 for first-home buyers to put towards building or buying a new home. The FreshStart grant offers \$30,000 to buy or build a new home for existing homeowners.

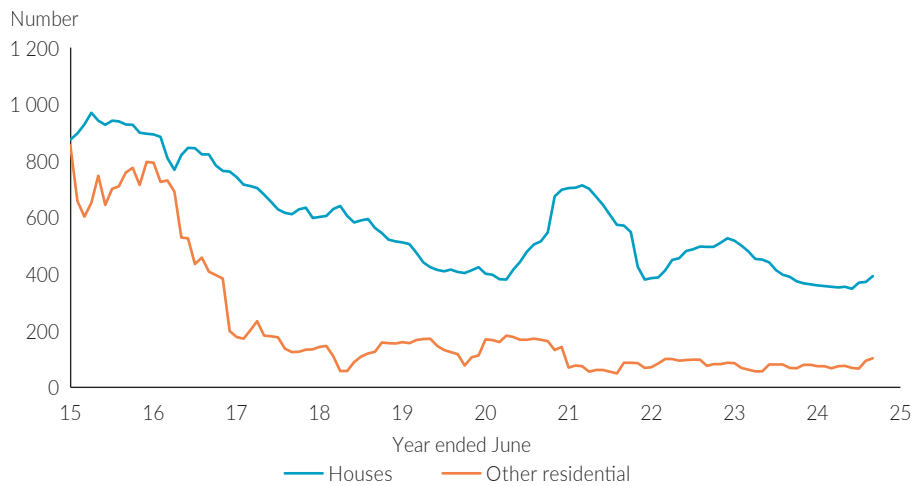
Housing finance commitments for the construction of dwellings, a leading indicator of residential construction activity, increased to 64 commitments in the December quarter 2024, the first quarter since the new grants were introduced. This is an 88.2% increase over the year. The new HomeGrown building grant is designed to encourage first home buyers to enter the property market with a newly constructed dwelling. There has been an increase of 10.3% in new loans for first home buyers to 258 commitments and a 3.3% increase in non-first home loans to 374 commitments over the year (Chart 7.1).

Chart 7.1: Northern Territory housing finance by owner type, quarterly



Source: ABS, *Lending Indicators*

Demand for new houses had been trending down since 2022-23 but has recently started to show signs of improvement in the building approvals data (Chart 7.2). Household budget pressures are now easing as inflation has declined from recent highs and real wages are growing. The cost of financing construction is now easing, which is likely to support demand for housing along with the new housing grants. Other residential building approvals (which includes units and townhouses) remain relatively low, and in line with levels seen over the past five years. On the supply side, residential property is being supported by land releases, and this includes residential estates under construction in Kilgariff in Alice Springs, Katherine East, Zuccoli in Palmerston, Humpty Doo, Holtze, and Lee Point and Northcrest in Darwin.

Chart 7.2: Northern Territory building approvals by type of building<sup>1</sup>

<sup>1</sup> Moving annual total.

Source: ABS, *Building Approvals*

The total number of dwellings under construction has been supported by higher levels of public sector activity, associated with the national partnership on the Remote Housing Investment Package, partially offsetting historically weak private sector activity in the Territory (Chart 7.3). The Remote Housing Package is a joint \$4 billion investment for remote housing over 10 years, with the goal of halving overcrowding by building additional homes each year. This is complemented by further funding from the Commonwealth to continue delivery of housing improvements and essential infrastructure upgrades in remote homelands.

Chart 7.3: Dwellings under construction, quarterly by sector



Source: ABS, *Building Activity, Australia*

## Recent activity

The Territory's residential property market recorded broadly stable prices in 2023, while other capital cities saw significant increases. Sales volumes moderated through 2023 but started to improve in 2024.

Darwin has relatively high rental yields compared to other capital cities, making it attractive for investors. Counts of new listings have fallen over the year, following a surge in sales activity towards the end of 2024.

### Median house and unit prices

The median house price in December quarter 2024 was around \$546,000 and the median price of units around \$370,000 in Darwin (charts 7.4a and b). Elsewhere in the Territory median house sale prices were around \$504,000 in Alice Springs and \$281,000 in Tennant Creek, with prices in Katherine averaging \$360,000. Median unit prices were around \$312,500 in Alice Springs and \$215,000 in Katherine. Sales prices in Darwin ranged between \$350,000 and \$600,000 with strong growth in the sales numbers, influencing the decline in the median price. Property sales volumes increased over 2024 with sales increasing every quarter in all regions except for Katherine.

Chart 7.4a: Territory house prices

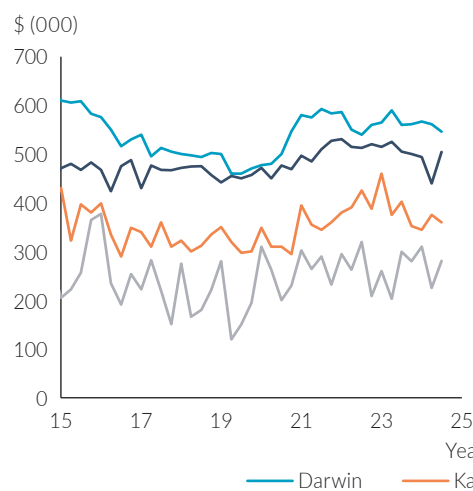
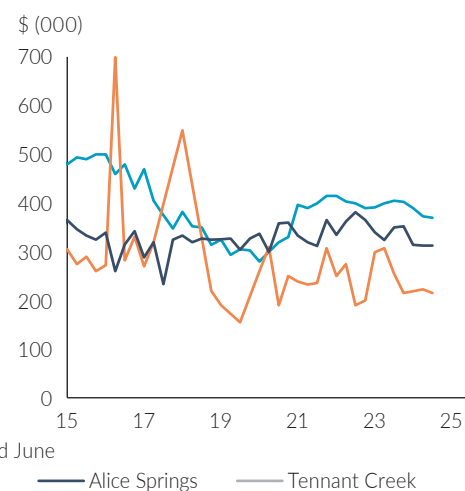


Chart 7.4b: Territory unit prices



Source: Real Estate Institute of Northern Territory

### Rental prices and vacancy rates

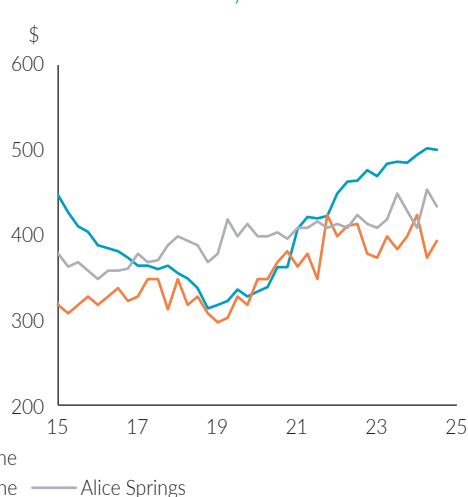
Rental prices for most of the regions in the Territory saw an increase for both houses and units in 2024. Unit vacancy rates increased across all regions in the Territory in 2024, except for Alice Springs (Chart 7.5).

Chart 7.5: Territory rental vacancy rates



Source: Real Estate Institute of Northern Territory; Department of Treasury and Finance

Darwin house and unit rents increased by 4.2% and 2.9%, respectively, over 2024 (charts 7.6a and b), with vacancy rates increasing modestly to 3.3%. Alice Springs rental prices increased by 1.8% for houses but decreased by 3.3% for units, with total vacancy rates falling to 2.9%. Katherine saw median rents for houses decline by 6% but rents increased by 2.6% for units. Vacancy rates in Katherine increased by 1.1 percentage points to 1.5%.

Chart 7.6a: Territory 3-bedroom house rents<sup>1</sup>Chart 7.6b: Territory 2-bedroom unit rents<sup>1</sup>

<sup>1</sup> Moving annual average.

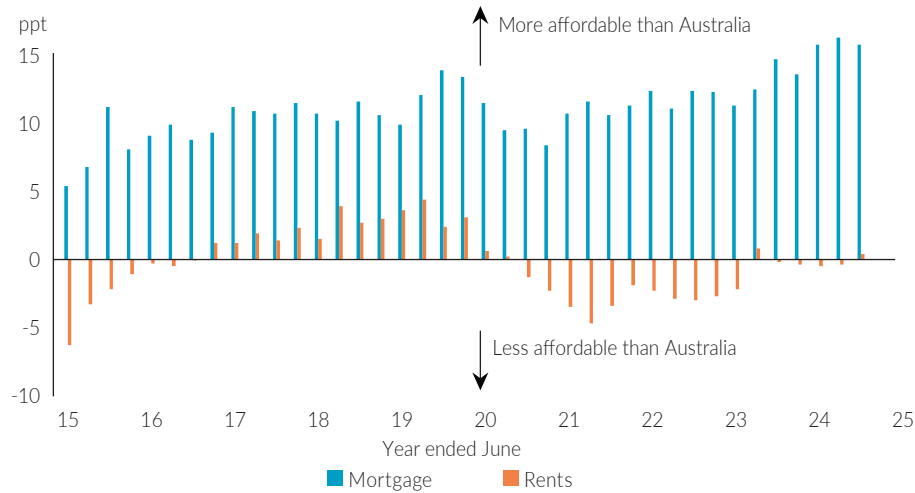
Source: Real Estate Institute of Northern Territory

## Affordability

Housing affordability continued to decline in 2024 in the Territory and across Australia, largely because of higher interest rates. The average monthly loan repayment increased by 6.9% in the Territory in the December quarter 2024, and by 7.4% over the year to \$3,832, partly offset by the median weekly family income increasing by 0.9% in the quarter and by 3.8% over the year to \$2,575. Housing affordability is expected to improve as interest rates fall.

Rental affordability declined slightly, as the proportion of the median weekly family income required to rent a three-bedroom house increased by 0.1 percentage points to 24.3% over the year to the December quarter 2024, while the proportion of income required to meet loan repayments increased by 1.1 percentage points to 34.3% over the same period. The Territory is the most affordable jurisdiction for loan repayments and the fourth least affordable for rent (Chart 7.7).

Chart 7.7: Housing and rental affordability<sup>1</sup>



ppt: percentage points

<sup>1</sup> Difference between the national average and the Territory in the proportion of weekly median income to meet loan repayments and rent.

Source: Real Estate Institute of Australia





## Abbreviations and acronyms

a	actual	GSP	gross state product
ABS	Australian Bureau of Statistics	GST	goods and services tax
AWOTE	average weekly ordinary time earnings	IMF	International Monetary Fund
Commonwealth PEFO	Commonwealth <i>Pre-election Fiscal Outlook</i> April 2025	LHS	left-hand side
CPI	consumer price index	LNG	liquefied natural gas
DAMA	Designated Area Migration Agreement	NTPS	Northern Territory Public Sector
e	estimate	OECD	Organisation for Economic Co-operation and Development
EBA	enterprise bargaining agreement;	ppt	percentage point
EV	electric vehicle	RBA	Reserve Bank of Australia
f	forecast	RHS	right-hand side
FEED	Front-end engineering design	SFD	state final demand
GDP	gross domestic product	US	United States (of America)
GEMCO	Groote Eylandt Mining Company	WPI	wage price index

## Explanation of terms

### Advanced economies and emerging market and developing economies

The International Monetary Fund's classifications of nations based on their economies. While there is no strict criteria, advanced economies typically have a high level of per capita income, a significant degree of industrialisation, varied exports, and a financial sector integrated into the global financial system. Emerging market and developing economies tend to have high expenditure on infrastructure and export goods to wealthier advanced economies, often registering faster gross domestic product growth.

### Automatic stabiliser

Government's fiscal policy that automatically adjusts in response to economic fluctuations, without requiring discretionary policy changes.

### Average weekly earnings

Average weekly earnings statistics represent average gross (before tax) earnings of employees and do not relate to average award rates nor to the earnings of the 'average person'. Estimates of average weekly earnings are derived by dividing estimates of weekly total earnings by estimates of number of employees.

### Balance of trade (also known as net exports)

The difference between the value of a jurisdiction's exports and imports. When exports exceed imports, the jurisdiction has a trade surplus and, conversely, when imports exceed exports, the jurisdiction has a trade deficit.

### Balancing item

The residual of gross state product less state final demand less net international trade in goods and services. It implicitly comprises the change in inventories at a jurisdictional level, plus net interstate trade.

### Baseline forecasts

Derived from a reference scenario based on a standard set of assumptions that represent the economy without certain external factors. For the 2025-26 Budget, the excluded external factor is the impact of US tariff announcements to date due to the high level of uncertainty surrounding their ultimate implications.

### Bond yield

A bond's yield is the return an investor expects to receive each year over its term to maturity. For the investor who has purchased the bond, the bond yield is a summary of the overall return that accounts for the remaining interest payments and principal they will receive, relative to the price of the bond.

### Calendar adjusted

Adjustments made to data to allow for length of month and trading day effects present in the month-to-month movements in time series data.

### Chain volume measure

A measure of growth that captures the change in quantity while removing the effects of price changes.

## Consumer price index

A measure of prices of a representative basket of goods and services for each Australian capital city over time. The consumer price index's basket of goods has 11 categories of goods and services (food and non-alcoholic beverages; alcohol and tobacco; clothing and footwear; housing; furnishings, household equipment and services; health; transport; communication; recreation and culture; education; and insurance and financial services). These categories are weighted to reflect household consumption patterns in each city. Weights for each capital city are updated on an annual basis to reflect changing household consumption patterns over time.

## Countercyclical policy

Government policy to stabilise the economy by counteracting the business cycle, for example, by stimulating the economy during a downswing or slowing it down during an upswing.

## Current prices

The value in nominal terms, not adjusted for inflation or changes in the purchasing power of money. It is the market value for the good or service at the time it was being sold.

## Employed

Persons 15 years and older who worked for one hour or more in the week as measured by the labour force survey. Persons are measured as being employed in the jurisdiction in which they reside, regardless of the location of their employment.

## Employee households

Households whose principal source of income is from wages and salaries.

## Euro area

Consists of those member states of the European Union that have adopted the euro as their currency.

## Forecast period (also known as forward estimates period)

Time in the future for which estimates have been prepared, comprising the four years succeeding the current financial year (2025-26, 2026-27, 2027-28 and 2028-29).

## Government and community services

The government and community services sector consists of public administration and safety; education and training; and health care and social assistance. These services are mainly funded by the public sector, including the Commonwealth, Territory and local governments. However, non-government and private entities may also provide education, health, aged care and other community services, as well as defence.

## Gross domestic product

The total value of goods and services produced in Australia over the period for final consumption. Intermediate goods, or those used in the production of other goods, are excluded. Gross domestic product can be calculated by summing total value added, total income or total expenditure.

## Gross state product

Similar to gross domestic product, except it measures the total value of goods and services produced in a state or territory. It can be calculated by measuring expenditure, where it is the sum of state final demand, and international and interstate trade, changes in the level of stocks, and a balancing item.

## Household consumption

Expenditure by resident households on goods and services that will not be resold or used in production. The purchase of dwellings is excluded from household consumption as dwellings are goods used by owners to produce housing services for those owners and is therefore captured in private investment.

## Household savings ratio

The ratio of household net saving to household net disposable income. Household net saving is calculated as household net disposable income less household final consumption expenditure. Household net disposable income is calculated as household gross disposable income less household consumption of fixed capital.

## Inflation

The year-ended change in the consumer price index.

## Inflation adjusted (also known as chain volume)

Inflation adjusted measures provide estimates of real changes by factoring in general changes in prices from year to year.

## Labour force

All persons 15 years and over who are available for work, that is, employed plus unemployed persons actively seeking work. Excludes Australian Defence Force personnel and non-residents.

The Territory labour force is characterised by a substantial public sector, and a relatively large defence and fly-in fly-out workforce that is not captured in Territory data reported by the Australian Bureau of Statistics. This results in a significant under reporting of on-the-ground employment in official statistics.

## Labour force survey

A monthly survey conducted by the Australian Bureau of Statistics to collect information about the labour force status and other characteristics of the usually resident Australian civilian population aged 15 and over. This is the primary data source for official estimates of employment, unemployment, the unemployment rate and the participation rate.

## Moving annual total

A method used to smooth data and remove the short-term fluctuations in data by averaging observations collected over a 12-month period.

## Natural increase

The number of births minus the number of deaths.

## Net interstate migration

The number of people arriving minus the number of people departing over a state or territory border that involves a change in place of usual residence.

## Net overseas migration

The difference between the number of incoming travellers who stay in Australia for one year or more and are added to the population, and the number of outgoing travellers who leave Australia for one year or more and are subtracted from the population.

## Non-cyclical unemployment

The level of unemployment that exists when an economy operates at trend output. It excludes cyclical unemployment (that changes over the cycle), but includes structural unemployment (associated with technological change or industrial organisation) and frictional unemployment (associated with workers transitioning across the jobs). It corresponds to the non-accelerating inflation rate of unemployment.

## Participation rate

The proportion of the civilian population over 15 years of age who are working or looking for work, that is, are participating in the labour force.

## Payroll jobs

The payroll jobs statistics are derived from the payroll jobs index that is based on single-touch payroll data provided to the Australian Taxation Office. Unlike the labour force survey, which estimates the number of people employed, the data records each job separately irrespective of whether it is worked by multiple job holders.

## Private investment

Expenditure by producers on fixed assets that are used in the process of production and used repeatedly or continuously for longer than one year. It comprises dwelling investment, ownership transfer costs (fees incurred by the buyer or seller of real estate), non-dwelling construction (industrial, commercial and non-dwelling buildings and other structures such as pipelines and bridges), machinery and equipment, cultivated biological resources (natural resources used repeatedly to produce products such as milk or orchards) and intellectual property products (products as a result of creative activity, research and development, and mineral exploration).

## Public consumption

Includes government expenditure on goods and services (including wages and rents). National consumption is a combination of Commonwealth consumption, defence consumption and consumption by universities. State and local government consumption includes all other public consumption.

## Public investment

Expenditure by all levels of government on the purchase of fixed assets that are used over a long time period. Most data for public investment is sourced from state and territory government finance reporting. Adjustments are made to deduct expenditure that is classified as consumption, rather than investment. The Australian Bureau of Statistics' statistical treatment of public investment does not always reconcile with the Territory Government's reporting of investment expenditure and as a result is not directly comparable.

## Seasonally adjusted

Seasonal adjustment is a process for removing seasonal patterns that may be present in time series data to get a better understanding of the underlying activity in the data.

## Service industries

The service industries sector covers a broad range of industries and makes up a significant proportion of gross state product and employment. The service industries are: professional, scientific and technical services; transport, postal and warehousing; accommodation and food services; financial and insurance services; administrative and support services; electricity, gas, water and waste services; rental, hiring and real estate services; arts and recreation services; information and media telecommunications; and other services.

## State final demand

A major component of gross state product and is a measure of the demand for goods and services in an economy. While state final demand includes consumption and investment expenditure, it does not include the contribution of trade or changes in inventories to economic growth and therefore is not a comprehensive measure of economic growth.

## Tariff

A tax imposed on goods imported into a country, increasing their price relative to domestically produced goods. In addition to being a government revenue-generating mechanism, a tariff is used to protect the domestic market or as a tool in trade negotiations between countries.

## Trend output (also known as potential output)

Trend output in the Territory is estimated as a measure of the economy's growth potential given the available production factors (labour, capital and technology), excluding any business cycle influences.

## Tourism

Includes travel for business and other reasons, such as education, visiting family and recreation, provided the destination is outside the person's usual place of residence. Tourism activity is defined by the status of the consumer being a visitor rather than a resident and is captured indirectly through a range of industries, including accommodation and food services, retail trade, culture and recreation, and transport. The Australian Bureau of Statistics publishes an annual tourism satellite account to estimate the contribution of tourism to the economy.

## Unemployed

Persons 15 years and older who were not employed during the week of the labour force survey and were actively looking for work in the last four weeks.

## Unemployment rate

The number of unemployed persons expressed as a percentage of the labour force.

## Wage price index

Measures changes to hourly rates of pay over time for a fixed range of jobs. The Australian Bureau of Statistics measures the wage price index at the state and territory level (as well as nationally), and for both the public and private sectors. It excludes non-wage costs such as superannuation, payroll tax and workers compensation.

## Weekly ordinary time earnings

One week's earnings of employees for the reference period, attributable to award, standard or agreed hours of work. It is calculated before taxation and any other deductions (for example, superannuation, board and lodging) have been made.

### Year average

The average of all observations within the span of a year, whether it be 12 months or four quarters of data. It is usually used when reporting annual results that are not accrued, such as the number of employed persons.

### Year-average change

Compares the 12 months up to and including the latest quarter or month with the previous 12-month period. It is used for the headline measures of growth in gross state product, state final demand, employment, the consumer price index and wage price index.

### Year-ended change

Compares the latest quarter or month with the same quarter or month last year. It is the preferred and headline measure of population growth but can also be applied to various other datasets.







NORTHERN TERRITORY

# 2025-26 BUDGET

BUDGET  
and  
REGIONAL OVERVIEW

# Budget and Regional Overview

## Contents

Message from the Treasurer	2
Budget highlights	3
Fiscal outlook	4
Economic outlook	6
Infrastructure	8
Cost of living support for Territorians	10
Reducing crime	12
Rebuilding the economy	14
Restoring our lifestyle	16
Addressing domestic, family and sexual violence	18
Regional overview	19
Central Australia	20
Barkly	22
Big Rivers	24
East Arnhem	26
Top End	28
Greater Darwin	30



## Message from the Treasurer

It's a privilege to deliver the first budget of the Finocchiaro Country Liberal Government – shaped in challenging times to reverse eight years of Labor's drift and rising debt. Real progress begins with safety – and that's why this is a law and order budget. Without safety, there can be no prosperity.

We're delivering record investment in police, courts and corrections to put victims first, hold offenders accountable and restore the rule of law. This budget backs our frontline and delivers on our promise to reduce crime and protect Territorians.

At the same time, we're focused on rebuilding the Territory economy in 2025. The HomeGrown Territory grants, payroll tax relief, the Territory Coordinator, the Approvals Fast Track Taskforce and streamlined merits review anchor our 2025–2028 Rebuilding the Economy Strategy – making the Territory the best place in Australia to do business. We stand firmly behind our onshore gas industry and the Beetaloo Sub-basin. Developing this resource will secure energy for the Territory and the nation, rebuild our economy and create thousands of well paid jobs.

Upon coming to government, we implemented a machinery of government restructure, establishing 18 specialist departments focused on driving economic growth. This reform is reflected in the budget's staffing FTE figures, with roles reallocated and transferred to align with the new agency structures. There have been no cuts to the public service, just improved efficiency through streamlined agencies, allowing them to focus on their core business.

But growth means little if Territorians can't enjoy their lifestyle. That's why we're easing cost of living pressures by keeping power bills down, funding the early childhood services subsidy to reduce the cost of childcare, providing free driver licences for 12 months, waiving trailer registration and providing \$600 in vouchers for learn to swim, back to school and sports participation – practical help that leaves more money in people's pockets.

Labor's legacy – under funded frontline services, stalled projects and an artificial debt ceiling – required decisive action. We abolished the ceiling because keeping it would have meant cuts and job losses, undermining our goals to rebuild the economy, reduce crime and restore the Territory lifestyle.

This budget increases funding for courts and corrections to manage the flow-on effects of additional police resources. It also resets the infrastructure program, boosting repairs and maintenance and increased capital works funding to reduce the record levels of revote experienced under the former government, whereby projects were announced but did not proceed.

Stronger forecasts for GST, taxes and royalties help absorb new commitments, and the operating balance is on track to return to surplus in 2027-28 – proof that safety, growth and fiscal discipline can go hand in hand. Together, this budget charts a path to a safer, stronger and more prosperous Territory – one where disciplined finances support bold ambition for generations to come.

*Bill Yan*

**The Hon. Bill Yan MLA**

Treasurer

## Budget highlights



### Safer communities

\$1.5 billion in public order and safety, and \$780 million in social protection to deliver initiatives to build safer and more resilient communities. This includes \$608 million for police services.



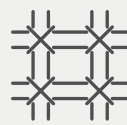
### Domestic violence package

\$180 million over five years and \$36 million ongoing for domestic, family and sexual violence prevention, early intervention and response.



### Additional funding for the justice system

\$78 million over four years from 2024-25 to 2027-28, and \$20.9 million ongoing to address pressures in the justice system.



### Additional funding for corrections

\$126 million in 2025-26 and \$176 million ongoing to address pressures on the corrections system due to legacy underinvestment in capacity.



### Cost of living relief

Over \$290 million to deliver a range of concessions and subsidies to help Territorians with cost of living pressures.



### Housing

\$1.8 billion to support urban and remote housing and address key barriers to entry in the housing market.



### Health

\$2.5 billion investment for health services including additional funding for the new mental health in-patient ward at Royal Darwin Hospital.



### Economic affairs

\$1.9 billion to deliver a stronger, sustainable economic future for all Territorians.



### Education

\$1.6 billion for education and training, including \$120 million for vocational training and higher education.



### Infrastructure

\$4.3 billion for the 2025-26 capital works program for a targeted, responsible approach to infrastructure investment.

# Fiscal outlook

The 2025 Budget is underpinned by the new government's priorities of reducing crime, rebuilding the economy and restoring the Territory lifestyle.

It includes \$2.26 billion in new policy commitments over the budget cycle to 2027-28, largely to address funding shortfalls in frontline government services. New commitments include:

- reducing crime through early intervention programs and addressing demand on the justice system
- rebuilding the economy through increased repairs and maintenance and capital works spending, supporting tourism, and worker and student attraction initiatives
- restoring the Territory lifestyle through increasing the regulated utility tariff subsidy to reduce cost of living pressures, additional support for mental health and hospital services, and addressing ongoing demand for critical government services.

The 2025 Budget also includes improved GST, taxation and royalty revenue forecasts, partly offsetting the budget impact of new policy commitments. GST revenue is expected to increase by almost \$600 million, and taxation and royalty revenue by around \$450 million over the budget cycle to 2027-28.

Key fiscal projections in the 2025 Budget include:

- general government net operating balance deficit of \$265 million in 2025-26, returning to surplus from 2027-28
- total revenue in the non financial public sector of \$10.04 billion and total expenditure (including net capital investment) of \$12.19 billion in 2025-26
- non financial public sector fiscal balance deficit of \$1.31 billion in 2025-26, improving to a deficit of \$531 million by 2028-29
- net debt in the non financial public sector of \$12.19 billion in 2025-26, with a net debt to revenue ratio of 121%.

Table 1.1: Key fiscal indicators

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
General government sector					
Net operating balance	- 707	- 265	- 101	17	52
Non financial public sector					
Fiscal balance	- 1 647	- 1 308	- 897	- 529	- 531
Net debt	10 548	12 191	13 107	13 506	13 966
Net debt to revenue (%)	116	121	130	131	132

## Revenue

Territory revenue is expected to be \$10.04 billion for the non financial public sector in 2025-26, rising to \$10.55 billion by 2028-29. When compared to the 2024 *Pre-Election Fiscal Outlook* (PEFO), total revenue is projected to be on average \$947 million per annum higher across the budget and forward estimates.

The increase is mostly due to new tied Commonwealth funding for remote Aboriginal investment, health, legal assistance, roads and schools, combined with additional GST revenue.

Commonwealth revenue represents about 71% of total Territory revenue, comprising GST and tied grants. GST remains the Territory's largest revenue source and represents around 46% of total revenue in 2025-26, and about 47% over the forward estimates. When compared to the 2024 PEFO, GST revenue is expected to increase on average by \$150 million per annum. The additional revenue reflects an increase in the Territory's GST relativity from 5.06681 in 2024-25 to 5.15112 in 2025-26, combined with higher forecast growth in the GST collections pool.

Taxation and royalty revenue represents the Territory's primary source of income that government can directly influence, constituting around 11% of total revenue in 2025-26 and over the budget cycle. Taxes comprise payroll tax, stamp duty on conveyances, taxes on gambling and insurance, and motor vehicle fees and taxes.

Revenue from taxes and royalties is expected to remain largely stable over the budget and forward estimates period averaging \$1.07 billion per annum. When compared to the 2024 PEFO, taxation and royalty revenue is expected to grow by \$142 million in 2025-26, with smaller revisions over the forward estimates, mainly due to improved royalties and gambling tax reforms.

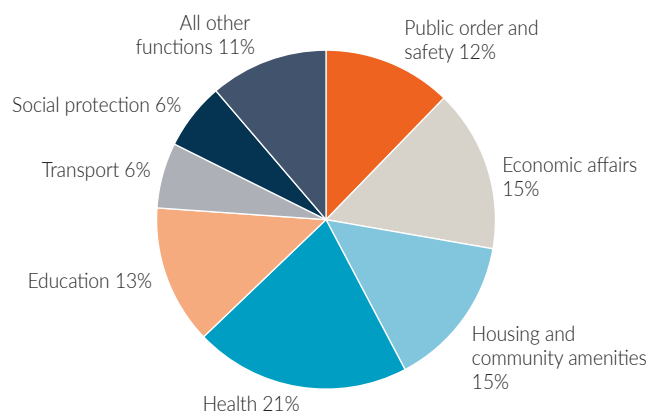
## Expenditure

In 2025-26, total expenditure (comprising total expenses and net capital investment) for the non financial public sector is estimated to be \$12.19 billion, and then average \$11.78 billion per annum over the forward estimates.

When compared to the 2024 PEFO, total expenditure is on average \$1.4 billion per annum higher. This increase reflects government policy commitments to continue time-limited funding allocations to prevent frontline service delivery reductions, respond to courts and corrections demand pressures, and progress works on the infrastructure program, combined with delivering new tied Commonwealth funding agreements.

Frontline services for health, education, housing and community amenities, and public order and safety remain the largest functions of government expenditure, constituting 61% of total estimated expenditure in 2025-26.

Total expenditure by function 2025-26



## Budget repair

In April 2025, the debt ceiling introduced by the former government was repealed and replaced by a broader budget repair strategy.

The new *Northern Territory Government Budget Repair Strategy* provides flexibility for government to progress budget repair and contain expenditure growth over the medium term, without constraining government's ability to deal with immediate expenditure pressures and expiry of time-limited funding for critical frontline services.

It will also enable government to focus its efforts on growing revenue and enhancing the effectiveness of government spending.

The strategy comprises five priorities:

- growing own-source revenues through economic and population growth
- containing employee cost growth by restraining growth in non-frontline staffing
- engaging with the Commonwealth to unlock economic opportunities, enable sustainable debt management and support regional and remote Territorians
- strengthening policies and processes across government to improve the effectiveness of government spending
- developing a new, contemporary and simplified fiscal strategy focused on prudent debt management.

Government has also replaced the efficiency dividend with a budget repair measure and directed agencies to find further operational savings of \$20 million per annum from 2025-26, with a focus on reducing expenditure on consultancies, travel, communications and marketing, and other discretionary outlays.

# Economic outlook

## Economic growth

Gross state product (GSP) is forecast to grow by 7.8% in 2025-26 as the Barossa project transitions to the export production phase and GEMCO manganese mine exports resume, partly offset by maintenance at Ichthys LNG plant. GSP is forecast to grow a further by 5.9% in 2026-27 as maintenance works end and Ichthys and Darwin LNG plants reach full operational capacity.

State final demand (SFD), which is GSP excluding net exports, is expected to decline in 2025-26 as private investment contracts following the completion of construction on the Barossa project in September 2025. Solid household consumption reflecting higher real wages and lower interest rates, robust public consumption and strong public investment will partly offset this decline in private investment.

Public investment growth in 2025-26 is expected to be strong as works progress across a number of large infrastructure projects as well as ongoing roads and public housing programs.

GSP and SFD is projected to track towards trend levels of activity and output over the remainder of the forecast period, with steady contributions to growth from consumption and private investment, and broadly stable levels of exports.

Economic growth over the budget cycle is likely to be influenced by the outcomes of United States' international trade arrangements, which are currently undergoing major change, with settings for both the United States and trading partners yet to be finalised.

### Territory economic forecasts

	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Gross state product <sup>1</sup>	- 2.6	7.8	5.9	1.7	3.0
State final demand <sup>1</sup>	4.0	- 1.8	- 0.6	1.1	2.6
Employment <sup>1</sup>	1.2	0.8	1.2	1.6	1.6
Unemployment rate <sup>2</sup>	4.5	5.0	4.7	4.6	4.5
Consumer price index <sup>3</sup>	1.7	2.9	2.4	2.5	2.5
Wage price index <sup>1</sup>	3.2	3.0	3.1	3.2	3.3
Population <sup>3</sup>	0.7	1.0	1.1	1.2	1.2

a: actual; e: estimate; f: forecast

<sup>1</sup> Year-average percentage change.

<sup>2</sup> Year average.

<sup>3</sup> Year-ended percentage change.

Source: Department of Treasury and Finance; ABS

## Labour market

Employment growth is forecast to be 1.2% in 2024-25, easing to 0.8% in 2025-26 as several major investment projects are completed, although labour demand is expected to be supported by ongoing public investment. Over the forward estimates period, employment is expected to pick up as changes to worker uptake under the new Designated Area Migration Agreement (DAMA) come into effect.

Due to the current pipeline of projects, labour force participation is expected to remain elevated in 2025-26, before stabilising at a lower level over the forecast period.

The unemployment rate is expected to peak at 5% in 2025-26 as construction of the Barossa project is completed. Over the forward estimates period, unemployment is forecast to moderate as employment growth improves in line with solid underlying demand for labour and population growth.

## Prices

Consumer price index (CPI) growth is expected to be 1.7% in 2024-25, reflecting a decline in electricity prices due to the Commonwealth Energy Bill Relief Fund and lower automotive fuel prices. CPI growth is expected to pick up to 2.9% in 2025-26 as the energy bill relief ends, before tracking towards the mid-point of the RBA target band at 2.5%.

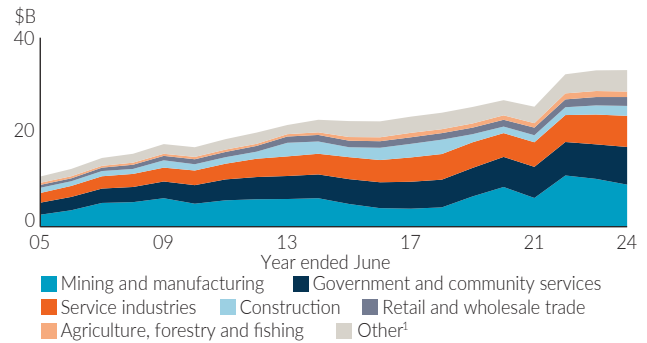
Underlying inflation in Darwin has eased more quickly than nationally, reflecting weaker underlying drivers of inflationary pressure, particularly for housing. Rent and dwelling construction costs were a key contributor to the post-covid inflation surge in Darwin and nationally, but have since moderated significantly in Darwin, outpacing the declines reported nationally.

## Size of the Territory economy

In 2023-24, the Territory's GSP was \$34.6 billion. The mining sector was the largest contributor to the Territory economy accounting for around 28.5% of GSP, followed by the government and community sector.

The size of these sectors reflects the abundance of natural resources available in the Territory as well as added demands related to servicing a comparatively small population dispersed over a large area, with relatively high demand for government services.

### GSP by industry, 2023-24



1 Tourism is not reported as an industry due to the nature of its output being derived from other industries.

Source: ABS, Australian National Accounts: State Accounts

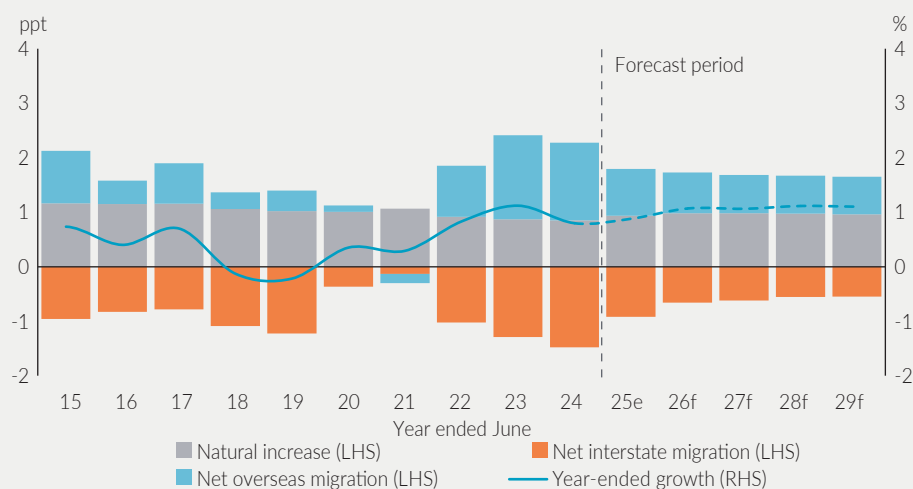
## Population

The Territory's population is forecast to increase by 1% in 2025-26 as birth rates improve, reflecting stronger natural increase, and elevated public final demand supports interstate migration outcomes and ongoing overseas migration into the Territory.

Growth over the forward estimates period is expected to remain steady, averaging around 1.2% per year. Natural increase and overseas migration

are expected to remain steady contributors to population growth, while interstate migration is expected to return towards longer-term historic average levels. Recent changes to the Territory's DAMA are expected to improve the Territory's access to overseas labour and contribute positively to labour force and population growth.

### Components of Territory population growth



e: estimate; f: forecast; LHS: left-hand side; ppt: percentage point; RHS: right-hand side

Source: ABS, National, state and territory population; Department of Treasury and Finance



## Infrastructure investment

Following the publication of the former government's 2024 Budget, the total infrastructure program in 2024-25 increased substantially, from \$4.42 billion to \$5.43 billion, due to underestimation of costs for several major projects approved by the former government, revisions to major road projects funded under national partnership agreements that also require Territory co-contributions and bringing forward the five-year rolling remote police infrastructure program.

An increase in the capital works program of this magnitude, from already elevated levels, was beyond the Territory's fiscal capacity to deliver within a reasonable timeframe. The program also included legacy projects that had not progressed for a number of years, with limited prospects to proceed within approved allocations and scope. As a result, the new government undertook a major review of the infrastructure program, including reprioritising the program to align with government's strategic objectives and fiscal capacity.

The 2025-26 infrastructure program totals \$4.34 billion and includes projects to increase public order and community safety, rebuild the economy, improve transport links, and support the delivery of housing, health, education and other frontline government services across the Territory.

At more than \$2 billion, transport infrastructure projects comprise nearly half of the total infrastructure program. The housing and community amenities program is more than \$800 million and is the second largest allocation, comprising about 19% of the total program.

Of the total program, around 60% is allocated to new and upgraded infrastructure in remote and regional communities across the Territory.

### Transport infrastructure

The 2025-26 program continues to invest heavily in transport infrastructure, with around \$2 billion for roads, aerodromes and jetties.

Key road and transport projects include:

- \$289 million for upgrades to the Tanami Road

- \$223.1 million for the Territory national network highway upgrades
- \$205.4 million for the Central Arnhem Road upgrade program
- \$181.3 million for Territory gas industry roads
- \$161 million for the Outback Way corridor to upgrade sections of the Plenty Highway and Tjukaruru Road
- \$122.6 million for the Northern Territory Strategic Roads Package – upgrade and sealing of remote and regional roads
- \$117.4 million for Buntine Highway upgrade program and rest areas
- \$89.7 million to upgrades on Port Keats Road between Wadeye and Palumpa
- \$80 million for the Arnhem Highway duplication between the Stuart Highway and Kostka Road
- \$66.2 million to upgrade roads within Kakadu National Park to support tourism growth.

### Housing and community amenities

The 2025-26 infrastructure program provides more than \$833 million for new and upgraded remote and urban housing, infrastructure to support land release and improved community amenity.

Commitments include \$615.4 million for remote housing across the Territory to build and upgrade homes and service land.

There is continued investment in residential headworks and land release across the Territory, including \$49.6 million for infrastructure to support the development of Holtze, \$11 million for land development and community facilities at Kilgariff, \$11 million for infrastructure to support the development of Farrar West and \$3.95 million for headworks infrastructure and subdivision designs to support the development of land across regions.

A further \$150 million is committed for housing and community amenity-related capital grants, mostly for homelands and affordable housing projects, bringing the total value of housing and community amenity capital projects and grants to over \$983 million.

## Capital works by COFOG-A category 2025-26

	Capital works	
	\$M	%
Transport	2 049.3	47.3
Housing and community amenities	833.2	19.2
Economic affairs	685.5	15.8
Public order and safety	270.9	6.3
Recreation, culture and religion	247.3	5.7
Health	158.7	3.7
Environmental protection	41	0.9
Education	32.2	0.7
Social protection	11.6	0.3
General public services	6.5	0.1
<b>Total general government</b>	<b>4 336.2</b>	<b>100.0</b>

1 COFOG-A: Classification of the Functions of Government – Australia

## Economic affairs

The 2025-26 infrastructure program invests \$685.5 million for infrastructure to enable development of the Territory economy.

The most significant economic development project is the Darwin ship lift and marine facilities project.

There is \$10 million allocated for design, feasibility, approvals and preliminary works activities for the Middle Arm Sustainable Development Precinct and Tennant Creek to Darwin Infrastructure Corridor.

Other works include headworks infrastructure to support mixed-use developments, and commercial and industrial land release across the Territory.

## Public order and safety

The 2025-26 infrastructure program invests \$270.9 million in community safety infrastructure to construct, expand and upgrade police and correctional facilities. Significant projects in 2025-26 include:

- \$143.5 million for the remote police infrastructure and housing upgrade program
- \$69.6 million for the corrections infrastructure masterplan
- \$35.7 million to construct a new multipurpose police complex in Maningrida
- \$6.6 million for upgrades to the Joint Emergency Services Communication Centre.

## Infrastructure payments (cash)

The 2025 Budget includes a record level of infrastructure expenditure of \$2.74 billion. This includes \$1.99 billion in general government expenditure and \$751 million for Power and Water Corporation, Territory Generation, Land Development Corporation and Indigenous Essential Services Pty Ltd.

In 2025-26, payments for major projects in the general government sector are projected to be \$1.45 billion, an increase of \$150 million from the revised 2024-25 budget. This includes significant funding allocations across new and upgraded correctional facilities, remote policing infrastructure, housing, road and transport projects, school upgrades, and economic projects.

Infrastructure payments for projects in the public non financial corporations sector are forecast

to increase to \$602 million in 2025-26. Major projects driving this increase include the Manton Dam return to service project and a second Darwin-Katherine battery energy storage system.

## Total infrastructure payments

	2025-26 Budget	
	Program	Cash
	\$M	\$M
General government		
Capital works	4 336	1 451
Capital grants <sup>1</sup>		196
Repairs and maintenance <sup>1</sup>		320
Infrastructure-related expenses		20
<b>Total</b>		<b>1 986</b>
Government owned corporations		751
<b>Total infrastructure payments</b>		<b>2 737</b>

1 Excludes payments between Territory-controlled entities.

## Cost of living support for Territorians



### A family with a school-aged child and a child under 5 years

- Around \$1,900 in 2025-26 in electricity subsidies through community service obligation funding to electricity retailers to maintain prices below cost of supply
- Up to \$1,560 under the early childhood subsidy scheme, paid directly to early childhood education and care providers to subsidise the cost of childcare
- Two \$100 Learn to Swim vouchers for children under five years old, to enrol them in swimming lessons with a registered activity provider
- \$200 back to school vouchers, to support children and their families with the costs of schooling
- Two \$100 sport vouchers each year to be used for sport, recreation and cultural activities

**Total assistance:** **\$4,060**

#### And they could benefit from:

- up to \$12,000 grant to buy and install batteries and inverters under the Home and Business Battery Scheme
- free meningococcal B vaccination program
- free swimming lessons for all primary school-aged children
- grants to daycare providers to assist in purchasing appropriate toys and play-based equipment
- no increase to car registration for 12 months
- free driver's licence for 12 months.



### A senior Territorian (eligible for NTCS)

- Around \$1,400 in 2025-26 in electricity subsidies through community service obligation funding to electricity retailers to maintain prices below cost of supply
- \$550 prepaid card for Territory residents aged over 65 under the Seniors Recognition Scheme

The Northern Territory Concession Scheme provides concessions on a range of essential goods and services to help with living expenses, including:

- a further \$1,200 per annum for electricity
- \$800 per annum for water
- \$486 per annum for sewerage
- \$251 for concessioners and their registered dependants for spectacles
- \$200 per annum for council rates
- \$154 per annum for vehicle registration
- \$150 per annum for garbage
- free driver's licence renewal.

**Total assistance:** **\$5,191**

#### And they could benefit from:

- up to \$1,000 to buy and install an electric vehicle (EV) charger, and up to \$1,500 in EV stamp duty concessions on the registration of new and second hand battery EVs and plugin hybrid EVs
- no increase to car registration for 12 months.



## Businesses

- Up to \$68,750 through the increased payroll tax-free threshold, as well as a payroll tax exemption for wages paid or payable to apprentices and trainees
- Up to \$12,000 grant to buy and install batteries and inverters under the Home and Business Battery Scheme
- Around \$2,900 for small and \$27,000 for large businesses in 2025-26 in electricity subsidies through community service obligation funding to electricity retailers to maintain prices below cost of supply

**Total assistance:** up to \$107,750

### And they could benefit from:

- up to \$2,500 to buy and install an electric vehicle charger
- up to \$15,000 for security improvements under the Biz Secure program.



## Apprentices and trainees

- Around \$1,400 in 2025-26 in electricity subsidies through community service obligation funding to electricity retailers to maintain prices below cost of supply

**Total assistance:** \$1,400

### And they could benefit from:

- free TAFE and vocational education and training courses
- up to \$1,000 for first-year apprentices and trainees to buy workwear and equipment as part of the workwear and gear bonus
- payroll tax exemption for trainee and apprentice wages, encouraging employers to invest in the Territory workforce
- no increase to car registration for 12 months
- free driver's licence for 12 months.



## A couple building their first home

- Around \$1,800 in 2025-26 in electricity subsidies through community service obligation funding to electricity retailers to maintain prices below cost of supply
- Up to \$50,000 to build a new home under the HomeGrown Territory grant
- Up to \$12,000 grant to buy and install batteries and inverters under the Home and Business Battery Scheme

**Total assistance:** up to \$63,800

### And they could benefit from:

- stamp duty exemption for eligible individuals who acquire a house and land package from a registered building practitioner under the House And Land Package Exemption
- HomeBuild access loans to support the supply of new and affordable homes through access to low deposit home loan options
- no increase to car registration for 12 months
- free driver's licence for 12 months.

## Reducing crime

The 2025 Budget invests a record \$1.5 billion in public order and safety, and \$780 million in social protection to reduce crime and improve public safety through addressing the root causes of crime and justice reform.

### Supporting police

The Territory Government is committed to supporting police to restore law and order, make the territory safer and keep our communities secure, including through expanding police powers. The 2025 Budget provides \$608 million for police services, which includes:

- \$95 million to continue the police funding package
- \$10.2 million for the Remote Policing Implementation Plan
- \$4.7 million for the airwing police aircraft replacement and leasing

- \$3.5 million for school-based policing
- \$3 million for the police, fire and emergency services wellbeing strategy
- \$1.3 million for increased closed-circuit television (CCTV) monitoring staff
- \$1 million per annum for the police banned drinker order support team.

### Strengthening corrections

The 2025 Budget is boosting funding for corrections to address pressures associated with rising prisoner numbers and make the community safer.

The 2025 Budget provides a record \$495 million for corrections, investing additional funding of \$126 million in 2025-26 and \$176 million ongoing, including:

- \$80 million in 2025-26 and \$120 million ongoing to address rising prisoner numbers through additional staffing and operational capacity
- \$40 million in 2025-26 and \$50 million ongoing held in contingency and drawn down to address corrections pressures as needed
- \$6 million ongoing from 2025-26 for additional electronic monitoring capacity.

### Restoring confidence in the justice system

The 2025 Budget provides additional funding of \$78 million over four years from 2024-25 and \$20.9 million ongoing to address pressures in the justice system, including:

- \$8.2 million over four years and \$1.6 million ongoing for the Crime Victims Support Unit, including additional grant funding for the victims fund, vehicle re-secure program and counselling for victims of crime
- \$3.5 million in 2024-25 and \$5.5 million ongoing for Legal Aid NT support

#### Joint Emergency Services Communications Centre

The 2025 Budget includes \$9.55 million over three years from 2024-25, and \$1.5 million ongoing to relocate the Joint Emergency Services Communications Centre (JESCC) critical technology infrastructure to the Government Data Centre and upgrade the integrated computer aided dispatch system.

A further \$6.6 million is provided to expand the JESCC and CCTV unit located at the Peter McAulay Centre.

This investment will ensure digital services and operations are consistently available, functioning optimally and experiencing minimum interruptions, and will reduce manual processes for JESCC staff to improve productivity.

The 2025 Budget also includes \$2 million to establish a dedicated police communications centre in Alice Springs, which will improve efficiency, enhance response capabilities and integrate seamlessly with the JESCC.

- \$3.1 million in 2024-25 and \$5.3 million ongoing for local courts
- \$2.4 million in 2024-25 for higher courts
- \$1.6 million in 2024-25 and \$8.5 million ongoing for the Director of Public Prosecutions
- \$1.3 million in 2025-26 to continue community courts.

As part of the ongoing investment into the court system, the Territory Government has:

- appointed an additional full-time Local Court judge and more court staff
- recruited additional prosecutors and support staff to boost prosecution capacity
- transitioned a number of Director of Public Prosecution staff onto permanent contracts to retain skilled local workers
- launched the Targeted Intervention Group – Early Resolution Taskforce to fast-track remand cases and reduce court backlogs.

## Early intervention

The 2025 Budget includes \$6.6 million ongoing for the new Circuit Breaker program, which provides intensive support to young people aged 10 to 17 and their families in Alice Springs, Katherine and Darwin. The program offers:

- intensive case management support for young people at risk of entering the youth justice or child protection system
- a safe place to sleep if no family or safe housing options are available
- frontline supervision in Alice Springs, Katherine and Darwin.

The Territory Government is further supporting early intervention through a range of reforms addressing the root causes of crime, starting with increasing school attendance rates to protect vulnerable children from falling through the cracks in our education system, and ensure every child in the Territory has access to the education they deserve.

School attendance officers will support holding parents to account for sending their children to school, which includes issuing compliance and infringement notices

to parents of students who do not attend school on a regular basis.

Families who deprive their child of an education will also be referred to income management with the Commonwealth. This will ensure Commonwealth-funded benefits are prioritised towards children's needs such as food, clothing, health and education.

The Territory Government is also expanding school-based policing to keep our students and teachers safe by having school-based constables present to intervene and stop crime.

## Crime reduction

The Territory Government has introduced new laws to reduce crime and improve community safety. They include:

- the strongest bail laws in Australia including extending the presumption against bail for serious offences, such as assault with intent to steal and sexual offences, requiring the court to prioritise community safety when assessing bail, removing detention as a last resort for youth, making any breach of bail an offence and mandatory electronic monitoring for repeat offenders.
- mandatory minimum sentences for assaulting workers to enhance protection for frontline workers
- new offences for ram raids, and posting and boasting online to strengthen penalties and prevent these activities
- lowering the age of criminal responsibility to ensure young offenders get the help they need
- a new public drinking offence, giving police additional powers to fine, charge and arrest for nuisance drinking in prohibited public places
- more police powers to detect knife crime (Declan's Law) including expanded wandering powers.



## Rebuilding the economy

The Territory Government is taking immediate action to deliver a stronger economic future for all Territorians.

### Backing business

The Territory Government is growing the Territory's economy by backing Territorians and making it the best place in Australia to do business.

#### Attracting investment

The 2025 Budget includes \$6.4 million for the Office of the Territory Coordinator, established to drive economic growth in the Territory, and accelerate private sector jobs and opportunities for all Territorians. As an independent statutory role, the Territory Coordinator will:

- fast-track major investments, making it easier for investors to bring big ideas to life
- streamline approvals across government, removing roadblocks to economic progress
- boost the Territory's competitiveness, attracting large-scale investments to fuel growth and development.

The Territory Coordinator will ensure compliance remains a priority, and will work closely with regulatory agencies so projects meet necessary requirements without unnecessary delays. This will ensure the Territory remains competitive in attracting and securing major investments.

The government has also passed the Petroleum, Planning and Water Legislation Amendment Bill, paving the way for certainty and investment in the Territory's economy.

The changes remove the ability for third parties to seek merits review of decisions made under the petroleum, planning and water acts. This will reduce uncertainty, delays and disruption to the decision-making process.

From 1 July 2025, businesses with wage bills between \$2.5 million and \$7.5 million will see their payroll tax bill decrease, saving eligible businesses up to \$68,750 per year. It means the Territory has the highest payroll tax-free threshold in Australia.

The Territory Government has also introduced a payroll tax exemption for wages paid to 3,700 trainees and apprentices, saving businesses thousands of dollars more while encouraging them to invest in growing Territory talent by offering more apprenticeship and trainee positions.

Further, the Territory Government is making it simpler for charities and not-for-profit organisations to claim exemptions from payroll tax and stamp duty, reducing red tape and making it easier to do business in the Territory.

### Building a bigger, better workforce

The 2025 Budget includes \$120 million for training and higher education to ensure the skill requirements of the Territory economy are met through responsive training and higher education sectors that are aligned to the needs of Territorians and Territory employers.

Further, the 2025 Budget includes additional funding of \$2 million per annum in 2025-26 and 2026-27 to attract workers and students to grow the Territory's population and address workforce shortages.

The funding will deliver skilled migration programs, worker attraction and retention activities, ensure timely processing of visa applications, and international education marketing and program delivery to attract and retain international workers and students.

### Growing the tourism industry

The Territory Government is investing in the tourism sector with funding of \$88.4 million in 2025-26 to accelerate tourism growth in the Territory to drive greater interstate and international visitation, economic activity and investment.

The 2025 Budget includes new funding of \$8 million per annum from 2025-26 to provide an ongoing sustainable budget for tourism. This includes:

- \$4 million to maintain in-market presence in the Territory's primary western hemisphere markets of the United States, United Kingdom and Germany
- \$1.5 million for cooperative campaigns with key domestic trade partners
- \$1 million for promotional activities in interstate markets to build awareness of the Territory as a holiday destination
- \$1 million to support tourism activities
- \$0.5 million to support continued operation of the Visitor Information Centre at Yulara, and maintain the Visitor Information Centre network in Darwin, Katherine, Tennant Creek and Alice Springs.

The 2025 Budget also includes a \$3 million boost to military tourism with an updated Military Heritage Tourism Action Plan. The first stage is the new \$1 million Military History Tourism Grant program to help tourism operators develop new military heritage tourism products, expand existing offerings, and enhance visitor experiences.

In addition, government extended the Territory tourism discount scheme and continued the Visitor Experience Enhancement Program.

## Unlocking gas

The Beetaloo Sub-basin has moved towards commercial production, including gas sales agreements for Tamboran Resources and Empire Energy to supply gas to the Territory Government.

Empire Energy commenced drilling on its full-scale pilot development well in November 2024. In 2025, Empire is due to commence construction of the Carpentaria gas plant and associated infrastructure, and is aiming to begin gas deliveries in 2025.

Tamboran Resources commenced its Shenandoah South pilot project drilling program in August 2024 and in February 2025, announced it had successfully completed stimulation activities. Tamboran remains on schedule to deliver appraisal gas to market in 2026.

## Building a new home

The Territory Government is delivering the most generous home builder program in the country with targeted incentives to grow the population and get the workforce the Territory needs to rebuild the economy. The scheme includes:

- the HomeGrown Territory grant, which provides \$50,000 for first home buyers building or buying a new home, or \$10,000 for buying an established home
- the FreshStart new home grant, which provides \$30,000 to buy or build a new home. In an Australian first, this includes anyone who has previously owned or currently owns a home.

The Territory Government is also supporting land release to boost construction and increase home ownership. The 2025 Budget includes \$49.6 million to deliver the required district-level enabling infrastructure to facilitate the Holtze land release area to create Greater Darwin's next urban suburb.

The 2025 budget also includes \$11 million for headworks infrastructure to support the development of residential land in Farrar West.





# Restoring our lifestyle

## Cost of living support

The 2025 Budget includes a range of concessions, subsidies and incentives aimed at reducing the cost of living for Territorians. This includes:

- \$8.7 million to continue to deliver the \$200 back to school vouchers
- \$6.9 million to continue to deliver the two \$100 sports vouchers each year
- \$5.7 million to continue the early childhood services subsidy
- \$3 million per annum to support free swimming lessons for all primary school students
- \$1.36 million for the learn to swim program for children aged 0 to 5
- free meningococcal B vaccination program
- free driver's licence for 12 months
- no increase to car registration costs for 12 months
- HomeGrown Territory and FreshStart housing incentives.

## Major events

The 2025 Budget includes \$36.5 million to support major events in the Territory, including:

- Triple Crown Supercars
- BASSINTHEGRASS
- Parrtjima – A Festival in Light
- Million Dollar Fish
- Red CentreNATS
- Territory Day
- Alice Springs Masters Games
- FIM Motocross World Championship
- the first ever T20 international men's cricket competition in Darwin
- AFL women's Dreamtime match in Darwin.

The 2025 Budget also provides \$30.7 million to recognise the important contribution of seniors, support carers and concession holders through concession and recognition schemes.

## Aboriginal participation in sport

The 2025 Budget includes \$2 million over four years to support Aboriginal participation in sport programs across the Territory. Funding will be allocated to NT Cricket to support Aboriginal cricket development officers to increase Indigenous and female participation in sport and make cricket more accessible in regional and remote communities.

## Recreational fishing

The government is delivering more support for recreational fishing through the 2025 Northern Territory Recreational Fishing Grants Scheme. Fishing is a huge part of the Territory's lifestyle, creating thousands of jobs for Territorians and generating millions of dollars for the local economy every year.

The grants scheme is part of the RecFishing Futures program and will help deliver a variety of activities, including fishing education programs, infrastructure projects, and recreational fishing events that engage and benefit local communities.

The second round of funding will open in August 2025, providing grants of up to \$75,000 for larger infrastructure projects aimed at expanding recreational fishing opportunities across the Territory.

## Empowering the bush

The Territory Government has signed a landmark partnership agreement with the Commonwealth and Aboriginal peak organisations to strengthen service delivery in remote Aboriginal communities in the Territory.

The Commonwealth will commit \$842.6 million over six years to deliver the Northern Territory Remote Aboriginal Investment agreement to drive priority reforms and improve socioeconomic outcomes under the National Agreement on Closing the Gap.



The 2025 Budget also includes funding of \$25.1 million over four years for the Remote Community Water Security and Water Quality program, which aims to improve drinking water infrastructure in remote Aboriginal communities.

## Health investment

The 2025 Budget provides \$2.5 billion for health services across the Territory, including a \$100 million boost per annum to the Department of Health budget to deliver safe and high quality health services for Territorians. Key health investments in 2025-26 include:

- \$1.5 billion for hospital services
- \$313.4 million for primary health care
- \$135 million for mental health
- \$60.3 million for alcohol and other drugs services.

The 2025 Budget includes an additional \$16 million ongoing for operating costs of the new mental health in-patient ward at Royal Darwin Hospital. A further \$0.5 million is provided in 2025-26 to purchase the medical equipment required to operate the new ward once construction is completed, anticipated to be early 2026.

The 2025 Budget also includes an additional \$6 million per annum in 2025-26 and 2026-27 to continue implementing the Acacia digital health solution. When fully implemented, the Acacia digital health solution will enable the Department of Health to deliver improved health outcomes for all Territorians and particularly will benefit the most disadvantaged members of the community with the poorest health outcomes.

## Affordable energy

The Territory Government will secure the Territory's energy future by progressing vital reforms to improve grid reliability, keeping prices affordable, and ensure a stable and well-managed energy transition. To protect households and businesses, retail electricity price increases for most customers have been capped at 3% in 2025-26, benefiting around 85,000 households and businesses.

The 2025 Budget provides funding of \$206 million in community service obligation (CSO) funding to the Power and Water Corporation and electricity retailers to subsidise utility costs. This includes:

- \$191.7 million to maintain electricity supply to households and small business customers at uniform prices across the Territory, at below cost of supply
- \$14.4 million for various pensioner and carer concessions
- \$0.4 million to subsidise water and sewerage services for a number of religious and charitable organisations.

In 2025-26, the increased investment in the CSO means an average electricity subsidy of around \$1,700 per household. Average small businesses will save around \$2,900, and large businesses will save around \$27,900, compared to if no CSO was provided.

## Addressing domestic, family and sexual violence

The 2025 Budget includes \$36 million per annum in additional ongoing funding to sustainably address domestic, family and sexual violence (DFSV) in the Territory.

### Courts, prosecution and witness support

- \$9.6 million over five years and \$2.6 million ongoing to continue the specialist DFSV court at the Alice Springs Local Court and expand to two more sites.
- \$3.9 million over five years and \$0.8 million ongoing to reduce the impacts for victim survivors of DFSV arising through criminal proceedings by improving the capacity of the Director of Public Prosecutions to take a specialist approach to DFSV prosecutions.

### Programs for prisoners

- \$19.8 million over five years and \$4 million ongoing to continue delivery of family violence programs, and new culturally safe offender programs that address people's offending behaviours while in prison.
- \$2.7 million over five years and \$0.4 million ongoing for culturally safe, gender-specific, trauma informed DFSV counselling and healing options for women prisoners.

### Programs in community settings

- \$18 million over five years and \$3.8 million ongoing to continue men's behaviour change programs in Darwin, Wadeye, Alice Springs and Katherine.

### Remote safe houses

- \$2 million over five years and \$0.2 million ongoing to support the transition of remote women's safe houses to providers in remote locations to enhance service delivery.

### Early intervention

- \$35.7 million over five years and \$7.9 million ongoing for the Alice Springs co-responder model and to implement new models in Darwin, Katherine, Tennant Creek and a remote location.
- \$32.8 million over five years and \$6.6 million ongoing for the Circuit Breaker program, to provide intensive support for young people aged 10 to 17 and their families to address DFSV before escalation to offending.

### Specialist DFSV health response

- \$2.1 million over five years and \$0.4 million ongoing to increase the reach and capacity of the health system to recognise, respond and refer victim survivors and those at risk through an after-hours specialist DFSV response.

### Family Safety Framework

- \$6.1 million over five years and \$1 million ongoing to strengthen the Family Safety Framework as an integrated response for people experiencing or at risk of serious DFSV harm or death.

### Community innovation projects and events

- \$3.3 million over five years and \$0.3 million ongoing for community-led prevention projects that challenge social and cultural attitudes, practices and structures underpinning DFSV.
- \$0.8 million over five years and \$0.1 million ongoing to support community grants to raise awareness about DFSV.

### DFSV risk assessment by universal services

- \$1.3 million over five years and \$0.3 million ongoing to continue implementing the Risk Assessment Management Framework by universal services.

### DFSV policy, coordination and governance

- \$8.6 million over five years and \$1.5 million ongoing to strengthen the whole of government DFSV coordination mechanism to lead consistent and evidence-based DFSV policy and practice.

### DFSV training and resource centre

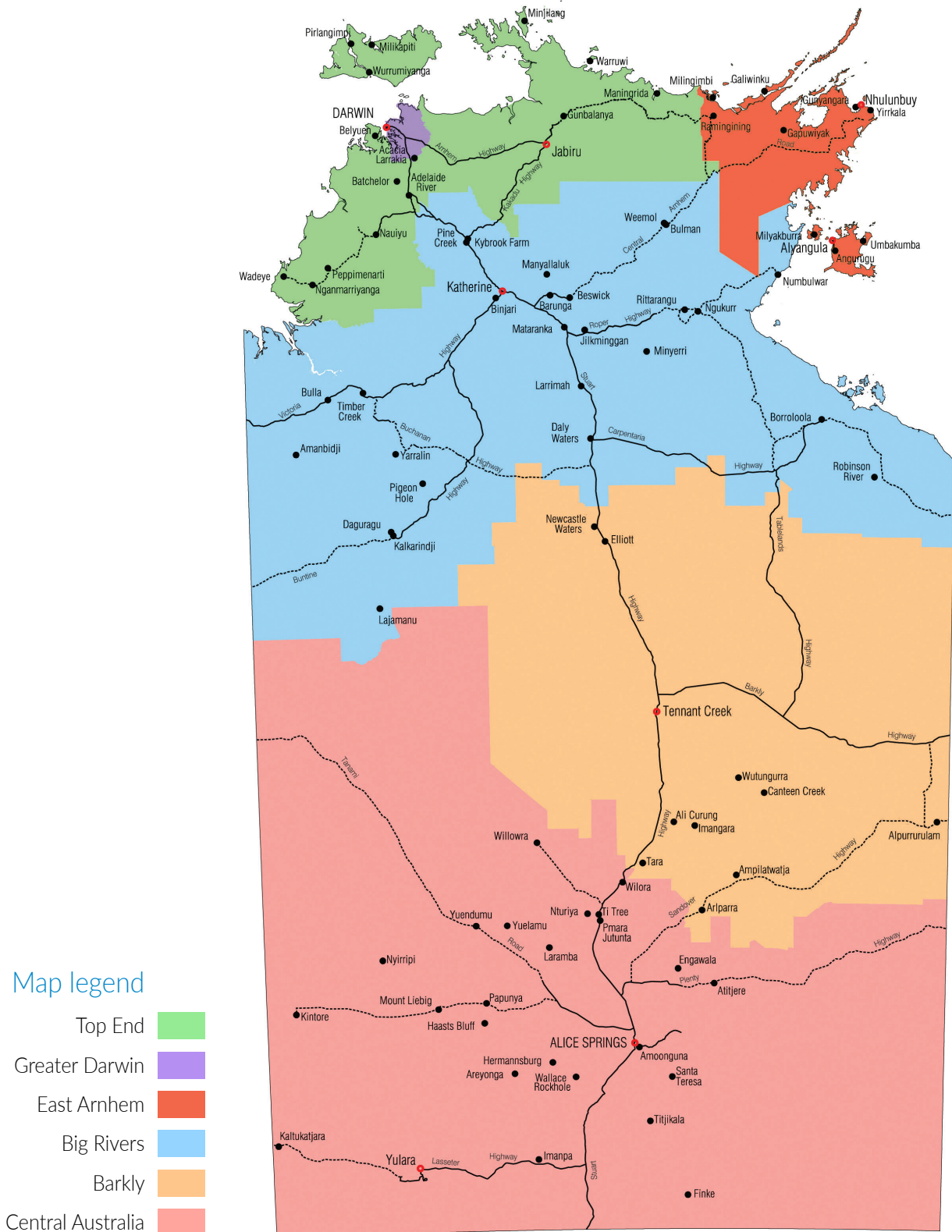
- \$7.5 million over five years and \$1 million ongoing to establish a centralised structure for DFSV training and workforce support.

### Specialist services funding for an integrated response

- \$26 million over five years and \$5.2 million ongoing to increase and standardise investment for DFSV specialist services as part of an integrated service delivery system.

## Regional overview

The following is an overview of key regional initiatives and programs in the 2025 Budget. It complements the extensive information contained in the other budget papers by presenting budget details of particular relevance to the communities in each of the Territory's six regions.





# Central Australia

Central Australia is the Territory's largest region, covering 42% of the total land area. The region is made up of small communities separated by long distances and is home to around 42,000 people, of whom about 43% are Aboriginal.

Alice Springs is the main centre in the region, with a population of around 29,700. About 33% of the region's population are aged 24 years or under and about 8% are aged 65 years or older.

Major industries include tourism, mining, oil and gas exploration, pastoralism and construction. Tourism is an important contributor to economic activity with many natural attractions in the region, including Kata Tjuta, Kings Canyon, Uluru and the West MacDonnell Ranges, attracting a significant number of domestic and international visitors.

There are also a number of events unique to Central Australia that provide an authentic and culturally immersive experience including the Parrtjima Light Festival in Alice Springs, the Field of Light installation at Uluru, and the Desert Mob Festival.



## Alice Springs infrastructure priorities

- The 2025 Budget includes \$168.7 million for Alice Springs infrastructure priorities to deliver projects that prioritise children and community well-being through improved sporting infrastructure, enhance community liveability and support the tourism industry.
- Key projects include:
- \$123.5 million for delivery of the Aboriginal and Torres Strait Islander Art Gallery
  - \$14.8 million to construct a new Alice Springs Town Council Library, expanding public services and enriching community spaces
  - \$14.1 million for a multi-sports precinct in Gillen
  - \$8.9 million to establish a new multicultural centre to celebrate and support Alice Springs' diverse cultural landscape
  - \$5.7 million for a new regional Skate and Play Precinct at Newland Park with \$4 million from the Commonwealth
  - \$4.8 million towards a new Tourism Central Australia headquarters and Visitor Information Centre to help strengthen local tourism
  - \$450,000 for free pool access at the Alice Springs Aquatic and Leisure Centre during summer holidays, Saturday afternoons and all-day Sunday
  - reinstatement of ANZAC Oval to enhance recreational opportunities.

## Major works overview

	Capital works
	\$'000
Transport	459 932
Recreation, culture and religion	174 276
Housing and community amenities	25 943
Environmental protection	9 386
Education	3 755
Economic affairs	1 200
Health	473
Total Central Australia	674 964

## Land release

The Territory Government continues to support the growth and economic development of the Alice Springs region through investment to support a program of land release, including:

- \$11 million for headworks infrastructure and subdivision works to support the development of Kilgariff residential land
- \$9.4 million for infrastructure to mitigate flooding in Alice Springs
- \$1.2 million to remediate Alice Springs lots at the Shell depot site
- \$0.9 million for subdivision works at Sienna Village.

## Remote housing

The 2025 Budget is reducing overcrowding and improving housing quality by delivering up to 2,700 houses over 10-years, and a comprehensive repairs and maintenance program, under the \$4 billion remote housing agreement, co-funded by the Territory and Commonwealth governments.

In 2024-25, around 77 dwellings are expected to be delivered across communities in Central Australia, including 18 dwellings in Yuendumu.

## Roads

The 2025 Budget includes \$460 million for upgrades to roads in Central Australia, to improve connectivity, flood immunity, safety and access, as well as economic development for the region. Key upgrades include:

- \$289 million to upgrade and seal 150 kilometres of the Tanami Road
- \$161 million for continuing works on the Outback Way to upgrade various sections of the Plenty Highway and the Tjukurura Road.
- \$8.9 million for upgrades to Schwartz Crescent and Stuart Highway intersection.

## Reducing crime

The 2025 Budget continues to invest in critical infrastructure upgrades at Alice Springs Correctional Centre to provide improved and expanded prison facilities and a new residential youth justice facility to support rehabilitation.

The 2025 Budget also includes \$2 million to establish a dedicated police communications centre in Alice Springs, which will improve efficiency, enhance response capabilities and integrate seamlessly with the Joint Emergency Services Communications Centre (JESCC).

Additional funding has also been provided for the Circuit Breaker program, an initiative that quickly identifies children, young people, and families who require proactive interventions to reduce risk and increase safety for children, young people and the wider community. The program involves identified families receiving intensive, wraparound support and intense case management services.

## New walking track

The 2025 Budget includes \$5.5 million for a new multi-day walking track in the Watarrka National Park.

Located 330 kilometres southwest of Alice Springs and home to Kings Canyon, the Watarrka National Park already attracts more than 250,000 visitors each year, and is set to be one of Australia's most scenic multi-day walking experiences.

Traditional Owners and NT Parks and Wildlife will work in partnership to achieve the best outcomes, including negotiating an appropriate track alignment that considers the cultural and natural values of the landscape, while delivering a quality walking experience for locals and visitors.

## St Mary's land development

The 2025 Budget includes \$14 million to construct enabling infrastructure (such as power, water, sewerage and roads), site preparation, demolition and remediation to develop up to 120 social housing dwellings at the St Mary's site.

The site has potential for housing and other community spaces, while preserving the historic chapel, mural and other items of cultural significance.

Works are expected to commence mid-2025.

## Barkly

The Barkly is the Territory's third largest region and extends along the Stuart Highway from Tara to Elliott and east across the Barkly Tablelands to Queensland.

The Barkly region is made up of small communities separated by long distances and is home to around 6,100 people, of whom around 69% are Aboriginal. Tennant Creek is the main centre with a population of around 3,500 people. A high proportion of people living in the region are young, with around 39% aged 24 years and under, and about 8% aged 65 or older.

Major industries in the region include government services, agriculture, construction and mining. The Barkly and Tennant Creek pastoral district accounts for a substantial proportion of the Territory's total cattle industry. The Territory Government is also investing to develop Tennant Creek as a mining and mineral services centre.

### Roads

The 2025 Budget includes \$57.5 million to upgrade the Tennant Creek to Townsville road corridor, including sealing, strengthening, widening and road safety improvements.

The Tennant Creek to Townsville corridor is a key economic freight route that supports major industries including mining, agriculture and tourism. The upgrades will:

- ensure key freight roads efficiently connect agricultural and mining regions to ports, airports and other transport hubs
- provide a more reliable and safe road network, especially during the wet season
- improve access for higher capacity vehicles
- facilitate other economic opportunities, especially tourism.

The 2025 Budget also includes \$28 million for the Sandover Highway to upgrade, widen and seal 20 kilometres of unsealed road.

The Sandover Highway upgrades will enhance social and economic conditions in the Barkly, improving access to essential services and bolstering economic growth through reliable transport for regional development and cattle logistics.

### Housing milestone for Tennant Creek

Works have been completed on 12 newly built social and affordable homes in Tennant Creek as part of the joint partnership between the Territory and Commonwealth under the Barkly Regional Deal.

The \$6.9 million partnership marks the first Territory project to be funded by Housing Australia, through the Commonwealth's National Housing Infrastructure Facility (Social and Affordable Housing).

Five of the homes, built by Habitat NT, will be allocated to residents on the Territory's social housing waitlist. The other seven will be affordable homes leased at subsidised rents to eligible working households on low to moderate incomes to support key workers who deliver critical services to Tennant Creek and the Barkly region more broadly.

Venture Housing will also be constructing three new social housing dwellings in Tennant Creek.

### Reducing crime

The Tennant Creek Youth Justice Facility has commenced operations under the Department of Corrections, with clients transferred and the new facility operational from March 2025.

The 2025 Budget provides \$10.2 million to construct a new visitor park in Tennant Creek, which includes \$5 million from the Commonwealth. The facility will provide access to a range of safe accommodation options for transitional and seasonal visitors from outside Tennant Creek.

### Remote housing

The 2025 Budget is reducing overcrowding and improving housing quality by delivering up to 2,700 houses over 10-years, and a comprehensive repairs and maintenance program, under the \$4 billion remote housing agreement, co-funded by the Territory and Commonwealth governments.

In 2024-25, around 24 dwellings are expected to be delivered across communities in the Barkly, including Ali Curung, Ampilatwatja, Canteen Creek, Epenarra and Imangara.





### Mining centre

The Territory Government is investing to develop Tennant Creek as a mining, mineral and energy resources services centre to support a range of new projects across the region.

Tennant Mining, which has been acquired by global miner Pan African Resources, is establishing a gold processing facility at Nobles Nob that will support the reinvigoration of Tennant Creek as a key centre for gold production in the Territory. Construction is due to be complete in mid-2025, with first gold produced in the second half of 2025.

### Major works overview

	Capital works
	\$000
Transport	88 197
Housing and community amenities	10 221
Recreation, culture and religion	1 681
Economic affairs	945
Education	319
Total Barkly	101 364

### Industrial subdivision

The 2025 Budget allocates \$1 million to progress design works to support the development of stage 2 of the Parnttali industrial subdivision in Tennant Creek.

#### Nyinkka Nyunyu Art and Cultural Centre

The 2025 Budget includes investment in the Barkly region’s developing tourism industry.

The Nyinkka Nyunyu Art and Cultural Centre will reopen in 2025 providing a new artist studio, upgraded gallery, performance and storage spaces, and immersive audio visual displays and experiences that share history, stories, arts and culture.



## Big Rivers

Big Rivers is the Territory's second largest region, covering almost 25% of the Territory's land mass from the Joseph Bonaparte Gulf and Lajamanu in the west to Numbulwar and Borroloola in the east.

The Big Rivers region is made up of small communities separated by long distances and is home to around 21,500 people, of whom around 57% are Aboriginal. The town of Katherine is the region's main centre with a population of around 10,800 people. About 38% of the region's population is aged 24 years and under, while around 8% is aged 65 years and over.

Major industries in the Big Rivers region include tourism, horticulture, pastoral, mining and defence. The region has a significant defence presence, including the Royal Australian Air Force (RAAF) Base Tindal, Bradshaw field training area and Delamere air weapons range. Key tourist attractions include Nitmiluk Gorge, Leliyn (Edith Falls), Mataranka and recreational fishing in the region's big rivers.

### Beetaloo Sub-basin

The Beetaloo Sub-basin has moved towards commercial production, including the signing of gas sales agreements for Tamboran Resources and Empire Energy to supply gas to the Territory Government.

Empire Energy commenced drilling on its full-scale pilot development well in November 2024. In 2025, Empire is due to commence construction of the Carpentaria gas plant and associated infrastructure, and is aiming to begin gas deliveries in 2025.

Tamboran commenced its Shenandoah South pilot project drilling program in August 2024, and in February 2025, announced they had successfully completed stimulation activities. Tamboran remains on schedule to deliver appraisal gas to market in 2026.

### Improving access across the region

The 2025 Budget continues to enhance accessibility across the Big Rivers region to improve freight efficiency, connectivity, road safety and economic productivity by investing \$168 million, including:

- \$117.4 million for the Buntine Highway upgrades, including \$5 million to upgrade five heavy vehicle rest areas
- \$41.6 million for new and continuing works to upgrade the Newman to Katherine road corridor including sealing, strengthening and widening, and road safety improvements
- \$8.5 million for continuing works to upgrade the Carpentaria Highway, a key route for supplies and transport for Glencore's McArthur River Mine, major access road to the Beetaloo Sub-basin and Borroloola, and an important service route for the Borroloola community and pastoral, tourism, agricultural and mining sectors
- \$0.8 million to construct a compliance inspections shed at the Katherine heavy vehicle facility.

### New multipurpose multicultural facility in Katherine

The 2025 Budget includes \$1.5 million for the Katherine multipurpose multicultural facility.

The multipurpose facility will serve both multicultural and broader community events, promoting social inclusion and participation. Having a safe space for multicultural events, educational programs, and community-building activities will encourage retention of the overseas-born population, providing opportunities for social interaction and cultural expression, which helps develop a sense of belonging and enhances workforce stability.

Hosting cultural events and community activities also drives local spending, enhances Katherine's cultural scene, and builds vibrant, diverse and inclusive communities. Investing in this infrastructure will attract cultural festivals and community events that stimulate local businesses, boost tourism, and increase community engagement.

### STEAM centre

Work will continue on the \$16.7 million Katherine High School science, technology, engineering, arts and mathematics (STEAM) centre. The project includes a mix of upgrades to existing facilities and development of new areas and purpose-built classrooms, art and music studios and a tiered performance space.

### Major works overview

	Capital works
	\$000
Transport	168 355
Health	19 765
Recreation, culture and religion	1 976
Education	1 210
Total Big Rivers	191 306

### Katherine amphitheatre

The \$7.6 million transformation of Godinymayin Yijard Rivers Arts and Culture Centre has been celebrated at the grand opening of its new amphitheatre in Katherine in April 2025.

The completion of the expanded stage and open-air venue for professional outdoor performances is an exciting milestone for the Katherine arts and culture centre, which now boasts more modern facilities for performers and visitors.

### Remote housing

The 2025 Budget is reducing overcrowding and improving housing quality by delivering up to 2,700 houses over 10-years, and a comprehensive repairs and maintenance program, under the \$4 billion remote housing agreement, co-funded by the Territory and Commonwealth governments.

In 2024-25, around 41 dwellings are expected to be delivered across communities in Big Rivers, including 20 in Lajamanu. New subdivisions are also planned in 2025-26 for Minyerri.

### Nitmiluk National Park

To provide a further boost to tourism in the region, the 2025 Budget provides \$1.7 million to establish new walking and bike trails linking with mountain bike trails in the Nitmiluk National Park.

### Borroloola health centre and morgue

The 2025 budget includes \$19.8 million for the construction of a new health centre in Borroloola to enhance delivery of health services.

The new centre will assist in attracting and retaining clinical staff. It will include clinical and pharmacy spaces, emergency resuscitation equipment, consulting spaces, morgue facilities and a separate patient and visitor entrance from staff.



# East Arnhem

The East Arnhem region is situated in the far northeastern corner of the Territory and covers East Arnhem Land, Groote Eylandt, Bickerton Island and Elcho Island.

The region is home to around 14,700 people, of whom around 70% are Aboriginal, with major population centres in Nhulunbuy and Alyangula, and several other large communities. The population in East Arnhem is relatively young and dispersed, with around 40% aged 24 years and under and only around 4% aged 65 years and over.

Due to seasonal road accessibility constraints, transport for travellers and freight to East Arnhem is mainly by air or sea. Major industries in the region include mining, buffalo farming, tourism, aquaculture and fishing.

Mining is the main contributor to economic activity in the region, with the production of manganese at the GEMCO mine at Groote Eylandt and bauxite at the Rio Tinto and Gulkula mines on the Gove Peninsula. Traditional Aboriginal cultural experiences, Aboriginal art, and the remote and natural wilderness attract tourists to the region, providing economic and employment opportunities.

## Central Arnhem Road upgrades

The Territory Government is planning for and delivering long-term upgrades along the 685 kilometre Central Arnhem Road corridor that connects the services centre of Nhulunbuy to the Stuart Highway. The road services a number of communities and homelands, and through the dry season is a key tourism drive and freight route.

More than 85% of the road is unsealed and road users experience frequent restrictions or closures throughout the wet season. The Commonwealth and Territory governments have committed \$355 million to upgrade the corridor over coming years. The upgrades include sealing, widening and flood immunity improvements to priority sections of the route.

The 2025 Budget includes \$205 million for new and continuing works along the corridor. Upgrading and sealing Central Arnhem Road will unlock further economic potential in the region, and open a range of new long-term economic and social opportunities.

## Garrthalala Bush University

Laynhapuy Homelands Aboriginal Corporation and Charles Darwin University have partnered to strengthen training delivery on Laynhapuy homelands and at the Garrthalala Bush University.

The memorandum of understanding will allow CDU Aboriginal pathway programs in health, arts, education, engineering, science, law, business or accounting to be offered at the university, and other identified sites across 30 homelands, for the first time.

The new agreement will also explore co-creation of micro-credentials for Yolngu and balanda models of leadership and governance and practical training for employment. CDU educators will run most of the training, education and research at the Garrthalala Bush University, located on Laynhapuy homelands.

This partnership will help increase access to tertiary education across the region and provide another avenue for the people of the region to have a say in the training that is accessible to them.

## Major works overview

	Capital works
	\$000
Transport	206 620
Health	19 906
Housing and community amenities	15 903
Recreation, culture and religion	4 000
Total East Arnhem	246 429

## Remote housing

The 2025 Budget is reducing overcrowding and improving housing quality by delivering up to 2,700 houses over 10-years, and a comprehensive repairs and maintenance program, under the \$4 billion remote housing agreement, co-funded by the Territory and Commonwealth governments.

In 2024-25, around 75 dwellings are expected to be delivered across communities in East Arnhem, including 33 in Galiwinku and 22 in Ramingining. New subdivisions are also planned in 2025-26 for Galiwinku.





## Employment pathway trainee pilot program

The Territory Government continues to grow a skilled and sustainable Aboriginal health workforce in the Territory by delivering training locally.

For the first time, an employment pathway trainee pilot program for Aboriginal health workers and practitioners is being delivered on Groote Eylandt to provide a closer-to-home learning pathway for Aboriginal people in the region to pursue a career in health.

The program is designed to build foundational knowledge and skills over time, offering a flexible and supportive training environment, and will assist in growing our own local workforce and ensuring Aboriginal Territorians can access culturally appropriate healthcare delivered by people they know and trust.

Trainees can progress at their own pace, with pathways available right through to Certificate IV in Aboriginal Primary Health Care Practice – the qualification required to become a registered Aboriginal health practitioner.

## New ward structure for Groote Archipelago Regional Council

The Territory Government is delivering on its commitment to restore local control of communities to Aboriginal people, strengthen service delivery and foster self-determination through important reform.

Previously comprised of one ward, the new ward structure for the Groote Archipelago Regional Council will now have three wards representing distinct areas of the archipelago – West Ward, Central Ward and East Ward, to offer fairer and more localised representation to residents.

Introduction of additional wards ensures all communities in the Groote Archipelago region are represented in local governance, including residents in smaller communities such as Milyakburra.

# Top End

The Top End region encompasses the Tiwi Islands, Daly and West Arnhem regions, extending from Wadeye in the west to Maningrida in the east.

Around 18,400 people live in the Top End region with major population centres in Wadeye and Jabiru. The region’s population is relatively young, with around 37% aged 24 years and under, and only about 9% aged 65 years or older.

Major industries in the region include tourism, horticulture and forestry. Tourism is a significant contributor to economic activity in the Top End, with world-renowned attractions, such as Litchfield and Kakadu national parks, as well as the Daly River for recreational fishing and camping.

## Mandorah marine facility

Works on the \$84 million project to construct new marine facilities to improve and maintain public transport services for residents and visitors to Mandorah, Wagait Beach and Belyuen are expected to be completed by July 2025.

The new facilities located at Mandorah will be compliant with the *Disability Discrimination Act 1992* to improve safety and access for ferry users and people with disability to get on and off the ferry.

The project includes:

- two breakwater structures to provide protection from sea swells and wave action
- access improvements for people with disability and people who need mobility assistance, including wheelchairs and prams
- modifications to the car park layout to add car/trailer parking and additional bays for people with disability
- upgrade existing building to provide shade and toilet facilities for ferry passengers
- new boat ramp.

Works will be scheduled during daylight hours to minimise potential noise impacts. More than 73% of the subcontractors and suppliers engaged for the project are Territory businesses.

## Road upgrades

The 2025 Budget continues to enhance accessibility across the Top End to improve freight efficiency, connectivity, road safety and economic productivity by investing \$201 million in roads, including:

- \$90 million for selected upgrades on Port Keats Road between Wadeye and Palumpa. The project is expected to commence in 2025 and will be completed by late 2027
- \$66 million to upgrade roads within Kakadu National Park to encourage private investment, improve visitor safety and access, and increase the length of the main tourist season to support tourism growth
- \$43 million to upgrade roads on the Tiwi Islands to connect communities, address access and safety issues, and improve flood immunity
- \$2 million for road upgrades and modifications as part of Rum Jungle rehabilitation project stage 3.

## Major works overview

	Capital works
	\$'000
Transport	220 188
Economic affairs	93 500
Public order and safety	35 745
Housing and community amenities	9 734
<b>Total Top End</b>	<b>359 167</b>

## Maningrida police complex

Maningrida is the largest Aboriginal community in the Territory with a population of over 2,600.

The 2025 Budget includes \$35.7 million to construct a multipurpose police complex in Maningrida.

Stage 1 of the project includes a new police complex with capacity for 14 officers, holding cells, employee housing and visiting officer quarters, multifunction room/court house, secure vehicle compound, boat and storage sheds, and a communications tower.



## Remote housing

The 2025 Budget is reducing overcrowding and improving housing quality by delivering up to 2,700 houses over 10-years, and a comprehensive repairs and maintenance program, under the \$4 billion remote housing agreement, co-funded by the Territory and Commonwealth governments.

In 2024-25, around 53 dwellings are expected to be delivered across communities in the Top End, including 17 in Gunbalanya. New subdivisions are also planned in 2025-26 for Maningrida (Stage 3).

## Sealink ferry service

The government has signed a new five-year agreement with SeaLink to operate passenger ferry services between Darwin, Mandorah and the Tiwi Islands (Wurrumiyanga).

SeaLink has delivered the Darwin, Mandorah and Tiwi Islands ferry services for over a decade, providing safe and reliable transport services for residents, tourists and local businesses in the Top End region.

## Gunlom Falls reopening

Gunlom Falls is set to reopen in May 2025, following a six-year closure. A new lease between Kakadu Traditional Owners and the Commonwealth, including Commonwealth funding of \$55 million over four years, was announced in the Commonwealth's 2025 Budget.

Gunlom Falls, originally named UDP Falls and later Waterfall Creek Falls, features seasonal cascades from 85-meter-high cliffs, peaking after the wet season, into a plunge pool that is a popular swimming hole. There are also swimming holes at the top of the falls.



# Greater Darwin

The Greater Darwin region includes the cities of Darwin and Palmerston, the Litchfield Shire, East Arm and Robertson Barracks.

The region is home to around 152,500 people, representing about 60% of the Territory’s population. Greater Darwin has the lowest proportion of young people among the regions, with around 32% aged 24 years and under, and the highest proportion of population aged 65 years and over, at around 10%.

Darwin is the Territory’s capital city and the main administrative centre. Major industries include construction, defence, retail, tourism, education and training, public administration, community safety and health care. Darwin is a key gateway to the Territory’s regional centres and tourist attractions, and an important strategic hub for trade and defence.

Major industries in Palmerston and the Litchfield Shire include construction, aquaculture, horticulture, cattle and crocodile farming, defence and LNG production.

The Robertson Barracks army base, located near Palmerston, hosts ongoing rotations of the United States marines in the Territory.

## Economic infrastructure

The 2025 Budget invests in infrastructure to support the growth of the Greater Darwin region including:

- \$93.5 million for the Strauss to Middle Arm pipeline
- \$13.7 million for East Arm utilities upgrades.

The Territory Government continues to support land release across the Greater Darwin region, including:

- \$49.6 million for headworks infrastructure to support the development of Holtze
- \$11 million for headworks infrastructure to support the development of Farrar West
- \$2 million for a rolling program of headworks infrastructure and subdivision designs to support the development of land across the region
- \$1.2 million for headworks infrastructure to support the development of the Berrimah North area plan.

## Royal Darwin Hospital upgrades

The 2025 Budget includes funding to progress upgrades to the Royal Darwin Hospital, including:

- \$49.3 million for a mental health inpatient unit and stabilisation assessment and referral area facility
- \$17.7 million for a new modular multipurpose facility.

The 2025 Budget also includes \$16 million ongoing for operating costs of the new mental health facility and \$500,000 to purchase medical equipment.

## Kulaluk town camp upgrade

The 2025 Budget includes \$11 million for works at Kulaluk town camp in Coconut Grove to upgrade the stormwater drainage system, infrastructure and access road.

The works will create an underground stormwater system that will alleviate localised flooding, water ponding and associated biting insect issues. The works include:

- new underground stormwater drainage
- upgrade the dual lane access road, water, power and street lighting
- new footpath through to the town camp
- improve vehicle entry and exit from Dick Ward Drive.

Works are due to start mid 2025 (weather dependant) and be completed by February 2026.

## Major works overview

	Capital works
	\$000
Economic affairs	567 039
Transport	121 496
Health	70 674
Housing and community amenities	70 605
Recreation, culture and religion	55 628
Environmental protection	13 652
Education	9 101
Public order and safety	6 600
Social protection	4 619
General public services	2 663
Total Greater Darwin	922 076





## Lifestyle

- \$4.6 million for the new northern suburbs Youth Hub at Leanyer Recreation Park
- \$3.3 million for track and service modifications at Hidden Valley Motor Sports Complex
- \$2.8 million for Stokes Hill Wharf upgrades.

## Transport

The 2025 Budget includes \$103 million for upgrades to roads in Greater Darwin, including:

- \$80 million for Arnhem Highway duplication – Stuart Highway to Kostka Road
- \$23 million for Roystonea Avenue duplication – Terry Drive to Lambrick Avenue.

## Upgrades to schools

The 2025 Budget includes \$9.1 million for new and continuing works to upgrade school infrastructure and facilities in Greater Darwin, including:

- \$3.8 million for new preschool facilities at Parap Primary School
- \$1.7 million for planning for enrolment growth in secondary and special education in Palmerston
- \$1.6 million for administration block upgrades at Leanyer Primary School
- \$1 million for a special education centre for middle and senior students in Palmerston
- \$1 million for priority roof replacement at Wulagi Primary School.

### Youth Hub

The 2025 Budget includes \$4.6 million to support the delivery of a new Youth Hub in Darwin's northern suburbs.

The Youth Hub will be built at the Leanyer Recreation Park precinct following community feedback about the previously proposed site at the former Casuarina Fire Station.

The new site, based within a popular recreational precinct with existing public transport links, allows the Youth Hub to be easily accessible for young people and families across Darwin's northern suburbs.

The current SHAK Youth Drop-In Centre at Sanderson Middle School, which has been running since October 2021, will continue to operate as an interim youth hub providing essential referral pathways and early intervention to support young people.

The new Youth Hub will complement design work currently being undertaken on Leanyer Recreation Park precinct amenities, including a pump track (for cycling, scootering and roller blading), an undercover basketball court and upgrades to skate park amenities.



## Acknowledgements

The photos in this publication are reproduced with the kind permission of: Department of the Chief Minister and Cabinet; Department of Education and Training; Department of Mining and Energy; Emma Jones (Shutterstock); June Smith; and SetInStoneMedia.



NORTHERN TERRITORY

# 2025-26 BUDGET

Budget Paper No. 1  
**SPEECH**  
and  
**APPROPRIATION BILL**

Speech  
and  
Appropriation Bill

2025-26



Part 1

# Speech

Delivered on  
13 May 2025  
by  
The Hon. Bill Yan MLA  
Treasurer  
of the  
Northern Territory of Australia



## Introduction

Madam Speaker, I move that the Bills now be read a second time. I table the 2025–26 Appropriation and Revenue Bills, and the accompanying budget papers and explanatory statements.

Today I have the honour of delivering the first Finocchiaro Country Liberal Party (CLP) government's budget. The 2025-26 Northern Territory budget is a budget that restores confidence and rebuilds the Territory.

Today's budget puts crime victims first, prioritises law and order, and begins the long task of repairing Labor's mess.

Madam Speaker, the CLP was very clear with Territorians in the lead up to last year's election that in order for the Territory to rebuild its economy, reduce crime and restore our beautiful lifestyle, we need a budget that is centred around reducing waste and prioritising spending on what matters most to Territorians.

For eight years the Territory has suffered under the weight of record debt and economic and fiscal mismanagement. Underfunded frontline services and infrastructure projects, project cost and timeframe blow outs, businesses closing their doors, people leaving.

Over the past eight years, the Territory has consistently ranked at, or near, the bottom in CommSec's quarterly State of the States reports.

Despite the crisis and Labor's failure, now is not the time for austerity. Instead, we must grow our economy by outpacing the nation, playing to our strengths in mining, gas, agriculture, tourism and defence to benefit all Territorians. Today's budget deals with the situation the Territory is in now so we can reset and rebuild for tomorrow.

## Fiscal outlook

Madam Speaker, we inherited deep deficits and mounting debt from Labor.

The Territory's net debt position sits at \$10.55 billion and is projected to rise to \$13.97 billion by 2028-29. The deficit in the non financial public sector in 2025-26 will be \$1.31 billion, down from \$1.65 billion in 2024-25.

As a result of our responsible budget measures and reprioritisation, the fiscal deficit is projected to reduce to \$531 million in 2028-29. The net operating balance for the general government sector is projected to be \$265 million in deficit in 2025-26, down from \$707 million in 2024-25, and is projected to be in surplus from 2027-28.

Total revenue for the non-financial public sector is expected to increase to \$10.04 billion in 2025-26 and rise to \$10.55 billion by the end of the forward estimates.

Commonwealth revenue is projected to be \$7.14 billion in 2025-26. Over 70% of the Territory's revenue comes from the Commonwealth. And that's not by accident. It reflects the sheer scale of the historical backlog – across infrastructure, across services and across the board – left to us from the Commonwealth since self-government.

While this Commonwealth funding is vital, it is largely to maintain the status quo. What we need from the Commonwealth is nation-building projects, taxation reform and changes to support increased migration.

Eight years of underinvestment, trickery and over-promising by Labor has left the Territory even more dependent on Commonwealth support just to get essential services and long-overdue projects back on track.

## Economic outlook

Madam Speaker, certainty is the cornerstone of a strong economy. With certainty comes confidence. Confidence to invest, confidence to raise a family, confidence to grow.

Since August 2024, we have wasted no time in pulling the levers of government to restore confidence as part of our year of action, certainty and security.

Under Labor, the Territory endured average economic growth of just 1% over eight years – less than a half of the national average of around 2% – and recorded four separate years of economic decline. The Territory's economy was stuck in neutral.

Our decisive action is already delivering results. Gross state product is forecast to surge by 7.8% in 2025–26, followed by a further 5.9% in 2026-27.

Wage growth is steady and expected to average around 3.2% across the forward estimates. Employment is expected to grow by 0.8% in 2025-26, with steady growth across the forward estimates rising to 1.6% in 2027-28 and 2028-29.

Treasury estimates the unemployment rate to be 5% in 2025-26 and steadily fall to 4.5% by the end of the forward estimates. Currently, inflation is the second lowest in the country and is expected to remain around 2.5% across the forward estimates.

Recent data is promising. Residential building approvals currently the second strongest growing in the nation. Inflation-adjusted household spending in the Territory rose by 1.6% in the March quarter of 2025, and by 4.8% over the year – reaching \$2.3 billion. That's the strongest result of any jurisdiction across both periods.

According to independent economic forecasts, as at the March quarter 2025, there is up to \$9.3 billion worth of projects under construction in the Territory, with a further \$680 million committed and a total project pipeline of \$12.9 billion.

And our population is now projected to grow with 2,600 new Territorians joining us in 2025-26 and further growth forecast in each year over the forward estimates.

Private sector confidence is back and industry is keen to get the Territory moving across energy, mining, agriculture and tourism. We are working side by side with businesses through our industry-focused agencies and the Territory Coordinator, through tax relief, land release and streamlined approvals.

Yes, there are global risks – volatile energy markets, global inflation, supply chain pressures and geopolitical uncertainty. But the Territory's fundamentals are strong, and under this government, we are going for growth.

## Economic strategy

Madam Speaker, 2025 is our year of action, certainty and security.

In March, we launched our *Rebuilding the Economy: Northern Territory Economic Strategy 2025–2028*. We want to outpace the nation and consistently grow the Territory.

A larger economy and population will increase scale, drive cost reductions, enhance services, and improve labour flexibility, while reducing reliance on the Commonwealth Government.

We need to play to our strengths in order to rebuild.

This means, Madam Speaker, prioritising sectors where the Territory holds comparative advantage and has strong long-term growth prospects such as energy, defence, agriculture, mining and tourism.



Madam Speaker, economic growth will benefit all Territorians by driving job creation, improving affordability and access to goods and services and increasing government capacity to fund public services.

As part of our measures of success, our annual targets include that the Territory's economic growth exceeds national economic growth, population growth exceeds business as usual forecasts, and the Territory is recognised as the best place to invest.

## Budget repair

Madam Speaker, we promised we would respect Territory taxpayers by re-prioritising what Labor left behind to focus and deliver on our three key commitments of reducing crime, rebuilding the economy and restoring our lifestyle.

When we came to government we inherited a string of underfunded frontline services and programs, with funding of up to \$350 million per year scheduled to cease across the budget and forward estimates. To fill that gap and stay under Labor's so-called debt ceiling, we would have had to deliver deep, damaging cuts worth around \$1.4 billion over the period.

We chose a better path – one of responsibility.

We've stabilised Labor's reckless budget without resorting to austerity and without putting the Territory economy at risk. We will not punish Territorians for Labor's failures.

While we've removed Labor's arbitrary debt ceiling, the public sector will not have a licence to spend money. Agencies have been directed to find \$20 million per year across government in operating savings, focused on reducing consultancies, travel, communications and marketing, and other discretionary spending.

In lieu of Labor's debt ceiling, the CLP Government has introduced a Budget Repair Strategy to address the fiscal position and challenges we inherited. It comprises five key priorities:

- we will grow our own-source revenues through economic development and population growth
- we will contain employee cost growth by focusing resources to the frontline.
- we will engage with the Commonwealth to unlock economic opportunities, enable sustainable debt management and support regional and remote Territorians
- we will strengthen policies and processes across government to improve the effectiveness of government spending
- we will develop a new, contemporary and simplified fiscal strategy focused on realistic and achievable debt management.

Madam Speaker, this is a budget that delivers targeted reform – so we can deliver decisive action.

As part of this budget, we have introduced legislative amendments to the *Gaming Control Act 1993*, establishing a 50% tax rate on profits – less GST – from lottery ticket reselling and matching activities under internet gaming agreements.

This will standardise the taxation of internet gaming in the Territory and ensure a level playing field for online operators who offer ticket re-selling or matched lottery products.

We're also amending the *Racing and Wagering Act 2024* to double the annual tax cap for bookmakers and betting exchanges – from 1 million to 2 million revenue units – starting 1 July 2025.

Taxation and royalty revenues are expected to increase by \$142 million in 2025–26, driven by improved royalties and reforms like the new gaming tax arrangements. That's more funding to invest in safer communities, better services and real economic growth.

## Infrastructure budget repair

Madam Speaker, when we came to government, we inherited an infrastructure program in complete disarray – riddled with stalled projects, unrealistic timelines and ballooning costs.

Labor had shamefully announced a record number of projects – but didn't provide enough cash allocations to deliver many of them. Despite record announcements, Labor budgeted to reduce capital works cash allocations, again only providing time-limited funding, with a reduction of \$250 million planned for 2025-26 in Labor's final 2024 Budget.

Labor was so desperate to make headlines, it tricked Territorians into believing projects were coming – knowing full well it had no plan to pay for them.

It's like heading to the checkout with a full trolley, knowing you only have cash for a basket – and hoping no one notices as you quietly start putting items back.

The former Labor Government was good at announcing big ticket infrastructure, but they were terrible at managing costs or providing the cash to match their splash. Territorians were sold a dream and handed the invoice.

Labor didn't govern with a strategy – they governed by press release.

Take the Darwin ship lift. Announced in 2015 by the CLP, it was a nation-building project that should have anchored our defence, maritime and manufacturing industries. But Labor turned it into a fiscal disaster.

What began as a government commitment of \$100 million to crowd-in private investment blew out to hundreds of millions under Labor's watch – yet they still didn't fully fund it. They knew the true cost. They just refused to tell Territorians.

This government supports the defence and maritime sectors – but we will not ignore cost escalations and blow outs like the former government. That's why we've referred the ship lift project to the Public Accounts Committee – so every dollar, decision and delay can be scrutinised, and a credible path forward put in place.

It's devastating to think how much Territorians have missed out on by allowing these project costs and delays to run unchecked. It's jobs lost, opportunities missed, growth deferred, not to mention all the other services that could've been supported with that money.

Madam Speaker, the legacy of Labor's mismanagement is visible in project after project – promises made without proper funding. Let me be clear about what Territorians are now paying for:

- the Aboriginal and Torres Strait Islander Art Gallery of Australia – originally costed at \$50 million – blew out to over \$300 million before being re-scoped by the CLP Government
- the Tiger Brennan Drive overpass jumped from \$61.5 million to \$160.9 million – a \$99.4 million blow out
- the so-called State Square Art Gallery – another legacy of Labor's priorities – has surged from \$47 million to \$143 million. That's an increase of \$96 million
- the cost of the new Darwin Youth Justice Centre has risen from \$50 million to \$135.2 million – an \$85.2 million increase

- the Royal Darwin Hospital third floor and mental health unit expansion, initially set at \$38 million, has ballooned to \$86.3 million – an extra \$40.8 million
- the Mandorah marine facilities project has grown from \$50 million to \$84.3 million – an increase of \$34.3 million
- the Maningrida police station has risen from \$16 million to \$37.4 million – up \$21.4 million
- the John Stokes Square and Nightcliff police station project grew from \$45 million to \$63.3 million – an \$18.3 million increase.

We've uncovered the full scale of the mess – and we're fixing it. We've scaled back Labor's bloated, undeliverable infrastructure promises and replaced them with a realistic program. One that prioritises delivery – on time, on budget and with integrity. Because unlike Labor, we're not in the business of smoke and mirrors – we're here to get things done.

## Reducing crime

Madam Speaker, this budget puts victims first.

At the August 2024 election, Territorians made it clear that community safety is their top priority – and we've backed that in, every day since.

And now, this budget delivers the investment needed to make that happen. More police on the beat, more beds in corrections, more resources for our courts – and a clear focus on putting victims and the community ahead of offenders.

We are unapologetically shifting the focus from the offender's rights to the victim's right to feel safe – because that's what Territorians have asked us to do, and what Labor refused to do for eight long years.

We've invested \$1.5 billion into public order and safety. This is what support looks like for police. This is what support looks like for our courts. This is what support looks like for our corrections system.

Madam Speaker, we are delivering:

- \$608 million for police services, including continued support for the remote policing plan, police aircraft, CCTV monitoring and school-based policing
- \$16 million to upgrade critical infrastructure and technology at the triple-zero call centre and a further \$2 million allocated to boost emergency communications in Central Australia
- \$495 million for corrections, with \$126 million in immediate funding and \$176 million ongoing to deal with rising prisoner numbers.

Since coming to government, we have added over 500 new corrections beds across the Territory.

Madam Speaker, if you commit a violent act in the Territory – you will face consequences. Because under this government, victims come first.

This budget delivers the most significant and sustained investment in tackling domestic, family and sexual violence (DFSV) in Territory history – \$180 million over five years and \$36 million ongoing to drive prevention and early intervention. We're funding:

- specialist DFSV courts – starting in Alice Springs and expanding to more sites, so victims are not re-traumatised by the justice system
- new culturally safe offender programs in prisons and communities – to stop violence before it escalates again

- men's behaviour change programs in Darwin, Wadeye, Katherine and Alice Springs – because violence is a choice, and it can be changed
- safe houses in remote communities, where support is needed most
- a specialist after-hours health response, so survivors aren't left alone when they need help the most
- an expanded Family Safety Framework, for those at serious risk of harm or death.

We're backing in frontline services with \$26 million over five years in additional funding for the incredible organisations that work with survivors – and we're building a permanent, integrated workforce support and training system so this response is strong, skilled and sustainable.

We are also expanding the Circuit Breaker program, offering wraparound support to at-risk young people and families to prevent DFSV and youth crime before it happens.

And we are embedding a co-responder model in Darwin, Katherine, Tennant Creek and remote areas, so the response is early, focused and fast. Because safety is not negotiable. And no one – no woman, no child, no elder – should be left unprotected from violence.

Madam Speaker, for too long, victims and their families have waited years for justice in a system that prioritised offenders over their rights. This budget ensures our courts are properly resourced to operate efficiently and fairly – putting victims back at the centre of the justice system where they belong. We're investing \$78 million in additional funding over the four years for the justice system, strengthening victim support, Legal Aid, community courts and prosecution services.

We're fast-tracking the processing of remand cases to reduce backlogs – and reduce harm. That's on top of what we've already delivered since coming to government.

Madam Speaker, since coming to government, we've wasted no time delivering significant legislative reform:

- we've introduced Australia's strongest bail laws
- we've passed mandatory minimum sentences for assaults on frontline workers
- we've created new criminal offences targeting ram raids and 'post and boast' offending
- we've expanded police powers under Declan's Law to crack down on bail and knife crime
- we've introduced tougher public drinking offences to help restore order to our towns and streets.

## Rebuilding the economy

Madam Speaker, we've been clear from day one: we will deal with Labor's debt and rebuild the economy. And we are delivering on our Rebuilding the Economy Strategy – a plan that puts the Territory on the path to long-term growth, job creation, and private sector confidence.

At its core, this strategy is about making the Territory the best place in the nation to live, work, invest, and grow a business. We're delivering:

- \$120 million for training and higher education.
- \$2 million per year for workforce attraction, skilled migration, and international education.
- \$88.4 million for tourism promotion, including military heritage and interstate campaigns.
- \$6.4 million for the Office of the Territory Coordinator to fast-track major projects.
- we're getting out of the way – by streamlining approvals and reforming merits review to stop third-party interference in petroleum, planning and water development.

Madam Speaker, as we rebuild the Territory's economy, we are doing so with a clear focus on fairness, growth and fiscal responsibility.

That's why from 1 July, we're delivering the highest payroll tax-free threshold in the country. Businesses with wage bills between \$2.5 million and \$7.5 million will benefit from real relief – saving up to \$68,750 per year. That's a significant incentive to invest in local jobs and expand Territory operations.

We've also abolished payroll tax on wages paid to more than 3,700 apprentices and trainees – because we want more businesses investing in Territory talent and backing in the next generation of workers. And we're reducing red tape for charities and not-for-profits, making it easier to claim exemptions from payroll tax and stamp duty – so those organisations can get on with their vital work in our communities.

This is a budget that rewards effort, supports business and ensures the tax system works for all Territorians – not just a few.

We are backing gas. Beetaloo is progressing to production. Empire Energy and Tamboran are currently progressing stimulation and flow-testing for three wells that are expected to provide gas into the local Territory market possibly by the end of this year.

We are stimulating the construction industry through supporting home ownership:

- HomeGrown Territory grant – up to \$50,000 for first home buyers
- FreshStart grant – \$30,000 for anyone building or buying new
- \$49.6 million for enabling infrastructure in Holtze, creating Greater Darwin's next suburb.

Since launching our nation-leading home ownership support, we've seen an incredible response that's not only helping Territorians into homes, but boosting our economy. More than 600 applications have been received across our First Home Owner Grant and FreshStart programs, injecting over \$12.2 million into the Territory economy.

That includes \$7 million already paid, supporting first home buyers – whether building new or buying established – and driving construction and local jobs. Since the enhanced grants came into effect on 1 October 2024, applications for new builds have surged, with \$2.65 million in new build grants paid and more than \$4.3 million in grants approved and pending.

It's clear that Territorians are backing our plan, and our plan is backing them – by helping more locals own a home, boosting confidence in the construction sector, and keeping our economy growing.

And we are investing in roads and economic infrastructure – \$4.34 billion in this year's capital works program, including:

- \$289 million for the Tanami Road
- \$223 million for Territory national network highway upgrades
- \$205 million for Central Arnhem Road
- \$181 million for Territory gas roads
- \$615 million for remote housing.

That's a hefty commitment, responsibly delivered, with a focus on regional and remote areas.

## Restoring the Territory lifestyle

Madam Speaker, to the people of Alice Springs – we hear you. Unlike Labor, we are investing heavily in the heart of Central Australia. This budget delivers real funding, real infrastructure, and real support to restore safety, services and confidence in Alice Springs.

That's why this budget delivers \$168.7 million to bring back liveability, pride and community safety – delivering projects that support children, strengthen communities and bring back the liveability this great town is known for. This includes:

- \$123.5 million for the long-awaited Aboriginal and Torres Strait Islander Art Gallery – a national cultural landmark and local economic driver
- \$14.8 million to construct a new Alice Springs town library, expanding access to knowledge, community space and opportunity
- \$14.1 million for a multi-sports precinct in Gillen, giving local kids and families world-class facilities
- \$8.9 million for a new multicultural centre – because community pride begins with representation
- \$5.7 million for the Newland Park skate and play precinct, with \$4 million from the Commonwealth
- \$4.8 million for a new Tourism Central Australia headquarters and Visitor Information Centre, strengthening the region's visitor economy
- \$450,000 for free pool access at the Alice Springs Aquatic Centre over summer weekends – backing lifestyle, not just infrastructure
- we've saved ANZAC Oval – restoring a local icon and recreational space for all.

We're also progressing:

- \$11 million for subdivision works to release residential land at Kilgariff
- \$9.4 million for flood mitigation works
- \$1.2 million to remediate Shell depot lots
- new upgrades at the Alice Springs Correctional Centre and youth justice facilities.

Madam Speaker, the Territory lifestyle isn't a luxury – it's a reason to stay. It's why people choose the Territory, and why so many choose to build their lives here.

From the rolling thunderstorms that blow in, only to turn into monsoons we all cheer for – until a week later when our couches mould and we're cursing the humidity. From being completely humbugged by hundreds of flies in Central Australia, to then taking a drive out to the MacDonnell Ranges and being floored by their ancient, breathtaking beauty.

That's what this budget offers – protecting what makes the Territory special. Backing the lifestyle that brings people here, and keeps them here.

Madam Speaker, this budget delivers meaningful cost-of-living relief for households, seniors, families, and businesses. Right across Australia, families are doing it tough – and Territorians are no exception.

We will not punish Territorians or public servants for Labor's fiscal recklessness and economic mismanagement. And we're delivering real, targeted relief to help Territorians deal with cost-of-living pressures.

Whether you're raising school-aged kids, planning your first home or enjoying retirement, we want to make sure you feel supported – not just in the good times, but especially when it gets hard.

Because this government stands with Territorians – and this budget proves it. We've delivered over \$290 million in concessions and subsidies, including:

- \$206 million in utility concessions and subsidies, capping power price rises at 3% for most customers
- free driver's licences for 12 months
- no increase to car registration
- \$200 back to school vouchers
- \$100 sport vouchers, twice a year
- \$100 learn to swim vouchers
- free swimming lessons for all primary students
- free meningococcal B vaccinations
- early childhood education subsidies of up to \$1,560 per child
- seniors can receive over \$5,000 a year in combined concessions
- families up to \$4,000
- businesses – up to \$107,750 in support.

And we're backing major events and Territory pride in a big way – with \$36.5 million invested in the iconic events that make this place come alive.

We know Territorians don't just love their lifestyle – they live it.

Whether it's the thunder of Supercars in Darwin, the electric glow of Parrtjima in Alice Springs, the roar of Red CentreNATS, or the spark of Territory Day fireworks – these events bring Territorians together, celebrate our identity, and showcase the very best of the Territory to the rest of the nation.

It is the CLP that will protect fireworks on Territory Day at Mindil Beach. It was the CLP that delivered the Supercars, launched Parrtjima and built events that instil pride and boost our economy. And under this budget, Territorians can be confident – we're backing these iconic events to be bigger, better and brighter than ever.

These aren't just events. They restore our lifestyle – they inject energy into our towns, fill our hotels, support our local businesses and give Territorians something to look forward to. Because the Territory isn't just a place to live – it's a place to love.

We're also delivering:

- \$2 million for Aboriginal sport development
- up to \$75,000 grants for recreational fishing infrastructure
- \$5.5 million for new walking trails in Watarrka National Park.

Madam Speaker, good health is the foundation of a strong, resilient Territory – and this budget backs it with a record \$2.5 billion investment in health services across the Territory. We're putting patients first by delivering:

- \$1.5 billion for hospital services
- \$313 million for primary health care
- \$135 million for mental health
- \$60.3 million for alcohol and other drug services.

These are not just numbers – they're about Territorians getting the care they need, when and where they need it.

We're also delivering \$100 million in additional annual funding for the Department of Health – to support safer, higher quality services right across the Territory. And we're taking action on mental health – funding the new in-patient ward at Royal Darwin Hospital with an additional \$16 million ongoing for operations and \$500,000 for equipment ahead of its opening in early 2026.

Because no matter where you live – from Nhulunbuy to the Daly, Tennant Creek to the Tiwi – you deserve access to modern, responsive health care.

Madam Speaker, if we want a stronger Territory tomorrow, we must invest in our children and young people today.

That's why this budget delivers \$1.6 billion for education and training – because every child, in every corner of the Northern Territory, deserves a quality education. We're backing learning at every stage, including \$120 million for vocational training and higher education to make sure young Territorians are equipped for the jobs of the future.

We're also making it easier for Territorians to gain a trade or qualification. This budget continues:

- free TAFE and vocational training for eligible Territorians
- up to \$1,000 workwear and gear bonuses for first-year apprentices and trainees.

These aren't just investments in education – they're investments in opportunity, growth, and long-term social and economic success.

Because whether it's in a preschool in Palmerston, a high school in Katherine, or a trade course in Tennant Creek – this government believes in the potential of every student, every worker, and every classroom.

And through the Remote Aboriginal Investment partnership with the Commonwealth, we are also delivering \$842 million in community services and Closing the Gap outcomes.

## Conclusion

Madam Speaker, 262 days ago – that's nine months and eleven days – Territorians entrusted the CLP to reduce crime, rebuild the economy, and restore our unique lifestyle.

This budget begins the long and necessary task of repairing the mess left behind by Labor. The CLP has a proud legacy of building the Territory. And today, we lay the foundations to rebuild it once again.

The Finocchiaro CLP Government has the passion, the discipline, and the determination to do the hard work – fix Labor's failures, restore confidence and deliver the Territory's future.

I proudly commend the Bills to the House.

Thank you Madam Speaker.



Part 2

## Appropriation Bill



Appropriation (2025–2026) Bill 2025

Mr Yan

# A BILL FOR AN ACT

to authorise an amount to be paid from the Central Holding Authority  
for the financial year ending 30 June 2026



NORTHERN TERRITORY OF AUSTRALIA

APPROPRIATION (2025-2026) ACT 2025

---

Act No. [ ] of 2025

---

Table of provisions

1	Short title	1
2	Commencement	1
3	Appropriation	1
4	Repeal of Act	1
	<b>Schedule</b>	<b>2</b>





# NORTHERN TERRITORY OF AUSTRALIA

---

## Act No. [ ] of 2025

---

An Act to authorise an amount to be paid from the Central Holding Authority  
for the financial year ending 30 June 2026

[Assented to [ ] 2025]

[Introduced [ ] 2025]

The Legislative Assembly of the Northern Territory enacts as follows:

**1 Short title**

This Act may be cited as the *Appropriation (2025-2026) Act 2025*.

**2 Commencement**

This Act commences on the day on which the Administrator's assent to this Act is declared.

**3 Appropriation**

- (1) An amount in aggregate of \$9,175,792,000 is authorised to be paid from the Central Holding Authority for the financial year ending on 30 June 2026.
- (2) The amount is authorised to be paid to each Purpose of an Agency or other Purpose that is specified in column 1 of the Schedule, in the amount specified in the corresponding entry of column 2 of the Schedule.

**4 Repeal of Act**

This Act is repealed on 1 July 2026.

## Schedule section 3(2)

Purpose	Amount
	\$000
<b>Department of the Chief Minister and Cabinet</b>	
Output	71 025
Commonwealth	1 054
<b>Department of the Legislative Assembly</b>	
Output	29 638
Capital	41
<b>Auditor-General's Office</b>	
Output	3 214
<b>Northern Territory Electoral Commission</b>	
Output	1 712
<b>Office of the Independent Commissioner Against Corruption</b>	
Output	5 667
<b>Ombudsman's Office</b>	
Output	2 893
<b>Northern Territory Police Force</b>	
Output	491 120
Capital	8 265
Commonwealth	42 363
<b>Northern Territory Fire and Emergency Service</b>	
Output	67 659
Capital	4 462
Commonwealth	4 431
<b>Department of Agriculture and Fisheries</b>	
Output	45 261
Capital	401
Commonwealth	1 548
<b>Department of Mining and Energy</b>	
Output	40 020
Commonwealth	2 000
<b>Department of Corrections</b>	
Output	435 392
Capital	8 641
<b>Department of Treasury and Finance</b>	
Output	240 138
Commonwealth	20 685



## Schedule section 3(2)

Purpose	Amount
	\$000
<b>Department of Logistics and Infrastructure</b>	
Output	397 637
Capital	890 915
Commonwealth	442 394
<b>Attorney-General's Department</b>	
Output	131 692
Capital	556
Commonwealth	65 428
<b>Department of Tourism and Hospitality</b>	
Output	175 405
Capital	260
Commonwealth	4 448
<b>Department of Health</b>	
Output	1 284 652
Capital	7 302
Commonwealth	176 877
<b>Department of Housing, Local Government and Community Development</b>	
Output	305 867
Capital	29 269
Commonwealth	229 615
<b>Department of Lands, Planning and Environment</b>	
Output	88 015
Capital	15 383
Commonwealth	3 860
<b>Aboriginal Areas Protection Authority</b>	
Output	3 323
<b>Department of Corporate and Digital Development</b>	
Output	358 604
Capital	21 163
Commonwealth	2 200
<b>Department of Education and Training</b>	
Output	713 813
Commonwealth	654 902
<b>Department of Trade, Business and Asian Relations</b>	
Output	64 869
Commonwealth	188

## Schedule section 3(2)

Purpose	Amount
	\$000
<b>Department of Children and Families</b>	
Output	280 731
Commonwealth	70 623
<b>Department of People, Sport and Culture</b>	
Output	211 162
Capital	45
<b>Central Holding Authority</b>	
Treasurer's Advance	190 000
Interest, Taxes and Administration	466 504
Employee Entitlements	360 460
<b>TOTAL APPROPRIATIONS</b>	<b>9 175 792</b>
Output	5 449 509
Capital	986 703
Commonwealth	1 722 616
Treasurer's Advance	190 000
Interest, Taxes and Administration	466 504
Employee Entitlements	360 460



NORTHERN TERRITORY

# 2025-26 BUDGET

Budget Paper No. 2  
**BUDGET STRATEGY**  
and  
**OUTLOOK**



## Contents

Under Treasurer's Certification	3
Chapter 1 Executive summary	5
Chapter 2 Fiscal outlook	11
Chapter 3 Economic outlook	27
Chapter 4 Fiscal strategy statement	35
Chapter 5 Commonwealth revenue	43
Chapter 6 Territory taxes and royalties	57
Chapter 7 Risks and contingent liabilities	75
Chapter 8 Consolidated financial statements	89
Appendices	
Appendix A Classification of entities in the Northern Territory	110
Appendix B Abbreviations and acronyms	112
Appendix C Explanation of terms	113



## Under Treasurer's Certification

In accordance with provisions of the *Fiscal Integrity and Transparency Act 2001*, I certify that the financial projections included in the May 2025 Budget documentation are based on Northern Territory Government decisions that I was aware of or that were made available to me by the Treasurer before 7 May 2025. The projections presented here are in accordance with the Uniform Presentation Framework.



Tim McManus  
Under Treasurer

7 May 2025





## Chapter 1

# Executive summary

Budget Paper No. 2 *Budget and Strategy Outlook* presents whole of government financial information and consolidates information from other budget papers. It also meets the requirements of the *Fiscal Integrity and Transparency Act 2001* (FITA) and the Uniform Presentation Framework (UPF) as agreed by all Australian jurisdictions.

## Fiscal outlook

The 2025-26 Budget reflects the Finocchiaro CLP Government's first budget and has been underpinned by its priorities of reducing crime, rebuilding the economy and restoring the Territory lifestyle. The 2025-26 Budget includes \$2.26 billion in new policy commitments over the budget cycle to 2027-28, largely to address funding shortfalls in frontline government services as a result of ceasing time-limited funding. New commitments include:

- reducing crime through early intervention programs and addressing demand on the justice system
- rebuilding the economy through increased repairs and maintenance and capital works spending, supporting tourism, and worker and student attraction initiatives
- restoring the Territory lifestyle through increasing the regulated utility tariff subsidy to reduce cost of living pressures, additional support for mental health and hospital services, and addressing ongoing demand for critical government services.

The 2025-26 Budget also includes improved GST, taxation and royalty revenue forecasts, partly offsetting the impact of new policy commitments on budget aggregates. GST revenue is expected to increase by almost \$600 million, and taxation and royalty revenue by around \$450 million over the budget cycle to 2027-28.

The 2024 Pre-Election Fiscal Outlook (2024 PEFO) foreshadowed rising debt levels and an impending breach to the former Labor Governments' \$15 billion debt ceiling, one year outside the forward estimates period. Furthermore, it also highlighted material Territory-funded items that were budgeted to reduce or cease over the forward estimates. These included time-limited funding to support hospitals, courts, corrections and repairs and maintenance cost pressures, and domestic, family and sexual violence reduction programs, the cessation of which would have significantly impacted frontline service delivery. In addition, infrastructure cash allocations were constrained, resulting in high levels of revote as projects were unable to be progressed.

Cognisant of the quantum of budget repair and austerity measures that would be required to remain within the ceiling and the detrimental impact these would have on the Territory economy, the government has repealed the legislated debt ceiling. Removal of the debt ceiling provides government with more flexibility in its approach to budget repair and allows it to focus efforts on growing own-source revenue, increasing private sector investment and enhancing the effectiveness of government spending.

In light of the inherited fiscal position and projected debt levels as published in the 2024 PEFO, government has reset the Territory's fiscal strategy with an emphasis on debt management and reduction. Fiscal targets represent what would need to be achieved to return the Territory to a financially sustainable position, with regard to the current fiscal and economic conditions and comparable jurisdictional performance.

In this context, the 2025-26 Budget projects the non financial public sector fiscal balance to remain in deficit over the budget cycle, with the cumulative effect of these deficits resulting in higher forecast net debt and net debt to revenue ratios across the budget cycle.

Key fiscal projections in the 2025-26 Budget include:

- general government net operating balance deficit of \$265 million in 2025-26, and returning to surplus from 2027-28
- total revenue for the non financial public sector of \$10.04 billion and total expenditure (including net capital investment) of \$12.19 billion in 2025-26
- non financial public sector fiscal balance deficit of \$1.31 billion in 2025-26, improving to a deficit of \$531 million by 2028-29
- net debt for the non financial public sector of \$12.19 billion in 2025-26, with a net debt to revenue ratio of 121%.

In accordance with section 9(1)(c) of the FITA, government must specify the key fiscal indicators it considers important and against which fiscal policy will be assessed. The government's key fiscal indicators are the general government sector net operating balance, and the non financial public sector fiscal balance, net debt and net debt to revenue ratio.

Table 1.1 provides the projections for these indicators for the 2025-26 Budget.

Table 1.1: Key fiscal indicators

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
<b>General government sector</b>					
Net operating balance	- 707	- 265	- 101	17	52
<b>Non financial public sector</b>					
Fiscal balance	- 1 647	- 1 308	- 897	- 529	- 531
Net debt	10 548	12 191	13 107	13 506	13 966
Net debt to revenue (%)	116	121	130	131	132

Further discussion explaining material differences between the updated financial projections in the 2025-26 Budget and those projected at the time of the 2024 PEFO is provided in Chapter 2 *Fiscal outlook*. Assessment of expected outcomes for fiscal strategy objectives and targets is provided in Chapter 4 *Fiscal strategy statement*.

## Economic outlook

The 2025-26 Budget forecasts state final demand (SFD) to grow by 4% in 2024-25 supported by significant investment from construction activity of the Barossa project, public investment, combined with public and household consumption growth. However, weaker Territory exports relating to unplanned maintenance work at the Ichthys liquefied natural gas (LNG) plant is expected to drive gross state product (GSP) down by 2.6%.

In 2025-26, as the Barossa project transitions into the production phase, SFD is expected to decline by 1.8% as business investment activity eases, partly offset by growth in dwelling investment, and ongoing strength in public sector investment and public and household consumption. GSP is also expected to rebound by 7.8% in 2025-26, driven by improving LNG and manganese exports, before growing a further 5.9% in 2026-27 as production at Darwin and Ichthys LNG plants reach full capacity.

The Territory economy is expected to continue transitioning over the forward estimates with SFD declining 0.6% in 2026-27 before returning to growth over the rest of the forecast period. This is driven by private investment post-Barossa as well as ongoing growth in household consumption, partly offset by public investment easing from currently elevated levels.

Employment growth is expected to slow to 1.2% in 2024-25 and 0.8% in 2025-26 due to the completion of the Barossa project, though ongoing public investment will provide some offset. Growth is anticipated to pick up over the forward estimates period, in line with domestic economic activity and population growth.

Consumer price index (CPI) growth is expected to be 1.7% in 2024-25 due to electricity rebates and lower fuel prices, before increasing to 2.9% in 2025-26 as Commonwealth energy relief measures end. Over the forward estimates period, CPI growth is expected to track lower to around 2.5%, in line with the mid-point of the Reserve Bank of Australia (RBA) target band.

Wage growth is expected to be 3.2% in 2024-25 and slow to 3% in 2025-26, largely driven by easing private sector wages and inflation, before recovering over the forward estimates period to 3.3% by 2028-29, as stronger national wage growth is expected to flow through to wage decisions in Territory businesses.

Population growth is estimated to be 0.7% in 2024-25 as natural increase remains steady and migration flows continue to ease from recent highs, before improving to 1% in 2025-26 as cost of living pressures improve supporting a recovery in natural increase. Over the forward estimates period, the Territory's net migration flows are expected to continue normalising with population growth reaching 1.2% by 2027-28.

Table 1.2 details the outlook for the Territory's key economic indicators for the 2025-26 Budget.

Table 1.2: Territory key economic indicators (%)

	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Gross state product <sup>1</sup>	- 2.6	7.8	5.9	1.7	3.0
State final demand <sup>1</sup>	4.0	- 1.8	- 0.6	1.1	2.6
Employment <sup>1</sup>	1.2	0.8	1.2	1.6	1.6
Unemployment rate <sup>2</sup>	4.5	5.0	4.7	4.6	4.5
Consumer price index <sup>3</sup>	1.7	2.9	2.4	2.5	2.5
Wage price index <sup>1</sup>	3.2	3.0	3.1	3.2	3.3
Population <sup>3</sup>	0.7	1.0	1.1	1.2	1.2

e: estimate; f: forecast

<sup>1</sup> Year-average percentage change.

<sup>2</sup> Year average.

<sup>3</sup> Year-ended percentage change.

Source: Department of Treasury and Finance, Australian Bureau of Statistics (ABS)

There is potential upside to the economic outlook, with a number of major projects on the horizon yet to reach final investment decision. The economic contributions arising from these projects are not included in the economic forecasts. Any projects that do reach final investment decision and commence during the forward estimates period will have a positive impact on the Territory's macroeconomic forecasts.

The forecast profile for economic growth is reviewed and updated each year to reflect contemporary economic and fiscal outcomes, and developments. Discussion explaining material differences between the updated key economic indicators in the 2025-26 Budget and those projected at the time of the 2024 PEFO is provided in Chapter 3 *Economic outlook*.

## Commonwealth revenue outlook

Commonwealth revenue, at around 71% of total Territory revenue at the non financial public sector in 2025-26, is a significant component of the Territory budget. Table 1.3 sets out expected Commonwealth revenue to the Territory over the budget cycle to 2028-29.

Table 1.3: Commonwealth revenue

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
Untied Commonwealth revenue	4 287	4 571	4 725	4 960	5 200
Tied Commonwealth revenue	2 213	2 568	2 499	2 362	2 369
<b>Total Commonwealth revenue</b>	<b>6 500</b>	<b>7 139</b>	<b>7 224</b>	<b>7 322</b>	<b>7 569</b>

Total Commonwealth revenue is expected to be \$7.14 billion in 2025-26, comprising \$4.57 billion in untied revenue from GST receipts and \$2.57 billion in tied revenue from agreements with the Commonwealth to deliver specific programs. Commonwealth revenue is expected to grow by 6% to \$7.57 billion by 2028-29.

GST revenue is estimated to be \$4.57 billion in 2025-26, growing by around 4.9% per annum to \$5.2 billion by 2028-29. Compared with the 2024 PEFO, GST revenue is expected to be \$598 million higher over the budget cycle to 2027-28. This is mainly due to a higher GST relativity from 2025-26 and increased national GST pool collections from 2024-25.

Tied payments are estimated to be \$2.57 billion in 2025-26 before declining to \$2.37 billion in 2028-29 in line with program completion, agreement expiry, expected delivery timeframes and payment schedules. Compared with the 2024 PEFO, tied revenue is forecast to be \$1.67 billion higher over the budget cycle to 2027-28, reflecting a range of new, extended and varied agreements, including for hospitals, remote Aboriginal investment, primary health care, legal services, roads, schools, water infrastructure, housing, community safety and a national firearms register.

Further detail on the Territory's GST estimates, tied payments and material variations since the 2024 PEFO are discussed in Chapter 5 *Commonwealth revenue*.

## Territory taxes and royalties outlook

Taxation and royalty revenue represents one of the Territory's largest own-source revenue streams, constituting 38% of the Territory's own-source revenue or 11% of total revenue at the non financial public sector, and provides the Territory with fiscal autonomy to support delivery of infrastructure and services. Table 1.4 provides the projections for Territory taxes and royalty components for the 2025-26 Budget. Revenue from taxes and royalties is expected to remain stable at \$1.09 billion in 2024-25 and 2025-26, before declining slightly and averaging \$1.06 billion per annum over the forward estimates period.

Taxation revenue for 2024-25 is expected to total \$797 million and decline to \$748 million in 2025-26, largely reflecting lower payroll tax and stamp duty receipts, partly offset by higher gambling taxes. Receipts are anticipated to moderate at this level in 2026-27 before resuming stable growth over the forward estimates period in line with broader economic conditions.

When compared with the 2024 PEFO, taxation revenue is expected to be around \$96 million higher in 2024-25 due to stronger than expected stamp duty on property, payroll taxes, and taxes on gambling and motor vehicles. This upside is partly offset by downward revisions to taxes on insurance. Over the budget and forward estimates period, taxation revenue is on average \$22 million per annum higher than anticipated, predominantly due to higher forecast receipts from taxes on gambling due to policy changes, partly offset by lower than expected taxes on employers and insurance.

Mining and petroleum royalties are expected to total \$298 million in 2024-25, increase to \$346 million in 2025-26 and average \$282 million per annum over the forward estimates.

Royalty forecasts were revised downwards in the 2024 PEFO for 2025-26 and 2026-27, reflecting a range of factors including interruption to mine operations from Cyclone Megan, combined with global and domestic inflationary pressures on operating costs of Territory mines.

Royalty outlook has been positively impacted by strong growth in key commodity prices and depreciation of the Australian currency. This has combined to increase the outlook by \$80 million in 2024-25 and \$104 million in 2025-26. The increases in commodity prices are largely due to the ongoing impact of geopolitical tensions, changes in the United States (US) monetary policy settings, heightened aggregate demand for safe-haven assets and supply shortages.

These upward revisions were also impacted by reductions in cost pressures facing Territory miners. A decline in the value of the Australian dollar improved the general outlook for mine expenditure, reducing inflationary pressure on operational cost inputs.

Higher than expected mining royalties are forecast for 2026-27 and 2027-28 as these market factors are expected to persist and continue to drive upward price pressure. However, an anticipated moderation in aggregate mineral production will temper overall receipts over the forward estimates period, relative to 2025-26.

Consistent with economic forecasts in the budget, revenue estimates from new onshore gas developments are not included in the royalty outlook. In addition, new mine developments are not factored into forecasts until a final investment decision has been announced. As a result, any mines commencing from 1 July 2024 under the ad valorem royalty scheme will be factored into estimates once final investment decision is announced. Mines in operation prior to the new scheme commencing will be grandfathered under the profit-based royalty scheme.

Table 1.4: Territory taxes and royalty components

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
Taxation revenue	797	748	745	773	804
Taxes on employers	320	277	277	292	309
Taxes on property	179	139	126	128	130
Taxes on gambling	115	145	146	147	150
Motor vehicle taxes	104	103	107	110	113
Taxes on insurance	78	84	90	96	103
Mining and petroleum royalties	298	346	260	324	261
Total taxes and royalties revenue	1 095	1 094	1 005	1 097	1 065

Further discussion on material differences between updated revenue projections contained in the 2025-26 Budget and those projected at the time of the 2024 PEFO is provided in Chapter 6 *Territory taxes and royalties*.

## Chapter 2

# Fiscal outlook

## Overview

The information provided in this chapter meets the requirements of section 10(1)(a) of the FITA for each fiscal outlook report to contain updated financial projections for the budget year and following three financial years, along with the revised budget estimate for the preceding budget year for the general government and non financial public sectors.

The full set of financial statements is presented in Chapter 8 *Consolidated financial statements*, with this chapter providing a comparison of projections in the 2025-26 Budget (the Finocchiaro CLP Government's first budget) with those provided in the 2024 PEFO (containing the Territory's fiscal outlook prior to the Northern Territory Legislative Assembly General Election) and the 2024-25 Mid-Year Report.

For 2025-26, the general government net operating balance is expected to be a deficit of \$265 million, and the non financial public sector fiscal balance a deficit of \$1.31 billion. Net debt for the non financial public sector is estimated at \$12.19 billion in 2025-26, with the net debt to revenue ratio forecast at 121%.

Total revenue in the non financial public sector is estimated to be \$10.04 billion in 2025-26, increasing to \$10.55 billion in 2028-29, with a total expenditure (including net capital investment) estimate of \$12.19 billion in 2025-26, moderating to \$11.9 billion by 2028-29.

## General government sector net operating balance

The net operating balance represents total revenue less total operating expenses, with capital spending only recognised in the fiscal balance. For the 2025-26 Budget, the general government sector net operating balance is projected to be a deficit of \$265 million in 2025-26 and forecast to return to surplus from 2027-28.

Table 2.1 highlights the movements in the general government sector net operating balance and compares updated projections with those published in the 2024 PEFO and 2024-25 Mid-Year Report.

Table 2.1: General government sector – net operating balance

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
2024 PEFO	- 415	35	35	219	n/a
2024-25 Mid-Year Report	- 360	- 34	- 67	135	n/a
2025-26 Budget	- 707	- 265	- 101	17	52
Variation from 2024 PEFO	- 292	- 300	- 136	- 202	n/a

n/a: not available at the time of publishing the 2024 PEFO and 2024-25 Mid-Year Report

Since the 2024 PEFO, net operating balance outcomes over the budget cycle are projected to weaken in aggregate by \$930 million. This variation mainly reflects:

- the effect of government operating commitments detailed later in this chapter
- increased depreciation and amortisation expense largely associated with revised useful life assumptions combined with new completed works
- higher estimated interest expenses in line with increased borrowing requirements, partially offset by
- improvements in the Territory's GST revenue estimates as a result of an increase in the Territory's GST relativity, combined with upward revisions to forecast growth in the national GST collections pool
- additional taxation and royalty revenue
- increased Commonwealth revenue for capital purposes where expenditure is recognised in the fiscal balance only, largely for road projects.

## Non financial public sector fiscal balance

The fiscal balance is influenced by the same factors affecting the general government sector net operating balance, however the fiscal balance also includes net capital investment and excludes depreciation. The fiscal balance is assessed at the non financial public sector to ensure the financial performance of government trading entities is incorporated in the fiscal aggregates.

As shown in Table 2.2, the fiscal balance is expected to remain in deficit over the budget cycle, peaking at \$1.65 billion in 2024-25, and is forecast to improve over the budget and forward estimates to a deficit of \$531 million in 2028-29. Table 2.2 highlights the movements in the non financial public sector fiscal balance and compares the updated projections with those published in the 2024 PEFO and 2024-25 Mid-Year Report.

Table 2.2: Non financial public sector – fiscal balance

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
2024 PEFO	- 1 746	- 696	- 519	- 187	n/a
2024-25 Mid-Year Report	- 2 009	- 732	- 423	- 194	n/a
2025-26 Budget	- 1 647	- 1 308	- 897	- 529	- 531
Variation from 2024 PEFO	99	- 612	- 378	- 342	n/a

n/a: not available at the time of publishing the 2024 PEFO and 2024-25 Mid-Year Report

When compared with the 2024 PEFO, fiscal balance deficits are projected to increase in aggregate by \$1.23 billion over the budget cycle. This increase largely reflects the same variations affecting the net operating balance, as detailed earlier, combined with increased Territory capital investment and the revised operating and capital requirements of government owned corporations.



## Reconciliation with previous fiscal projections

Section 10(1)(f) of the FITA requires the Territory Government to explain factors and considerations that contributed to any material differences between the updated financial projections and equivalent projections published in the last fiscal outlook report.

The most recent budget fiscal outlook report published under the FITA is the 2024 PEFO, although updated information was published in the 2024-25 Mid-Year Report. Accordingly, the analysis in the remainder of this chapter reflects policy and non-policy changes since the 2024 PEFO. Policy variations are the result of government decisions to implement new or expand existing agency programs, and savings and revenue measures. Non-policy variations are the result of influences outside government's control, such as the timing of payments or changes in external economic conditions.

### Policy and non-policy changes since 2024 PEFO

Table 2.3 summarises the effect of policy and non-policy changes on the non financial public sector's fiscal balance since the 2024 PEFO and 2024-25 Mid-Year Report.

Table 2.3: Non financial public sector fiscal balance – policy and non-policy changes since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
2024 PEFO	- 1 746	- 696	- 519	- 187
Policy changes	1	- 10	- 19	- 22
Non-policy changes	- 264	- 26	115	15
2024-25 Mid-Year Report	- 2 009	- 732	- 423	- 194
Policy changes	- 376	- 792	- 585	- 456
Non-policy changes	738	216	111	121
2025-26 Budget	- 1 647	- 1 308	- 897	- 529

Details of policy and non-policy changes are discussed in further detail below.

### Policy changes since 2024 PEFO

Table 2.4 outlines the effect of policy changes on the non financial public sector's fiscal balance since the 2024 PEFO, incorporating changes published in the 2024-25 Mid-Year Report. It shows that a total of \$2.26 billion was approved in new policy commitments over the budget cycle to 2027-28. The majority of these commitments continue time-limited funding allocations to prevent frontline service delivery reductions, respond to courts and corrections demand pressures exacerbated by previous investment in additional police, and rebasing the infrastructure budget.

Table 2.4: Non financial public sector fiscal balance – policy changes since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
Revenue measures	- 2	13	14	14
Expenditure commitments	- 420	- 530	- 540	- 539
Savings measures	53	65	73	47
<b>Total operating commitments</b>	<b>- 369</b>	<b>- 452</b>	<b>- 453</b>	<b>- 478</b>
Capital commitments	- 6	- 350	- 151	nil
<b>Total policy changes</b>	<b>- 375</b>	<b>- 802</b>	<b>- 604</b>	<b>- 478</b>

(+) reflects an improvement; (-) reflects a worsening

### Revenue measures

New revenue measures since the 2024 PEFO have resulted in additional revenue totalling \$39 million over the budget cycle to 2027-28 and largely reflect new reforms resulting in increases to gaming tax, offset by lower stamp duty conveyances and payroll taxes. The reforms forecast higher Territory tax income averaging \$14 million per annum ongoing from 2025-26. Further detail on revenue measures is provided in Chapter 6 *Territory taxes and royalties*.

### Expenditure commitments

Since the 2024 PEFO, a total of \$2.03 billion in new expenditure commitments over the budget cycle to 2027-28 have been approved. These are summarised below.

Expenditure commitments reflected in the 2024-25 Mid-Year Report:

- \$16 million in 2025-26 and \$36 million ongoing from 2026-27 for domestic, family and sexual violence prevention, early intervention, response and healing, including ongoing funding to establish the Circuit Breaker Program to support young people at risk
- \$18 million in 2024-25 to boost construction and home ownership through new HomeGrown and FreshStart grants providing \$50,000 for first home buyers to put towards building their first home, and \$30,000 to build a new home for applicants who are not first home buyers
- other expenditure commitments totalling \$63 million over the budget cycle to 2027-28 including funding to support urgent legislative amendments to reduce crime and operational costs associated with developing whole of government ICT systems.

Key new expenditure commitments approved in the 2025-26 Budget include:

- reducing crime:
  - \$86 million in 2025-26 and \$126 million per annum ongoing from 2026-27 for costs associated with high and rising prisoner numbers
  - \$40 million in 2025-26 and \$50 million per annum ongoing from 2026-27 to address expected further corrections demand pressures
  - \$13.5 million in 2024-25 and \$21.5 million per annum ongoing from 2025-26 to address justice system demand
  - \$10 million over 2024-25 to 2026-27, and \$2 million ongoing from 2027-28 to support digital upgrade of the Joint Emergency Services Communications Centre

- rebuilding the economy:
  - \$130 million in 2024-25 to support the delivery of infrastructure projects
  - \$20 million per annum ongoing from 2025-26 towards repairs and maintenance costs of Territory-owned assets
  - \$8 million per annum ongoing from 2025-26 for continuation of visitor information centres, tourism cooperative campaigns and promotional activities in international and interstate markets
  - \$2 million per annum in 2025-26 and 2026-27 to support skilled migrant and international student attraction and retention initiatives
- restoring our lifestyle:
  - \$255 million from 2024-25 to 2027-28, \$103 million in 2028-29, and thereafter \$101 million per annum ongoing towards the regulated utility tariff subsidy to support cost of living pressures by constraining growth in utility price increases
  - \$185 million in 2024-25 and \$100 million in 2025-26 to support frontline demand and cost pressures
  - \$100 million per annum ongoing from 2025-26 to address health and hospital demand pressures
  - \$16 million per annum ongoing from 2025-26 to support operations of the new mental health in-patient ward at the Royal Darwin Hospital
  - \$11.5 million per annum ongoing from 2024-25 to further increase the Territory's National Disability Insurance Scheme (NDIS) contribution
  - \$2.5 million per annum ongoing from 2025-26 to support operational costs of the Museum and Art Gallery of the Northern Territory.

### Savings measures

The 2025-26 Budget incorporates savings measures to offset the impact of other policy commitments, totalling \$238 million from 2024-25 to 2027-28. The savings measures relate to operational efficiencies and reprioritisation of existing initiatives.

### Capital commitments

The following outlines total additional capital commitments of \$507 million over the budget cycle to 2027-28 since the 2024 PEFO.

Capital commitments reflected in the 2024-25 Mid-Year Report:

- \$6.5 million over 2024-25 and 2025-26 in reprioritised funding for upgrades to the motocross GP track
- \$1.5 million in 2024-25 for capital development costs associated with whole of government ICT systems.

Key new capital commitments approved in the 2025-26 Budget include:

- restoring our lifestyle:
  - \$8 million over 2025-26 and 2026-27 to support costs associated with continued development of health ICT systems and equipment purchases
- rebuilding the economy:
  - \$305 million over 2025-26 and 2026-27 to support continued development of the Darwin ship lift facility
  - \$180 million in 2025-26 to progress works on the infrastructure program.

## Non-policy changes since 2024 PEFO

Table 2.5 highlights the effect of non-policy changes on the non financial public sector's fiscal balance since the 2024 PEFO and incorporates changes published in the 2024-25 Mid-Year Report.

Table 2.5: Non financial public sector fiscal balance – non-policy changes since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
GST revenue	117	215	136	130
Taxation and royalties	178	131	64	36
Interest variations <sup>1</sup>	39	7	- 40	- 71
Government owned corporations	- 68	95	- 21	55
Leases	38	- 1	- 33	- 23
Revised timing of Darwin ship lift facility	- 41	- 103	126	18
Timing and agency-related adjustments	211	- 154	- 6	- 9
<b>Total non-policy changes</b>	<b>474</b>	<b>190</b>	<b>226</b>	<b>136</b>

(+) reflects an improvement; (-) reflects a worsening

1 Excludes interest variations affecting government owned corporations as these are included with all other variations affecting government owned corporations.

Non-policy changes since the 2024 PEFO have resulted in a \$1.03 billion net improvement to the non financial public sector fiscal balance across the budget cycle to 2027-28. Key variations include:

- increased GST revenue forecasts totalling \$598 million, largely a result of an increase in the Territory's GST relativity, combined with upwards revisions to forecast growth in the national GST collections pool
- additional taxation and royalty revenue totalling \$409 million, predominantly due to higher anticipated royalty revenue following revised estimations from miners and higher commodity prices; additional stamp duty on conveyances due to higher residential sale volumes combined with a small number of large one-off commercial transactions; and additional payroll tax in 2024-25 due to strength in private sector wages and employment
- interest variations across the budget cycle, reflecting higher estimated interest expenses in line with increased borrowing requirements, partially offset by higher than expected return on investments
- revised operating costs and capital investment assumptions for government owned corporations in their updated statements of corporate intent (SCIs), resulting in a net \$61 million improvement over the budget cycle
- renewed and revised timing of leases relating to office accommodation
- revised timing of payments for the Darwin ship lift facility in line with estimated construction milestones, with no net impact across the budget cycle

- timing and agency-related adjustments, resulting in a projected net improvement of \$42 million. Key variations include:
  - lower employee-related liability adjustments mainly relating to superannuation expenses as a result of lower accruing costs as schemes reach their peak
  - revised timing of expenditure commitments to reflect funding delivery schedules and contractual payments to suppliers. These timing variations have no net effect on the projected fiscal balance over the budget cycle, partially offset by
  - lower dividend and income tax equivalent income expected to be received from the Northern Territory Treasury Corporation (NTTC)
  - unspent Commonwealth funds in 2023-24 carried over into 2024-25 and forward years
  - higher fleet maintenance costs and capital acquisitions
  - revised estimates for industrial land sales.

## 2025-26 Budget and forward estimates

The analysis in this section addresses the requirements of section 10(1)(b) of the FITA that each fiscal outlook report is to provide an account of the fiscal and economic assumptions on which the updated financial projections are based. Accordingly, this section provides a summary of the assumptions used and material variations by revenue and expenditure categories.

### Revenue changes since 2024 PEFO

Table 2.6 shows the composition of Territory revenue in the non financial public sector for the 2024-25 revised estimate, 2025-26 budget and forward estimates. Total revenue is expected to be \$9.13 billion in 2024-25, increasing by 10% in 2025-26 to \$10.04 billion, with annual growth across the forward estimates averaging 1.7%.

Table 2.6: Non financial public sector – revenue components

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
Taxation revenue	797	748	745	773	804
GST revenue	4 287	4 571	4 725	4 960	5 200
Current grants	1 733	1 924	1 752	1 712	1 725
Capital grants	535	679	765	662	656
Sales of goods and services	1 164	1 486	1 502	1 557	1 587
Interest income	160	143	146	150	154
Dividend and income tax equivalent income	30	45	59	60	59
Mining and petroleum royalties	298	346	260	324	261
Other revenue	126	99	97	99	104
<b>Total revenue</b>	<b>9 131</b>	<b>10 042</b>	<b>10 051</b>	<b>10 297</b>	<b>10 550</b>

Table 2.7 compares the revised revenue projections for the 2025-26 Budget with those published in the 2024 PEFO and 2024-25 Mid-Year Report.

Table 2.7: Non financial public sector – variation in revenue since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
2024 PEFO	8 972	9 052	9 102	9 395	n/a
2024-25 Mid-Year Report	9 196	9 115	9 130	9 423	n/a
2025-26 Budget	9 131	10 042	10 051	10 297	10 550
Variation from 2024 PEFO	159	990	949	902	n/a

n/a: not available at the time of publishing the 2024 PEFO and 2024-25 Mid-Year Report

As shown in Table 2.7, when compared with the 2024 PEFO, total revenue in 2024-25 is expected to be moderately higher, however from 2025-26 and across the forward estimates, total revenue is projected to be on average \$947 million per annum higher than forecast in the 2024 PEFO. Table 2.8 identifies the variations in revenue components since the 2024 PEFO.

Table 2.8: Non financial public sector – variations in revenue components since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
Taxation revenue	96	38	16	11
GST revenue	117	215	136	130
Current grants	93	563	377	349
Capital grants	- 193	- 29	277	259
Sales of goods and services	- 70	87	62	91
Interest income	30	12	12	14
Dividend and income tax equivalent income	- 24	- 6	5	8
Mining and petroleum royalties	80	104	61	37
Other revenue	30	5	2	3
Total variation	159	990	949	902

(+) reflects an improvement; (-) reflects a worsening

### Taxation revenue

Taxation revenue represents the Territory's primary source of income that government can directly influence. It comprises payroll tax, stamp duty on conveyances, taxes on gambling, taxes on insurance, and motor vehicle fees and taxes. It represents about 7.7% of total revenue over the budget cycle.

Table 2.6 shows taxation revenue is expected to grow from \$797 million in 2024-25 to \$804 million by 2028-29 and represents average growth of 2.5% per annum from 2025-26 in line with expected economic activity.

As shown in Table 2.8, taxation revenue is projected to increase by \$96 million in 2024-25, reducing to \$38 million in 2025-26, before averaging \$14 million per annum from 2026-27 when compared to the 2024 PEFO. This increase is largely attributable to improved stamp duty on conveyances due to higher residential sales volumes combined with a small number of large one-off commercial transactions; and improved taxes on employers (payroll tax) due to strength in private sector wages and employment, partially offset by the impact of payroll tax reforms.

Refer to Chapter 6 *Territory taxes and royalties* for detailed information on the economic and other assumptions used to forecast taxation revenue.

### GST revenue

GST revenue is the Territory's largest revenue transfer from the Commonwealth and represents about 47% of total revenue across the budget cycle. The primary factors that influence the amount of GST revenue the Territory receives are: growth in national GST collections pool; GST relativities as assessed by the Commonwealth Grants Commission (CGC); and the Territory's share of the national population.

As shown in Table 2.6, GST revenue is projected to increase from \$4.29 billion in 2024-25 to \$5.2 billion in 2028-29, at an average growth of 4.9% per annum.

When compared with the 2024 PEFO, Table 2.8 shows the Territory's GST revenue is expected to increase by a total of \$598 million over the budget cycle to 2027-28, averaging \$150 million per annum, mainly reflecting an increase to the Territory's GST relativity from 5.06681 in 2024-25 to 5.15112 in 2025-26 combined with higher forecast growth in the GST collections pool.

Refer to Chapter 5 *Commonwealth revenue* for detailed information on the economic and other assumptions used to forecast GST revenue.

### Current and capital grants

Each year there are significant changes in tied Commonwealth funding estimates as the timing of delivery is revised or funding agreements commence, are renewed or cease. Similar to the approach with major projects, tied funding is generally not included in the estimates unless a funding agreement has been signed with the Commonwealth. Tied funding agreements generally do not affect the Territory's fiscal balance as revenues are matched with corresponding expenditure.

As shown in Table 2.6, current grant revenue in 2025-26 is expected to be elevated, before reducing and remaining largely constant over the forward estimates, averaging \$1.73 billion per annum. The higher revenue in 2025-26 is due to new and revised timing of Commonwealth funding, recognised in line with delivery milestones.

When compared with the 2024 PEFO, Table 2.8 shows current grants revenue is forecast to increase over the budget cycle to 2027-28 by a total of \$1.38 billion, largely due to new Commonwealth funding of \$336 million for Northern Territory Remote Aboriginal Investment Agreement; \$240 million for National Health Reform; \$193 million for National Access to Justice Partnership; \$122 million for repairs and maintenance on the national roads network; \$65 million for the Better Fairer Schools Agreement; \$53 million for primary health care; \$51 million for one-off public hospital funding in 2025-26; and \$25 million for Housing Australia Future Fund.

As shown in Table 2.6, capital grants revenue is expected to be \$535 million in 2024-25, peaking at \$765 million in 2026-27, before moderating to an average of \$659 million per annum over the remainder of the forward estimates. Revenue for capital projects is recognised when spent and not when the cash is received in accordance with accounting standards, therefore annual fluctuations largely reflect the timing of delivery of capital projects and includes national roads, Manton Dam return to service and remote housing.

As shown in Table 2.8, capital grants revenue is expected to be \$193 million and \$29 million lower in 2024-25 and 2025-26, respectively, when compared to the 2024 PEFO. These variations are mainly due to revised timing of Commonwealth-funded roads and housing projects into forward years, in line with expected delivery schedules. The increase from 2026-27 reflects Commonwealth funding of \$100 million for national roads and \$127 million for utility works to support defence and other Commonwealth facilities.

### Sales of goods and services

Sales of goods and services includes fees and charges, rent and tenancy income collected by various government agencies, and represents around 15% of total revenue over the budget cycle. The most significant component relates to gas sales, and electricity, water and sewerage charges collected by government owned corporations.

As shown in Table 2.6, sales of goods and services revenue is expected to increase from \$1.16 billion in 2024-25 to \$1.59 billion by 2028-29, with an average annual growth of 2.2% from 2025-26.

When compared with the 2024 PEFO, Table 2.8 shows a reduction in 2024-25 in sales of goods and services revenue, mainly due to lower forecast gas sales by Power and Water Corporation.

### Interest income

Interest income includes returns on short-term and fixed-interest investments combined with realised gains on Conditions of Service Reserve investments, and represents around 1.5% of total estimated revenue over the budget cycle. Table 2.6 shows interest income is expected to remain relatively stable, averaging \$151 million per annum. As shown in Table 2.8, interest income is projected to increase by \$30 million in 2024-25 and then by an average \$13 million per annum from 2025-26 when compared with the 2024 PEFO, mainly due to higher than expected returns on investments.

### Dividend and income tax equivalent income

Dividend and income tax equivalent income recognised in the non financial public sector comprises estimated payments by NTTC, and is expected to average \$38 million per annum over 2024-25 to 2025-26, before increasing to an average of \$59 million per annum over the forward estimates period. The variations outlined in Table 2.8 mainly reflect anticipated NTTC profitability in line with the revised timing and value of government borrowing requirements.

### Mining and petroleum royalties

Mining and petroleum royalty forecasts are largely based on advice from mining companies and petroleum producers for estimated liability and related company estimates of commodity price movements, production levels and the value of the Australian dollar. Mining and petroleum royalties represent around 3% of total estimated revenue over the budget cycle.

As presented in Table 2.6, royalties are expected to be \$298 million in 2024-25, increasing to \$346 million in 2025-26, and average \$282 million per annum for the remainder of the forward estimates. When compared with the 2024 PEFO, Table 2.8 shows royalties have been revised upwards in all years across the budget cycle to 2027-28, totalling \$282 million. The higher royalty forecasts largely reflect higher commodity prices, combined with mines resuming operations following the effects of Cyclone Megan in March 2024.

### Other revenue

Other revenue includes miscellaneous revenue, such as reimbursements and research funding from non-government organisations. In 2024-25, other revenue is projected to be \$126 million, \$30 million higher when compared with the 2024 PEFO, predominantly due to insurance reimbursements relating to the Darwin Correctional Facility, and a GST refund from the Australian Taxation Office following a favourable tax ruling on the provision of disability housing. From 2025-26, other revenue is expected to remain relatively stable averaging \$100 million per annum over the budget cycle.



## Expenditure changes since 2024 PEFO

Table 2.9 sets out the Territory's expenditure projections in the non financial public sector for the 2024-25 revised estimate, 2025-26 Budget and forward estimates.

Table 2.9: Non financial public sector – expenditure components

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
Employee and related expenses	3 851	4 041	4 069	4 182	4 256
Depreciation and amortisation	929	897	893	879	872
Other operating expenses	2 882	2 881	2 781	2 842	2 847
Interest expenses	579	679	784	856	911
Current grants	1 246	1 301	1 312	1 336	1 387
Capital grants	246	196	131	48	34
Subsidies and personal benefit payments	70	74	78	78	79
<b>Total expenses</b>	<b>9 804</b>	<b>10 069</b>	<b>10 049</b>	<b>10 222</b>	<b>10 385</b>
Net capital investment	1 848	2 119	1 743	1 422	1 513
<b>Total expenditure</b>	<b>11 652</b>	<b>12 188</b>	<b>11 792</b>	<b>11 644</b>	<b>11 898</b>

As shown in Table 2.9, total expenditure is projected to peak in 2025-26 at \$12.19 billion and then average \$11.78 billion per annum over the forward estimates period.

Table 2.10 compares revised expenditure projections for the 2025-26 Budget with those published in the 2024 PEFO and 2024-25 Mid-Year Report.

Table 2.10: Non financial public sector – variation in expenditure since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
<b>Total expenses</b>					
2024 PEFO	9 280	8 898	9 050	9 198	n/a
2024-25 Mid-Year Report	9 570	9 055	9 189	9 316	n/a
<b>2025-26 Budget</b>	<b>9 804</b>	<b>10 069</b>	<b>10 049</b>	<b>10 222</b>	<b>10 385</b>
Variation from 2024 PEFO	524	1 171	999	1 024	n/a
<b>Net capital investment</b>					
2024 PEFO	2 115	1 656	1 413	1 198	n/a
2024-25 Mid-Year Report	2 333	1 649	1 267	1 182	n/a
<b>2025-26 Budget</b>	<b>1 848</b>	<b>2 119</b>	<b>1 743</b>	<b>1 422</b>	<b>1 513</b>
Variation from 2024 PEFO	- 267	463	330	224	n/a

n/a: not available at the time of publishing the 2024 PEFO and 2024-25 Mid-Year Report

Total expenses are expected to be \$10.07 billion in 2025-26, increasing on average by 1% per annum over the forward estimates period. When compared with the 2024 PEFO, total operating expenses are on average \$1.07 billion per annum higher, reflecting new government policy decisions as detailed earlier in this chapter, government owned corporation expense assumptions and expenditure associated with delivering new tied Commonwealth funding agreements.

### Parameters

Included in the total expense variations are adjustments to agency budgets as a result of parameters applied to Territory-funded expenses. Parameter factors are reviewed each budget, taking into consideration the latest policy and economic developments, for the purpose of providing agencies with additional financial capacity to deliver services at current pricing levels, offset by measures to repair the budget. The main parameters used to adjust forward estimates are:

- wages – inflator
- CPI – inflator
- budget repair measure (formerly known as efficiency dividend) – deflator.

The wages indexation factor of 3% is applied from 2025-26 and across the forward estimates, consistent with government's announced Public Sector Wages Policy 2025–2028 and is unchanged from the 2024 PEFO.

The CPI parameter for the budget year is generally adjusted to match the year-on-year change in the Darwin CPI for the latest December quarter to better reflect actual price trends. The CPI factor for 2025-26 was decreased from 2.8% to 1.7% to align with the December 2024 quarter annual Darwin CPI growth. CPI parameters for the forward estimates were adjusted to 2.4% in 2026-27 and 2.5% per annum thereafter.

An additional growth parameter of 1.4% is applied to all hospital-related expenditure in recognition of growth in demand for health services, remaining unchanged from the 2024 PEFO.

A budget repair measure is applied to agency budgets for operational costs, employee costs, and grants and subsidies premised on improving the budget position. The budget repair measure replaces and is applied in the same manner as the former efficiency dividend, and remains unchanged at 1% in all years.

For the following agencies and functions, a two-thirds discount is applied to the budget repair measure to recognise that a majority of their costs relate to frontline services, which are substantially fixed in nature:

- Department of Children and Families
- Department of Corrections
- Department of Education and Training
- hospital services function of the Department of Health
- Northern Territory Fire and Emergency Service
- Northern Territory Police Force.

For grants and subsidies budgets, a composite indexation factor is applied based on 75% of the wages factor and 25% of the CPI factor, less the applicable budget repair measure for that year.

As part of the 2025-26 Budget, repairs and maintenance expenditure has been indexed from 2026-27, consistent with the factor applied to grants and subsidies, to keep pace with the increasing cost of service delivery.

Government owned corporation forward estimates are based on forecasts provided by the corporations during the development of their SCIs. The forecasts reflect future expectations in revenue, contracted and regulated costs, capital investments, operational efficiencies and other factors agreed by the shareholding minister and each respective board.

### Employee and related expenses

Table 2.9 shows estimated employee and related expenses, which includes superannuation expenses, continues to account for about 41% of total expenses and represent the Territory's largest expenditure. Employee and related expenses are expected to grow by 4.9% in 2025-26 and remain largely constant over 2025-26 and 2026-27 at around \$4.05 billion per annum, before resuming average growth of around 2.3% from 2027-28. The increase from 2025-26 reflects new Territory funding to support hospital and corrections demand pressures, expenditure associated with new Commonwealth funding under National Health Reform and the Better Fairer Schools Agreement, combined with year-on-year parameter indexation.

### Depreciation and amortisation

Depreciation and amortisation expenses represent the consumption of physical and intangible asset values over their expected useful life constituting around 9% of total expenses. These expenses will vary over the budget cycle as new assets are purchased or constructed and assets reach the end of their useful life, or are revalued in line with accounting standards. From 2025-26, depreciation and amortisation expenses are expected to average \$885 million per annum across the budget cycle.

### Other operating expenses

Operating expenses largely comprise government's repairs and maintenance program, energy costs, property-related costs, medical supplies, ICT and communication charges, and motor accident compensation and related payments and represent around 28% of total expenses. As shown in Table 2.9, other operating expenses are expected to remain largely constant over the budget cycle, averaging \$2.84 billion per annum. The stability of other operating expenses over the budget cycle is largely driven by significant time-limited funding in 2024-25 and 2025-26, including Territory funding set aside to address demand pressures and Commonwealth National Health Reform expenditure, combined with ceasing Commonwealth funding agreements over the forward estimates period, offset by annual parameter indexation.

### Interest expenses

Table 2.11 shows that from 2025-26 interest expenses are projected to increase across the budget cycle, and are higher in all years when compared with the 2024 PEFO. The increases are driven by higher borrowing requirements in line with the cumulative increase in fiscal balance deficits across the budget cycle.

Table 2.11: Non financial public sector – variation in interest expenses since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
2024 PEFO	586	663	719	761	n/a
2024-25 Mid-Year Report	583	674	725	767	n/a
2025-26 Budget	579	679	784	856	911
Variation from 2024 PEFO	- 7	16	65	95	n/a

n/a: not available at the time of publishing the 2024 PEFO and 2024-25 Mid-Year Report

### Current grants

Table 2.9 shows current grant expenses are expected to be \$1.3 billion in 2025-26 and grow moderately across the forward estimates period. Current grants represents around 13% of total expenses and primarily comprise Territory and Commonwealth-funded grants to schools, non-government health service providers, cultural and sporting organisations, local government councils, and delivery of children and family programs by non-government organisations.

### Capital grants

Capital grants comprise payments to local government councils and non-government organisations, for the purpose of acquiring or constructing new physical assets or upgrading existing physical assets. Capital grants tend to be ad hoc in nature and range between 1% to 3% of total expenses over the budget cycle. As highlighted in Table 2.9, capital grant expenses are projected to peak in 2024-25 at \$246 million, before declining each year to \$34 million by 2028-29. Elevated expenditure over 2024-25 to 2026-27 reflects the payment profile of Commonwealth-funded housing homelands and infrastructure upgrades, and social housing accelerator grant programs.

### Subsidies and personal benefit payments

Subsidies and personal benefits are payments aimed at reducing all or part of the costs of an activity and include debts owing to the Territory that are waived or extinguished, and constitute around 1% of total expenses. From 2025-26, subsidies and personal benefit payments are estimated to remain largely constant averaging \$77 million per annum and comprise payments for early childhood and out of home care services, back-to-school payments, payments under the Territory senior's recognition and carer's concession schemes, and regulated utility tariff subsidies paid to private sector retailers.

### Net capital investment

Net capital investment comprises purchases and sales of non financial assets, such as vehicles, ICT and equipment, and includes the construction of assets under the Territory's capital works program. As shown in Table 2.9, net capital investment is expected to peak in 2025-26 at \$2.12 billion, before declining to \$1.51 billion by 2028-29.

As shown in Table 2.10, estimated net capital investment in 2024-25 is \$267 million lower when compared with the 2024 PEFO, before increasing each year over the budget cycle by an average of \$339 million per annum. The reduction in 2024-25 largely reflects the revised timing of works for the Darwin ship lift facility and Commonwealth-funded road projects from 2024-25 into future years. From 2025-26, increases reflect programs revised from 2024-25, increased capital replacement within government owned corporations totalling \$151 million to 2027-28, additional Territory-funded initiatives as detailed earlier in this chapter, combined with new Commonwealth funding for road projects totalling \$100 million to 2027-28.

## Key fiscal indicators – balance sheet

The key measures for the balance sheet are net debt and the resulting net debt to revenue ratio. Table 2.12 shows net debt is projected to be \$12.19 billion in 2025-26, increasing to \$13.97 billion by 2028-29. The net debt to revenue ratio is projected to be 121% in 2025-26, increasing to 132% in 2028-29.

When compared with the 2024 PEFO, net debt is projected to increase each year across the budget cycle, in line with the cumulative effect of projected fiscal balance deficits. While net debt projections are expected to increase, the net debt to revenue ratio is expected to be marginally improved from 2024-25 to 2026-27 and largely unchanged in 2027-28, when compared to the 2024 PEFO. This variation is the result of revenue projections increasing at a greater rate than net debt.

Table 2.12: Non financial public sector – variation in net debt and net debt to revenue ratio since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
<b>Net debt</b>					
2024 PEFO	10 821	11 603	12 125	12 255	n/a
2024-25 Mid-Year Report	11 136	11 944	12 349	12 493	n/a
2025-26 Budget	10 548	12 191	13 107	13 506	13 966
Variation from 2024 PEFO	- 273	588	982	1 251	n/a
<b>Net debt to revenue (%)</b>					
2024 PEFO	121	128	133	130	n/a
2024-25 Mid-Year Report	121	131	135	133	n/a
2025-26 Budget	116	121	130	131	132
Variation from 2024 PEFO	- 5	- 7	- 3	1	n/a

n/a: not available at the time of publishing the 2024 PEFO and 2024-25 Mid-Year Report

Factors affecting net debt are the net result of policy and non-policy changes. Policy changes outlined earlier in this chapter include government's operational and capital commitments, partially offset by savings and revenue measures. Non-policy changes include GST, taxation and royalty revenue, the effect of renewed and extended leases of office accommodation, operating and capital results of government owned corporations, and timing of Commonwealth and agency payments. Table 2.13 summarises the effect of policy and non-policy changes on net debt since the 2024 PEFO and demonstrates that policy changes are the main contributor to the projected increase.

Table 2.13: Non financial public sector – cumulative changes to net debt since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
Policy changes	375	1 177	1 781	2 259
Non-policy changes	- 648	- 589	- 799	- 1 008
Net cumulative change	- 273	588	982	1 251

(+) reflects a worsening; (-) reflects an improvement

Table 2.14 provides details on the cumulative factors contributing to the projected variation in net debt over the forward estimates since the 2024 PEFO.

Table 2.14: Non financial public sector – detailed cumulative changes to net debt since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
Revenue measures	2	- 11	- 25	- 39
Expenditure commitments	420	950	1 490	2 029
Savings measures	- 53	- 118	- 191	- 238
Capital commitments	6	356	507	507
GST revenue	- 117	- 332	- 468	- 598
Taxation and royalties	- 178	- 309	- 373	- 409
Interest variations <sup>1</sup>	- 39	- 46	- 6	65
Government owned corporations	68	- 27	- 6	- 61
Leases	- 38	- 37	- 4	19
Revised timing of Darwin ship lift facility	41	144	18	nil
Timing and agency-related adjustments <sup>2</sup>	- 385	18	40	- 24
<b>Net cumulative changes</b>	<b>- 273</b>	<b>588</b>	<b>982</b>	<b>1 251</b>

(+) reflects a worsening; (-) reflects an improvement

1 Excludes interest variations affecting government owned corporations as these are included with all other variations affecting government owned corporations.

2 Includes items discussed in Table 2.5 combined with the use of Commonwealth capital funding received in 2023-24, now spent over the budget cycle.

## Chapter 3

# Economic outlook

## Overview

The information provided in this chapter meets the requirements of sections 10(1)(b) and 10(1)(c) of the FITA that each fiscal outlook report contains an account of the economic assumptions and analysis of the effects of their changes on the updated financial projections. This chapter also addresses the requirements under section 10(1)(f) of the FITA and provides explanations of material differences between the updated economic projections and those published in the 2024 PEFO.

This chapter provides a summarised assessment of the Territory's economic outlook. More detailed commentary is in the *Northern Territory Economy* book, the online *Industry Outlook* publication and on the website at [nteconomy.nt.gov.au](http://nteconomy.nt.gov.au).

Table 3.1: Territory key economic indicators (%)

	2023-24a	2024-25e	2025-26f	2026-27f	2027-28f	2028-29f
Gross state product <sup>1</sup>	4.6	- 2.6	7.8	5.9	1.7	3.0
State final demand <sup>1</sup>	4.5	4.0	- 1.8	- 0.6	1.1	2.6
Employment <sup>1</sup>	1.5	1.2	0.8	1.2	1.6	1.6
Unemployment rate <sup>2</sup>	4.4	4.5	5.0	4.7	4.6	4.5
Consumer price index <sup>3</sup>	3.0	1.7	2.9	2.4	2.5	2.5
Wage price index <sup>1</sup>	4.1	3.2	3.0	3.1	3.2	3.3
Population <sup>3</sup>	0.8	0.7	1.0	1.1	1.2	1.2

a: actual; e: estimate; f: forecast

<sup>1</sup> Year-average percentage change.

<sup>2</sup> Year average.

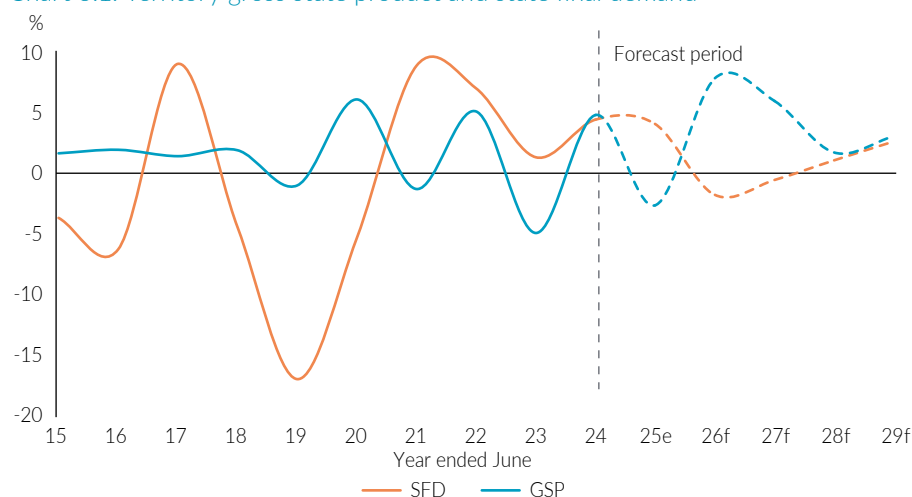
<sup>3</sup> Year-ended percentage change.

Source: Department of Treasury and Finance, ABS

## Economic growth

### Gross state product and state final demand

The Territory's domestic economy is growing solidly in 2024-25 with SFD expected to grow by 4%. This growth is largely driven by strong public investment and construction activity on the Barossa project, together with modest household consumption growth as household budgets and real household disposable income improve. However, Territory GSP is expected to decline by around 2.6%, reflecting a contraction in exports due to unexpected maintenance at the Ichthys LNG plant (Chart 3.1).

Chart 3.1: Territory gross state product and state final demand<sup>1</sup>

e: estimate; f: forecast; GSP: gross state product; SFD: state final demand

<sup>1</sup> Year-average percentage change.

Source: ABS, *Australian National Accounts: State Accounts*, *Australian National Accounts: National Income, Expenditure and Product*, *Balance of Payments and International Investment Position, Australia*; Department of Treasury and Finance

In 2025-26, Territory GSP is forecast to rebound with growth of 7.8% as exports commence from the Barossa project from September 2025. In addition, the Groote Eylandt Mining Company (GEMCO) manganese mine will resume production following completion of repairs from Cyclone Megan. SFD is forecast to decline during this period as construction works of the Barossa project are completed, resulting in reduced private investment. This will be partially offset by strong public investment spending and growth in dwelling investment, driven by the HomeGrown Territory and FreshStart housing initiatives (Table 3.1 and Chart 3.2). Household spending will improve modestly as real incomes rise, noting this may be tempered by recent declines in confidence relating to financial market uncertainty around the impact of tariffs on the economic outlook. Public consumption will continue to support growth in 2025-26.

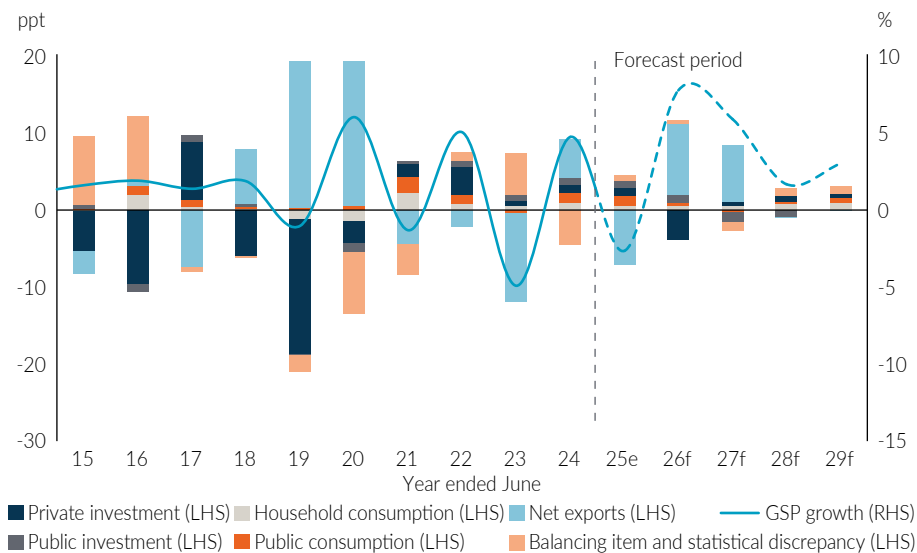
In 2026-27, GSP is forecast to grow by 5.9% with both the Ichthys and Darwin LNG plants assumed to be operating at around full capacity. SFD is forecast to detract from growth in 2026-27 as public investment eases from record levels. This follows a period of significant increases in spending on large projects like the Darwin ship lift. Growth in public consumption is also expected to ease as staffing levels plateau in line with government's investment to meet elevated demand for services in health and community safety. This will be partially offset by continued solid growth in household consumption and modest growth in private investment as the impact of the Barossa project's completion diminishes and new projects get underway.

In 2027-28, GSP is forecast to grow by 1.7% following strong growth in the previous two years, largely supported by stable exports, improving household and public consumption and private investment. Similarly, in 2028-29 GSP growth is expected to return to trend level of around 3% as major export facilities maintain stable production, and consumption and private investment contribute steadily to economic growth.

The Territory economic growth projections do not factor in potential or planned projects yet to reach final investment decision. Some of these projects may reach final investment decision during the forecast period but are not currently reflected in the outlook (see *Northern Territory Economy* publication, Box 1).



Chart 3.2: Contributions to Territory gross state product growth



e: estimate; f: forecast; GSP: gross state product; LHS: left-hand side; ppt: percentage points; RHS: right-hand side  
 Source: Department of Treasury and Finance; ABS, *Australian National Accounts: State Accounts, Australian National Accounts: National Income, Expenditure and Product, Balance of Payments and International Investment Position, Australia*

### Household consumption

Household consumption growth is forecast to steadily increase from 1.5% in 2024-25 to 1.7% in 2026-27, as inflation continues to moderate, monetary policy eases and real household disposable incomes improve. Over the forward estimates period, growth is expected to trend upwards, consistent with the forecast for improving employment and real wage growth.

### Private investment

Private investment is forecast to grow 5.2% in 2024-25 before contracting 20.1% in 2025-26. This is largely driven by business investment, with the Barossa project nearing construction completion and targeting production in the first quarter of 2025-26. While business investment is expected to decline in 2025-26, there remains a steady pipeline of projects supporting activity, such as the Newmont's Tanami Expansion 2 and rehabilitation of the Ranger mine. Dwelling investment is also expected to support private investment over this period as the HomeGrown Territory and FreshStart grants incentivise the construction of new houses and land release.

As the impact of the Barossa project passes, private investment growth is expected to resume from 2026-27, consistent with growth in the capital stock and depreciation spending to maintain capital, supporting investment returning to growth at around trend estimates.

### Public consumption

Public consumption growth is forecast to remain strong in the near term at 4.2% in 2024-25 and 0.9% in 2025-26, largely reflecting greater demand across frontline services such as health and community safety, as well as revised timing of various programs from 2024-25 to 2025-26. Public consumption is expected to decline in 2026-27 by 0.9% as these spending pressures ease, before returning to modest growth over the rest of the forecast period, in line with growth in population in the local economy.

### Public investment

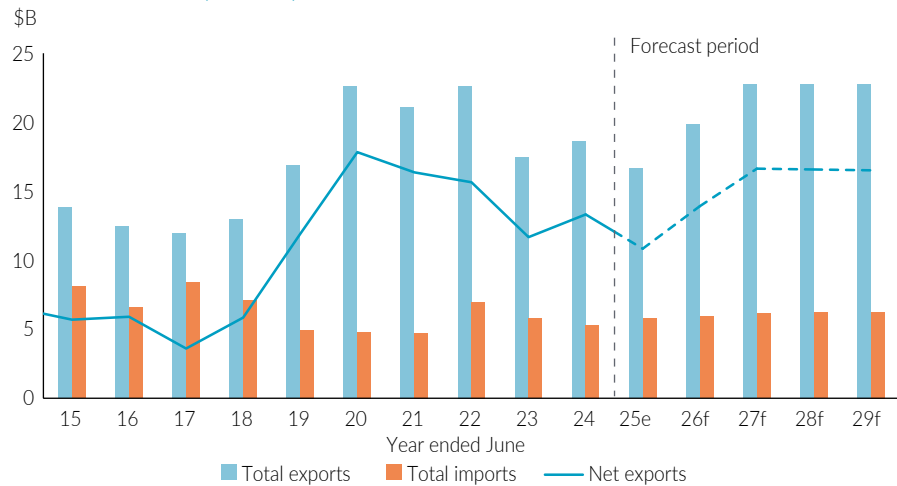
Public investment is forecast to remain strong, growing by 14.3% and 12.9% in 2024-25 and 2025-26, respectively, as works progress across a number of large infrastructure projects such as the Darwin ship lift and Northern Territory Art Gallery, as well as investment in roads and public housing programs. Public investment growth is expected to ease as significant investment activity on large projects progress towards completion, declining by 14.8% in 2026-27 and 13.1% in 2027-28. Public investment is then expected to stabilise in line with a steady pipeline of infrastructure works across national, state and local government projects in the medium term.

### International trade

The Territory's balance of trade is forecast to narrow in 2024-25, before recovering in 2025-26 and stabilising over the forward estimates period (Chart 3.3). These estimates mainly reflect disruptions in the Territory's goods exports, which is forecast to decline by 10.7% in 2024-25 as an unplanned maintenance shutdown at the Ichthys LNG plant reduced gas exports before rebounding by 19.2% in 2025-26. The increase in exports in 2025-26 is driven by production commencing from the Barossa project and exports resuming from GEMCO, offset by large-scale planned maintenance activities at the Ichthys LNG plant, scheduled for the September quarter 2025. Export growth is expected to stabilise from 2027-28 as these facilities return to production at around full capacity.

Imports are estimated to grow by 8.9% in 2024-25 due to work associated with the Barossa project. In 2025-26, imports are expected to continue to grow, driven by higher service imports related to the Barossa floating, production, storage and offloading vessel service contract. Imports are expected to continue growing in 2026-27, reflecting improving household consumption spending. Thereafter, the Territory's imports are forecast to grow in line with investment activity and economic growth.

Chart 3.3: Territory net exports



e: estimate; f: forecast

Source: ABS, Australian National Accounts: State Accounts; Department of Treasury and Finance

## External economic environment

National and international factors influence the Territory economy through financial markets, exchange rates, commodity prices, population and trade flows, tourist visitation and availability of workers to meet the Territory's labour requirements. Monetary policy, set by the RBA, influences household consumption, business confidence and investment decisions in the Territory. The international economic backdrop is highly uncertain. This is likely to have direct and indirect impacts on the national and Territory economies.

The tariffs announced by the United States (US) administration were more significant than expected. The potential magnitude and persistence of the economic effects of these announcements has resulted in uncertainty around the national economic outlook. On 3 April 2025, the US administration announced across-the-board tariffs on goods imports into the US, ranging from 10% to 50%. In response, China announced a range of countermeasures, including imposing tariffs on all goods imports from the US. By 17 April, tariffs between the two largest economies in the world stood at 145% on US imports of Chinese goods and 125% on Chinese imports of US goods. These tariffs, and other retaliatory responses, will weigh on international trade, investment and growth, and disrupt supply chains. There will be direct and indirect effects on the national economy and the Territory economy, which is more significantly weighted towards mining.

The Commonwealth *Pre-election Fiscal Outlook* (Commonwealth PEFO) published in April 2025 outlines the direct impact from Australia's bilateral trade with the US is expected, in aggregate, to be limited given the US accounted for 4.6% of Australia's goods exports in 2024. For the Territory, direct trade with the US is significantly less at 0.1% of Territory goods exports. Particular sectors will be more affected than others, with mining expected to see the largest impact. The indirect effects on Australian exports through Australia's other major trading partners, particularly China, will be larger. Ongoing uncertainty in relation to trade hostilities and associated volatility in financial markets may weaken consumer and business confidence, which will have implications for consumption and business investment, including in Australia and the Territory, as commodity prices fall.

Prior to the tariff announcements, growth in the Australian economy was expected to gradually pick up over 2025–26. The gains in employment made over the past few years have, to date, been preserved as inflation has moderated and returned to the RBA's target band. Wages are expected to grow over the forecast period, as is employment, which will support growth in household incomes and household consumption.

Given the mining industry's share of the economy in the Territory is around twice that (25% of GSP) of the national economy (12% of gross domestic product (GDP)), the impact of changes to global tariff regimes would be felt more acutely in the Territory economy. This may manifest in the Territory through the more marginal mining projects, particularly those requiring large capital raising, being less likely to proceed in the near term if they cannot access capital. However, it is likely to be highly project dependent. For example, longer term project expansion plans in LNG are less likely to be influenced by near-term market disruption from tariffs.

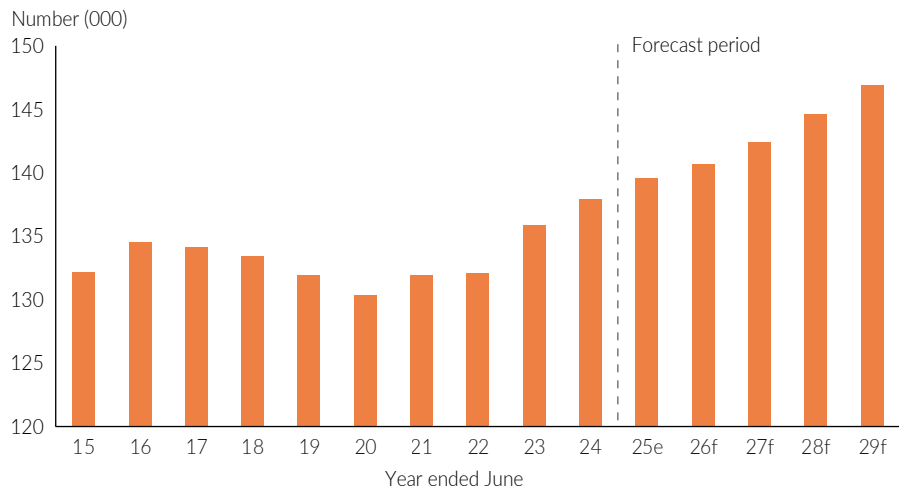
In recent weeks, there have been significant falls in oil prices and volatility in the Australian dollar. Both developments will have implications for activity and inflation if they persist. The RBA will meet on 20 May and markets are estimating around 100 basis points in interest rate cuts for Australia in 2025. Interest rate cuts in 2025 will provide important support to households and businesses in the Territory.

## Labour market

Employment growth is forecast to moderate in the near term to 1.2% in 2024-25 and 0.8% in 2025-26. This largely reflects construction activity on the Barossa project coming to an end, offset by ongoing elevated public investment activity. Employment growth is forecast to improve over the forward estimates in line with domestic activity and stable wages growth, and supported by improved Designated Area Migration Agreement (DAMA) conditions.

The unemployment rate is expected to increase to 5% in 2025-26, reflecting the transition of the Barossa project from construction to production (with a smaller workforce), before moderating over the forward estimates period as employment growth strengthens in line with population growth and demand for labour from public and private investment.

Chart 3.4: Territory employment



e: estimate; f: forecast

Source: ABS, *Labour Force, Australia*; Department of Treasury and Finance

## Prices and wages

CPI growth is expected to be 1.7% in 2024-25, following a strong decline in electricity prices from the Commonwealth Energy Bill Relief Fund and lower automotive fuel prices. CPI growth is expected to pick up to 2.9% in 2025-26 as energy relief ends, before tracking lower towards 2.5% in line with the mid-point of the RBA target band.

Both goods and services inflation have been weak in the year to March 2025, but are expected to grow as real incomes improve, interest rates ease and demand normalises.

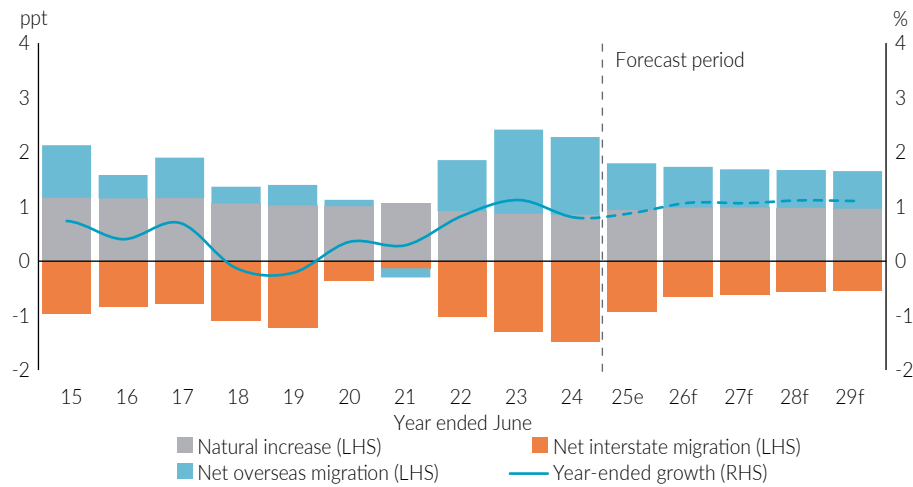
Wage growth is forecast to continue moderating towards 3.2% in 2024-25 and 3% in 2025-26, driven by easing private sector wage growth. Wage growth is expected to increase to 3.3% over the forward estimates, driven by a stronger national wage growth outlook flowing through to wage decisions in Territory businesses that need to compete to attract labour.

## Population

The Territory's population growth is estimated to be 0.7% in 2024-25 (Table 3.1) as natural increase remains flat and net migration flows continue to ease from elevated levels. Population is forecast to grow by 1% in 2025-26, largely driven by improving net interstate migration outcomes being supported by elevated public final demand and economic activity, and recovering natural increase as cost of living pressures ease.

Population growth is expected to continue improving across the forward estimates from 1.1% in 2026-27 to 1.2% in 2028-29, as migration flows continue to normalise towards longer-term levels. Changes to the Territory's DAMA to support the Territory's ability to access and retain labour are expected to improve longer-term migration outcomes in the Territory (Chart 3.5).

Chart 3.5: Population growth



e: estimate; f: forecast; LHS: left-hand side; ppt: percentage point; RHS: right-hand side

Source: ABS, *Australian Demographic Statistics*; Department of Treasury and Finance



## Chapter 4

# Fiscal strategy statement

## Overview

Information provided in this chapter meets requirements under sections 9(1)(d) and 9(1)(e) of the FITA to provide an assessment of expected outcomes for key fiscal indicators and explain how government's fiscal objectives and strategic priorities relate to principles of sound fiscal management. This section also complies with section 10(1)(g) of the FITA that states each fiscal outlook report is to contain an explanation of the factors and considerations contributing to any material differences between updated financial projections and government's fiscal objectives and targets.

## Government's fiscal strategy

A fiscal strategy is an essential element of budget planning and accountability, and provides the basis against which policy decisions can be assessed at a whole of government level. The strategy articulates government's fiscal objectives and targets.

Section 5(1) of the FITA requires the Territory Government to publish a fiscal strategy based on principles of sound fiscal management, where government must:

- formulate and apply spending and taxing policies, having regard to the effect of these policies on employment, economic development and growth of the Territory economy
- formulate and apply spending and taxing policies to give rise to a reasonable degree of stability and predictability
- ensure funding for services is provided by the current generation
- prudently manage financial risks faced by the Territory (having regard to economic circumstances), including the maintenance of Territory debt at prudent levels.

Section 9(1)(c) of the FITA requires government to specify the key fiscal indicators it considers important and against which fiscal policy will be set and assessed. The key fiscal indicators on which the fiscal strategy is premised include the general government sector's net operating balance and the non financial public sector's fiscal balance, net debt and net debt to revenue ratio. The fiscal strategy also comprises other fiscal measures that support the key fiscal indicators.

## 2025-26 Budget fiscal strategy

The FITA requires public release and tabling of a particular government's first fiscal strategy statement at or before the time of the government's first budget and is typically reset every four years in line with election cycles. Accordingly, the 2025-26 Budget represents the Finocchiaro CLP Government's first budget to set its fiscal strategy objectives and targets.

The government's new fiscal strategy has been simplified to six fiscal objectives and targets, with an emphasis on debt management and reduction. The targets represent what would need to be achieved to return the Territory to a financially sustainable position, with regard to the current fiscal and economic conditions and comparable jurisdictional performance. Jurisdictional comparison represents a benchmark for the economic and fiscal conditions and pressures being faced by each state government.

As the Territory releases its budget ahead of all the states, the state average is premised on lagging budget data for each state. Accordingly, the Territory may present higher projected outcomes until state budgets are released. State averages updated for 2025-26 Budget projections will be published in the 2024-25 Treasurer's Annual Financial Report where actual performance against targets are assessed.

Detailed assessment of expected outcomes for fiscal strategy objectives and key fiscal targets follows.

## Assessment of the fiscal strategy

### Principle 1: Spending and taxing policies for employment, economic prosperity and development of the Territory

**Ongoing objective:** Maintain a competitive tax environment that encourages investment, creates jobs and attracts business to the Territory

**Target:** Territory taxation effort for the last assessed year by the Commonwealth Grants Commission to be equal or lower than the state average of 100%

Taxing policies can significantly influence private business investment and employment decisions. Consequently, competitive taxing policies play a critical role in pursuing the FITA principle of maintaining employment, economic development and growing the Territory economy.

Relative tax competitiveness is complex to assess due to inherent differences in respective economies and taxation regimes across jurisdictions. A nationally recognised measure of the competitiveness of each jurisdiction's tax system is taxation effort, as assessed by the CGC. This measure is a lagging indicator as the CGC updates information annually based on the actual outcome of the previous year.

Taxation effort assesses the extent to which a jurisdiction's actual revenue collections are above or below its assessed capacity to raise revenue if it imposed national average tax settings. A ratio above 100 indicates a state is collecting more revenue than it would if it applied state average policy settings, whereas a ratio below 100 indicates it collects less revenue than it would if it applied state average policies. This fiscal strategy objective and target aims to maintain taxation at levels competitive with other jurisdictions to encourage increased levels of business activity in the Territory.

Table 4.1 shows the Territory is the lowest taxing jurisdiction with an assessed taxation effort of 81.9% for 2023-24, the latest year assessed by the CGC. Accordingly, this fiscal strategy target has been achieved as the Territory's taxation effort is below the state average of 100%.

Table 4.1: Taxation effort by jurisdiction, 2023-24

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Average	Target met
	%	%	%	%	%	%	%	%	%	
Total taxation effort	97.2	113.5	91.9	93.0	95.1	85.9	134.0	81.9	100	yes

Source: CGC 2025 Methodology Review

The Territory generally demonstrates below-average taxation effort as it does not impose land tax and levies lower than average motor vehicle taxes. The Territory's taxation effort in 2023-24 marginally decreased from the updated assessment for 2022-23 of 84%, largely due to lower stamp duty effort between years. It is anticipated the Territory's taxation effort for 2024-25 will increase following improved stamp duty collections in 2024-25.



## Principle 2: Spending and taxing policies for stability and predictability of service provision

**Objective and target:** Maintain a general government sector net operating balance surplus (excluding capital revenue) in every year over the budget cycle to provide stability and predictability of government service provision and lower reliance on debt for service provision

The stability and predictability of a government's revenue-raising effort and expenditure base are assessed by credit rating agencies to determine the fiscal flexibility of a government to deliver on its future objectives, respond to changing needs and support long-term financial strength.

The general government sector net operating balance reflects total government revenue less total operating expenses and is reported by all jurisdictions as a measure of sustainable service provision. While capital revenue is recognised in the net operating balance, capital spending is not. Unlike most of the states, a higher proportion of the Territory's tied funding received from the Commonwealth is for capital purposes, due to the Territory's high infrastructure requirements to support its geographically dispersed population. This fiscal strategy measure adjusts the net operating balance to exclude capital revenue to more appropriately reflect the net cost of delivering core public services. It aims to fund government services from operating revenues, reducing reliance on debt to fund service provision, and surpluses giving rise to stability and predictability of current and future government service provision, a key principle of the FITA.

A positive balance reflects that government is generating sufficient revenue to fund its operating activities, with surpluses providing capacity to fund capital investment. Negative balances provide no capacity to fund capital investment beyond depreciation levels without further borrowings. While short-term deficits may be appropriate during periods of economic downturn, persistent negative balances indicate structural deficit.

Table 4.2 shows that while the general government sector net operating balance is projected to be a surplus from 2027-28, after excluding capital revenue, the adjusted net operating balance is estimated to be a deficit in each year across the budget cycle, therefore not meeting this fiscal strategy objective and target. Although this measure has not been met, deficits are largely consistent with annual depreciation expense averaging \$630 million, indicating the Territory can largely fund its operating expenses but has no capacity to fund capital investment from revenues. Furthermore, the adjusted net operating balance deficit is estimated to improve across the budget cycle, indicating this measure may be met over the medium to long term.

Table 4.2: General government sector – net operating balance (excluding capital revenue)

	2025-26	2026-27	2027-28	2028-29
	Budget	Forward estimate		
	\$M	\$M	\$M	\$M
Net operating balance	- 265	- 101	17	52
Less: capital revenue	539	695	614	586
<b>Adjusted net operating balance</b>	<b>- 804</b>	<b>- 796</b>	<b>- 597</b>	<b>- 534</b>
Target on track	no	no	no	no

### Principle 3: Funding for current services is to be provided by the current generation

**Objective and target:** Interest expense as a percentage of revenue at the non financial public sector to be equal or lower than the average of the states in each year over the budget cycle to lower the Territory's reliance on debt to fund service provision

Interest burden is a measure used by credit rating agencies to assess a jurisdiction's ability to service its debt. The relative share of revenue consumed by interest payments is important in determining whether a jurisdiction can continue to fund its service provision at current levels.

High interest expense relative to revenue indicates an over reliance on borrowed funds and provides less capacity to fund service provision as funds are redirected to interest payments. A low interest expense to revenue ratio indicates the Territory can effectively finance its debt and has greater capacity to fund or increase service provision, as less funds are set aside for interest payments.

This fiscal strategy objective and target compares the Territory's reliance on borrowed funds with the average of the states to take into consideration financial market conditions affecting all states. It aims to lower the Territory's reliance on debt to fund service provision, supporting the FITA principle of not passing debt onto future generations, in addition to facilitating stability and predictability of government service provision.

As shown in Table 4.3, the Territory's interest expense to revenue ratio is expected to be on average 1.1 percentage points above the state average in each year over the budget cycle, therefore not meeting this fiscal strategy target.

Table 4.3: Non financial public sector – interest expense to revenue ratio

	2025-26	2026-27	2027-28	2028-29
	Budget	Forward estimate		
	%	%	%	%
<b>2025-26 Budget</b>	<b>6.8</b>	<b>7.8</b>	<b>8.3</b>	<b>8.6</b>
State average	5.8	6.6	7.3	n/a
Variation	1.0	1.2	1.0	n/a
Target on track	no	no	no	n/a

n/a: not available at the time of publishing the 2025-26 Budget

The higher ratio relative to state peers is largely influenced by:

- the Territory's credit rating being the lowest of all semi-government entities at Aa3 (stable), combined with issuing longer dated bonds, resulting in higher returns paid to investors to compensate for higher perceived risk
- Territory bonds not as liquid as state counterparts, as they cannot be easily sold in secondary markets, with investors expecting higher returns
- the Territory's small population base and high reliance on Commonwealth funding constraining revenue growth.

Furthermore, as the Territory releases its budget ahead of all the states, the state average is premised on lagging budget data for each state and therefore does not reflect the impact of any new borrowings or recent financial market impacts.

## Principle 4: Financial risks and Territory debt managed at prudent levels

**Objective:** To ensure the Territory's debt levels remain serviceable when compared to revenue and at prudent levels

**Target:** The Territory's net debt to revenue ratio at the non financial public sector be equal or lower than the average of the states in any year over the budget cycle

This fiscal strategy objective and target aims at maintaining the Territory's debt at prudent levels. During periods of low economic growth and constrained revenues, it may be prudent to raise higher levels of debt to maintain government expenditure and support the economy. When there is strong revenue growth and private sector investment, lower borrowings are justified as they present an opportunity to reduce debt. Consequently, prudent debt management is difficult to explicitly define and requires borrowings to be assessed in the context of prevailing economic and fiscal conditions.

The net debt to revenue ratio is a recognised measure of a jurisdiction's ability to repay borrowings, with a higher ratio indicating a lower ability to repay debt and a lower ratio indicating a stronger ability to repay debt. The net debt to revenue ratio is calculated as gross debt liabilities less select liquid financial assets as a proportion of total revenue for the non financial public sector.

This fiscal strategy objective and target compares the Territory's debt servicing capacity relative to the average of the states, representing the benchmark of the economic and fiscal conditions affecting all states, to assess whether debt is being managed prudently.

As shown in Table 4.4, the non financial public sector's net debt to revenue ratio is projected to be 121% in 2025-26, increasing to 132% by 2028-29, and above the state average in all years. Therefore, this fiscal strategy objective and target is not met. While the Territory's ratio is anticipated to increase over the budget cycle, when compared to the state average, the variation declines. This improvement indicates the Territory's ratio is likely to converge with the state average over the medium term. The Territory's higher net debt to revenue ratio is influenced by the same factors affecting the interest expense to revenue ratio as detailed earlier.

While this fiscal strategy measure was not met, when compared on an individual state basis against lagging state budget projections, the Territory is expected to have the third highest net debt to revenue ratio for 2025-26, with Victoria being the highest at 179% followed by New South Wales at 124%. By 2027-28, the Territory is expected to have the third lowest net debt to revenue ratio, with five states reporting ratios in excess of the Territory's projected ratio of 131%.

**Table 4.4: Non financial public sector – net debt to revenue ratios**

	2025-26	2026-27	2027-28	2028-29
	Budget	Forward estimate		
	%	%	%	%
<b>2025-26 Budget</b>	<b>121</b>	<b>130</b>	<b>131</b>	<b>132</b>
State average	106	116	123	n/a
Variation	15	14	8	n/a
Target on track	no	no	no	n/a

n/a: not available at the time of publishing the 2025-26 Budget

Ongoing objective: Maintain or improve the Territory's credit rating to lower risks of higher borrowing costs and improve the Territory's credit strength

Target: Territory's credit rating of Aa3 (stable) or better

Excessive debt can restrict government's capacity to maintain appropriate service levels through increased borrowing costs and impact investor confidence, resulting in negative effects on the Territory economy.

Moody's Investors Service (Moody's) assigns long-term issuer and debt ratings to the NTTC, the entity that issues debt on behalf of the Territory and its government owned corporations. NTTC's debt is guaranteed by the Territory and the rating reflects the Territory's credit quality.

Credit ratings provide an independent assessment of a government's fiscal strength and ability to fulfil its financial commitments and repay debt. Higher ratings indicate a strong fiscal and economic position, and result in the ability to borrow at lower interest rates. Lower ratings indicate credit challenges, such as revenue or policy weaknesses and increasing debt levels, and result in higher interest rates on borrowings to compensate investors for elevated credit risk. Negative outlooks reflect a potential downgrade within the next six months to two years.

This fiscal strategy objective and target aims at maintaining or improving the Territory's credit strength and attractiveness to potential investors, lowering the risk of higher borrowing costs and improving overall debt composition. The Territory's credit rating was last reviewed in March 2025 by Moody's on the 2024-25 Mid-Year Report, resulting in an unchanged credit rating for the Territory at Aa3 with a stable outlook. Accordingly, this fiscal strategy target has been met. Moody's is expected to reassess the Territory's credit rating, based on the 2025-26 Budget projections, in the last quarter of 2025.

Objective: Ensure government owned corporations are commercially sustainable

Target: Power and Water Corporation and Territory Generation to maintain an average return on assets equal to or greater than 6% over the budget cycle, Jacana Energy to maintain an average operating margin equal to or greater than 2.5% over the budget cycle

Government owned corporations operate on a commercial basis with the ability to recover most of their costs through charging consumers for the use of services. The Territory's government owned corporations are Power and Water Corporation, Territory Generation and Jacana Energy. Government owned corporations are governed under the *Government Owned Corporations Act 2001* and make up most of the public non financial corporation sector.

The Territory's debt levels and fiscal targets are materially impacted by the financial performance of government owned corporations. Maintaining commercially sustainable government owned corporations reduces reliance on government support, increases returns to government that can be used to fund service delivery or retire debt, reducing the impact on the Territory's debt levels.

Return on assets is a financial ratio that indicates how profitable an entity is relative to its assets and is a widely used commercial measure to assess how efficient an entity uses its assets to generate returns. Return on assets is calculated as earnings before interest and tax, excluding impairment losses, profit or losses from the sale of fixed assets, capital contributions and grants, gifted assets and interest income, as a proportion of its average opening and closing asset base. A high ratio indicates greater efficiency, with an entity generating greater returns with a smaller capital investment. A low ratio indicates an entity is generating less returns relative to its assets.

Operating margin is a financial ratio that indicates the returns an entity generates relative to its costs. Given Jacana Energy does not utilise or hold assets to generate revenue, this measure is more appropriate in assessing its commercial sustainability.

Consequently, this fiscal strategy objective and target aims to strengthen government owned corporation commercial sustainability, increase accountability for financial performance and reduce their reliance on government support. It satisfies the FITA principles of ensuring funding for services is provided by the current generation and prudent debt management.

Table 4.5 shows that two of the three government owned corporations are expected to meet this fiscal strategy objective and target. Power and Water Corporation's lower return on asset ratio largely reflects a projected decline in gas sales revenue over the budget cycle.

Table 4.5: Government owned corporations – return on assets/operating margin

	2025-26	2026-27	2027-28	2028-29		
	Budget	Forward estimate			Average	Target on track
	%	%	%	%	%	
Power and Water Corporation – return on assets $\geq 6\%$	5.9	3.8	4.2	5.8	<b>4.9</b>	no
Territory Generation – return on assets $\geq 6\%$	5.5	6.3	6.1	6.3	<b>6.1</b>	yes
Jacana Energy – operating margin $\geq 2.5\%$	2.5	2.9	3.2	3.5	<b>3.0</b>	yes



## Chapter 5

# Commonwealth revenue

## Overview

The information provided in this chapter meets the requirements of sections 10(1)(b), 10(1)(c) and 10(1)(f) of the FITA in respect of Commonwealth revenues, both tied and untied. It includes the Territory's forecasts of Commonwealth revenues and the assumptions on which they are based, and explanations of material differences between the revised forecasts and those published in the 2024 PEFO.

Table 5.1 sets out the components of total Territory revenue for the non financial public sector for the 2024-25 revised estimate, 2025-26 budget and forward estimates. It shows the Territory expects to receive \$7.14 billion in Commonwealth revenue in 2025-26, comprising untied revenue of \$4.57 billion and tied revenue of \$2.57 billion. In 2025-26, Commonwealth revenue is estimated to represent about 71% of total Territory revenue.

Table 5.1: Non financial public sector – components of total revenue

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
Untied Commonwealth revenue	4 287	4 571	4 725	4 960	5 200
Tied Commonwealth revenue	2 213	2 568	2 499	2 362	2 369
<b>Total Commonwealth revenue</b>	<b>6 500</b>	<b>7 139</b>	<b>7 224</b>	<b>7 322</b>	<b>7 569</b>
Other non-Commonwealth grants <sup>1</sup>	56	34	18	13	13
Territory own-source revenue	2 575	2 869	2 809	2 962	2 968
<b>Total revenue</b>	<b>9 131</b>	<b>10 042</b>	<b>10 051</b>	<b>10 297</b>	<b>10 550</b>

<sup>1</sup> Includes grants from the private sector, non-government entities and other states, territories and local governments.

Analysis of variations in Commonwealth revenue over the budget and forward estimates period is provided later in this chapter.

Table 5.2 compares the revised projections for total Commonwealth revenue from those published in the 2024 PEFO and shows total Commonwealth revenue has been revised upwards from 2025-26.

Table 5.2: Non financial public sector – variation in total Commonwealth revenue since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
2024 PEFO	6 500	6 396	6 440	6 585	n/a
<b>2025-26 Budget</b>	<b>6 500</b>	<b>7 139</b>	<b>7 224</b>	<b>7 322</b>	<b>7 569</b>
Variation from 2024 PEFO	nil	743	784	737	n/a

n/a: not available at the time of publishing the 2024 PEFO

Table 5.3 presents variations in untied and tied Commonwealth revenue forecasts compared with the 2024 PEFO.

Untied funding comprises GST revenue and is expected to increase in all years, mostly due to a higher Territory GST relativity from 2025-26 and growth in the national GST collections pool.

Tied Commonwealth revenue is expected to increase from 2025-26, largely reflecting additional funding for the following agreements: National Health Reform, Northern Territory Remote Aboriginal Investment, Comprehensive Primary Health Care Delivery, National Access to Justice Partnership, and Land Transport Infrastructure Projects.

**Table 5.3: Non financial public sector – variations in Commonwealth revenue components since 2024 PEFO**

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
Untied Commonwealth revenue – GST revenue	117	215	136	130
Tied Commonwealth revenue	- 117	528	648	607
National federation funding agreements	21	96	93	95
Federation funding agreement schedules	- 78	373	459	481
National specific purpose payments <sup>1</sup>	- 10	8	1	- 1
Other tied Commonwealth revenue <sup>2</sup>	- 50	51	95	32
<b>Total variation</b>	<b>nil</b>	<b>743</b>	<b>784</b>	<b>737</b>

<sup>1</sup> The National Skills Agreement, which commenced on 1 January 2024 and replaced the National Agreement for Skills and Workforce Development specific purpose payment (SPP), is continuing to be reported as an SPP until Commonwealth legislation is amended to replace the SPP with a national partnership payment.

<sup>2</sup> Includes Disaster Recovery Funding Arrangements and Commonwealth own-purpose expenses.

## GST revenue

### Overview

GST revenue is the largest revenue transfer from the Commonwealth to the Territory, accounting for around 64% of Commonwealth payments and about 46% of total Territory revenue in 2025-26.

GST revenue is dependent on four parameters:

- the national GST collections pool
- the Territory's share of the national population
- the Territory's GST relativity as determined by the Commonwealth Treasurer based on the recommendation of the CGC
- the impact of Commonwealth-legislated GST distribution reforms that commenced in 2021-22.

GST in the revised year (2024-25) will be paid to states and territories in line with the Commonwealth's 2025-26 Budget GST forecasts. Actual GST entitlements will be determined in the Commonwealth 2024-25 *Final Budget Outcome* with any differences reconciled through a balancing adjustment in the following financial year.

The Territory's GST revenue forecasts are detailed in Table 5.4, which shows GST revenue is expected to be higher in all years compared with the 2024 PEFO.



Table 5.4: Territory GST revenue

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
2024 PEFO	4 170	4 356	4 589	4 830	n/a
2025-26 Budget	4 287	4 571	4 725	4 960	5 200
Variation from 2024 PEFO	117	215	136	130	n/a
Annual change in 2025-26 Budget forecast		6.6%	3.4%	5.0%	4.8%

n/a: not available at the time of publishing the 2024 PEFO

Table 5.5 details the contribution of each GST parameter to the revised Territory GST revenue forecast since the 2024 PEFO. It shows that growth in the national GST collections pool and a higher relativity are the main contributors of the upward revisions.

Table 5.5: GST revenue variations by parameter since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
Change caused by:				
GST collections pool	61	49	19	1
GST relativity <sup>1</sup>	2	141	115	122
Population share	2	- 1	2	6
Payment timing <sup>2</sup>	30	- 19	nil	nil
No-worse-off guarantee	23	43	nil	nil
Interactions <sup>3</sup>	- 1	2	nil	1
Total variation	117	215	136	130

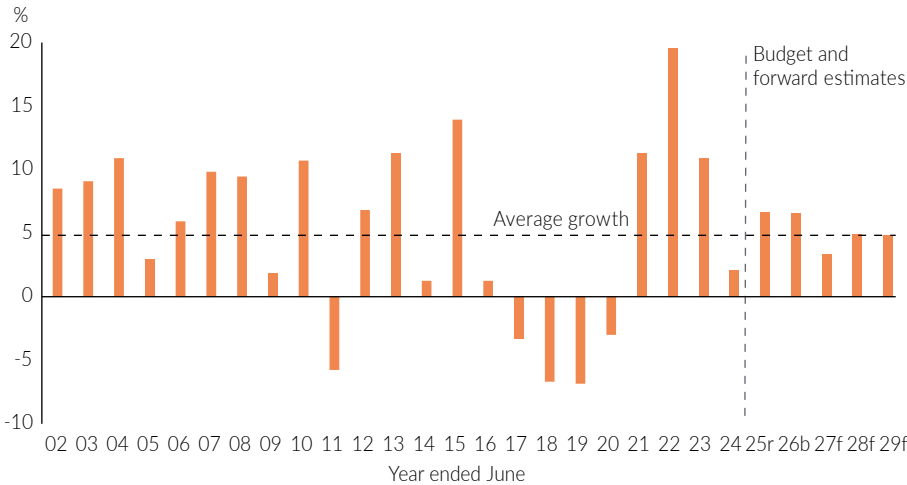
<sup>1</sup> Relativity differences in 2024-25 are due to updated population data impacting final relativity calculations.

<sup>2</sup> Payment timing reflects differences between Territory forecasts, Commonwealth budget GST advances and final entitlements, which are reconciled through balancing adjustments.

<sup>3</sup> Interactions are the combined impacts of GST collections pool, population and relativity, which are different to these changes in isolation.

Chart 5.1 shows actual annual GST revenue growth for the Territory from 2001-02 to 2023-24, and estimates across the budget cycle to 2028-29. It highlights the volatility of Territory GST revenue, mainly due to fluctuations in the national GST collections pool and Territory relativity, with actual annual growth rates ranging from -6.9% to 19.7% across 2001-02 to 2023-24. Since the introduction of GST, the Territory's GST revenue has averaged annual growth of about 5%.

Chart 5.1: Territory GST revenue annual growth<sup>1</sup>



b: budget; f: forecast; r: revised

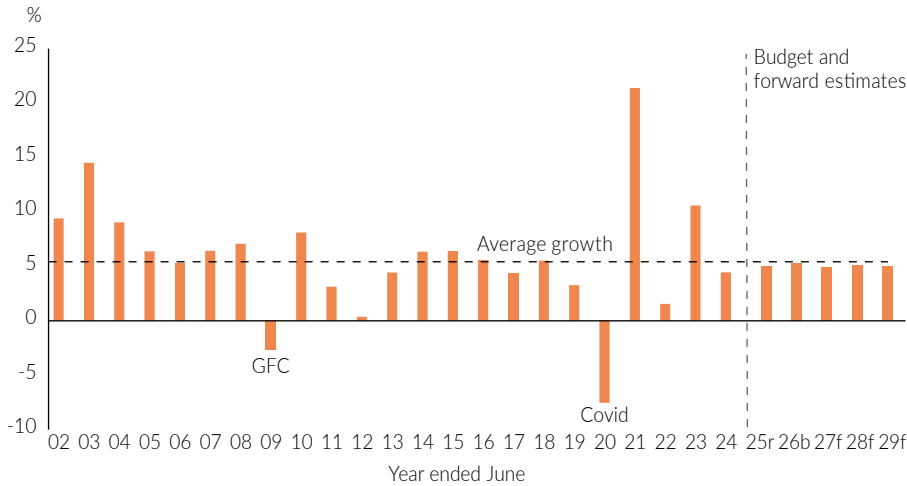
<sup>1</sup> GST revenue amounts include balancing adjustments for the over or under payment of GST revenue to the Territory from preceding financial years. Includes no-worse-off guarantee payments from 2022-23. Excludes GST top-up payment in 2017-18 and 2019-20.

Source: Commonwealth Final Budget Outcome 2001-02 to 2023-24, Department of Treasury and Finance estimates for 2024-25 to 2028-29

### GST collections pool

The national GST collections pool determines the total amount of GST revenue available to be distributed to states and territories. It is heavily influenced by the broader performance of the national economy. Chart 5.2 shows the growth in the GST collections pool since 2001-02.

Chart 5.2: Growth in the GST collections pool



b: budget; f: forecast; GFC: global financial crisis; r: revised

Source: Commonwealth Final Budget Outcome, 2001-02 to 2023-24, Department of Treasury and Finance estimates for 2024-25 to 2028-29

In 2024-25, the Territory expects the GST collections pool to increase by 5% from 2023-24. This is 1.5 percentage points higher than the 2024 PEFO forecast. The GST collections pool is expected to grow by 5.3% in 2025-26, reflecting updated nominal consumption and private dwelling investment outlooks. Factors impacting revised GST collections pool forecasts are set out below.

The national GST collections pool is mostly driven by national consumption and private dwelling investment. As GST is imposed on the nominal price of goods and services, collections are dependent on both the volume of consumption and investment, as well as the price of goods and services. GST is also impacted by the proportion of consumption related to non-taxable goods and services, such as fresh food, rent, and health and education services.

As shown in Table 5.5, when compared with the 2024 PEFO, GST collections pool forecasts have been revised upward in all years, particularly in 2024-25 and 2025-26. However, the rate of growth has been revised down across the forward estimates, leaving the forecast pool largely unchanged in 2027-28.

The 2024-25 and 2025-26 revised forecasts reflect stronger than expected year-to-date actual collections and current economic indicators, particularly consumption, which has slightly exceeded expectations due to strength in the national labour market. Growth over the forward estimates is slightly weaker than 2024 PEFO forecasts due to a moderating inflation outlook, particularly for housing construction, which affects the nominal price on which GST is imposed, and relative weakness in private dwelling investment. High household debt combined with a softer outlook for household wealth growth are also expected to contribute to lower consumption growth in the near term. The assumed path for interest rates is largely unchanged from the 2024 PEFO.

### GST relativity

The GST relativity is a key parameter used to determine a state's GST revenue. The relativity determines whether a state will receive more or less than its population share of the GST collections pool.

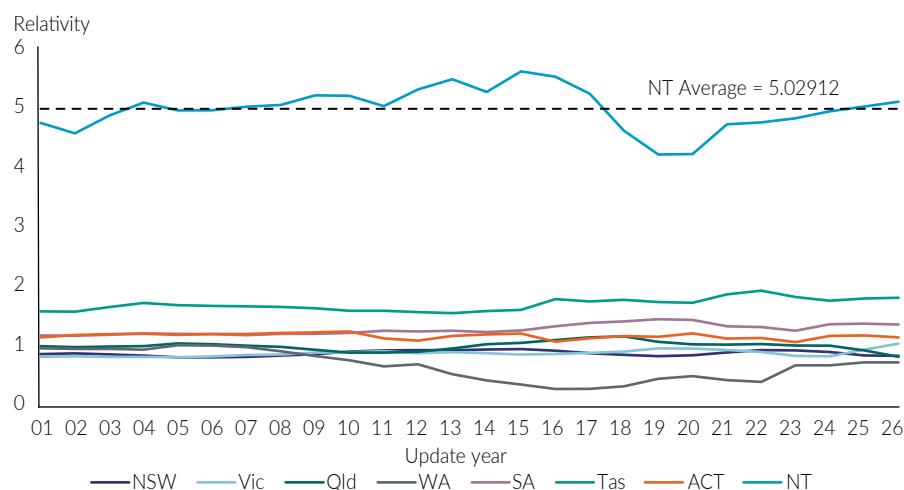
GST relativities are determined annually by the Commonwealth Treasurer based on CGC recommendations. The CGC calculates relativities based on data over a three-year rolling period to derive a distribution of GST revenue that allows all states to provide services and infrastructure to a similar standard across the nation, having regard to differences in each jurisdiction's revenue-raising capacities, cost of service delivery and underlying service delivery needs.

The CGC's assessed revenue-raising capacity and assessed expenditure needs for the Territory differ from actual revenue or expenditure incurred by the Territory. The CGC does not make recommendations on how states should allocate budgets, nor does the CGC consider all factors affecting the cost of delivering services in each state or territory. The Territory has consistently been assessed as requiring significantly more than its population share in GST funding to provide a national average level of government services due to high costs of and demand for services.

Every five years the CGC reviews the methods used to determine state and territory relativities, which are otherwise updated annually. The most recent five-yearly review was published in March 2025 (2025 Review) and sets relativity methodology for the next five years from 2025-26.

The 2025 Review recommended increasing the Territory's GST relativity to 5.15112 in 2025-26, from 5.06681 in 2024-25. Chart 5.3 illustrates the Territory's relativity over time and its greater volatility compared with other states.

Chart 5.3: Territory GST relativity, 2000-01 to 2025-26



Source: Commonwealth Grants Commission

The 2025-26 Budget GST forecasts adopt the 2025 Review Territory GST relativity for 2025-26. The Territory's GST relativity forecasts for the forward estimates are based on a three-year average relativity held constant over the forecast period, adjusted for GST distribution reforms.

The primary reasons for the increase in the Territory's relativity in the 2025 Review were due to changed state circumstances, including higher remote health activity and costs relative to major cities, increased number and cost of Aboriginal persons interacting with justice services, and higher Aboriginal student schooling costs, partly offset by the Territory receiving a higher share of Commonwealth payments.

Methodology changes had, in aggregate, a small impact on the Territory's GST relativity, estimated by the CGC to be a decrease of about \$6 million. However, this reflects the net result of a large range of changes, including to the treatment of Commonwealth own-purpose payments, land tax valuations, homelessness service assessments, housing costs, roads investment needs, relative wage costs, utilities services to remote communities and health changes. A significant change was to include past covid-related expenses, which increased New South Wales and Victoria's assessed GST needs relative to other states.

Nationally, the largest change to GST relativities was from coal price increases in 2022-23 and 2023-24, which substantially increased Queensland's assessed capacity to raise coal royalty revenues, reducing its assessed GST entitlement. This had a positive impact on most other jurisdictions' relativities, including the Territory.

## Population share

A jurisdiction's national population share affects its GST revenue. Shares are influenced by the level of population growth in each state and territory relative to national population growth.

The Territory uses its own estimates of Territory population growth, given its local knowledge regarding major projects and other events that may affect migration levels. Estimates of other states' populations are based on Commonwealth population projections prepared by the Centre for Population. Chapter 4 of the *Northern Territory Economy* publication provides more detail on the Territory's population characteristics and forecast growth patterns.

The Territory's forecast share of the national population for GST purposes is around 0.93% across the forward estimates, largely in line with the 2024 PEFO.

## Payment timing

Annual GST payments to the states are made in line with Commonwealth budget forecasts. As the Commonwealth budget is prepared prior to final GST entitlements being determined, the amount paid by the Commonwealth as a GST advance may be more or less than a state's actual entitlement, which is determined in the Commonwealth's *Final Budget Outcome*. Any differences between the Commonwealth's GST advances and the *Final Budget Outcome* entitlements are reconciled through balancing adjustments in the subsequent year's GST payments to the states and territories.

The Territory adopts the most recent Commonwealth forecast of GST advances plus the *Final Budget Outcome* balancing adjustment when forecasting current-year GST revenue as this reflects the most likely payment outcome. Over time, balancing adjustments do not impact total Territory GST revenue, but rather change the period in which the revenue is received.

The Territory's 2024-25 GST revenue is aligned to the Commonwealth 2025-26 Budget estimate, less the 2023-24 *Final Budget Outcome* balancing adjustment decrease of \$30.8 million. This reflects the actual GST payments the Territory will receive in 2024-25. As this is slightly higher than the Territory 2025-26 Budget forecasts for national GST collections pool and population share parameters, the Territory expects a decrease of \$19 million from payment timing adjustments in 2025-26.

## GST distribution reforms

Changes to the way GST revenue is distributed among states came into effect in 2021-22 following passage of the Commonwealth's *Treasury Laws Amendment (Making Sure Every State and Territory Gets Their Fair Share of GST) Act 2018*.

GST relativities are calculated by the CGC in accordance with horizontal fiscal equalisation (HFE). The principle of HFE is to provide each state with the fiscal capacity to deliver the same or similar standard of services and associated infrastructure if each made the same effort to raise revenue from own sources and operated at the same level of efficiency. The GST distribution reforms, which have introduced a relativity floor, alter this fundamental principle with the effect that most states would be funded to a lower standard of services and infrastructure without the Commonwealth's no-worse-off guarantee payments.

The GST distribution reforms are being transitioned in stages, from 2021-22 to 2026-27, and comprise four elements:

- staged implementation from 2021-22 to 2026-27 of a new equalisation standard, being the stronger of New South Wales or Victoria
- a minimum GST relativity floor of 0.75 from 2024-25
- Commonwealth-funded top-ups to the GST pool of \$600 million per annum ongoing from 2021-22, increasing by a further \$250 million per annum ongoing from 2024-25, and indexed in line with GST pool growth
- a temporary no-worse-off guarantee to the end of 2029-30.

These reforms mostly benefit Western Australia, which has had a relativity below the minimum floor in each year since the floor has applied, largely due to exceptionally high own-source revenue capacity associated with mining royalties.

As of the CGC's 2025 Review, Queensland is now the second state to benefit from the GST distribution reforms, due to large coal price rises that have substantially increased its capacity to raise coal royalty revenue. This means Queensland's relativity is now below the minimum benchmark, triggering an increase under the GST distribution reforms. The CGC estimates that Queensland is still net worse off overall, as the amount required to raise Western Australia to the minimum relativity floor decreased Queensland's GST by more than the increase it received from being benchmarked to New South Wales. Nonetheless, this is the first time a state other than Western Australia has received a relativity increase from the GST distribution reforms.

The Territory and other states are currently protected from the negative impacts of these reforms due to the Commonwealth's temporary no-worse-off guarantee payments.

The Territory forecasts \$171 million in no-worse-off guarantee payments over 2024-25 to 2027-28, compared to \$104 million over this period in the 2024 PEFO. The change is the result of the relativity, pool and population forecasts set out in this Chapter, including the change to Queensland's relativity.

The GST distribution reforms are scheduled to be reviewed by the Productivity Commission before the end of 2026.

## Tied Commonwealth revenue

The majority of tied Commonwealth funding to the Territory is provided under the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) through national federation funding agreements and Federation Funding Agreement (FFA) schedules. Tied funding is also provided outside the IGA FFR through Commonwealth own-purpose expense (COPE) funding arrangements.

National federation funding agreements are bespoke, complex arrangements that contain significant policy intent, and act as sources of longer-term funding. FFAs cover five sectors, including:

- health
- education and skills
- infrastructure
- environment
- affordable housing, community services and other agreements.

Funding arrangements are detailed in FFA schedules.

In 2024-25 and 2025-26, the Territory expects to receive \$2.2 billion and \$2.6 billion, respectively, in tied Commonwealth funding payments. A further \$7.2 billion is expected to be received over the forward estimates. Table 5.6 sets out tied Commonwealth revenue estimates for the Territory.

Table 5.6: Tied Commonwealth revenue components

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
<b>National federation funding agreements</b>	<b>1 018</b>	<b>1 151</b>	<b>1 212</b>	<b>1 280</b>	<b>1 354</b>
Better and Fairer Schools Agreement	532	588	649	716	789
National Health Reform Agreement	429	505	505	505	505
National Agreement on Social Housing and Homelessness	56	57	58	59	60
National Mental Health and Suicide Prevention Agreement	1	1			
<b>Federation funding agreement schedules</b>	<b>1 023</b>	<b>1 200</b>	<b>1 071</b>	<b>933</b>	<b>855</b>
Land Transport Infrastructure Projects	213	274	433	453	450
Remote Housing Northern Territory	193	173	178	185	193
Northern Territory Remote Aboriginal Investment	95	132	116	115	118
National Legal Assistance Partnership/National Access to Justice Partnership	37	62	63	65	66
National Water Grid Fund	113	140	57	40	
Comprehensive Primary Health Care Delivery	46	48	49	51	
Restoring Funding for Northern Territory Homelands	69	66	40		
National Critical Care and Trauma Response Centre	16	21	19		
Central Australia Plan: A Better, Safer Future for Central Australia	25	15	15		
Hospital and related health services		51			
Social Housing Accelerator	15	31	4		
Mine remediation	40	2			
Other federation funding agreement schedules	161	185	97	24	28
National specific purpose payments/National Skills Agreement <sup>1</sup>	25	38	32	31	26
Other tied Commonwealth revenue <sup>2</sup>	147	179	184	118	134
<b>Total tied Commonwealth revenue</b>	<b>2 213</b>	<b>2 568</b>	<b>2 499</b>	<b>2 362</b>	<b>2 369</b>

1 The National Skills Agreement, which commenced on 1 January 2024 and replaced the National Agreement for Skills and Workforce Development SPP, is continuing to be reported as an SPP until Commonwealth legislation is amended to replace the SPP with national partnership payments.

2 Includes Disaster Recovery Funding Arrangements and COPEs.

Year-on-year variances in tied funding payments mostly reflect program completions, agreement expiry, expected delivery timeframes and payment schedules. Unlike national federation funding agreements, FFA schedules and other tied Commonwealth revenue arrangements can include shorter term, program-specific funding commitments with less ongoing funding certainty.

Table 5.7 shows the variance in tied funding payments forecasts compared to the 2024 PEFO.

Table 5.7: Tied Commonwealth revenue – variations since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
Northern Territory Remote Aboriginal Investment	- 23	128	116	115
National Health Reform Agreement	3	79	79	79
Comprehensive Primary Health Care Delivery	46	48	49	51
National Legal Assistance Partnership/National Access to Justice Partnership	3	62	63	65
Land Transport Infrastructure Projects	- 98	- 115	149	229
Better and Fairer Schools Agreement	20	15	14	16
National Water Grid Fund	10	46	2	
Hospital and related health services		51		
Mine remediation	35	- 1		
Housing Australia Future Fund		25		
Strengthening Community Safety in Central Australia	13	6		
National Firearms Register	6	6	4	2
Other agreements <sup>1</sup>	- 132	178	172	50
<b>Total variation</b>	<b>- 117</b>	<b>528</b>	<b>648</b>	<b>607</b>

1 Includes all other minor variations across tied funding agreements, including national agreements, FFAs, SPPs and COPEs.

Variances in 2024-25 and 2025-26 mostly reflect actual program delivery including revisions to project timing, release of funding in line with milestone completion, or other revisions to individual projects. Changes over the forward estimate period are generally driven by new or extended agreements being entered into since the last publication. Significant changes include:

- \$336 million for the new Northern Territory Remote Aboriginal Investment Agreement commencing from July 2025
- \$240 million in new funding for the National Health Reform Agreement, reflecting a one-year uplift and rebased Commonwealth funding rates for Territory hospitals to equal the next lowest jurisdiction in 2025-26, as well as annual price and activity growth. Future funding arrangements for public hospitals remain under negotiation and will be taken up when negotiations are finalised.
- \$194 million for the new Comprehensive Primary Health Care Delivery Agreement signed in October 2024, offset by a reduction of \$141 million formerly delivered as a COPE
- \$193 million in new funding for the National Access to Justice Partnership Agreement signed in November 2024
- \$165 million variation to the Land Transport Infrastructure Agreement, including revised timing of Commonwealth funding and construction milestones
- \$65 million in additional funding for the Better Fairer Schools Agreement based on updated Commonwealth forecasts
- \$58 million for new projects, predominantly Better Bores for Communities, under the National Water Grid Fund
- \$51 million in 2025-26 for hospital and related health services as part of the National Health Reform Agreement one-year funding arrangement



- \$34 million for mine remediation projects. Future payments are not for publication at this time to allow competitive tender processes
- \$25 million for the new Housing Australia Future Fund Agreement signed in October 2024
- \$19 million for the new Strengthening Community Safety in Central Australia Agreement signed in October 2024
- \$18 million in new funding for the National Firearms Register Agreement signed in October 2024.

The Territory budget typically incorporates Commonwealth funding when agreements are signed, with agreements under development or negotiation generally excluded. Where agreements contain sufficiently specific performance obligations, revenue is recognised by the Territory as services are delivered. Where agreements do not contain sufficiently specific performance obligations, the Territory recognises revenue upon receipt of funds. Accordingly, timing variations will occur between revenue recognised by the Territory and payments specified in individual funding agreements.

The following provides more information on the key agreements in Table 5.6.

## National federation funding agreements

### Better and Fairer Schools Agreement

The Territory expects to receive \$3.3 billion over the budget cycle to 2028-29 for government and non-government schools.

The Better and Fairer Schools Agreement (BFSA) commenced in January 2025, replacing the National School Reform Agreement. The agreement is the Commonwealth's main schooling funding arrangement for states and territories and contains a range of national priorities and reform directions, which aim to improve education outcomes. Funding is largely calculated based on student enrolments and agreed contributions to the national Schooling Resource Standard.

The Territory and Commonwealth governments have bilaterally agreed to achieving a Schooling Resource Standard of 100% for Territory government schools over the life of the BFSA. The BFSA contains a funding schedule to achieve a Territory contribution of 60% and a Commonwealth contribution of 40% by 2029. BFSA funding projections generally reflect the bilateral BFSA schedule, as well as projected changes in the Schooling Resource Standard and student enrolments.

### National Health Reform Agreement

The Territory expects to receive \$2.45 billion over the budget cycle to 2028-29 for public hospitals.

The National Health Reform Agreement (NHRA) is the Commonwealth's primary funding mechanism for public hospitals and is determined based on hospital activity and price outcomes. The NHRA is subject to a range of conditions, currently including a national funding growth cap of 6.5% annually.

In February 2025, the Territory signed a one-year funding extension to the 2020–2025 NHRA Addendum, which rebased Commonwealth funding rates for Territory hospitals to equal the Commonwealth funding rate for next lowest jurisdiction. This is estimated to provide an additional \$52 million per annum ongoing from 2025-26 to the Territory above annual activity and price growth.

The extension also provided a one-off payment in 2025-26 of \$51 million for use on public hospitals or related services, to go into effect according to a FFA schedule. NHRA funding will also increase in line with expected hospital activity and price growth between 2024-25 and 2025-26.

NHRA arrangements from 2025-26 are subject to negotiations between the Commonwealth and all states and territories aiming to determine a new five-year funding agreement.

#### National Agreement on Social Housing and Homelessness

The Territory expects to receive \$290 million over the budget cycle to 2028-29 to support people who are experiencing or at risk of homelessness, and support the social housing and homelessness services sectors.

The National Agreement on Social Housing and Homelessness Agreement commenced on 1 July 2024, replacing the National Housing and Homelessness Agreement. Timing variations are discussed at the end of the prior section.

### Federation funding agreement schedules

#### National Partnership Agreement on Land Transport Infrastructure Projects

Across the budget cycle to 2028-29, the Territory expects to receive \$1.8 billion for land transport infrastructure projects.

The agreement contributes to a national transport system that is safe, sustainable, drives economic growth and supports a competitive infrastructure market. The agreement has several components, including roads of strategic importance, black spot projects, heavy vehicle safety, bridges renewal, and the developing Northern Australia roads program. The agreement is routinely revised in line with project delivery outcomes.

#### Remote housing Northern Territory

The Territory expects to receive \$922 million over the budget cycle to 2028-29 to deliver and manage remote housing to reduce overcrowding.

The remote housing Northern Territory agreement commenced in 2024 and is a \$4 billion jointly funded Commonwealth and Territory 10-year commitment to deliver up to 270 homes each year in remote communities across the Territory, or 2,700 homes over the life of the arrangement. The agreement operates under a formal partnership with the Aboriginal community sector.

#### Northern Territory Remote Aboriginal Investment

The Territory expects to receive \$576 million across the budget cycle to 2028-29 to invest in Aboriginal self-determination to close the gap.

On 7 February 2025, the Territory and Commonwealth governments signed a new six-year partnership agreement with the Aboriginal Peak Organisations Northern Territory to strengthen remote services from 2025-26. Specific initiatives and funding schedules are currently under development with programs to be determined in consultation with the Aboriginal community sector and include transition to community control consistent with the National Agreement on Closing the Gap.

Some funding announced in the partnership agreement is expected to be retained by the Commonwealth or provided directly to the Aboriginal community sector.

#### National Legal Assistance Partnership/National Access to Justice Partnership

The Territory expects to receive \$37 million in 2024-25 for the National Legal Assistance Partnership (NLAP) and \$256 million over the budget and forward estimates under the National Access to Justice Partnership Agreement (NAJP) to provide a range of community legal services.

The NAJP will commence from 1 July 2025, replacing the current NLAP that expires on 30 June 2025. The NAJP will provide funding for essential legal services to people unable to afford private legal services, services for women and children experiencing family and domestic violence, and culturally appropriate legal services to Aboriginal and Torres Strait Islander people. The NAJP includes an uplift in funding compared to the NLAP as well as a transfer of services from Commonwealth to Territory delivery models.

#### National Water Grid Fund

The Territory expects to receive \$113 million in 2024-25, \$140 million in 2025-26, \$57 million in 2026-27, and \$40 million in 2027-28. The fund aims to develop nationally important water infrastructure projects that support primary industries and unlock potential, promote growth and sustainability of regional economies, build resilience, and improve water reliability and security.

The fund includes support for community bores, the Manton Dam return to service project and project development for the Adelaide River off-stream water storage, as well as water-related studies, strategies and plans.

#### Comprehensive primary health care delivery

The Territory expects to receive \$46 million in 2024-25, \$48 million in 2025-26, \$49 million in 2026-27, and \$51 million in 2027-28.

The agreement was signed in October 2024 and provides funding for the delivery of culturally appropriate primary health care services to Aboriginal and Torres Strait Islander people in the Territory.

#### Restoring funding for Northern Territory homelands

The Territory expects to receive \$69 million in 2024-25, \$66 million in 2025-26 and \$40 million in 2026-27 to deliver housing and essential infrastructure on Territory homelands. Budget forecasts reflect the Territory's allocation under the agreement, with some funding carried forward for expected program delivery timeframes.

#### National critical care and trauma centre

The Territory expects to receive \$16 million in 2024-25, \$21 million in 2025-26 and \$19 million in 2026-27 to support the continued operation and development of the national critical care and response centre as Australia's centre of excellence for health disaster response.

#### Central Australia Plan – a better, safer future for Central Australia

The Territory expects to receive \$25 million in 2024-25, and \$15 million per annum in 2025-26 and 2026-27 through A Better, Safer Future for Central Australia (Central Australia Plan) investment package.

The Central Australia Plan is focused on improving community safety and cohesion, job creation and better health services. It includes funding for on-country learning to support improved student enrolment, engagement, wellbeing and learning outcomes, and a community infrastructure package to support projects that improve regional development, economic, social and cultural outcomes.

#### Social Housing Accelerator

The Territory has budgeted to receive \$15 million in 2024-25, \$31 million in 2025-26 and \$4 million in 2026-27 to deliver additional social housing in the Territory. This reflects the recognition of revenues in line with project delivery timeframes following an upfront payment in 2022-23.

### Mine remediation

The Territory has budgeted to receive \$40 million in 2024-25 and \$2 million in 2025-26 to deliver mine remediation projects. Total funding for mine remediation is not for publication at this time to allow competitive tender processes.

### Other federation funding agreement schedules

The Territory expects to receive \$161 million in 2024-25, \$185 million in 2025-26, \$97 million in 2026-27, \$24 million in 2027-28 and \$28 million in 2028-29 under a number of other FFA schedules including funding for health, education, housing, and environmental services and programs.

The decline in other FFA funding over the budget and forward estimates is mostly due to the expiry of agreements, some of which are expected to be renegotiated.

## National Skills Agreement (specific purpose payments)

The Territory expects to receive \$152 million over the budget cycle to 2028-29 to support vocational education and training.

The National Skills Agreement includes payment streams for baseline vocational education and training sector services, as well as TAFE centres of excellence, vocational education and training workforce, national TAFE networks, closing the gap, improved completions, foundational skills, and data and evidence reporting.

## Other tied Commonwealth revenue

The Territory receives other tied revenue from the Commonwealth, including COPE and contingent payments. COPEs are primarily payments made by the Commonwealth directly to a Territory agency to provide specific services or for on-passing to non-government or local government organisations. Contingent payments include funding under Disaster Recovery Funding Arrangements.

It is estimated revenue for these agreements will total \$147 million in 2024-25, \$179 million in 2025-26, \$184 million in 2026-27, \$118 million in 2027-28, and \$134 million in 2028-29. The forecast decline over the forward estimates is largely attributable to the expiry of health-related COPE agreements, some of which are currently under negotiation and expected to be renewed.

## Other Commonwealth commitments for the Territory

The Commonwealth has announced a number of funding arrangements for the Territory that are still under negotiation and have not yet been incorporated in the Territory's budget as business cases and agreements are still to be finalised. These agreements include:

- \$1.5 billion to support the construction of common-user marine infrastructure within the Middle Arm Sustainable Development Precinct, providing a pathway to a decarbonised economy by helping emerging clean energy industries
- \$840 million to kick-start a rare earths mining industry through an enhanced commitment to Arafura's Nolans rare earths project
- \$440 million to support the development of regional logistic hubs.

## Chapter 6

# Territory taxes and royalties

## Overview

In accordance with sections 10(1)(c) and 10(1)(f) of the FITA, this chapter includes forecasts of the Territory's tax and royalty revenues, and explanations for material variations between the current forecasts and those published in the 2024 PEFO. It also includes a comparison of taxes and royalties with other jurisdictions to demonstrate Territory tax policies are based on the FITA principles of sound fiscal management. In accordance with section 10(1)(d), this chapter also contains an overview of the Territory's forecast tax expenditure as a result of concessions and exemptions for 2024-25 through to 2028-29.

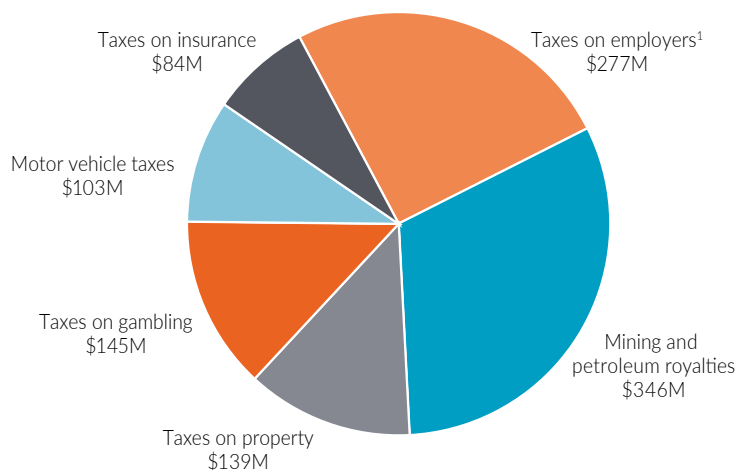
Own-source revenue provides the Territory with a degree of fiscal autonomy to support the delivery of infrastructure and services. The Territory's own-source revenue includes taxes, mining and petroleum royalties, fees and charges, rent and tenancy income, interest and dividend revenue, and profit and loss on the disposal of assets. As taxation and royalty revenue forms one of the Territory's largest own-source revenue stream, comprising 38% of own-source revenue in the non-financial public sector in 2025-26, this chapter focuses on own-source revenue from taxes and royalties.

The Territory's sources of revenue are broadly comparable with other states, with the exception of land tax, which the Territory does not levy. The Territory is more reliant on revenue from the Commonwealth compared to other states, as own-source revenue is expected to only comprise 29% of non financial public sector revenue in 2025-26. This compares to an average of 60% in other jurisdictions. The difference mainly reflects the Territory's lower revenue-raising capacity than other states, driven by a small population of just over 250,000 people, and a relatively narrower industry base and private sector.

## Analysis of Territory taxes and royalties

In 2025-26, revenue from taxes and royalties is estimated to total \$1.09 billion, mainly consisting of mining and petroleum royalties at 32%, taxes on employers (payroll tax) at 25%, taxes on gambling at 13% and property (stamp duty) also at 13%. Chart 6.1 summarises the breakdown of taxes and royalties.

Chart 6.1: Territory taxes and royalties, 2025-26



<sup>1</sup> Excludes internal payroll tax payments within the non financial public sector.

Table 6.1 provides forecasts for Territory taxes and royalties by category for current and future financial years. Revenue from taxes and royalties is expected to remain stable at \$1.09 billion in both 2024-25 and 2025-26, and average \$1.05 billion per annum over the forward estimates period.

Table 6.1: Territory taxes and royalties components

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
Taxation revenue	797	748	745	773	804
Taxes on employers	320	277	277	292	309
Taxes on property	179	139	126	128	130
Taxes on gambling	115	145	146	147	150
Motor vehicle taxes	104	103	107	110	113
Taxes on insurance	78	84	90	96	103
Mining and petroleum royalties	298	346	260	324	261
Total taxes and royalties revenue	1 095	1 094	1 005	1 097	1 065

Table 6.2 highlights the variation in the overall tax and royalty revenue forecasts since the 2024 PEFO. Overall, revenue forecasts have been revised upward by \$176 million in 2024-25 and \$142 million in 2025-26, with smaller upward revisions expected over the forward estimates period. As discussed in further detail below, the variations mainly reflect a combination of stronger than expected growth, particularly mining royalties, as well as the impact of gambling and payroll tax reforms.

Table 6.2: Territory taxes and royalties – variation since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$M	\$M	\$M	\$M	\$M
2024 PEFO	919	952	928	1 048	n/a
2025-26 Budget	1 095	1 094	1 005	1 097	1 065
Variation from 2024 PEFO	176	142	77	49	n/a

n/a: not available at the time of publishing the 2024 PEFO

Table 6.3 highlights the variation in tax and royalty forecasts since the 2024 PEFO by category. Analysis of significant variations is provided later in this chapter.

Table 6.3: Territory taxes and royalties – variations in revenue components since 2024 PEFO

	2024-25	2025-26	2026-27	2027-28
	Revised	Budget	Forward estimate	
	\$M	\$M	\$M	\$M
Taxation revenue	96	38	16	12
Taxes on employers	31	- 7	- 9	- 9
Taxes on property	54	15	- 3	- 4
Taxes on gambling	7	34	32	30
Motor vehicle taxes	7	2	3	3
Taxes on insurance	- 3	- 6	- 7	- 8
Mining and petroleum royalties	80	104	61	37
Variation from 2024 PEFO	176	142	77	49

## Revenue initiatives in 2025-26

### Payroll tax threshold and annual deduction increase

From 1 July 2025, the payroll tax tax-free threshold and maximum annual deduction will increase from \$1.5 million to \$2.5 million. The new annual deduction will reduce at a rate of \$1 for every \$2 of taxable wages above the tax-free threshold, instead of \$1 for every \$4 of taxable wages. This change means the level of taxable wages at which the deduction is exhausted remains at \$7.5 million.

As a result of these changes, employers with taxable wages of \$2.5 million or below will be exempt from payroll tax, while those with taxable wages between \$2.5 million and \$7.5 million will pay reduced tax. Employers with taxable wages of \$7.5 million or more will continue to receive no annual deduction and must pay tax on their entire taxable Territory wages. These measures are expected to result in forgone revenue of \$12 million per annum from 2025-26. However this does not factor in potential business and economic stimulus arising from the tax reforms.

### Payroll tax apprentice and trainee exemption

From 1 July 2025, wages paid to apprentices and eligible trainees will be exempt from payroll tax. To qualify, the employee must meet the definition of an 'apprentice' or 'trainee' contained in the *Training and Skills Development Act 2016*. Furthermore, trainee wages are only exempt if the trainee was employed by the employer for less than three months (in the case of full-time employees) or less than 12 months (for part-time or casual employees) immediately before commencing the traineeship. This is to incentivise hiring of new apprentices and trainees. This measure is expected to result in forgone revenue from 2025-26 of \$5 million per annum, before any broader stimulus impact is accounted for.

### Payroll tax and stamp duty exemptions for charities and not-for-profit entities

From 1 July 2025, the payroll tax and stamp duty exemptions available for charities and not-for-profit entities will be simplified and broadened by removing the 'commercial and competitive' restrictions on those exemptions.

For the payroll tax exemption, charities and not-for-profit entities are no longer required to substantiate that wages excluded staff engaging in commercial or competitive activities. For the stamp duty exemption, these entities are no longer required to substantiate that acquired property is used solely in a manner that is not commercial or competitive.

From 2025-26, these measures are expected to result in forgone revenue of \$1.3 million per annum.

### Gambling tax changes

The *Gaming Control Act 1993* is being amended to set a minimum 50% tax rate for activities conducted under an internet gaming licence effective from 1 July 2025. The legislated tax rate will override existing agreement-based tax settings for current internet gaming licences.

This measure is expected to generate additional revenue of \$17.7 million per annum from 2025-26.

A minor amendment to the *Taxation Administration Act 2007* ensures administration of internet gaming tax continues to be aligned with other Territory taxes, such as subjecting internet gaming tax to the same administrative mechanisms related to collection, refunding and payment of tax (including interest and penalty tax regime), as well as extending objection and appeal rights to licensees.

The *Racing and Wagering Act 2024* is also being amended to double the annual tax cap applicable to licensed corporate bookmakers and betting exchanges from 1,000,000 revenue units to 2,000,000 revenue units effective from 1 July 2025. This measure is expected to generate additional revenue from 2025-26 of \$13.1 million per annum.

## Taxation revenue

The Territory's taxation revenue comprises taxes on employers (payroll tax), property (stamp duty), gambling, insurance and motor vehicles. Taxation revenue for 2024-25 is expected to total \$797 million, before moderating to \$748 million in 2025-26, largely due to expected declines in payroll tax and stamp duty, partly offset by increases in taxes on gambling. Taxation revenue is expected to remain mostly flat in 2026-27, before rising steadily over the remainder of the forward estimates, underpinned by stable growth across most tax categories in line with the broader Territory economy.

As reported in Table 6.3, total taxation revenue for 2024-25 is \$96 million higher than forecast in the 2024 PEFO, mainly due to higher than expected payroll tax and stamp duty. Taxation revenue for 2025-26 is expected to be around \$38 million higher than forecast in the 2024 PEFO, mainly reflecting higher than expected stamp duty and taxes on gambling, partly offset by expected moderation in payroll tax and taxes on insurance.

### Taxes on employers

#### Payroll tax

Payroll tax is payable in the Territory when the total annual Australian wages of an employer (or group of employers) exceed \$2.5 million. Payroll tax is imposed at a rate of 5.5% on taxable Territory wages less an annual deduction of up to \$2.5 million.

The amount of the deduction is based on a sliding scale starting at \$2.5 million and reducing by \$1 for every \$2 in wages paid by an employer over \$2.5 million. This means an employer paying wages of \$4.5 million receives a deduction of \$1.5 million, whereas an employer paying wages of \$7.5 million or more receives no deduction and payroll tax is calculated on the total taxable Territory wages paid by that employer.

As shown in Table 6.1, payroll tax revenue is expected to total \$320 million in 2024-25, \$31 million higher than forecast in the 2024 PEFO, reflecting stronger than expected wages and employment outcomes. Payroll tax is expected to moderate to \$277 million in 2025-26, partly reflecting the impact of the increased payroll tax threshold and annual deduction as well as the apprentice and trainee exemption. It also partly reflects the Barossa offshore LNG facility transitioning from the construction to operational phase, resulting in reduced employment. Steady growth is expected from 2027-28 in line with broader economic activity.

### Taxes on property

#### Conveyance and related duty (stamp duty)

Tax on property in the Territory consists of conveyance and related duty, more commonly known as stamp duty. Stamp duty is derived from direct and indirect conveyances of dutiable property in the Territory. Dutiable property consists of land and chattels acquired with land.

The imposition of stamp duty in the Territory differs depending on the dutiable value of the property. There are four tax brackets. For property in the lowest tax bracket (dutiable value not exceeding \$525,000), a formula-derived rate is applied. Otherwise, a fixed rate applies determined by the value of the asset being conveyed, as outlined in Table 6.4.



Table 6.4: Stamp duty rates on assets

	Stamp duty rate
Value range of asset being conveyed:	%
– less than \$525,000	≤ 4.95
– \$525,000 to less than \$3,000,000	4.95
– \$3,000,000 to less than \$5,000,000	5.75
– \$5,000,000 or greater	5.95

The Territory's stamp duty regime is different to other states, which levy stamp duty based on marginal rates. A comparison of the Territory's stamp duty regime with other states is provided later in this chapter.

As reported in Table 6.1, the Territory is expected to collect \$179 million in stamp duty in 2024-25, moderating to \$139 million in 2025-26 and averaging around \$128 million per annum over the forward estimates. Large commercial transactions are a significant source of variability to this profile, varying greatly in scale and being sporadic in nature.

Table 6.3 shows that stamp duty revenue for 2024-25 is expected to be \$54 million greater than forecast in the 2024 PEFO due to a number of large commercial property transactions combined with increased residential sales volumes. In 2025-26, revenue is expected to be \$15 million higher than forecast in the 2024 PEFO due to an expected increase in residential conveyance transaction volumes and prices.

## Taxes on the provision of goods and services

### Taxes on gambling

Gambling taxes in the Territory consist of community gaming machine tax, bookmaker tax, lotteries tax, community benefit levy, casino/internet tax, betting exchange tax and wagering tax. Gambling tax revenue is a consistent and relatively stable contributor to Territory own-source revenue.

As shown in Table 6.1, gambling taxes are forecast to total \$115 million in 2024-25, before averaging \$147 million per annum from 2025-26. Table 6.3 shows gambling taxes are expected to moderately increase in 2024-25, before increasing on average by \$32 million per annum from 2025-26. This increase reflects policy changes to apply a uniform 50% tax rate for internet gaming licensees and doubling of the corporate bookmaker and betting exchange tax cap, effective from 1 July 2025. Table 6.5 provides the revenue forecast for gambling taxes by category.

Table 6.5: Gambling tax components

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
Community gaming machine tax	51 592	48 845	49 220	49 595	51 520
Bookmaker tax	19 834	32 619	33 141	33 663	34 185
Lotteries tax	18 601	19 882	19 882	19 882	19 882
Community benefit levy	16 792	15 753	15 879	16 006	16 528
Casino/internet tax	7 234	24 934	24 934	24 934	24 934
Betting exchange tax	1 416	2 913	2 993	3 073	3 154
Wagering tax	29	29	29	29	29
<b>Total</b>	<b>115 498</b>	<b>144 974</b>	<b>146 078</b>	<b>147 182</b>	<b>150 232</b>

Community gaming machine tax is levied on gross profits (that is, net player losses) from electronic gaming machines in Territory clubs and pubs. In 2024-25, revenue is estimated to total \$51.6 million, exceeding the 2024 PEFO forecast by \$7.2 million. In 2025-26, revenue is expected to moderate to \$48.8 million, representing a return to historical trend levels, and steadily increase over the forward estimates in line with overall population growth and economic activity.

Bookmaker tax is expected to total \$19.8 million in 2024-25, which is \$2.6 million lower than forecast in the 2024 PEFO. In 2025-26, revenue is expected to increase to \$32.6 million and average \$33.6 million per annum over the forward estimates period, reflecting the doubling of the bookmaker tax cap from 1 July 2025.

Lotteries tax revenue is expected to total \$18.6 million in 2024-25, around \$1.3 million lower than forecast in the 2024 PEFO. Revenue is expected to total \$19.9 million per annum ongoing from 2025-26.

Revenue from the community benefit levy largely correlates with community gaming machine tax receipts. The community benefit levy is expected to yield revenue of around \$16.8 million in 2024-25, \$2.4 million higher than forecast in the 2024 PEFO due to higher than expected community gaming tax receipts. Receipts of \$15.8 million are expected in 2025-26, with a return to trend growth over the forward estimates.

Casino/internet tax revenue is expected to total \$7.2 million in 2024-25, around \$1.6 million higher than the 2024 PEFO. From 2025-26, receipts are forecast to increase to \$24.9 million per annum due to policy changes to internet gaming tax settings.

Betting exchange tax revenue is expected to total \$1.4 million in 2024-25, in line with the 2024 PEFO forecast, increasing to \$2.9 million in 2025-26 due to doubling of the betting exchange tax cap from 1 July 2025.

Wagering tax revenue is expected to total \$29,000 in 2024-25 and across the budget and forward estimates, a \$46,000 decline from the 2024 PEFO forecast, reflecting an ongoing shift in gambling practices and behaviours as wagering activity increasingly takes place online and physical betting venues close.

### Taxes on insurance

Territory insurance tax presently consists of stamp duty on general insurance policies. Stamp duty on general insurance is calculated at a rate of 10% of the premium paid on all general insurance products relating to property or risk in the Territory. Where the policy also relates to a risk or property outside the Territory, the premium is apportioned.

Table 6.1 shows that insurance duty is estimated to total \$78 million in 2024-25 and is expected to total \$84 million and grow by around 7% per annum over the forward estimates, around \$3 million lower than forecast in the 2024 PEFO. When compared to the 2024 PEFO, insurance duty is expected to be lower in all years. While this outcome is lower than expected, growth in recent years has been strong and is expected to remain above historical trends due to premium growth and the effects of inflation.

## Taxes on use of goods and performance of activities

### Motor vehicle taxes

Motor vehicle taxes comprise stamp duty on initial registration and transfer of motor vehicles, motor vehicle registration fees and the passenger service levy.

As reported in Table 6.1, motor vehicle taxes are expected to total \$104 million in 2024-25, with growth in 2025-26 offset by the Territory Government's light vehicle registration fee freeze until 1 July 2026 and an expected moderation in motor vehicle stamp duty revenue. Moderate growth is expected across the forward estimates period in line with fee indexation. As Table 6.3 illustrates, current projections slightly exceed the 2024 PEFO forecasts for all years.

Stamp duty is levied on the purchase price of a vehicle at a rate of \$3 per \$100 or part thereof. In 2024-25, revenue is estimated to total \$33.5 million, around \$8.2 million higher than forecast in the 2024 PEFO, reflecting higher than expected transaction volumes. Revenue is expected to moderate to \$31.2 million in 2025-26 and increase at a long-term trend rate of 1.1% per annum over the forward estimates period.

Motor vehicle registrations comprise heavy and light vehicle registrations. Fees for registering motor vehicles are set out in Motor Vehicles (Fees and Charges) Regulations 2008. Light vehicle registration fees are calculated by reference to a differential rate scale based on the engine capacity of the vehicle. Fees are defined in revenue units, with the monetary value of a revenue unit indexed on 1 July each year in accordance with the *Revenue Units Act 2009*. Heavy vehicle registration fees are set based on a vehicle type, tonnage and axles.

In 2024-25, the Territory is forecast to collect \$67.7 million in motor vehicle registration fees, which is around \$2 million below the 2024 PEFO forecast. In 2025-26, revenue is expected to increase to \$68.9 million, partly offset by the Territory Government's light vehicle registration fee freeze, and grow by an average of 3.5% per annum from 2026-27, in line with revenue unit indexation and vehicle registration growth consistent with the economic outlook.

Since inception in July 2022, government has exempted \$1.3 million in stamp duty in respect of certificates of registration for electric vehicles. This initiative ceases on 30 June 2027.

A passenger services levy of \$1 is imposed on every trip taken in a taxi, minibus, private hire car or rideshare vehicle. From 2024-25 ongoing, revenue from the passenger services levy is expected to total \$2.7 million per annum, a \$0.7 million increase from the 2024 PEFO, reflecting increased use of passenger services in the Territory.

## Mining and petroleum revenue

The Territory levies royalties on the extraction of mineral commodities from mining activities and onshore petroleum production. Mining and petroleum royalties are a charge for resource extraction, payable to the Territory as the owner of the resources.

Royalties are currently levied in the Territory on gold, silver, bauxite, iron ore, manganese, lead, zinc, ilmenite, magnetite, oil and gas. Royalties have also been imposed in the past on commodities such as copper, lithium, limestone, vermiculite and mineral sands, and the Territory is highly prospective for several other minerals, including phosphate and rare earths.

Mineral royalties are payable in accordance with the *Mineral Royalty Act 1982* and *Mineral Royalties Act 2024*. New mines now pay royalties under the 2024 Act, however mines that were producing during the 2023 calendar year are grandfathered under the 1982 Act.

The 2024 Act imposes an ad valorem royalty featuring four categories of rates, 7.5%, 5%, 3.5% and 2.5%, assigned to minerals depending on cost intensity/complexity/value-add through processing in the Territory.

The 1982 Act imposes a royalty based on 20% of the net value or profit from mining activities after deductions for allowable costs. A minimum royalty rate of 1% to 2.5% applies to the gross production value of commodities extracted where the operator would otherwise pay less than that amount under the net value calculation.

For petroleum royalties, the Territory imposes an ad valorem royalty of 10% on the value of production at the wellhead, which is generally consistent with other Australian jurisdictions. The wellhead value is important for royalty purposes as it is the point at which ownership of the resource transfers from the Territory to the producer. As most petroleum is not sold at the wellhead, the value is calculated by recognising certain post-wellhead costs incurred in transforming the raw product to its first saleable point.

Mining and petroleum royalty projections use a range of information from mining companies and petroleum producers, including estimates of commodity price movements, production levels and the value of the Australian dollar, as well as the Department of Treasury and Finance's internal commodity price and market outlook.

As shown in Table 6.1, mining and petroleum royalties are expected to total \$298 million in 2024-25, increasing to \$346 million in 2025-26, and average \$282 million over the forward estimates.

Certain commodities have seen a substantial escalation in market price mainly driven by geopolitical tensions, anticipated rate cuts by the US Federal Reserve, demand for safe-haven assets and ongoing supply shortages for some commodities due to the suspension of mining operations following Cyclone Megan. Further, a decline in the Australian dollar reduced the impact of inflation on Territory mine costs, resulting in higher profitability for established mines notwithstanding increased expenses due to suspended operations and associated repairs in some cases. From 2026-27, royalty revenue is expected to fluctuate in line with an anticipated moderation in mineral production as some mines prepare to conclude operations and commodity markets stabilise.

## Interstate tax comparison

The composition of the Territory's taxes is broadly similar to other jurisdictions, with the main difference being the rates, exemptions and thresholds set by each state. The Territory is also the only jurisdiction that does not have a land tax. The ability of states to determine their own tax policy promotes competition between jurisdictions and provides autonomy in calibrating tax systems to achieve a jurisdiction's specific fiscal, economic and social aims.

There are various approaches to measuring tax competitiveness. Two common approaches are CGC measures of taxation effort and capacity, and the representative taxpayer model.

### Commonwealth Grants Commission

#### Revenue effort

The CGC assesses each state's revenue-raising effort on an annual basis. Revenue effort is the ratio of the actual amount of revenue a state raises compared to the amount of tax revenue the CGC assesses could be raised if the state applied national average tax rates to its tax base.

Average revenue effort is assessed as 100%. A state with an above-average revenue effort will score more than 100%, while a below-average effort scores less than 100%.

Table 6.6 provides a comparison of the CGC's assessment of taxation and own-source revenue-raising effort in 2023-24 (the most recent year for which an assessment is available). Total own-source revenue effort includes taxation and mining revenue, contributions by trading enterprises (government owned corporations) and user charges for some government services, including waste management levies, road charges and registry services.

Table 6.6: Revenue effort by jurisdiction, 2023-24

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
	%	%	%	%	%	%	%	%
Total taxation effort	97.2	113.5	91.9	93.0	95.1	85.9	134.0	81.9
Total own-source revenue effort	89.7	111.8	103.5	95.3	101.4	97.9	145.3	108.6

Source: CGC 2025 Methodology Review

The Territory generally demonstrates the lowest taxation effort as it does not impose land tax and levies lower than average motor vehicle taxes. However, total own-source revenue effort is above the national average, mostly due to the Territory's mineral royalty arrangements.

The 2022-23 taxation and own-source revenue outcomes differ from those published at the time of the 2024-25 Budget (82% and 118.2%, respectively) due to subsequent updates made by the CGC. The Territory's total taxation and own-source revenue efforts for 2023-24 are lower when compared to the 2022-23 updated outcomes, 84% and 123%, respectively. The Territory's reduced taxation effort over this period largely reflects a lower stamp duty effort in 2023-24 relative to 2022-23 (122.4% versus 132%), though it is noted the Territory's stamp duty effort remains significantly above the national average of 98.5%, reflecting relatively higher stamp duty rates. The reduced own-source revenue effort reflects a significant decline in royalties due to mining disruptions caused by Cyclone Megan.

### Revenue capacity

States are limited to growing their own-source revenues by either replacing current taxes with a new growth tax or expanding existing tax bases. States are unable to raise excise or customs duties under the Australian Constitution, while the Commonwealth has long assumed the collection of income tax.

Over the budget cycle, the Territory's taxation and royalty own-source revenue averages 11% of total revenue for the non financial public sector.

Optimally, state taxation policy balances the aims of raising sufficient revenue to fund government services, minimising the tax burden and imposition of red tape for taxpayers, cultivating conditions for business growth, and creating a tax environment that is competitive with other jurisdictions and attracts private investment.

Although all states face similar constraints in raising own-source revenue, the Territory's capacity to raise revenue is further limited by its relatively small resident and business tax base. This is illustrated in Table 6.7, which reports the CGC's assessments of revenue-raising capacity for major state taxes and mining revenue. Revenue-raising capacity is the ratio of the per capita amount a state could raise if it applied the national average policy to its tax base, compared to actual per capita average revenue raised on the national tax base. This measure removes differences in state policies such as the Territory's decision not to impose land tax. A ratio close to 100 means the Territory's actual revenue-raising capacity for that tax category matches the state average (for example, payroll tax).

Table 6.7: Assessed revenue-raising capacity, 2023-24

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
	%	%	%	%	%	%	%	%
Total taxation revenue	113.8	98.4	91.4	102.4	80.5	72.9	83.7	78.3
Land tax	152.8	112.1	55.9	56.3	56.1	42.6	41.1	46.1
Payroll tax	103.9	95.6	93.3	134.8	73.4	71.3	95.4	102.5
Stamp duty	123.9	93.3	95.9	86.4	72.4	58.1	91.0	48.0
Insurance tax	104.6	94.8	100.7	92.4	121.5	77.5	84.0	82.3
Motor vehicle tax	91.6	99.5	106.5	114.3	102.5	112.1	73.7	91.0
Mining and petroleum revenue	50.6	2.5	182.5	396.8	24.5	22.2	0.0	82.4

Source: CGC 2025 Review

The Territory is assessed as having a relatively low capacity to raise taxes, particularly land tax and stamp duty, where the Territory's capacity is significantly below the national average of 100%. This reflects the Territory's geographical composition, a relatively small number of very high value commercial and residential properties, a resident population just over 250,000 and large areas of the Territory with very little private property ownership.

### Representative taxpayer model

The representative taxpayer model compares the amount of tax payable in each jurisdiction by a representative household or firm. This approach takes into account the different circumstances of each state by applying each state's tax rate to a representative or average standard.

#### Land tax

This category comprises taxes on the ownership of land and includes any metropolitan land planning, development, and fire and emergency service levies. Land taxes are usually based on the assessed unimproved value of the land.

Land tax is an important source of income for other states, generating more than \$14.8 billion in revenue in 2023-24. Land tax is levied on the landowner's total holdings of commercial land and residential investment property, although an exclusion is generally provided for land used for primary production. Land tax rates are usually progressive and most jurisdictions have tax-free thresholds.

The Territory does not impose a land tax. However, in its 2025 Review, the CGC assessed the Territory could raise about \$79 million per annum if it adopted average state policy on land tax.

#### Payroll tax

Table 6.8 compares payroll tax rates and thresholds for each jurisdiction. The table shows the Territory's payroll tax annual threshold is equal second highest in Australia, meaning its payroll tax rate is slightly above the national average, and the majority of small local businesses are excluded from the tax base.

Table 6.8: State and territory payroll tax rates and annual thresholds for 2024-25

	NSW	Vic <sup>1</sup>	Qld <sup>2</sup>	WA <sup>3</sup>	SA <sup>4</sup>	Tas <sup>5</sup>	ACT	NT <sup>6</sup>	Average
Threshold (\$M)	1.20	0.90	1.30	1.00	1.50	1.25	2.00	1.50	1.33
Rate (%)	5.45	4.85	4.75	5.50	4.95	4.00	6.85	5.50	5.23

1 Rate is 1.2125% for regional employers. Mental health and wellbeing surcharge of 0.5% applies to annual taxable wages where an employer's Australian wages exceed \$10 million. Additional 0.5% surcharge (covid debt temporary surcharge) applies to annual taxable wages where Australian wages exceed \$100 million. The surcharges only apply to wages in excess of those thresholds. The tax-free threshold of \$1 million is in effect in 2025-26.

2 Rate is 4.75% for wages between \$1.3 million and \$6.5 million, and 4.95% for wages over \$6.5 million. The tax-free threshold reduces as an employer's Australian wages increases, with no deduction provided for employers with wages over \$6.5 million. A mental health levy applies a 0.25% surcharge to annual taxable wages, where an employer's Australian taxable wages exceed \$10 million, and an additional 0.5% surcharge to annual taxable wages where an employer's Australian wages exceed \$100 million. Surcharges only apply to wages in excess of those thresholds.

3 Threshold reduces as an employer's wages increase, with no deduction for employers with wages over \$7.5 million. Where annual Australian taxable wages exceed \$100 million, a tax rate of 6% applies to taxable wages. Similarly, a rate of 6.5% applies where annual Australian taxable wages exceed \$1.5 billion.

4 Rate increases from 0% to 4.95% for employers with wages between \$1.5 million and \$1.7 million. A maximum deduction of \$600,000 is available to employers.

5 Rate is 4% for wages between \$1.25 million and \$2 million, and 6.1% for wages over \$2 million.

6 Threshold reduces as an employer's payroll increases, with no deduction for employers with payrolls over \$7.5 million. The tax-free threshold of \$2.5 million is in effect in 2025-26.

Source: State legislation and information available at 7 March 2025

Table 6.9 provides the effective payroll tax rate at various wage levels for each jurisdiction after considering individual state tax-free thresholds and payroll tax rates. For businesses with wages of \$2 million and below, the Territory has a competitive payroll tax scheme with effective tax rates either around or below the national average, and no tax payable when taxable wages are \$1.5 million or less. For very large businesses with annual wage costs of \$20 million or more, the Territory has a more favourable effective payroll tax rate than the Australian Capital Territory and Tasmania, and is comparable to Western Australia. From 2025-26, the tax-free threshold in the Territory will increase to \$2.5 million, making the Territory more competitive for businesses with wages of \$5 million and below compared to the national effective tax rate.

Table 6.9: Effective state and territory payroll tax rates at various annual payroll levels for 2024-25

Annual payroll	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Average
\$M	%	%	%	%	%	%	%	%	%
1	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.1
2	2.2	2.7	1.9	3.2	3.5	1.5	0.0	1.7	2.1
3	3.3	3.4	3.1	4.2	4.0	3.0	2.3	3.4	3.3
4	3.8	4.4	3.7	4.8	4.2	3.8	3.4	4.3	4.0
5	4.1	4.9	4.0	5.1	4.4	4.3	4.1	4.8	4.5
10	4.8	4.9	4.9	5.5	4.7	5.2	5.5	5.5	5.1
20	5.1	5.4	5.1	5.5	4.8	5.6	6.2	5.5	5.4
50	5.3	5.7	5.2	5.5	4.9	5.9	6.6	5.5	5.6
100	5.4	5.8	5.2	5.5	4.9	6.0	6.7	5.5	5.6

Source: State legislation and information available at 7 March 2025

### Stamp duty on residential conveyances

Stamp duty receipts on residential properties are impacted by house prices, transaction volumes, the rate of stamp duty and availability of stamp duty concessions.

The Territory's below-average capacity to raise stamp duty revenue as shown in Table 6.7 is mainly due to having the lowest house and unit prices, being well below the state average. Chart 6.2 compares the median house price of each capital city.

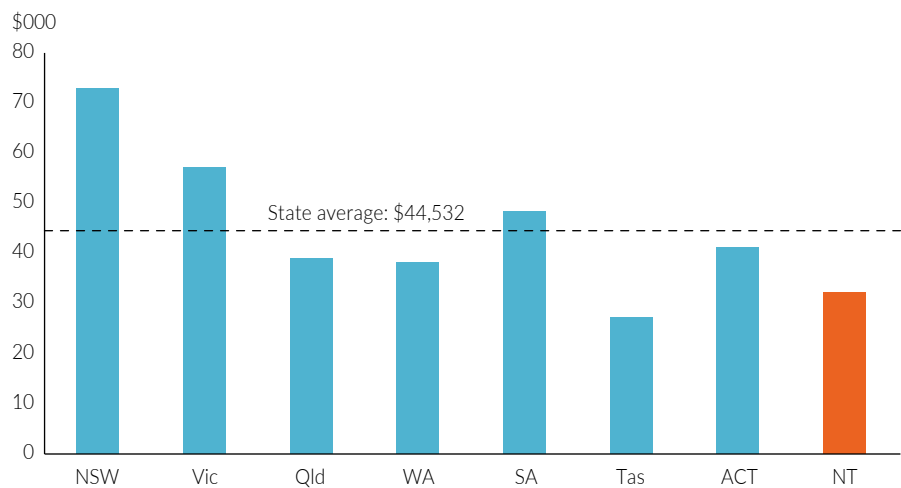
Chart 6.2: Median capital city house prices, December quarter 2024



1 The state average is 54% higher than the Darwin median house price.  
Source: Australian Property Monitor for December quarter 2024

Chart 6.3 compares the amount of stamp duty payable on the purchase of a residential property in each jurisdiction based on the median house price in that jurisdiction’s capital city, excluding stamp duty concessions. The comparison shows the amount payable in the Territory is generally comparable to jurisdictions such as Tasmania, Western Australia and Queensland. However, the Territory’s overall property tax impost is lower than other jurisdictions as the Territory does not impose a land tax.

Chart 6.3: Stamp duty payable on purchase of a median-priced house in each capital city, exclusive of any concessions



Source: Australian Property Monitor for December quarter 2024; state legislation and information available at 7 March 2025

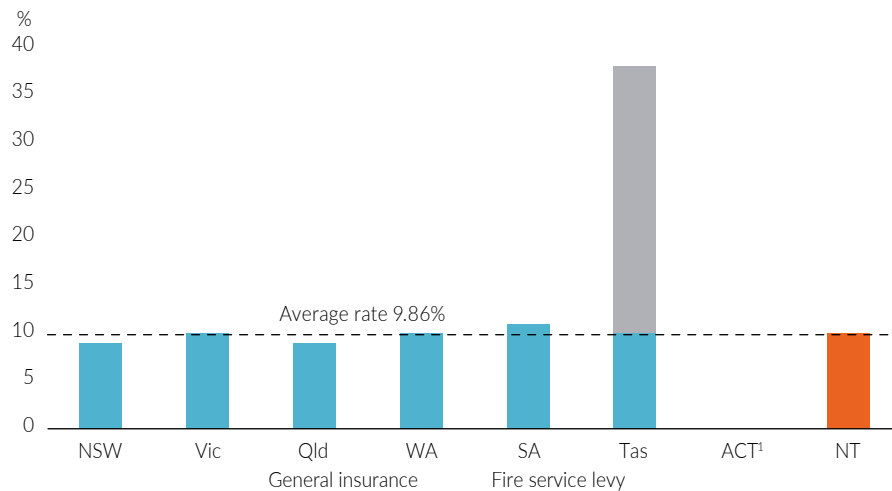
Insurance duty

All states impose taxes on general insurance premiums at rates between 9% and 11%, with New South Wales, Queensland and Tasmania imposing special rates on particular classes of general insurance. The only exception is the Australian Capital Territory where insurance duty was abolished on 1 July 2016. The Australian Capital Territory, Victoria, Western Australia and the Northern Territory do not collect taxes on life insurance policies.

As shown in Chart 6.4, compared with the other states (excluding the Australian Capital Territory), the Territory is an average-taxing jurisdiction.



Chart 6.4: Average state tax rate on general insurance premiums

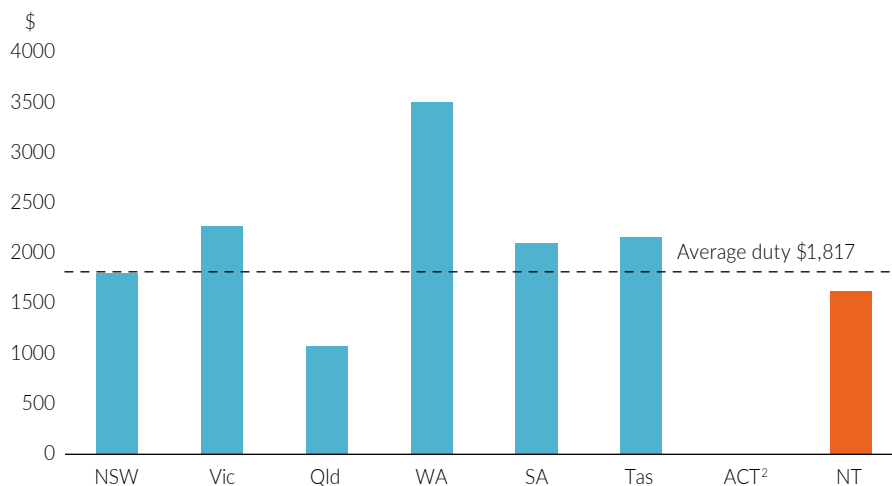


1 The Australian Capital Territory does not impose insurance duty.

Source: State legislation and information available at 7 March 2025

### Stamp duty on motor vehicles

Chart 6.5 compares stamp duty payable for a new motor vehicle, represented by a 4-cylinder 2025 Toyota Camry SL sedan 2.5L automatic valued at \$53,990. The chart shows stamp duty payable in the Territory is below the national average and third-lowest in Australia. The Australian Capital Territory does not impose stamp duty on environmentally friendly new motor vehicles but applies duty similar to the Territory on motor vehicles that have average environmental performance or are secondhand. Similarly, Queensland applies a comparable rate of motor vehicle stamp duty to the Territory but offers a concessional rate for hybrid vehicles (such as the comparison car).

Chart 6.5: Stamp duty on purchase of a medium-sized passenger vehicle<sup>1</sup>

1 Based on a 4-cylinder 2025 Toyota Camry SL sedan 2.5L automatic with carbon dioxide emissions of 91g/km.

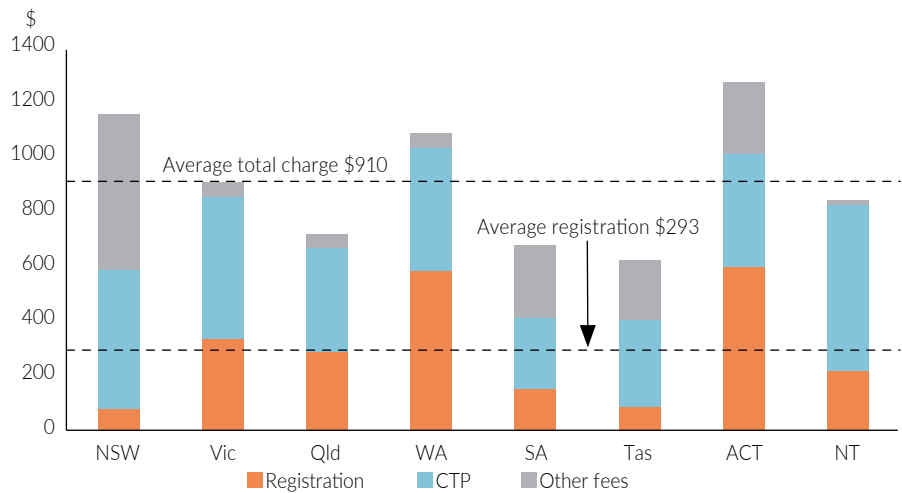
2 The Australian Capital Territory's Vehicle Emission Reduction Scheme allocates vehicles a performance rating based on their carbon dioxide emissions, and the stamp duty payable is reduced or increased based on that rating. The vehicle used for this comparison achieves a rating of A, which means no stamp duty is payable.

Source: State legislation and information available at 7 March 2025

Motor vehicle registration

Motor vehicle registration fees comprise registration, compulsory third-party or similar insurance and other fees, and vary significantly between jurisdictions. Chart 6.6 compares the costs of registering a 4-cylinder 2025 Toyota Camry SL sedan 2.5L automatic. A registration fee of \$219 and total registration cost of \$841.25 demonstrates the Territory's registration fees and total registration costs are below the average cost Australia-wide.

Chart 6.6: Annual registration fees and charges for a medium-sized passenger vehicle<sup>1</sup>



CTP: compulsory third-party insurance or equivalent  
<sup>1</sup> Based on a 4-cylinder 2025 Toyota Camry SL sedan 2.5L automatic with carbon dioxide emissions of 91g/km.  
Source: State legislation and information available at 7 March 2024

Higher than average Motor Accidents Compensation (MAC) Scheme insurance premiums in the Territory reflect higher costs associated with the Territory's small population and relatively high incidence of road accident casualties, and the no-fault nature of the Territory's compensation scheme. MAC Scheme premiums aim to ensure likely compensation claims for the upcoming year can be met and the scheme maintains a prudent solvency margin.

Despite MAC premiums being higher than average compulsory third-party insurance premiums, total registration and administrative costs in the Territory remain below the national average due to relatively low registration fees, and because the Territory does not include ancillary taxes and levies in the cost of registration. Additional levies imposed in other jurisdictions include fire and emergency service levies, motor taxes, traffic improvement levies and road safety contributions.

Tax expenditure statement

The tax expenditure statement details revenue estimated to be forgone by the government or financial benefits obtained by taxpayers as a result of tax exemptions or concessions. Identifying this expenditure (or forgone revenue) assists in providing a more accurate picture of the government's contribution by way of taxation concessions to assist various groups or industries.

Tax concessions are often provided to benefit a specified activity or class of taxpayer. They are expenditures in the sense the impact on budget outcomes is similar to direct expenditure outlays and could be used to achieve similar goals to grant programs.

Tax expenditure can be provided in a variety of ways, including by way of tax exemption, waiver, deduction, rebate or a concessionary tax rate.

The tax expenditure identified in this statement relates to the major concessions available in the Territory. In accordance with section 10(1)(d) of the FITA, the tax expenditure statement provides an estimate of expenditure (or forgone revenue) in 2024-25, and estimates for 2025-26 and the following three financial years.

Table 6.10 details the total estimated tax expenditure across payroll tax, stamp duty and motor vehicle fees.

Table 6.10: Total tax expenditure<sup>1</sup>

	2024-25	2025-26	2026-27	2027-28	2028-29
Tax expenditure (\$M)	204.6	212.8	222.8	234.5	247.2

<sup>1</sup> Does not include forgone land tax.

## Methodology

Tax expenditure has been estimated by applying a benchmark rate of taxation to forecast volume of activities or assets exempted by a particular concession. Only future events certain or highly likely to affect assumed tax bases or tax rates have been included when estimating future tax expenditure. Otherwise, existing taxation arrangements are assumed to apply for future years.

Measuring tax expenditure requires the identification of:

- a benchmark tax base
- concessionary taxed components of the benchmark tax base, such as specific activity or class of taxpayer
- a benchmark tax rate to apply to concessionary taxed components.

The establishment of a benchmark tax base provides a basis against which each tax concession can be evaluated. The aim of the benchmark is to determine which concessions are tax expenditures rather than structural elements of the tax.

By definition, tax expenditure comprises those tax concessions not included as part of the benchmark tax base.

## Payroll tax

The benchmark tax base for payroll tax is assumed to be all wages (as defined under payroll tax legislation) paid in the Territory. The benchmark tax rate is 5.5%.

Table 6.11: Payroll tax expenditure

	2024-25	2025-26	2026-27	2027-28	2028-29
Tax expenditure (\$M)	160.0	166.1	173.2	181.5	190.4

As data is not generally collected by the Territory Revenue Office from employers with no payroll tax liability, tax expenditure in relation to payroll tax concessions must be estimated. The tax expenditure in Table 6.11 has been calculated by adding actual tax concessions to an estimate of concessions. The estimate is derived by comparing the average of Australian Taxation Office data reporting wages paid by employers in the Territory and ABS data on employment and wages in the Territory, to data reported by employers registered for payroll tax in the Territory. The difference provides a reasonable estimate of wages paid by employers that are not subject to Territory payroll tax because of the small business exclusion (detailed below) or for being an exempt body.

Payroll tax expenditure estimates over the budget cycle have reduced slightly in comparison to forecasts in the 2024 PEFO. The number of employed persons in the Territory and per capita average weekly earnings continued to increase. This contributes to an aggregate decrease in the value of payroll tax expenditure as a larger number of existing businesses no longer fall under the tax-free threshold. The reported estimated tax expenditure in relation to payroll tax mainly comprises the following exemptions.

**Small business exclusion**

From 2025-26, employers with total Australian wages below \$2.5 million are not required to pay payroll tax, saving them up to \$68,750 per annum compared to the \$1.5 million tax free threshold in prior years. The payroll tax liability for employers with payrolls above \$2.5 million a year is calculated on taxable wages less a deduction based on a sliding scale of up to \$2.5 million. This category comprises the majority of estimated payroll tax revenue forgone.

**Charities and other exempt bodies**

Certain charitable and not-for-profit organisations receive payroll tax exemptions for wages paid to employees who engage in non-commercial activities that support the organisation's charitable purpose. In addition, employment agencies providing temporary staff to exempt organisations are able to claim payroll tax exemptions for these wages.

**Stamp duty on conveyances**

Tax expenditure estimates in Table 6.12 are based on actual stamp duty data.

Table 6.12: Stamp duty on conveyances expenditure

	2024-25	2025-26	2026-27	2027-28	2028-29
Tax expenditure (\$M)	3.8	3.0	2.7	2.7	2.8

Forecast expenditure (forgone revenue) is anticipated to decline from 2024-25 and remain stable over the forward estimates. This accords with the variation in stamp duty on conveyance revenue in 2025-26 and over the forward estimates.

The relative stability in total tax expenditure in this category over the forward estimates period is due to the absence of home owner stamp duty concessions in the Territory, which would typically introduce a degree of volatility in expenditure in this area.

The tax expenditure estimates mainly comprise the following exemptions.

**Corporate reconstructions exemption**

Corporate groups formed by commonly owned corporations are able to reorganise ownership of assets without incurring a stamp duty liability. The estimated tax expenditure is the actual stamp duty forgone for approved reconstruction exemptions.

**Other conveyance duty exemptions**

Several other conveyance stamp duty exemptions are provided that together result in significant revenue forgone by the Territory, the largest of these being exemptions for:

- property transferred to charitable organisations having a sole or dominant purpose that is charitable, benevolent, philanthropic or patriotic
- an exemption under the *Commonwealth Family Law Act 1975* for instruments made pursuant to a court order that alter the interests of the parties to a marriage or de facto partnership
- the conveyance of property between partners of a de facto relationship on the breakdown of the relationship

- certain conveyances involving the administration of deceased estates
- conveyances from trustees to beneficiaries and to give effect to a change in trustees.

The estimated tax expenditure for these concessions is based on actual historical data collected in relation to the various exemptions granted and how these relate to overall conveyance stamp duty collections.

### Stamp duty on general insurance policies

The benchmark tax base is all classes of general insurance policies, excluding life insurance policies, which are treated differently for stamp duty purposes. The benchmark tax rate is 10% of the premium.

Table 6.13: Stamp duty on general insurance

	2024-25	2025-26	2026-27	2027-28	2028-29
Tax expenditure (\$M)	38.4	41.4	44.5	47.9	51.6

The Territory provides stamp duty concessions on certain insurance products to reduce the costs of such insurance, namely workers compensation insurance and private health insurance. Tax expenditure reported in Table 6.13 has been estimated using total work health insurance policy premiums paid during past years compared to total payroll data of employers in the Territory and data on private health insurance premiums obtained from the Australian Prudential Regulatory Authority.

Forecast tax expenditure over the budget cycle has decreased in comparison to forecasts made in the 2024 PEFO. This is due to a downward revision in expected work health insurance and private health insurance premiums over the forward estimates, which corresponds with overall lower than expected revenue from taxes on insurance over that period.

### Motor vehicle registration fees

Motor vehicle registration concessions are available under the Northern Territory Concession Scheme and Northern Territory Seniors Recognition Scheme. Table 6.14 shows motor vehicle registration fees expenditure is expected to remain stable at \$2.4 million per annum over the budget cycle. Actual registration fee data has been used to estimate this item of tax expenditure.

Table 6.14: Motor vehicle registration fees expenditure

	2024-25	2025-26	2026-27	2027-28	2028-29
Tax expenditure (\$M)	2.4	2.4	2.4	2.4	2.4



## Chapter 7

# Risks and contingent liabilities

Section 10(1)(e) of the FITA requires each fiscal outlook report to contain a statement of risks, quantified as far as practicable, that could materially affect updated financial projections, including any contingent liabilities and related agreements yet to be finalised.

This section meets the FITA requirements by outlining potential risks to the 2025-26 Budget due to changes in factors underpinning revenue and expenditure estimates, and the likelihood of contingent liabilities becoming actual liabilities.

Risks to the Territory are assessed and categorised in accordance with those identified in section 5(2) of the FITA, which requires government to manage financial risks faced by the Territory prudently (having regard to economic circumstances). The categories comprise risks from excessive debt, ownership of trading entities, erosion of the Territory's revenue base, managing assets and liabilities, and other risks.

More information on the Territory's risks and contingent liabilities can be found in the 2023-24 Treasurer's Annual Financial Report, Note 43 *Contingent assets and liabilities*.

## Sound fiscal management of risks

### Risks from excessive debt

Excessive debt levels could affect the Territory's ability to raise funds when required, or at a cost substantially higher than could be achieved under more sustainable debt levels, limiting government's capacity to maintain appropriate levels of service. Excessive debt could also impact investor and consumer confidence, resulting in negative effects on the broader Territory economy.

Risks associated with excessive debt are mitigated through Government's new fiscal strategy, which has been formulated with an emphasis on debt management and reduction. The new objectives and targets represent what would need to be achieved to return the Territory into a financially sustainable position, with regard to the current fiscal and economic conditions and comparable jurisdictional performance.

One of government's fiscal strategy objectives is to maintain or improve the Territory's credit rating. Credit ratings reflect an independent assessment of a government's credit worthiness and ability to fulfil its financial commitments and repay debt. A higher rating indicates a strong fiscal and economic position, and results in the ability to borrow at lower interest rates, while a lower rating indicates credit challenges and results in higher interest rates on borrowings.

The Territory's credit rating was last reviewed in March 2025 by Moody's on the 2024-25 Mid-Year Report, resulting in an unchanged credit rating for the Territory at Aa3 with a stable outlook. Since this assessment, government has repealed the legislated debt ceiling and has approved significant new operating and capital commitments, increasing fiscal balance deficits and debt levels in the 2025-26 Budget.

### Risks from ownership of trading entities

Poor financial performance of commercial entities can pose risks to government in the form of lower returns and dividend payments to government, or increased requirements for financial support, with the potential to materially affect the Territory's debt levels and fiscal targets.

The Territory's new fiscal strategy includes an objective and target specifically aimed at strengthening government owned corporations commercial sustainability, increasing accountability for financial performance and reducing reliance on government support.

Risks are also mitigated through the government owned corporations operating and accountability framework, comprising the Corporate Governance and Reporting Framework, *Government Owned Corporations Act 2001*, enabling legislation for each government owned corporation and the Territory's Policy Statement on Competitive Neutrality. The Corporate Governance and Reporting Framework sets out processes in line with best practice for strategic planning, monitoring and reporting performance targets, and accountability for performance set in the SCI.

The Territory's government owned corporations are the Power and Water Corporation, Territory Generation and Jacana Energy. Each corporation has an SCI, which is an annual performance agreement between the board and the shareholding minister, tabled in parliament and examined by the Estimates Committee. Each SCI details key financial and non-financial targets for the corporation and provides updated financial projections for the budget year and forward estimates period.

Each corporation is expected to include future efficiencies through operational and business improvements as part of their respective SCIs, and ensure proposed major capital investments are supported by a detailed business case and deliver an appropriate rate of return. Failure to achieve SCI targets presents a risk to the budget and forward estimates through reduced dividends and tax equivalent payments, and worsening of the Territory's fiscal outcomes.

Power and Water Corporation's gas business has significant market-related risks arising from long-term gas purchase, sales and transportation agreements. The corporation's board oversees a gas sales strategy to address future market opportunities and position the corporation to ensure costs are covered by revenue, and any risks are appropriately mitigated.

Further, strengthened oversight of the Territory's strategic energy security is provided through government's Energy Sub-Committee of Cabinet, Standing Committee on Rebuilding the Economy and related time-limited taskforces, including overseeing measures to mitigate immediate to long-term risks around gas supply.

## Risks from erosion of the Territory's revenue base

Erosion of revenue refers to the ongoing decline in or inability to generate sufficient revenue to cover expenses, and can occur as a result of policy and non-policy changes to Territory revenue streams. Policy changes are the result of government decisions to implement new or revise Territory taxation and own-source revenues that can result in either increases or decreases in revenue, depending on whether government is increasing taxes or providing tax cuts or concessions. Non-policy changes to revenue streams are those outside of government's control and include changes to Commonwealth funding or external economic and market conditions, or weather events that may affect the operations of tax payers.

### Reliance on Commonwealth funding

Australia's federal system is characterised by a high level of vertical fiscal imbalance, where the expenditure requirements of states under the Australian Constitution far outweigh their capacity to raise revenue. This imbalance is addressed through intergovernmental payments from the Commonwealth to the states to facilitate delivery of essential services.



In comparison to all other states, the Territory is more reliant on Commonwealth payments due to greater expenditure needs and a lower ability to fund expenditure through own-source revenue. In 2025-26, Commonwealth funding to the Territory is expected to account for 71% of the Territory's total revenue, with GST revenue and tied funding payments accounting for 46% and 25% of total revenue, respectively, in the non financial public sector. Due to the Territory's reliance on these funding sources, any changes will have a significant effect on Territory revenue. Risks include variations in national GST collections and changes to tied Commonwealth funding agreements, such as their amount, timing, deliverables and duration.

### GST revenue volatility

Volatility in GST revenue represents the largest revenue risk for the Territory, as GST revenue is estimated to account for 46% of the Territory's total revenue in 2025-26 in the non financial public sector.

The Territory's GST revenue entitlement is dependent on four parameters:

- national GST collections pool
- the Territory's share of the national population
- the Territory's GST relativity as determined by the Commonwealth Treasurer based on recommendation of the CGC
- the impact of Commonwealth-legislated GST distribution reforms that commenced in 2021-22.

There are variables that influence each of these parameters, adding to the complexity of forecasting GST revenue over the budget and forward estimates, as discussed in Chapter 5 *Commonwealth revenue*. The following analysis examines the effect of variations of each parameter in isolation. However, as these parameters interact with each other, variations can have a compounding or offsetting effect on GST revenue estimates.

### GST collections pool

The Territory's GST revenue is directly affected by variations in the national GST collections pool, with growth in the pool representing the second largest driver of change to the Territory's GST revenue forecasts since the 2024 PEFO.

Risks to the national GST collections pool forecasts relate to the outlook for national nominal consumption of goods and services subject to GST and private dwelling investment. Results may vary from forecasts if nominal prices or real economic activity is materially different to expectations.

National economic activity has broadly performed consistently with forecast expectations in 2024-25, meaning risks are largely unchanged from the 2024 PEFO. Some domestic uncertainty continues to persist around the timing and magnitude of the recovery of private dwelling investment, following a period of weakness due to elevated interest rates and construction costs. There is also uncertainty around how higher household debt and a softer outlook for household wealth could impact future consumption behaviour.

Recent Commonwealth policy announcements, such as income tax cuts, could have an impact on national consumption should they proceed. The outcomes of the 2025 Commonwealth election and any related policy changes have not been incorporated into the Territory's 2025-26 Budget forecasts. GST forecasts may also be sensitive to external global events, such as tariff policy changes, which may impact international trade or domestic economic confidence.

A  $\pm 1$  percentage point change in national GST collections growth is estimated to have a  $\pm \$44$  million impact on the Territory's GST revenue in 2025-26, all else being equal. If a variation of  $\pm 1$  percentage point was applied to national GST collections growth in each of the budget and forward estimate years, the cumulative impact on Territory GST revenue would be around  $\pm \$473$  million.

#### Territory's share of the national population

Estimates of each state and territory's population growth relative to the national rate influence the Territory's share of the national population, affecting forecasts of the Territory's GST revenue.

The Territory uses its own estimates of Territory population growth, given its knowledge of local factors that may affect migration levels. Estimates of other states' populations are based on Commonwealth population projections. Accordingly, the Territory's GST revenue projections are sensitive to the Territory's forecasts of Territory population growth, as well as Commonwealth forecasts of interstate population growth. The Territory's population is expected to grow at a slower rate than the national population over 2025-26 and the forward estimates. A discussion on Territory population forecasts is provided at Chapter 3 *Economic outlook*.

Emerging risks to the Territory's population share largely relate to changes to Commonwealth international migration policies, as well as the distribution of overseas migrant inflows between states and territories.

The effect of a  $\pm 1,000$  person variation in the Territory's population forecast is expected to have a  $\pm \$17$  million impact in 2025-26, all else being equal. If a variation of  $\pm 1,000$  persons were applied to population growth in each of the budget and forward estimate years, the cumulative impact on Territory GST would be around  $\pm \$179$  million.

The effect of a  $\pm 0.01$  percentage point movement in the Territory's share of the national population is expected to have a  $\pm \$47$  million impact in 2025-26, all else being equal. If a variation of  $\pm 0.01$  percentage points were applied to the Territory's forecast share of the national population in each of the budget and forward estimate years, the cumulative impact on Territory GST would be around  $\pm \$202$  million.

#### GST relativity

The distribution of GST revenue is based on the principles of horizontal fiscal equalisation that aim to equip all states and territories with the capacity to provide similar levels of services and infrastructure.

The CGC recommends GST relativities annually and incorporates new data and changes in state fiscal capacities. In the 2025 Review, the CGC recommended an increase in the Territory's GST relativity to 5.15112 for 2025-26, from 5.06681 in 2024-25.

Relativities are subject to calculations based on the financial and demographic circumstances of all states and territories in a rolling three-year assessment period, updated annually. As a result of the methodology associated with estimating GST relativities, the Territory forecasts relativities on a three-year average basis, held constant over the forward estimates period, adjusted for GST distribution reforms. In any relativity update, the Territory's GST relativity will be sensitive to changes in all jurisdictions' relativities, reflecting the fixed sum nature of the GST distribution process.

Risks to the Territory forecasts arise if any state's relative circumstances vary significantly from its three-year average over the forecast period. Recent relativities have varied substantially due to changes in interstate circumstances, particularly coal prices impacting relativities in Queensland, and CGC methodology changes to temporarily recognise covid-related expenses, particularly in Victoria and New South Wales. The CGC has also published a forward works program that may impact the calculation of future relativities, particularly for justice-related expenses, which are expected to be reviewed as part of the 2026 Update.

The impact of a  $\pm 0.1$  variation in the Territory's GST relativity is about  $\pm \$83$  million in 2025-26, all else being equal. A  $\pm 0.1$  variation in the Territory's GST relativity in each of the budget and forward estimate years would have a cumulative effect of about  $\pm \$357$  million.

### GST distribution reforms

The Commonwealth has legislated changes to the GST distribution system through the *Treasury Laws Amendment (Making Sure Every State and Territory Gets Their Fair Share of GST) Act 2018*.

The reforms include a Commonwealth temporary no-worse-off guarantee that operates as a time-limited safety net for jurisdictions. This ensures jurisdictions receive, at a minimum, the cumulative amount of GST they would have received under the previous methodology. This guarantee temporarily mitigates the risks of GST distribution reforms to the Territory's GST.

The Territory expects to receive no-worse-off guarantee payments totalling \$208 million over 2024-25 to 2028-29. Any change to relativities or GST collections pool growth may affect no-worse-off guarantee payments. The guarantee has been extended to the end of 2029-30, with any further policy changes posing a risk to forecasts.

The Commonwealth has committed to a Productivity Commission review of the GST distribution reforms by the end of 2026.

### Tied Commonwealth funding

Tied Commonwealth funding is provided under the IGA FFR through national federation funding agreements and schedules. Tied funding can also be provided outside IGA FFR payment arrangements through COPE arrangements.

Key risks to the Territory budget associated with tied Commonwealth funding include uncertainty as to the amount, timing, deliverables and duration of new and renegotiated funding agreements, expiry of agreements and the increasing inclusion of financial input controls.

Agreements that are short term in nature and subject to repeated short-term extensions upon expiry inhibit the ability of governments and other providers to plan for providing ongoing, reliable service delivery in key areas. Short-term funding arrangements can lead to heightened community expectations without providing associated Commonwealth funding certainty in the long run. Recently, Commonwealth funding has been increasingly short term, with a number of one-year extensions and agreements being renewed close to expiry, increasing Territory funding risks.

The Commonwealth is also increasingly including financial input controls in funding arrangements such as matched funding and maintenance of effort provisions. Input controls pose a significant risk to the Territory budget by reducing the Territory's autonomy and ability to efficiently allocate resources in a manner that best suits community needs.

Further risks may arise from the expiry of tied Commonwealth funding agreements including ceasing public services or assuming financial responsibility to continue the services previously funded by these agreements.

The most substantial agreement under negotiation over the budget and forward estimates is the NHRA, with a one-year agreement reached for 2025-26. A longer term arrangement remains under negotiation with states and the Commonwealth. This agreement is also linked to the NDIS and other disability service reforms, which could have a significant impact on state revenues and costs.

### Territory taxes and royalties

Territory taxes and royalty revenues mainly comprise revenue from mining and petroleum royalties, as well as payroll tax, and conveyance and related duties. For 2025-26, Territory taxes and royalties are expected to account for about 11% of total revenue and 38% of own-source revenue in the non financial public sector.

Forecasting tax and royalty revenue involves judgements and assumptions about the performance of various economic factors and indicators, such as growth in wages, employment, business investment, commodity prices, market conditions and activity, and exchange rates.

Mining royalty revenue has historically been the largest single contributor to Territory taxes and royalties, and forecasts are sensitive to mineral price outlooks, production levels, mine expansions or disruptions, as well as exchange rates and global trade conditions. Mining revenue forecasts are informed by independent assessments of commodity prices and market conditions, and advice from mining companies about their expectations of production, prices and royalty obligations over the budget and forward estimates period. Changes in commodity prices, mine end of life estimates, and production or exchange rates can materially impact these forecasts.

International economic conditions continue to contribute to significant volatility of key commodity prices. While supply-demand imbalances remain, the increasing use of tariffs in global trade policy by key market actors constitutes an emerging risk to mineral and petroleum production. The imposition of tariffs in key markets can reduce aggregate demand for raw minerals and refined mineral products, in turn placing downward pressure on prices and production, with ramifications for royalty revenue.

Further, inflationary pressures have increased operating costs for mines, potentially affecting profitability, which will flow through to mineral royalty forecasts over the forward estimates. The uncertainty of costs and duration of returning mines to normal operations following the impact of Cyclone Megan, which suspended mining operations in Borroloola and Groote Eylandt in March 2024, continues to pose a risk to the Territory's royalty revenue projections.

There is, however, upside potential over the forward estimates should petroleum be sold under an exploration permit (appraisal gas) in the Beetaloo sub-basin. While final investment decision is still pending for major proponents in the Beetaloo, including Empire Energy Group Limited and Tamboran Resources Corporation, both have announced plans to commence selling appraisal gas over the forward estimates period.

Payroll tax is the Territory's largest source of tax revenue in 2025-26 and from 1 July 2025, is imposed on businesses with total payroll above the tax-free threshold of \$2.5 million per annum. Payroll tax forecasts are influenced by employment, wages and business investment projections.

Recent court cases in New South Wales and Victoria confirmed the applicability of payroll tax to amounts paid by medical centres to practitioners, and this has encouraged lobbying for tax relief by affected stakeholders and representative industry groups. Other jurisdictions have provided relief in the form of tax amnesties or exemptions, which hollows out the payroll tax base and applies pressure on jurisdictions that do not similarly amend their payroll tax settings. There is a risk that other industries with a sound social licence will seek similar industry-specific concessions, which further hollows the tax base and undermines payroll tax revenues.

The Territory's conveyance and related duty is derived from direct and indirect conveyances of property in the Territory. Forecasting for conveyance duty is linked to the outlook for the property market, with commercial transactions linked to economic conditions and sentiment more broadly. The extent and timing of any market changes in terms of property prices and transaction volumes can be volatile, and directly affects conveyance duty collections.

Conveyance duty forecasts are influenced by the size of the Territory's conveyance duty base, which includes valuable commercial properties such as pastoral properties, mining projects and commercial precincts. The duty collected in respect of large commercial transactions contributes significant volatility to conveyance duty collections.

Unlike tax revenue from property transactions or employment, gambling tax revenue is not as closely correlated with the economic or business cycle. On this basis, gaming activity in community venues and casinos is expected to remain steady over the forward estimates period.

In total, a variation of  $\pm 1\%$  to the forecast of Territory taxes and royalties would affect revenue by about  $\pm \$10.9$  million in 2025-26.

An emerging risk to state and territory taxes has arisen following the case of *Vanderstock & Anor versus the state of Victoria*. The High Court of Australia found that a road-user charge imposed by the state of Victoria, on registered owners of particular vehicles, was unconstitutional. The basis for the High Court decision has cast doubt on the validity of other state and territory taxes, with at least two states currently facing legal challenges. In the event similar legal challenges are upheld in relation to other state and territory taxes, levies or duties, Australian states and territories are at risk of further erosion of own-source revenue, and an increased reliance on Commonwealth funding.

## Risks arising from managing assets and liabilities

Assets and liabilities of the Territory are each subject to inherent risks that are managed through the Territory's fiscal strategy objectives.

The Territory's Financial Management and Accountability Framework governs the financial management of government resources (assets and liabilities) and comprises legislation, supplementary legislation (including Treasurer's Directions and Treasury Circulars), Australian accounting standards, whole of government and agency-specific policies and procedures, and resource materials. This framework specifies the practices, including risk assessment, to be observed by agencies in the fiscal management of their resources.

In addition to the framework, the Territory's financial investment assets and debt liabilities are administered by the NTTC, the central financing authority for the Territory Government. NTTC borrows, invests and lends on behalf of the Territory Government, and is governed by an extensive risk management framework.

### Equity investments

The Territory has entered into several arrangements that represent ownership in private sector projects, entities and enterprises. To date, these equity investments are in the form of shares and result in no significant influence or control over the entity or project. Accordingly, the Territory is not exposed to financial loss beyond the amount invested. Most of these investments have been approved through the Local Jobs Fund, which has a range of policies and governance statements, along with an expert investment committee to provide independent assessment and advice on investment proposals to mitigate financial risks associated with these investments. Furthermore, the Financial Management and Accountability Framework specifies conditions and limitations on the type of investments that can be entered into and mandates certain practices, including risk assessments, to mitigate risks associated with equity investments.

### Loans and concessional loans

The Territory has issued loans and concessional loans with the aim of funding particular enterprises or householders. These include amounts paid for assistance to farmers, businesses under the Local Jobs Fund and home ownership products. A number of these loans are on concessional terms, including low interest or interest-free terms. Default risks are considered small, and periodic reviews of issued loans have not resulted in a shift in levels of assessed risk. Similar to equity investments, loans are issued where criteria and limitations are met, and the Financial Management and Accountability Framework mandates certain practices to mitigate risks associated with loans.

### Risks to expenses and payments

Estimates for expenses are based on known policy decisions, with adjustments for non-policy changes. The most significant risks to expense estimates are budget pressures due to increased costs and demand for government services, and the inability to meet savings and efficiency measures factored into agency budgets.

The Territory's public service employee expense accounts for about 40% of the general government sector's total expenses and represents the Territory's largest expense. The primary risks to this expenditure are wages growth, number of employees and composition of the labour force. The 2025-26 Budget incorporates a wages parameter of 3% from 2025-26 onwards in line with expected economic growth. Enterprise agreements contain terms and conditions of employment that are negotiated through an enterprise bargaining process and apply to groups of public sector employees. Enterprise agreements pose a risk to the Territory's expenses to the extent the outcome exceeds indexation factored into the budget and forward estimates.

Demand for skilled labour nationally also poses a risk to the delivery of government services, as labour shortages may require the use of higher cost external providers to ensure service delivery is not compromised.

The effect of adverse weather events and natural disasters pose a risk to the Territory's expense projections due to the uncertainty of costs and timing of restoration works, evacuation costs, and costs and duration of providing temporary housing for evacuees. Although the Territory may be eligible for partial reimbursement from the Commonwealth under Disaster Recovery Funding Arrangements, the extent and timing of such reimbursements are also uncertain.

Further risks to the Territory's expense projections may arise if activities are continued beyond current funding profiles. Where elevated service delivery levels/costs or programs are continued beyond budgeted levels, and not managed through reprioritisation of other existing funding, the Territory's fiscal aggregates will be worse off.

Recently announced reforms to the Northern Territory's bail laws pose a risk to the 2025-26 Budget expenditure forecasts should the number of persons in custody increase more rapidly than projected and/or exceed levels currently factored into forecasts. Furthermore, the timing of infrastructure requirements to support increased prisoner numbers may also be impacted.

Emerging risks to expenses and payments are mitigated through the Territory's fiscal strategy objectives, and supported by strengthened budget accountability, agency performance monitoring and reporting obligations within the Territory's Financial Management and Accountability Framework, enabling early identification and remediation of budget pressures where necessary.

## Risks to economic forecasts

The fiscal estimates are influenced by economic conditions of the Territory economy as well as national and global economies. Changes in economic conditions and assumptions to those presented in Chapter 3 *Economic outlook* can have wide-ranging impacts on the Territory's fiscal outlook, from its revenue raising capacity, expenditure requirements and debt servicing costs.

Currently, uncertainty is elevated around the Territory's economic forecasts. Tariff policies announced by the US administration on 3 April 2025 have created significant uncertainty around the global economic and financial outlook. The tariffs and any retaliatory responses will weigh on international trade, investment and growth, and disrupt supply chains, while associated volatility in financial markets is weakening consumer confidence and business sentiment, which if sustained will have implications for consumption and business investment. Quantitative estimates of risks to economic growth have been provided in Chapter 3 *Economic outlook*, however final impacts on the economy cannot be estimated until the US administration finalises tariffs following the end of the 90-day reprieve for tariffs over 10%.

While the Territory's direct trade with the US is relatively small, several of the Territory's major trading partners who have larger direct trade relationships with the US have been impacted. The ability of these economies to navigate the tariffs could have indirect impacts on the Australian and Territory economy.

In addition to the above, risks also remain around:

- ongoing geopolitical instability from conflicts in Europe and the Middle East, which pose a risk to global supply chains and inflation
- labour market tightness across Australia potentially affecting the Territory's ability to compete for labour and population growth
- adverse weather conditions, such as cyclones, floods and droughts, and agricultural pests and diseases, which can affect production and or put upwards pressure on prices and add potential risks to forecasts
- large projects that support economic growth over the forecast period do not proceed to the same level or in the same timeframes as planned, or projects without a final investment decision at the time of the budget proceed to final investment decision within the outlook period.

Uncertainty in economic forecasts are also driven by the reliance on economic data that is subject to reporting limitations, error and revisions, and methodological changes. The impact of this uncertainty is generally more pronounced in small jurisdictions, such as the Territory.

## Contingent liabilities

Contingent liabilities are potential future costs to government that may arise from guarantees, indemnities, and legal and contractual claims. Contingent liabilities pose a risk to the Territory's financial position and have the potential to materially affect the budget due to the likelihood of an actual liability arising, however most are considered low risk. The Territory continues to assess risks under these arrangements to determine if future disclosure is required and if there are any impacts on the Territory's financial position.

Details of significant contingent liabilities for the Territory are summarised below and have been classified as quantifiable (where the financial effect is estimated in excess of \$5 million) or unquantifiable (where the financial effect cannot be reliably estimated, either due to the nature of the contingent liability or number of variables that could affect the financial estimates).

At the date of this report, no transaction or event of a material nature has occurred that would crystallise the contingent liabilities reported in this section.

## Quantifiable contingent liabilities

### Public Trustee Common Fund 1

Under section 97 of the *Public Trustee Act 1979*, the Treasurer indemnifies the Public Trustee Common Fund 1 against any deficiencies in money available to meet claims on it. At 30 June 2024 (the latest information available) the Common Fund 1 had a final balance of \$39.3 million, which is government guaranteed (preliminary 2023-24: \$38.5 million).

The Common Fund is a repository for all monies received by the Public Trustee on behalf of estates, trusts or persons, and earns interest. Money to the credit of the Common Fund is invested according to the directions issued by an investment board, comprising the Public Trustee or, in the absence of the Public Trustee, the Deputy Public Trustee, and two persons appointed by the Attorney-General. The board is responsible for acting prudently to obtain maximum return on the investments of Common Fund monies commensurate with sound investment practices and ensure estates and trusts receive commercial rates of return on their funds. Although a material contingent liability exists, the prospect of this contingent liability being called upon is low.

### Darwin ship lift and Marine Industry Park

The Territory has entered into a loan facility agreement with the Northern Australia Infrastructure Facility (NAIF) to borrow \$300 million for the Darwin ship lift and Marine Industry Park. The project will enable maintenance and servicing of defence and Australian Border Force vessels, along with commercial and private vessels, including from the oil, gas and marine industries.

The Territory indemnifies NAIF and the Commonwealth against any loss related to the Territory's fulfilment of any condition precedent to the loan facility agreement. The conditions and obligations contained in the facility agreement are being monitored during development of the project to ensure the conditions are satisfied.

## Unquantifiable contingent liabilities

### Banking

The Territory's financial management framework is underpinned by centralised banking arrangements. The sole provider of banking-related services has been granted indemnities under the whole of government banking contract.

### Correctional facilities

The Territory has contingent liabilities related to indemnities and guarantees provided in support of the construction and ongoing property management of the Darwin Correctional Precinct under a public private partnership agreement and has indemnified the project company for losses arising from any uninsurable risks.

### East Point effluent rising main – environment protection and biodiversity conservation approval

The Territory has contingent liabilities relating to a potential breach of conditions associated with the East Point effluent rising main – *Environment Protection and Biodiversity Conservation Act 1999* approval. A formal determination in relation to the potential breach has not yet been received by the Environmental Regulator.



## Economic-enabling projects

### *Adelaide to Darwin railway project*

The Territory has contingent liabilities that relate to indemnities and guarantees provided in support of the Adelaide to Darwin railway. The AustralAsia Railway Corporation (AARC), and the Territory and South Australian governments entered into a concession arrangement for the Adelaide to Darwin railway on a build, own, operate and transfer-back basis.

Unquantifiable contingent liabilities of the Territory in relation to the Adelaide to Darwin railway comprise:

- joint guarantee of the obligations of AARC
- indemnities granted in relation to title over the railway corridor (title is secure but the indemnity continues).

AARC and the governments have comprehensive risk management procedures in place for all events that would give rise to liabilities.

As part of the long-term lease of the Darwin port, the railway corridor was transferred to the Territory and leased to the concession holder. There are contingent liabilities that arise out of any loss or claim incurred or suffered as a result of the Territory's failure to comply with its environmental obligations contained in the lease. The lease contains similar indemnities given by the lessee with respect to contamination caused by the lessee and a failure to comply with its environmental obligations.

### *East Arm Port*

The Territory has assumed the former Darwin Port Corporation's indemnity in relation to certain works at East Arm Port. The indemnity covers third-party claims, loss, damage, cost and expenses that may be incurred or sustained by parties arising out of any breach of the Territory's obligations under relevant agreements and licences. Comprehensive risk management procedures are in place to minimise risk exposure to the Territory.

### *Jabiru electricity supply project*

The Territory has entered into an agreement for the development and ongoing operation of the power station for the supply of electricity to Jabiru. The Territory has contingent liabilities that may arise if the agreement is terminated under specific circumstances.

### *Northern gas pipeline project*

The Territory has contingent liabilities in relation to gas transport for indemnities contained in the Northern Gas Pipeline Project Development Agreement.

### *Strategic gas agreements*

The Territory has entered into agreements to facilitate gas supply for the Territory. The agreements commit the Territory to pricing, volumes and timing of gas supply to meet forecast future requirements. The risks to the Territory are outweighed by the broader benefits of gas security and ability to mitigate risk by selling excess gas to the east coast gas market.

## Government administration

### *Legal proceedings*

Where the Territory is engaged in legal proceedings and disputes, due to the wide variety and nature of cases, and uncertainty of any potential liability, no value can be attributed to these cases. In addition, the attribution of a value to these cases has the potential to prejudice the outcome of the proceedings and disputes.

### *Sponsorship*

Indemnities are granted to the Commonwealth and other entities involved in funding or sponsoring activities and programs initiated or undertaken by the Territory. Under these indemnities, the Territory generally accepts liability for damage or losses occurring as a result of the activities or programs, and acknowledges that, while the Commonwealth or another party has contributed financially or provided in-kind support, the Territory is ultimately liable for the consequences of the activity or program.

Although the resulting contingent liability, depending on the activity undertaken, may not always be low risk, the Territory's financial exposure is no greater than would have been the case without funding or sponsorship assistance.

### *Territory appointed members of councils, boards and committees*

Where the Territory has invited the participation of private sector persons and government officers on boards of government-owned or funded companies, the Territory may grant indemnities to the board members to cover them for any losses that may result from good faith actions.

These indemnities are generally consistent with cover available through directors' and officers' insurance and issuing an indemnity rather than purchasing commercial insurance is in line with government's self-insurance arrangements.

In relation to corporations established in accordance with the *Government Owned Corporations Act 2001*, an indemnity given by the Territory to board members is limited to actions arising from compliance with a direction issued by the shareholding minister or portfolio minister.

The resulting contingent liabilities are considered low risk as board members are professionals, selected based on their expertise and knowledge. Further, the indemnities are restricted to good faith actions only.

### *Workers compensation*

Government has indemnified private sector insurers that provide workers compensation insurance in the Territory for losses arising as a result of acts of terrorism.

### *Health and community services*

The Territory has granted a series of health-related indemnities for various purposes including indemnities to specialist medical practitioners employed or undertaking work in public hospitals, indemnities provided to medical professionals requested to give expert advice on inquiries before the Medical Board and indemnities to midwives.

Although risks associated with health indemnities are potentially high, the beneficiaries of the indemnities are highly trained and qualified professionals. The indemnities generally cannot be called upon where there is wilful or gross misconduct on the part of the beneficiary.

### *Land development*

The Territory has contingent liabilities that relate to guarantees provided by the Land Development Corporation in order to facilitate specific land release projects.

### National Disability Insurance Scheme Review

In October 2023, the final report of the Independent Review of the NDIS was released and provided 26 recommendations and 139 key actions to change the system that supports people with disability. A key recommendation was to include 'foundational supports' for people aged under 65 with a disability to reduce inequity between people who are in the NDIS and those who are not. The design of a foundational supports system is currently under development and negotiation between the Commonwealth and states, with costs and risk-sharing arrangements yet to be finalised. In the absence of appropriate risk sharing and funding support from the Commonwealth, this may result in increased costs to the Territory that are not yet quantifiable.

### Native title

The Territory has a contingent liability under the *Native Title Act 1993* relating to an obligation to pay compensation to native title holders where the Territory commits an action that extinguishes or impairs a native title holder's rights. There have been a number of claims filed with the Federal Court under the *Native Title Act 1993*, however, it is not possible to reliably estimate the Territory's liability in respect of these and any future claims.

### Property and business services

Agreements for leases or licences of property, plant or equipment generally contain standard indemnity provisions, similar to those commonly found in commercial leases, covering the lessor or licensor for any losses suffered as a result of the lease or licence arrangement.

The granting of a concession to Darwin Cove Convention Centre Pty Ltd gives rise to contingent liabilities associated with:

- discriminatory changes in law
- environmental clean-up costs
- incentive payments to the operator if performance targets established for the centre are exceeded
- negotiated payments to the operator during the centre's operation
- works being undertaken to facilitate a hotel and integration with the Darwin Convention Centre.

For the categories listed above, neither the probability nor the amount the Territory might be called upon to pay at some future date can be determined reliably. As a result, these items are regarded as contingent liabilities.

A contingent asset also arises as a consequence of the concession arrangement. The Territory Availability Payment is recognised as a liability on the general government sector and whole of government balance sheets. However, the Territory has the right to recover up to 75% of that liability should the operator not achieve certain performance criteria. Because neither the probability of such a recovery nor the amount that might be recovered can be determined reliably, the part of the Territory Availability Payment that may be subject to abatement is classified as a contingent asset.

### Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability

In November 2023, the Disability Royal Commission released an updated final report of the *Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability*. The report includes 222 recommendations to improve laws, policies, structures and practices to enhance the support, care and independence of people living with a disability. In August 2024, the Commonwealth accepted or accepted in principle 130 of the recommendations in its initial response to the Final Report and work is being undertaken to determine the additional funding implications to the Territory, which are not yet quantifiable.

## Chapter 8

# Consolidated financial statements

The financial statements in this chapter meet the requirements of the FITA, and have been prepared in accordance with relevant Australian accounting standards, including AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, and the UPF.

The UPF mandates that all Commonwealth, state and territory governments must comply with AASB 1049, and publish financial information in budget papers and fiscal outcome reports in a standard format, allowing for greater transparency and comparison of fiscal data between jurisdictions.

Each set of financial statements includes a comprehensive operating statement, balance sheet and cash flow statement for the following government sectors:

- general government sector
- public non financial corporation sector
- non financial public sector
- public financial corporation sector
- total public sector.

The financial statements for the general government, public non financial corporation and non financial public sectors include the 2024-25 revised budget, 2025-26 budget and 2026-27 to 2028-29 forward estimates. The statements for the public financial corporation and total public sectors present the 2024-25 revised budget only.

Also included in this chapter are supplementary tables, which present the 2024-25 revised budget and 2025-26 budget for the following items:

- taxes
- grant revenue and expenses
- dividend and income tax equivalent income
- operating expenses by function
- purchases of non financial assets by function
- total expenditure by function.

Details on changes to the revised projections since the 2024 PEFO can be found in Chapter 2 *Fiscal outlook*. For a list of entities included in each sector of government, refer to Appendix A *Classification of entities in the Northern Territory*.

## General government sector comprehensive operating statement

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>					
Taxation revenue	804 783	757 036	753 663	781 878	813 271
Current grants	6 154 458	6 557 597	6 485 855	6 672 033	6 925 125
Capital grants	412 596	539 377	695 173	613 922	586 152
Sales of goods and services	445 976	448 576	432 033	435 254	440 365
Interest income	151 900	136 194	139 055	142 902	146 766
Dividend and income tax equivalent income	46 012	101 965	95 629	119 428	141 853
Other revenue	425 987	421 057	330 910	396 700	335 169
<b>TOTAL REVENUE</b>	<b>8 441 712</b>	<b>8 961 802</b>	<b>8 932 318</b>	<b>9 162 117</b>	<b>9 388 701</b>
<i>less</i> <b>EXPENSES</b>					
Employee benefits expense	3 204 285	3 360 532	3 383 678	3 477 471	3 550 666
Superannuation expenses					
Superannuation interest cost	128 730	125 800	122 592	118 932	114 913
Other superannuation expenses	380 443	412 149	413 720	426 183	435 000
Depreciation and amortisation	691 088	652 843	639 434	623 019	606 554
Other operating expenses	2 257 645	2 180 775	1 988 674	2 014 124	2 048 386
Interest expenses	473 882	545 205	629 277	697 615	752 498
Other property expenses					
Current grants	1 313 459	1 369 146	1 380 877	1 405 939	1 458 814
Capital grants	445 232	295 361	176 968	70 061	56 790
Subsidies and personal benefit payments	254 135	285 000	298 055	312 224	312 797
<b>TOTAL EXPENSES</b>	<b>9 148 899</b>	<b>9 226 811</b>	<b>9 033 275</b>	<b>9 145 568</b>	<b>9 336 418</b>
<i>equals</i> <b>NET OPERATING BALANCE</b>	<b>- 707 187</b>	<b>- 265 009</b>	<b>- 100 957</b>	<b>16 549</b>	<b>52 283</b>
<i>plus</i> Other economic flows – included in operating result	8 399	63 249	76 510	85 744	93 594
<i>equals</i> <b>OPERATING RESULT</b>	<b>- 698 788</b>	<b>- 201 760</b>	<b>- 24 447</b>	<b>102 293</b>	<b>145 877</b>
<i>plus</i> Other economic flows – other comprehensive income	- 46 903	151 611	64 573	22 048	54 051
<i>equals</i> <b>COMPREHENSIVE RESULT – total change in net worth before transactions with owners in their capacity as owners</b>	<b>- 745 691</b>	<b>- 50 149</b>	<b>40 126</b>	<b>124 341</b>	<b>199 928</b>
<b>NET OPERATING BALANCE</b>	<b>- 707 187</b>	<b>- 265 009</b>	<b>- 100 957</b>	<b>16 549</b>	<b>52 283</b>
<i>less</i> <b>Net acquisition of non financial assets</b>					
Purchases of non financial assets	1 383 239	1 564 889	1 329 805	1 133 529	1 152 520
Sales of non financial assets	- 27 687	- 27 149	- 26 149	- 26 149	- 26 149
<i>less</i> Depreciation	691 088	652 843	639 434	623 019	606 554
<i>plus</i> Change in inventories					
<i>plus</i> Other movements in non financial assets	56 206	51 025	48 070	60 812	47 859
<i>equals</i> <b>Total net acquisition of non financial assets</b>	<b>720 670</b>	<b>935 922</b>	<b>712 292</b>	<b>545 173</b>	<b>567 676</b>
<i>equals</i> <b>FISCAL BALANCE</b>	<b>- 1 427 857</b>	<b>- 1 200 931</b>	<b>- 813 249</b>	<b>- 528 624</b>	<b>- 515 393</b>

## General government sector balance sheet

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and deposits	902 054	739 373	655 626	658 436	656 432
Advances paid	163 967	162 967	161 967	160 967	159 967
Investments, loans and placements	3 056 103	3 260 813	3 463 266	3 701 613	3 933 083
Receivables	523 008	528 095	543 711	524 142	521 918
Equity investments					
Investments in other public sector entities	2 705 302	2 856 913	2 929 013	2 951 061	3 005 112
Equity accounted investments					
Investments – shares	21 777	21 777	21 777	21 777	21 777
Other financial assets	82 840	81 935	81 028	80 122	79 220
<b>Total financial assets</b>	<b>7 455 051</b>	<b>7 651 873</b>	<b>7 856 388</b>	<b>8 098 118</b>	<b>8 377 509</b>
<b>Non financial assets</b>					
Inventories	19 166	19 166	19 166	19 166	19 166
Property, plant and equipment	21 360 472	22 278 855	22 986 036	23 549 921	24 136 154
Investment property	30 078	26 078	22 078	18 078	14 078
Other non financial assets	532 974	556 470	572 118	563 943	555 784
<b>Total non financial assets</b>	<b>21 942 690</b>	<b>22 880 569</b>	<b>23 599 398</b>	<b>24 151 108</b>	<b>24 725 182</b>
<b>TOTAL ASSETS</b>	<b>29 397 741</b>	<b>30 532 442</b>	<b>31 455 786</b>	<b>32 249 226</b>	<b>33 102 691</b>
<b>LIABILITIES</b>					
Deposits held	581 840	430 067	453 963	458 774	448 805
Advances received	113 259	105 438	94 238	85 640	76 625
Borrowing	11 967 003	13 491 122	14 434 721	15 123 813	15 824 433
Superannuation	2 968 603	2 918 317	2 862 299	2 799 289	2 730 037
Other employee benefits	926 462	926 462	926 462	926 462	926 462
Payables	375 559	380 351	382 971	385 588	388 803
Other liabilities	1 351 853	1 217 672	1 197 993	1 242 180	1 280 118
<b>TOTAL LIABILITIES</b>	<b>18 284 579</b>	<b>19 469 429</b>	<b>20 352 647</b>	<b>21 021 746</b>	<b>21 675 283</b>
<b>NET ASSETS/LIABILITIES (-)</b>	<b>11 113 162</b>	<b>11 063 013</b>	<b>11 103 139</b>	<b>11 227 480</b>	<b>11 427 408</b>
<b>NET WORTH</b>	<b>11 113 162</b>	<b>11 063 013</b>	<b>11 103 139</b>	<b>11 227 480</b>	<b>11 427 408</b>
NET FINANCIAL WORTH <sup>1</sup>	- 10 829 528	- 11 817 556	- 12 496 259	- 12 923 628	- 13 297 774
NET FINANCIAL LIABILITIES <sup>2</sup>	13 534 830	14 674 469	15 425 272	15 874 689	16 302 886
<b>NET DEBT<sup>3</sup></b>	<b>8 539 978</b>	<b>9 863 474</b>	<b>10 702 063</b>	<b>11 147 211</b>	<b>11 600 381</b>

1 Net financial worth equals total financial assets minus total liabilities.

2 Net financial liabilities equals the sum of total liabilities less total financial assets excluding investments in other public sector entities.

3 Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

## General government sector cash flow statement

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>Cash receipts from operating activities</b>					
Taxes received	804 783	757 036	753 663	781 878	813 271
Receipts from sales of goods and services	463 881	466 963	450 082	453 303	458 414
Grants and subsidies received	6 570 591	6 914 820	7 112 226	7 276 155	7 486 999
Interest receipts	151 900	136 194	139 055	142 902	146 766
Dividends and income tax equivalents	66 780	84 563	80 857	117 075	144 077
Other receipts	411 625	414 163	325 195	391 750	328 758
<b>Total operating receipts</b>	<b>8 469 560</b>	<b>8 773 739</b>	<b>8 861 078</b>	<b>9 163 063</b>	<b>9 378 285</b>
<b>Cash payments for operating activities</b>					
Payments for employees	- 3 775 910	- 3 948 767	- 3 976 008	- 4 085 596	- 4 169 831
Payment for goods and services	- 1 815 519	- 1 728 878	- 1 550 521	- 1 548 375	- 1 594 123
Grants and subsidies paid	- 1 943 604	- 1 949 507	- 1 855 900	- 1 788 224	- 1 828 401
Interest paid	- 473 106	- 541 443	- 626 796	- 695 875	- 750 709
Other payments	- 424 701	- 422 872	- 422 872	- 422 872	- 422 872
<b>Total operating payments</b>	<b>- 8 432 840</b>	<b>- 8 591 467</b>	<b>- 8 432 097</b>	<b>- 8 540 942</b>	<b>- 8 765 936</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>36 720</b>	<b>182 272</b>	<b>428 981</b>	<b>622 121</b>	<b>612 349</b>
<b>Cash flows from investments in non financial assets</b>					
Sales of non financial assets	27 687	27 149	26 149	26 149	26 149
Purchases of non financial assets	- 1 383 239	- 1 564 889	- 1 329 805	- 1 133 529	- 1 152 520
<b>Net cash flows from investments in non financial assets</b>	<b>- 1 355 552</b>	<b>- 1 537 740</b>	<b>- 1 303 656</b>	<b>- 1 107 380</b>	<b>- 1 126 371</b>
<b>NET CASH FROM OPERATING ACTIVITIES AND INVESTMENTS IN NON FINANCIAL ASSETS</b>	<b>- 1 318 832</b>	<b>- 1 355 468</b>	<b>- 874 675</b>	<b>- 485 259</b>	<b>- 514 022</b>
Net cash flows from investments in financial assets for policy purposes <sup>1</sup>	- 22 946	- 1 093	- 8 766	- 1 396	- 1 564
Net cash flows from investments in financial assets for liquidity purposes	- 209 404	- 119 671	- 108 587	- 135 090	- 120 195
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>- 1 587 902</b>	<b>- 1 658 504</b>	<b>- 1 421 009</b>	<b>- 1 243 866</b>	<b>- 1 248 130</b>
<b>Net cash flows from financing activities</b>					
Advances received (net)	- 12 459	- 7 821	- 11 200	- 8 598	- 9 015
Borrowing (net)	1 379 715	1 473 145	895 585	628 342	652 761
Deposits received (net)	- 335 842	- 151 773	23 896	4 811	- 9 969
Other financing (net)					
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>1 031 414</b>	<b>1 313 551</b>	<b>908 281</b>	<b>624 555</b>	<b>633 777</b>
<b>NET INCREASE/DECREASE (-) IN CASH HELD</b>	<b>- 519 768</b>	<b>- 162 681</b>	<b>- 83 747</b>	<b>2 810</b>	<b>- 2 004</b>
Net cash flows from operating activities	36 720	182 272	428 981	622 121	612 349
Net cash flows from investments in non financial assets	- 1 355 552	- 1 537 740	- 1 303 656	- 1 107 380	- 1 126 371
<b>CASH SURPLUS/DEFICIT (-)</b>	<b>- 1 318 832</b>	<b>- 1 355 468</b>	<b>- 874 675</b>	<b>- 485 259</b>	<b>- 514 022</b>
Future infrastructure and superannuation contributions/earnings <sup>2</sup>	- 56 586	- 57 328	- 60 767	- 64 414	- 68 278
<b>UNDERLYING SURPLUS/DEFICIT (-)</b>	<b>- 1 375 418</b>	<b>- 1 412 796</b>	<b>- 935 442</b>	<b>- 549 673</b>	<b>- 582 300</b>

1 Includes equity acquisitions and disposals (net).

2 Contributions for future infrastructure and superannuation requirements.



## Public non financial corporation sector comprehensive operating statement

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>					
Current grants	252 307	280 276	289 876	305 588	307 431
Capital grants	226 533	128 865	95 326	70 395	92 606
Sales of goods and services	791 092	1 109 518	1 142 569	1 194 481	1 219 242
Interest income	8 308	7 068	7 042	7 141	7 065
Other revenue	34 046	29 138	30 662	30 824	34 173
<b>TOTAL REVENUE</b>	<b>1 312 286</b>	<b>1 554 865</b>	<b>1 565 475</b>	<b>1 608 429</b>	<b>1 660 517</b>
<i>less</i> <b>EXPENSES</b>					
Employee benefits expense	126 968	130 296	136 388	145 130	141 144
Superannuation expenses	13 541	15 352	16 143	17 313	16 976
Depreciation and amortisation	238 799	245 516	255 177	257 394	266 279
Other operating expenses	736 383	781 880	873 758	910 135	879 560
Interest expenses	106 183	134 187	155 165	158 864	158 868
Other property expenses	7 815	50 196	27 612	33 425	51 842
Current grants					
Capital grants					
Subsidies and personal benefit payments	1 309	1 345	1 378	1 391	1 426
<b>TOTAL EXPENSES</b>	<b>1 230 998</b>	<b>1 358 772</b>	<b>1 465 621</b>	<b>1 523 652</b>	<b>1 516 095</b>
<i>equals</i> <b>NET OPERATING BALANCE</b>	<b>81 288</b>	<b>196 093</b>	<b>99 854</b>	<b>84 777</b>	<b>144 422</b>
<i>plus</i> Other economic flows – included in operating result	- 103 957	- 101 562	- 50 456	- 46 813	- 68 602
<i>equals</i> <b>OPERATING RESULT</b>	<b>- 22 669</b>	<b>94 531</b>	<b>49 398</b>	<b>37 964</b>	<b>75 820</b>
<i>plus</i> Other economic flows – other comprehensive income	22 375	15 836	11 742	9 693	9 695
<i>equals</i> <b>COMPREHENSIVE RESULT – total change in net worth before transactions with owners in their capacity as owners</b>	<b>- 294</b>	<b>110 367</b>	<b>61 140</b>	<b>47 657</b>	<b>85 515</b>
<b>NET OPERATING BALANCE</b>	<b>81 288</b>	<b>196 093</b>	<b>99 854</b>	<b>84 777</b>	<b>144 422</b>
<i>less</i> <b>Net acquisition of non financial assets</b>					
Purchases of non financial assets	494 763	583 180	439 620	387 602	387 210
Sales of non financial assets	- 2 240	- 2 266		- 72 622	
<i>less</i> Depreciation	238 799	245 516	255 177	257 394	266 279
<i>plus</i> Change in inventories	- 2 681	7 809	941	1 142	6 087
<i>plus</i> Other movements in non financial assets	517				
<i>equals</i> <b>Total net acquisition of non financial assets</b>	<b>251 560</b>	<b>343 207</b>	<b>185 384</b>	<b>58 728</b>	<b>127 018</b>
<i>equals</i> <b>FISCAL BALANCE</b>	<b>- 170 272</b>	<b>- 147 114</b>	<b>- 85 530</b>	<b>26 049</b>	<b>17 404</b>

## Public non financial corporation sector balance sheet

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and deposits	220 146	171 573	178 487	180 103	162 136
Advances paid					
Investments, loans and placements	3	3	3	3	3
Receivables	176 329	309 189	258 001	235 371	210 010
Equity investments					
Investments in other public sector entities					
Equity accounted investments					
Investments – shares					
Other financial assets	4 418	3 321	1 893	1 018	605
<b>Total financial assets</b>	<b>400 896</b>	<b>484 086</b>	<b>438 384</b>	<b>416 495</b>	<b>372 754</b>
<b>Non financial assets</b>					
Inventories	216 997	224 806	225 747	226 889	232 976
Property, plant and equipment	4 633 711	4 905 568	5 077 556	5 107 898	5 179 725
Investment property					
Other non financial assets	79 352	80 222	71 375	48 950	54 347
<b>Total non financial assets</b>	<b>4 930 060</b>	<b>5 210 596</b>	<b>5 374 678</b>	<b>5 383 737</b>	<b>5 467 048</b>
<b>TOTAL ASSETS</b>	<b>5 330 956</b>	<b>5 694 682</b>	<b>5 813 062</b>	<b>5 800 232</b>	<b>5 839 802</b>
<b>LIABILITIES</b>					
Deposits held	1 831	1 831	1 831	1 831	1 831
Advances received					
Borrowing	2 245 517	2 516 133	2 599 101	2 552 916	2 540 961
Superannuation					
Other employee benefits	72 436	74 118	74 871	76 651	70 146
Payables	96 643	96 337	101 875	110 927	114 326
Other liabilities	170 990	158 837	127 979	128 488	129 102
<b>TOTAL LIABILITIES</b>	<b>2 587 417</b>	<b>2 847 256</b>	<b>2 905 657</b>	<b>2 870 813</b>	<b>2 856 366</b>
<b>NET ASSETS/LIABILITIES (-)</b>	<b>2 743 539</b>	<b>2 847 426</b>	<b>2 907 405</b>	<b>2 929 419</b>	<b>2 983 436</b>
<b>NET WORTH</b>	<b>2 743 539</b>	<b>2 847 426</b>	<b>2 907 405</b>	<b>2 929 419</b>	<b>2 983 436</b>
NET FINANCIAL WORTH <sup>1</sup>	- 2 186 521	- 2 363 170	- 2 467 273	- 2 454 318	- 2 483 612
<b>NET DEBT<sup>2</sup></b>	<b>2 027 199</b>	<b>2 346 388</b>	<b>2 422 442</b>	<b>2 374 641</b>	<b>2 380 653</b>

1 Net financial worth equals total financial assets minus total liabilities.

2 Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

## Public non financial corporation sector cash flow statement

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>Cash receipts from operating activities</b>					
Receipts from sales of goods and services	770 334	970 056	1 187 061	1 211 603	1 239 245
Grants and subsidies received	493 998	392 835	351 200	369 885	393 939
Interest receipts	8 308	7 068	7 042	7 141	7 065
Dividends and income tax equivalents					
Other receipts	34 146	27 425	27 762	30 824	34 173
<b>Total operating receipts</b>	<b>1 306 786</b>	<b>1 397 384</b>	<b>1 573 065</b>	<b>1 619 453</b>	<b>1 674 422</b>
<b>Cash payments for operating activities</b>					
Income tax equivalents paid	- 3 087	- 46 377	- 27 899	- 32 073	- 52 274
Payments for employees	- 152 417	- 152 642	- 160 572	- 169 899	- 173 421
Payment for goods and services	- 727 507	- 781 990	- 845 352	- 855 996	- 866 224
Grants and subsidies paid	- 1 309	- 1 345	- 1 378	- 1 391	- 1 426
Interest paid	- 105 170	- 130 624	- 154 686	- 158 849	- 158 757
Other payments	- 5 563	- 521	- 344	- 464	- 435
<b>Total operating payments</b>	<b>- 995 053</b>	<b>- 1 113 499</b>	<b>- 1 190 231</b>	<b>- 1 218 672</b>	<b>- 1 252 537</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>311 733</b>	<b>283 885</b>	<b>382 834</b>	<b>400 781</b>	<b>421 885</b>
<b>Cash flows from investments in non financial assets</b>					
Sales of non financial assets	2 240	2 266		72 622	
Purchases of non financial assets	- 494 763	- 583 180	- 439 620	- 387 602	- 387 210
<b>Net cash flows from investments in non financial assets</b>	<b>- 492 523</b>	<b>- 580 914</b>	<b>- 439 620</b>	<b>- 314 980</b>	<b>- 387 210</b>
<b>NET CASH FROM OPERATING ACTIVITIES AND INVESTMENTS IN NON FINANCIAL ASSETS</b>	<b>- 180 790</b>	<b>- 297 029</b>	<b>- 56 786</b>	<b>85 801</b>	<b>34 675</b>
Net cash flows from investments in financial assets for policy purposes <sup>1</sup>					
Net cash flows from investments in financial assets for liquidity purposes	658	1 097	1 428	875	413
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>- 491 865</b>	<b>- 579 817</b>	<b>- 438 192</b>	<b>- 314 105</b>	<b>- 386 797</b>
Net cash flows from financing activities					
Advances received (net)					
Borrowing (net)	140 848	255 192	62 414	- 59 387	- 21 612
Deposits received (net)	- 1 063				
Dividends paid	- 7 922	- 7 833	- 7 669	- 25 673	- 31 443
Other financing (net)			7 527		
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>131 863</b>	<b>247 359</b>	<b>62 272</b>	<b>- 85 060</b>	<b>- 53 055</b>
<b>NET INCREASE/DECREASE (-) IN CASH HELD</b>	<b>- 48 269</b>	<b>- 48 573</b>	<b>6 914</b>	<b>1 616</b>	<b>- 17 967</b>
Net cash flows from operating activities	311 733	283 885	382 834	400 781	421 885
Net cash flows from investments in non financial assets	- 492 523	- 580 914	- 439 620	- 314 980	- 387 210
Dividends paid	- 7 922	- 7 833	- 7 669	- 25 673	- 31 443
<b>CASH SURPLUS/DEFICIT (-)</b>	<b>- 188 712</b>	<b>- 304 862</b>	<b>- 64 455</b>	<b>60 128</b>	<b>3 232</b>

1 Includes equity acquisitions and disposals (net).

## Non financial public sector comprehensive operating statement

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>REVENUE</b>					
Taxation revenue	796 777	748 360	744 869	772 642	804 475
Current grants	6 020 358	6 494 487	6 476 771	6 672 033	6 925 125
Capital grants	535 473	679 308	765 328	662 344	656 236
Sales of goods and services	1 164 363	1 485 834	1 502 358	1 557 476	1 587 349
Interest income	159 725	142 903	145 764	149 775	153 546
Dividend and income tax equivalent income	30 353	45 289	59 329	60 360	58 513
Other revenue	424 259	445 407	356 801	422 765	364 583
<b>TOTAL REVENUE</b>	<b>9 131 308</b>	<b>10 041 588</b>	<b>10 051 220</b>	<b>10 297 395</b>	<b>10 549 827</b>
<i>less</i> <b>EXPENSES</b>					
Employee benefits expense	3 331 253	3 490 828	3 520 066	3 622 601	3 691 810
Superannuation expenses					
Superannuation interest cost	128 730	125 800	122 592	118 932	114 913
Other superannuation expenses	390 817	424 334	426 696	440 329	448 809
Depreciation and amortisation	928 641	897 113	893 365	879 167	871 587
Other operating expenses	2 882 019	2 881 408	2 781 100	2 842 482	2 846 610
Interest expenses	579 484	678 935	784 011	856 113	910 983
Other property expenses					
Current grants	1 246 275	1 301 415	1 312 411	1 335 726	1 386 757
Capital grants	246 276	195 627	130 626	48 088	34 268
Subsidies and personal benefit payments	70 321	73 800	78 023	78 240	78 849
<b>TOTAL EXPENSES</b>	<b>9 803 816</b>	<b>10 069 260</b>	<b>10 048 890</b>	<b>10 221 678</b>	<b>10 384 586</b>
<i>equals</i> <b>NET OPERATING BALANCE</b>	<b>- 672 508</b>	<b>- 27 672</b>	<b>2 330</b>	<b>75 717</b>	<b>165 241</b>
<i>plus</i> Other economic flows – included in operating result	- 95 558	- 38 313	26 054	38 931	24 992
<i>equals</i> <b>OPERATING RESULT</b>	<b>- 768 066</b>	<b>- 65 985</b>	<b>28 384</b>	<b>114 648</b>	<b>190 233</b>
<i>plus</i> Other economic flows – other comprehensive income	22 375	15 836	11 742	9 693	9 695
<i>equals</i> <b>COMPREHENSIVE RESULT – total change in net worth before transactions with owners in their capacity as owners</b>	<b>- 745 691</b>	<b>- 50 149</b>	<b>40 126</b>	<b>124 341</b>	<b>199 928</b>
<b>NET OPERATING BALANCE</b>	<b>- 672 508</b>	<b>- 27 672</b>	<b>2 330</b>	<b>75 717</b>	<b>165 241</b>
<i>less</i> <b>Net acquisition of non financial assets</b>					
Purchases of non financial assets	1 878 002	2 148 069	1 769 425	1 521 131	1 539 730
Sales of non financial assets	- 29 927	- 29 415	- 26 149	- 98 771	- 26 149
<i>less</i> Depreciation	928 641	897 113	893 365	879 167	871 587
<i>plus</i> Change in inventories	- 2 681	7 809	941	1 142	6 087
<i>plus</i> Other movements in non financial assets	57 580	51 025	48 070	60 812	47 859
<i>equals</i> <b>Total net acquisition of non financial assets</b>	<b>974 333</b>	<b>1 280 375</b>	<b>898 922</b>	<b>605 147</b>	<b>695 940</b>
<i>equals</i> <b>FISCAL BALANCE</b>	<b>- 1 646 841</b>	<b>- 1 308 047</b>	<b>- 896 592</b>	<b>- 529 430</b>	<b>- 530 699</b>

## Non financial public sector balance sheet

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and deposits	908 602	745 921	662 174	664 984	662 980
Advances paid	163 967	162 967	161 967	160 967	159 967
Investments, loans and placements	3 056 106	3 260 816	3 463 269	3 701 616	3 933 086
Receivables	682 420	817 901	781 597	738 076	710 868
Equity					
Investments in other public sector entities	21 631	21 631	21 631	21 631	21 631
Equity accounted investments					
Investments – shares	21 777	21 777	21 777	21 777	21 777
Other financial assets	87 258	85 256	82 921	81 140	79 825
<b>Total financial assets</b>	<b>4 941 761</b>	<b>5 116 269</b>	<b>5 195 336</b>	<b>5 390 191</b>	<b>5 590 134</b>
<b>Non financial assets</b>					
Inventories	236 163	243 972	244 913	246 055	252 142
Property, plant and equipment	25 974 483	27 165 969	28 046 384	28 641 857	29 301 163
Investment property	30 078	26 078	22 078	18 078	14 078
Other non financial assets	612 326	636 692	643 493	612 893	610 131
<b>Total non financial assets</b>	<b>26 853 050</b>	<b>28 072 711</b>	<b>28 956 868</b>	<b>29 518 883</b>	<b>30 177 514</b>
<b>TOTAL ASSETS</b>	<b>31 794 811</b>	<b>33 188 980</b>	<b>34 152 204</b>	<b>34 909 074</b>	<b>35 767 648</b>
<b>LIABILITIES</b>					
Deposits held	370 073	266 873	283 855	287 050	295 048
Advances received	113 259	105 438	94 238	85 640	76 625
Borrowing	14 192 911	15 988 858	17 016 637	17 660 756	18 350 633
Superannuation	2 968 603	2 918 317	2 862 299	2 799 289	2 730 037
Other employee benefits	998 898	1 000 580	1 001 333	1 003 113	996 608
Payables	461 221	465 707	473 865	485 534	492 148
Other liabilities	1 576 684	1 380 194	1 316 838	1 360 212	1 399 141
<b>TOTAL LIABILITIES</b>	<b>20 681 649</b>	<b>22 125 967</b>	<b>23 049 065</b>	<b>23 681 594</b>	<b>24 340 240</b>
<b>NET ASSETS/LIABILITIES (-)</b>	<b>11 113 162</b>	<b>11 063 013</b>	<b>11 103 139</b>	<b>11 227 480</b>	<b>11 427 408</b>
<b>NET WORTH</b>	<b>11 113 162</b>	<b>11 063 013</b>	<b>11 103 139</b>	<b>11 227 480</b>	<b>11 427 408</b>
NET FINANCIAL WORTH <sup>1</sup>	- 15 739 888	- 17 009 698	- 17 853 729	- 18 291 403	- 18 750 106
NET FINANCIAL LIABILITIES <sup>2</sup>	15 761 519	17 031 329	17 875 360	18 313 034	18 771 737
<b>NET DEBT<sup>3</sup></b>	<b>10 547 568</b>	<b>12 191 465</b>	<b>13 107 320</b>	<b>13 505 879</b>	<b>13 966 273</b>

1 Net financial worth equals total financial assets minus total liabilities.

2 Net financial liabilities equals the sum of total liabilities less total financial assets excluding investments in other public sector entities.

3 Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

## Non financial public sector cash flow statement

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
<b>Cash receipts from operating activities</b>					
Taxes received	796 777	748 360	744 869	772 642	804 475
Receipts from sales of goods and services	1 161 511	1 364 759	1 564 899	1 592 647	1 625 401
Grants and subsidies received	6 614 183	6 927 645	7 127 208	7 318 479	7 550 985
Interest receipts	159 725	142 903	145 764	149 775	153 546
Dividends and income tax equivalents	55 771	30 353	45 289	59 329	60 360
Other receipts	409 997	436 800	348 186	417 815	358 172
<b>Total operating receipts</b>	<b>9 197 964</b>	<b>9 650 820</b>	<b>9 976 215</b>	<b>10 310 687</b>	<b>10 552 939</b>
<b>Cash payments for operating activities</b>					
Payments for employees	- 3 917 154	- 4 089 566	- 4 124 619	- 4 243 092	- 4 331 289
Payment for goods and services	- 2 439 024	- 2 438 297	- 2 323 335	- 2 331 830	- 2 387 807
Grants and subsidies paid	- 1 494 507	- 1 570 842	- 1 521 060	- 1 462 054	- 1 499 874
Interest paid	- 577 695	- 671 610	- 781 051	- 854 358	- 909 083
Other payments	- 430 264	- 423 393	- 423 216	- 423 336	- 423 307
<b>Total operating payments</b>	<b>- 8 858 644</b>	<b>- 9 193 708</b>	<b>- 9 173 281</b>	<b>- 9 314 670</b>	<b>- 9 551 360</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>339 320</b>	<b>457 112</b>	<b>802 934</b>	<b>996 017</b>	<b>1 001 579</b>
<b>Cash flows from investments in non financial assets</b>					
Sales of non financial assets	29 927	29 415	26 149	98 771	26 149
Purchases of non financial assets	- 1 878 002	- 2 148 069	- 1 769 425	- 1 521 131	- 1 539 730
<b>Net cash flows from investments in non financial assets</b>	<b>- 1 848 075</b>	<b>- 2 118 654</b>	<b>- 1 743 276</b>	<b>- 1 422 360</b>	<b>- 1 513 581</b>
<b>NET CASH FROM OPERATING ACTIVITIES AND INVESTMENTS IN NON FINANCIAL ASSETS</b>	<b>- 1 508 755</b>	<b>- 1 661 542</b>	<b>- 940 342</b>	<b>- 426 343</b>	<b>- 512 002</b>
Net cash flows from investments in financial assets for policy purposes <sup>1</sup>	- 22 946	- 1 093	- 1 239	- 1 396	- 1 564
Net cash flows from investments in financial assets for liquidity purposes	- 208 746	- 118 574	- 107 159	- 134 215	- 119 782
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>- 2 079 767</b>	<b>- 2 238 321</b>	<b>- 1 851 674</b>	<b>- 1 557 971</b>	<b>- 1 634 927</b>
<b>Net cash flows from financing activities</b>					
Advances received (net)	- 12 459	- 7 821	- 11 200	- 8 598	- 9 015
Borrowing (net)	1 521 774	1 729 549	959 211	570 167	632 361
Deposits received (net)	- 288 636	- 103 200	16 982	3 195	7 998
Other financing (net)					
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>1 220 679</b>	<b>1 618 528</b>	<b>964 993</b>	<b>564 764</b>	<b>631 344</b>
<b>NET INCREASE/DECREASE (-) IN CASH HELD</b>	<b>- 519 768</b>	<b>- 162 681</b>	<b>- 83 747</b>	<b>2 810</b>	<b>- 2 004</b>
Net cash flows from operating activities	339 320	457 112	802 934	996 017	1 001 579
Net cash flows from investments in non financial assets	- 1 848 075	- 2 118 654	- 1 743 276	- 1 422 360	- 1 513 581
<b>CASH SURPLUS/DEFICIT (-)</b>	<b>- 1 508 755</b>	<b>- 1 661 542</b>	<b>- 940 342</b>	<b>- 426 343</b>	<b>- 512 002</b>
Future infrastructure and superannuation contributions/earnings <sup>2</sup>	- 56 586	- 57 328	- 60 767	- 64 414	- 68 278
<b>UNDERLYING SURPLUS/DEFICIT (-)</b>	<b>- 1 565 341</b>	<b>- 1 718 870</b>	<b>- 1 001 109</b>	<b>- 490 757</b>	<b>- 580 280</b>

<sup>1</sup> Includes equity acquisitions and disposals (net).

<sup>2</sup> Contributions for future infrastructure and superannuation requirements.

## Public financial corporation sector comprehensive operating statement

2024-25  
Revised

\$000

**REVENUE**

Current grants

Capital grants

Sales of goods and services

997

Interest income

485 357

Other revenue

**TOTAL REVENUE****486 354***less***EXPENSES**

Employee benefits expense

965

Superannuation expenses

107

Depreciation and amortisation

Other operating expenses

1 706

Interest expenses

453 223

Other property expenses

9 106

Current grants

Capital grants

Subsidies and personal benefit payments

**TOTAL EXPENSES****465 107***equals***NET OPERATING BALANCE****21 247***plus*

Other economic flows – included in operating result

*equals***OPERATING RESULT****21 247***plus*

Other economic flows – other comprehensive income

*equals***COMPREHENSIVE RESULT – total change in net worth before transactions with owners in their capacity as owners****21 247****NET OPERATING BALANCE****21 247***less***Net acquisition of non financial assets**

Purchases of non financial assets

Sales of non financial assets

*less* Depreciation*plus* Change in inventories*plus* Other movements in non financial assets*equals* **Total net acquisition of non financial assets***equals***FISCAL BALANCE****21 247**

## Public financial corporation sector balance sheet

2024-25  
Revised

\$'000

**ASSETS****Financial assets**

Cash and deposits	156 334
Advances paid	
Investments, loans and placements	12 231 997
Receivables	9 732
Equity investments	
Investments in other public sector entities	
Equity accounted investments	
Investments – shares	
Other financial assets	
<b>Total financial assets</b>	<b>12 398 063</b>

**Non financial assets**

Inventories
Property, plant and equipment
Investment property
Other non financial assets

**Total non financial assets**

<b>TOTAL ASSETS</b>	<b>12 398 063</b>
---------------------	-------------------

**LIABILITIES**

Deposits held	779
Advances received	156 832
Borrowing	12 088 044
Superannuation	
Other employee benefits	164
Payables	100 258
Other liabilities	30 355

<b>TOTAL LIABILITIES</b>	<b>12 376 432</b>
--------------------------	-------------------

<b>NET ASSETS/LIABILITIES (-)</b>	<b>21 631</b>
-----------------------------------	---------------

<b>NET WORTH</b>	<b>21 631</b>
------------------	---------------

NET FINANCIAL WORTH <sup>1</sup>	21 631
----------------------------------	--------

<b>NET DEBT<sup>2</sup></b>	<b>- 142 676</b>
-----------------------------	------------------

<sup>1</sup> Net financial worth equals total financial assets minus total liabilities.

<sup>2</sup> Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.



## Public financial corporation sector cash flow statement

	2024-25 Revised
	\$000
<b>Cash receipts from operating activities</b>	
Receipts from sales of goods and services	997
Grants and subsidies received	
Interest receipts	482 881
Other receipts	
<b>Total operating receipts</b>	<b>483 878</b>
<b>Cash payments for operating activities</b>	
Income tax equivalents paid	- 16 731
Payments for employees	- 1 072
Payment for goods and services	- 1 706
Grants and subsidies paid	
Interest paid	- 435 245
Other payments	
<b>Total operating payments</b>	<b>- 454 754</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>29 124</b>
<b>Cash flows from investments in non financial assets</b>	
Sales of non financial assets	
Purchases of non financial assets	
<b>Net cash flows from investments in non financial assets</b>	
<b>NET CASH FROM OPERATING ACTIVITIES AND INVESTMENTS IN NON FINANCIAL ASSETS</b>	<b>29 124</b>
Net cash flows from investments in financial assets for policy purposes <sup>1</sup>	
Net cash flows from investments in financial assets for liquidity purposes	- 1 517 701
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>- 1 517 701</b>
Net cash flows from financing activities	
Advances received (net)	
Borrowing (net)	1 278 163
Deposits received (net)	
Dividends paid	- 39 040
Other financing (net)	
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>1 239 123</b>
<b>NET INCREASE/DECREASE (-) IN CASH HELD</b>	<b>- 249 454</b>
Net cash flows from operating activities	29 124
Net cash flows from investments in non financial assets	
Distributions paid	- 39 040
<b>CASH SURPLUS/DEFICIT (-)</b>	<b>- 9 916</b>

1 Includes equity acquisitions and disposals (net).

## Total public sector comprehensive operating statement

	2024-25 Revised
	\$'000
<b>REVENUE</b>	
Taxation revenue	796 777
Current grants	6 020 358
Capital grants	535 473
Sales of goods and services	1 163 737
Interest income	160 225
Dividend and income tax equivalent income	
Other revenue	424 233
<b>TOTAL REVENUE</b>	<b>9 100 803</b>
<i>less</i> <b>EXPENSES</b>	
Employee benefits expense	3 332 218
Superannuation expenses	
Superannuation interest cost	128 730
Other superannuation expenses	390 899
Depreciation and amortisation	928 641
Other operating expenses	2 882 101
Interest expenses	547 850
Other property expenses	
Current grants	1 246 275
Capital grants	246 276
Subsidies and personal benefit payments	70 321
<b>TOTAL EXPENSES</b>	<b>9 773 311</b>
<i>equals</i> <b>NET OPERATING BALANCE</b>	<b>- 672 508</b>
<i>plus</i> Other economic flows – included in operating result	- 95 558
<i>equals</i> <b>OPERATING RESULT</b>	<b>- 768 066</b>
<i>plus</i> Other economic flows – other comprehensive income	22 375
<i>equals</i> <b>COMPREHENSIVE RESULT – total change in net worth before transactions with owners in their capacity as owners</b>	<b>- 745 691</b>
<b>NET OPERATING BALANCE</b>	<b>- 672 508</b>
<i>less</i> <b>Net acquisition of non financial assets</b>	
Purchases of non financial assets	1 878 002
Sales of non financial assets	- 29 927
<i>less</i> Depreciation	928 641
<i>plus</i> Change in inventories	- 2 681
<i>plus</i> Other movements in non financial assets	57 580
<i>equals</i> <b>Total net acquisition of non financial assets</b>	<b>974 333</b>
<i>equals</i> <b>FISCAL BALANCE</b>	<b>- 1 646 841</b>

## Total public sector balance sheet

	2024-25 Revised
	\$'000
<b>ASSETS</b>	
<b>Financial assets</b>	
Cash and deposits	908 602
Advances paid	163 967
Investments, loans and placements	3 056 106
Receivables	652 144
Equity investments	
Investments in other public sector entities	
Equity accounted investments	
Investments – shares	21 777
Other financial assets	87 258
<b>Total financial assets</b>	<b>4 889 854</b>
<b>Non financial assets</b>	
Inventories	236 163
Property, plant and equipment	25 974 483
Investment property	30 078
Other non financial assets	612 326
<b>Total non financial assets</b>	<b>26 853 050</b>
<b>TOTAL ASSETS</b>	<b>31 742 904</b>
<b>LIABILITIES</b>	
Deposits held	214 518
Advances received	182 095
Borrowing	14 136 954
Superannuation	2 968 603
Other employee benefits	999 062
Payables	551 824
Other liabilities	1 576 686
<b>TOTAL LIABILITIES</b>	<b>20 629 742</b>
<b>NET ASSETS/LIABILITIES (-)</b>	<b>11 113 162</b>
<b>NET WORTH</b>	<b>11 113 162</b>
NET FINANCIAL WORTH <sup>1</sup>	- 15 739 888
<b>NET DEBT<sup>2</sup></b>	<b>10 404 892</b>

1 Net financial worth equals total financial assets minus total liabilities.

2 Net debt equals the sum of deposits held, advances received and borrowing, minus the sum of cash and deposits, advances paid and investments, loans and placements.

## Total public sector cash flow statement

2024-25  
Revised

\$000

### Cash receipts from operating activities

Taxes received	796 777
Receipts from sales of goods and services	1 160 885
Grants and subsidies received	6 614 183
Interest receipts	159 725
Other receipts	409 971
<b>Total operating receipts</b>	<b>9 141 541</b>

### Cash payments for operating activities

Payments for employees	- 3 918 201
Payment for goods and services	- 2 439 106
Grants and subsidies paid	- 1 494 507
Interest paid	- 530 059
Other payments	- 430 264
<b>Total operating payments</b>	<b>- 8 812 137</b>

### NET CASH FLOWS FROM OPERATING ACTIVITIES

329 404

### Cash flows from investments in non financial assets

Sales of non financial assets	29 927
Purchases of non financial assets	- 1 878 002

### Net cash flows from investments in non financial assets

- 1 848 075

### NET CASH FROM OPERATING ACTIVITIES AND INVESTMENTS IN NON FINANCIAL ASSETS

- 1 518 671

Net cash flows from investments in financial assets for policy purposes <sup>1</sup>	- 22 946
Net cash flows from investments in financial assets for liquidity purposes	- 208 746
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>- 2 079 767</b>

### Net cash flows from financing activities

Advances received (net)	
Borrowing (net)	1 269 777
Deposits received (net)	- 39 182
Other financing (net)	

### NET CASH FLOWS FROM FINANCING ACTIVITIES

1 230 595

### NET INCREASE/DECREASE (-) IN CASH HELD

- 519 768

### Net cash flows from operating activities

329 404

### Net cash flows from investments in non financial assets

- 1 848 075

### CASH SURPLUS/DEFICIT (-)

- 1 518 671

Future infrastructure and superannuation contributions/earnings <sup>2</sup>	- 56 586
--	----------

### UNDERLYING SURPLUS/DEFICIT (-)

- 1 575 257

<sup>1</sup> Includes equity acquisitions and disposals (net).

<sup>2</sup> Contributions for future infrastructure and superannuation requirements.

## General government sector taxes

	2024-25 Revised	2025-26 Budget
	\$M	\$M
<b>Taxes on employers' payroll and labour force</b>	<b>328</b>	<b>286</b>
Payroll taxes	328	286
<b>Taxes on property</b>	<b>179</b>	<b>139</b>
Stamp duties on financial and capital transactions	179	139
<b>Taxes on the provision of goods and services</b>	<b>194</b>	<b>229</b>
Taxes on gambling	115	145
Taxes on insurance	78	84
<b>Taxes on the use of goods and performance of activities</b>	<b>104</b>	<b>103</b>
Motor vehicle registration fees	101	100
Other	3	3
<b>TOTAL TAXATION REVENUE</b>	<b>805</b>	<b>757</b>

## General government sector grant revenue

	2024-25 Revised	2025-26 Budget
	\$M	\$M
<b>Current grant revenue</b>		
Current grants from the Commonwealth (including for on-passing)	6 112	6 531
Untied revenue	4 287	4 571
Tied revenue	1 824	1 960
Other non-Commonwealth contributions and grants	43	27
<b>Total current grant revenue</b>	<b>6 154</b>	<b>6 558</b>
<b>Capital grant revenue</b>		
Capital grants from the Commonwealth (including for on-passing)	406	538
Tied revenue	406	538
Other non-Commonwealth contributions and grants	6	2
<b>Total capital grant revenue</b>	<b>413</b>	<b>539</b>
<b>TOTAL GRANTS REVENUE</b>	<b>6 567</b>	<b>7 097</b>

## General government sector grant expenses

	2024-25 Revised	2025-26 Budget
	\$M	\$M
<b>Current grant expense including subsidies and personal benefit payments</b>		
Local government	81	80
Private and not-for-profit sector	1 111	1 156
Grants to other sectors of government	91	88
Other <sup>1</sup>	284	330
<b>Total current grant expenses including subsidies and personal benefit payments</b>	<b>1 568</b>	<b>1 654</b>
<b>Capital grant expense</b>		
Local government	88	34
Private and not-for-profit sector	159	161
Grants to other sectors of government	199	100
Other		
<b>Total capital grant expenses</b>	<b>445</b>	<b>295</b>
<b>TOTAL GRANT EXPENSES</b>	<b>2 013</b>	<b>1 950</b>

1 Comprises grants to government schools and Charles Darwin University.

## General government sector dividend and income tax equivalent income

	2024-25 Revised	2025-26 Budget
	\$M	\$M
Dividend and income tax equivalent income from public non financial corporations sector	16	57
Dividend and income tax equivalent income from public financial corporations sector	30	45
<b>TOTAL DIVIDEND AND INCOME TAX EQUIVALENT INCOME</b>	<b>46</b>	<b>102</b>

## General government sector operating expenses by function

	2024-25 Revised	2025-26 Budget
	\$M	\$M
General public services	740	838
Public order and safety	1 235	1 376
Economic affairs	593	612
Environmental protection	159	145
Housing and community amenities	1 174	928
Health	2 353	2 418
Recreation, culture and religion	205	202
Education	1 514	1 572
Social protection	776	771
Transport	400	364
<b>TOTAL OPERATING EXPENSES</b>	<b>9 149</b>	<b>9 227</b>

Reported by Classifications of Functions of Government – Australia.

## General government sector purchases of non financial assets by function

	2024-25 Revised	2025-26 Budget
	\$M	\$M
General public services	9	10
Public order and safety	89	118
Economic affairs	237	397
Environmental protection	14	24
Housing and community amenities	425	418
Health	95	89
Recreation, culture and religion	87	86
Education	61	43
Social protection	8	8
Transport	357	371
<b>TOTAL PURCHASES OF NON FINANCIAL ASSETS</b>	<b>1 383</b>	<b>1 565</b>

Reported by Classifications of Functions of Government – Australia.

## Non financial public sector total expenditure by function

	2024-25 Revised	2025-26 Budget
	\$M	\$M
General public services	760	860
Public order and safety	1 324	1 494
Economic affairs	1 679	1 889
Environmental protection	222	223
Housing and community amenities	1 786	1 770
Health	2 448	2 507
Recreation, culture and religion	292	288
Education	1 575	1 615
Social protection	784	779
Transport	781	762
<b>TOTAL EXPENDITURE<sup>1</sup></b>	<b>11 652</b>	<b>12 188</b>

1 Total expenditure comprises operating expenses and net capital investment.  
Reported by Classifications of Functions of Government – Australia.



## Appendices

## Appendix A

# Classification of entities in the Northern Territory

## Total public sector

### Non financial public sector

#### General government sector

Aboriginal Areas Protection Authority  
Attorney-General's Department  
Auditor-General's Office  
AustralAsia Railway Corporation<sup>1</sup>  
Batchelor Institute of Indigenous Tertiary Education<sup>1</sup>  
Central Holding Authority  
Darwin Waterfront Corporation<sup>1</sup>  
Data Centre Services<sup>2</sup>  
Department of Agriculture and Fisheries  
Department of the Chief Minister and Cabinet  
Department of Children and Families  
Department of Corporate and Digital Development  
Department of Corrections  
Department of Education and Training  
Department of Health  
Department of Housing, Local Government and Community Development  
Department of Lands, Planning and Environment  
Department of the Legislative Assembly  
Department of Logistics and Infrastructure  
Department of Mining and Energy  
Department of People, Sport and Culture  
Department of Tourism and Hospitality  
Department of Trade, Business and Asian Relations  
Department of Treasury and Finance  
Desert Knowledge Australia<sup>1</sup>  
Motor Accidents (Compensation) Commission<sup>1</sup>  
Museums and Art Galleries Board of the Northern Territory<sup>1</sup>  
Nominal Insurer's Fund<sup>1</sup>  
Northern Territory Electoral Commission  
Northern Territory Fire and Emergency Service  
Northern Territory Legal Aid Commission<sup>1</sup>  
Northern Territory Major Events Company Pty Ltd<sup>1</sup>  
Northern Territory Police Force  
NT Build<sup>1</sup>  
NT Fleet<sup>2</sup>  
NT Home Ownership<sup>2</sup>  
Office of the Independent Commissioner Against Corruption  
Ombudsman's Office  
Territory Wildlife Parks<sup>2</sup>

Public non financial corporations sector

Indigenous Essential Services Pty Ltd<sup>1</sup>

Jacana Energy<sup>1, 3</sup>

Land Development Corporation<sup>2</sup>

Power and Water Corporation<sup>1, 3</sup>

Territory Generation<sup>1, 3</sup>

Public financial corporation sector

Northern Territory Treasury Corporation<sup>2</sup>

1 Non-budget sector entity.

2 Government business division.

3 Government owned corporation.

## Appendix B

## Abbreviations and acronyms

a	actual	LHS	left-hand side
AARC	AustralAsia Railway Corporation	LNG	liquefied natural gas
AASB	Australian Accounting Standards Board	M	million
ABS	Australian Bureau of Statistics	MAC	Motor Accidents Compensation
B	billion	Moody's	Moody's Investors Service
BFSA	Better and Fairer Schools Agreement	n/a	not applicable
Central Australia A Better, Safer Future for Central Australia Plan		NAIF	Northern Australia Infrastructure Facility
CGC	Commonwealth Grants Commission	NAJP	National Access to Justice Partnership Agreement
CLP	Country Liberal Party	NDIS	National Disability Insurance Scheme
Commonwealth PEFO	Commonwealth Pre-election Fiscal Outlook	NHRA	National Health Reform Agreement
COPE	Commonwealth own-purpose expenses	NLAP	National Legal Assistance Partnership
CPI	consumer price index	NTTC	Northern Territory Treasury Corporation
DAMA	Designated Area Migration Agreement	ppt	percentage points
e	estimate	r	revised
f	forecast	RBA	Reserve Bank of Australia
FFA	Federation Funding Agreement	RHS	right-hand side
FITA	<i>Fiscal Integrity and Transparency Act 2001</i>	SCI	statement of corporate intent
GDP	gross domestic product	SFD	state final demand
GEMCO	Groote Eylandt Mining Company	SPP	specific purpose payment
GFC	global financial crisis	TAFE	Technical and Further Education
GST	goods and services tax	UPF	Uniform Presentation Framework
HFE	horizontal fiscal equalisation	US	United States (of America)
ICT	information and communications technology	2024 PEFO	2024 Pre-Election Fiscal Outlook
IGA FFR	Intergovernmental Agreement on Federal Financial Relations	2025 Review	CGC 2025 Review

## Appendix C

# Explanation of terms

### Administrative Arrangements Order

A list of ministers of the Northern Territory and the agencies, Acts and principal areas of government for which they are responsible.

### Advances/advances paid

Advances are the creation of financial assets (that is, an increase in the indebtedness to government units) with the aim of funding particular enterprise, household or government activity.

### Agency

A unit of government administration, office or statutory corporation, as nominated in an Administrative Arrangements Order for the purposes of the *Financial Management Act 1995*.

### Appropriation

An authority given by the Legislative Assembly to make payments, now or at some future time, for the purposes stated, up to the limit of the amount in the particular Act.

### Appropriation Act

The Act that provides the legal authority for the Northern Territory Government's funding decisions and includes an annual *Appropriation Act* or additional *Appropriation Act*.

### Australian accounting standards

Statements of accounting standards (from the Australian Accounting Standards Board) that are applied in preparation and presentation of financial statements.

### Australian Bureau of Statistics

A Commonwealth entity that coordinates statistical activities and collaborates with official bodies in collecting, compiling, analysing and distributing statistics.

### Balancing item

The balancing item is the residual of gross state product less state final demand and net international trade in goods and services. It comprises the change in inventories at a jurisdictional level plus net interstate trade.

### Borrowings

Receipt of money, property or other value with an obligation to repay, regardless of whether or not the repayment is of equal value. It includes loans, the issue of debentures, bonds or stock, discounted securities, promissory notes, the lease of real or personal property, or any other arrangement where there is an obligation to repay.

### Budget cycle

Financial years reported in the budget, comprising of the revised budget, budget year and three forward estimate years.

### Capital works

Infrastructure projects involving building and engineering works that create or improve government owned assets, as well as constructing or installing facilities and fixtures associated with and forming an integral part of those works.

### Cash and deposits

Notes and coin held, deposits at call with a bank or other financial institution, and highly liquid investments that are readily convertible to cash on hand at the investor's option.

### Cash surplus/deficit

Net impact of cash flows during the period. A key fiscal aggregate reported in the cash flow statement, cash surplus/deficit is a useful indicator of the Territory's need to call on financial markets to meet its budget obligations. It equals net cash flows from operating activities plus net cash flows from acquisition and disposal of non financial assets, less distributions paid.

### Central Holding Authority

Parent financial entity of government. It receives all Territory own-source revenue collected by other agencies on behalf of the Territory, except revenue permitted by legislation to be retained by an agency. It also receives most Commonwealth income, including GST revenue, national partnership and specific purpose payments, and then distributes this funding to agencies in the form of appropriations.

### Change in net worth

Change in net worth (comprehensive result) measures the variation in a government's accumulated assets and liabilities. It is calculated as revenue from transactions less expenses from transactions plus other economic flows.

### Classifications of functions of government – Australia

A framework to classify government outlays or expenditure by the purpose served, for example, health or education, which is based on classifications set by the Australian Bureau of Statistics in the government finance statistics manual.

### Commonwealth Grants Commission

A Commonwealth statutory body that makes recommendations to the Commonwealth Treasurer on how revenues raised from GST should be distributed to states and territories.

### Commonwealth own-purpose expenses

Payments by the Commonwealth directly to an agency for provision of specific services or for onpassing to non-government and local government organisations.

### Community service obligation

Arises when the government requires a government business division or government owned corporation to carry out activities it would not choose to do on a commercial basis or would only do so at higher commercial prices. Community service obligation funding allows government to achieve identifiable community or social objectives that would not be achieved if left solely to commercial considerations.

### Comprehensive result

Fiscal aggregate reported in the operating statement. The net result of all items of income and expense recognised for the period, it is the aggregate of operating result and other movements in assets and liabilities, other than transactions with owners in their capacity as owners. It equals revenue from transactions less expenses from transactions plus other economic flows.

## Consumer price index

A measure of the price of a representative basket of goods and services for each Australian capital city over time.

The consumer price index's basket of goods has 11 categories of goods and services (food and non-alcoholic beverages; alcohol and tobacco; clothing and footwear; housing; furnishings, household equipment and services; health; transport; communication; recreation and culture; education; and insurance and financial services). These categories are weighted to reflect household consumption patterns in each city. Weights for each capital city are updated on an annual basis to reflect changing household consumption patterns over time.

## Contingent liability

A potential financial obligation arising out of a condition, situation, guarantee or indemnity, the ultimate effect of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly in control of the Territory. It also includes present liabilities that arise from past events where it is not probable the Territory will be required to settle the liability, or the amount of the obligation cannot be reliably estimated.

## Deposits held

Net cash held by public sector entities as a result of deposits received, predominantly comprising of cash held on behalf or for the benefit of other parties.

## Depreciation and amortisation

An expense that represents the cost of assets (both tangible and intangible) over their useful life, to account for declines in value over time due to usage, wear and tear, and obsolescence.

## Employed

Persons 15 years and older who worked for one hour or more in the week as measured by the labour force survey. Persons are measured as being employed in the jurisdiction in which they reside, regardless of the location of their employment.

## Employee benefits expense

Consists of all uncapitalised compensation of employees except for superannuation. It includes payments in cash or in-kind.

## Federation funding agreement schedules

Fixed-term agreements between the Commonwealth and states and territories, with defined objectives, outcomes, outputs and performance measures for the delivery of specific projects, services or to facilitate reforms arranged under five sectoral federation funding agreements covering health, education and skills, infrastructure, environment, and affordable housing, community services and other.

## Financial asset

A non physical asset that gets its value from a contractual or ownership claim with a counterparty. Includes cash and deposits, advances paid, investments, loans and placements, receivables, equity investments and other contractual rights to receive future economic benefits.

## Fiscal aggregate

Financial indicators used for macro-economic analysis purposes, including assessing the impact of a government and its sectors on the economy. AASB 1049 *Whole of Government and General Government Sector Financial Reporting* prescribes net operating balance, net lending/borrowing (fiscal balance), change in net worth (comprehensive result), net worth and cash surplus/deficit. The Uniform Presentation Framework prescribes additional fiscal aggregates not included in AASB 1049. These are net debt, net financial worth, net financial liabilities and cash surplus/deficit.

## Fiscal balance (net lending/borrowing)

An operating statement measure, also referred to as net lending/borrowing, that differs from net operating balance as it includes spending on capital items but excludes depreciation. A net lending (or fiscal surplus) balance indicates government is saving more than enough to finance all its investment spending. A net borrowing (or fiscal deficit) balance indicates a government's level of investment is greater than its level of savings. The fiscal balance equals the net operating balance less the net acquisition of non financial assets.

## General government sector

Agencies and other entities controlled by government mainly engaged in the production of goods and or services outside the normal market mechanism, where goods and services are provided free of charge or at nominal charge well below costs of production. This sector is generally funded by taxation revenues (directly or indirectly) and Commonwealth grants.

## General revenue assistance

Commonwealth payments to states and territories that are untied and can be used for any purpose, and includes GST payments.

## Goods and services tax revenue

The Territory's share of national GST collections, based on the Territory's population share weighted by its GST relativity. GST relativities are determined by the Commonwealth Treasurer, informed by the recommendations of the Commonwealth Grants Commission.

## Government business division

A Territory Government-controlled trading entity that follows commercial practices and is required to comply with competitive neutrality principles.

## Government finance statistics

Statistics that measure the financial transactions of governments and reflect the impact of those transactions on other sectors of the economy. Government finance statistics in Australia are developed by the Australian Bureau of Statistics in conjunction with all governments and are mainly based on international statistical standards, developed in consultation with member countries by the International Monetary Fund.

## Government owned corporation

An entity governed by the *Government Owned Corporations Act 2001*. Operating under a shareholder model of corporate government, its objectives are to function as efficiently as any corporate business and maximise sustainable returns to government.

The Territory has three government owned corporations: Power and Water Corporation, Territory Generation and Jacana Energy.



## Grants

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving equal value in return. Grants can be either current or capital in nature.

Grants can be paid as general purpose grants, which refer to grants not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants, which are paid for a particular purpose and or have conditions attached regarding their use.

## Gross domestic product

The total value of goods and services produced in Australia over the period for final consumption. Intermediate goods, or those used in the production of other goods, are excluded. Gross domestic product can be calculated by summing total output, total income or total expenditure.

## Gross state product

Measures the total value of goods and services produced in a state or territory. It can be calculated by measuring expenditure, where it is the sum of state final demand and international and interstate trade, changes in the level of stocks, and a balancing item.

## Guarantee

An undertaking to assume responsibility for the debt of or performance obligations by another party should the party default.

## Horizontal fiscal equalisation

A distribution of GST revenue to state and territory governments so, after allowing for material factors affecting revenues and expenditures, each would have the fiscal capacity to provide services and associated infrastructure at a similar standard, if each made the same effort to raise revenue from its own sources, operated at the same level of efficiency and maintained the average per capita net financial worth.

## Household consumption

Expenditure by resident households on goods and services that will not be resold or used in production. The purchase of dwellings is excluded from household consumption as dwellings are goods used by owners to produce housing services for those owners and is therefore captured in private investment.

## Indemnity

An undertaking to compensate, protect or insure another person or entity against future financial loss, damage or liability.

## Inflation

Annual change in the consumer price index. For the purpose of adjusting agency budgets and government fees, the Territory Government generally uses the year-on-year change in the consumer price index.

## Interest expense

Costs incurred in connection with the borrowing of funds. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of lease repayments and amortisation of discounts or premiums on borrowings.

## Intergovernmental Agreement on Federal Financial Relations

An agreement outlining the objectives, principles and institutional arrangements governing financial relations between the Commonwealth and state and territory governments, including Commonwealth funding to states and territories through general revenue assistance, specific purpose payments and national partnership payments.

## Inventories

Goods or other property used in the production of goods or services, or held for sale or consumption, but does not include livestock and other regenerative natural resources.

## Investments, loans and placements

Surplus cash or funds available that are invested in permitted investment types with the goal of achieving desired financial returns within defined risk tolerance levels.

## Key fiscal indicators

Key financial measures that must be specified by government in accordance with the *Fiscal Integrity and Transparency Act 2001*, against which fiscal policy is set and assessed. The fiscal indicators determined by government are generally derived from fiscal aggregates reported in the Uniform Presentation Framework and AASB 1049.

## Labour force

Persons 15 years and over who are available for work, that is, employed plus unemployed persons actively seeking work. Labour force excludes Australian Defence Force personnel and non residents.

## Leases

Rights conveyed in a contract or part of a contract to use an asset (the underlying asset) for a period of time in exchange for consideration.

## Loans

Debt financial instruments used for the purpose of raising and obtaining funds from financial institutions (or centralised borrowing authority).

## National funding agreements

Agreements between the Commonwealth and states and territories that contain significant policy content and act as sources of longer-term funding.

## National partnership agreements

Fixed-term agreements between the Commonwealth and states and territories, with defined objectives, outcomes, outputs and performance measures for the delivery of specific projects, services or reforms. National partnerships are being replaced with federation funding agreement schedules.

## National partnership payments

Tied payments from Commonwealth Treasury to state and territory treasuries, and appropriated to government agencies to deliver outcomes and outputs under federation funding agreement schedules, national partnership agreements, and some national funding agreements.

## Net acquisition/disposal of non financial assets

Measuring net capital expenditure for a fiscal year, it equals purchases (or acquisitions) of non financial assets less sales (or disposals) of non financial assets, less depreciation, plus changes in inventories and other movements in non financial assets.

### Net actuarial gains/losses

Net gains and losses as a result of changes in actuarial assumptions, including those relating to defined benefit superannuation plans, reported in other economic flows in the operating statement.

### Net capital investment

Purchases of non financial assets (incorporating the construction of assets) less sales of non financial assets as reported in the operating statement.

### Net cash flows from investments in financial assets (liquidity management purposes)

Cash receipts from liquidation or repayment of investments in financial assets for liquidity management purposes less cash payments for such investments. Investment for liquidity management purposes means making funds available to others with no policy intent and with the aim of earning a commercial rate of return.

### Net cash flows from investments in financial assets (policy purposes)

Cash receipts from liquidation or repayment of investments in financial assets for policy purposes less cash payments for acquiring financial assets for policy purposes. These cash flows are distinguished from investments in financial assets (liquidity management purposes) by the underlying government motivation for acquiring the assets. Acquisition of financial assets for policy purposes is motivated by government policies such as encouraging the development of certain industries or assisting citizens affected by natural disasters.

### Net debt

A government's net stock of selected gross financial liabilities less financial assets. A key fiscal aggregate reported in the balance sheet, it equals the sum of deposits held, advances received, loans and other borrowings, less the sum of cash and deposits, advances paid and investments, loans and placements.

### Net debt to revenue

Fiscal measure that assesses net debt as a proportion of total revenue. It assesses a government's ability to repay borrowings, with a high ratio indicating a lower ability to repay debt and a low ratio indicating a stronger ability to repay debt.

### Net exports (also known as trade balance)

The trade balance is the difference between the value of a jurisdiction's exports and imports. When exports exceed imports, the jurisdiction has a trade surplus, and conversely, when imports exceed exports, the jurisdiction has a trade deficit.

### Net financial liabilities

Reported in the balance sheet, this measure is broader than net debt as it includes significant liabilities other than borrowings (for example, accrued employee liabilities such as superannuation and long service leave entitlements). It equals total liabilities less financial assets, other than equity in public non financial corporations and public financial corporations. For the public non financial corporation and public financial corporation sectors, it is equal to negative net financial worth.

### Net financial worth

Reported in the balance sheet, net financial worth measures a government's net holdings of financial assets. It equals total financial assets minus total liabilities.

## Net operating balance

Key fiscal aggregate reported in the operating statement, measuring the ongoing sustainability of a government's operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets, and is the component of the change in net worth that is due to transactions attributable to government policies. It equals total revenue less total expenses.

## Net worth

Provides a picture of a government's overall financial position. It is calculated as total assets less total liabilities, less shares and other contributed capital. It includes non financial assets, such as land and other fixed assets, which may be sold and used to repay debt, as well as financial assets and liabilities including debtors, creditors and superannuation liabilities. Net worth also shows asset acquisitions over time, giving an indication of the extent to which borrowings are used to finance asset purchases, rather than only current expenditure.

## Non-budget sector entity

An entity in which the Territory has a controlling interest. The entity is consolidated at the whole of government level but not presented separately in the Territory's financial reports. Outside the scope of the *Financial Management Act 1995*, it is generally a statutory body that does not meet the definition of a general government sector agency, public non financial corporation or public financial corporation.

## Non financial assets

Assets that are not financial assets, predominantly comprising land and other fixed assets.

## Non financial public sector

The sector formed through a consolidation of the general government and public non financial corporation sectors.

## Non-policy variations

Changes in key fiscal indicators as a result of factors outside government's control, such as the timing of payments or changes in external economic conditions.

## Operating result

A measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

## Other economic flows

Changes in the volume or value of an asset or liability that do not result from transactions, such as revaluations, net actuarial gains and losses, and other changes in the volume of assets.

## Other operating expenses

Expenses that generally represent day-to-day running costs incurred in normal operations. They also include total value of goods and services used in production and use of goods acquired for resale.

## Other superannuation expenses

Total superannuation expenses from transactions excluding superannuation interest cost. It generally includes current service cost, which is the increase in entitlements associated with employment services provided by employees in the current period. Superannuation gains actuarial/ losses are excluded as they are reported in other economic flows.

## Own-source revenue

Revenue raised by the Territory, mainly through Territory administered legislation and largely comprising taxes and mining royalties, fees and charges, rent and tenancy income, interest and dividend revenue, and profit and loss on the disposal of assets.

## Parameters

Used to adjust agency budgets. Also referred to as inflators and deflators.

## Payables

Liabilities (or amounts owed) that include short and long-term trade debt, accounts payable, accrued expenses, grants and interest payable.

## Policy variations

Changes to key fiscal indicators that arise from government decisions to implement new or expand existing agency programs and savings, revenue and contingency measures.

## Private investment

Expenditure by producers on fixed assets that are used in the process of production and used repeatedly or continuously for longer than one year. It comprises dwelling investment, ownership transfer costs (fees incurred by the buyer or seller of real estate), non-dwelling construction (industrial, commercial and non-dwelling buildings and other structures such as pipelines and bridges), machinery and equipment, cultivated biological resources (natural resources used repeatedly to produce products such as milk or orchards) and intellectual property products (products as a result of creative activity, research and development and mineral exploration).

## Provisions

Amounts set aside for future payments.

## Public consumption

Government expenditure on goods and services (including wages and rents). National consumption is a combination of Commonwealth consumption, defence consumption and consumption by universities. State and local government consumption includes all other public consumption.

## Public financial corporations

Government-controlled entity that performs a central bank function and has the authority to incur liabilities and acquire financial assets in the market on its own behalf.

## Public investment

Expenditure by all levels of government on the purchase of fixed assets that are used over a long time period. Most data for public investment is sourced from state and territory government financial reports. Adjustments are made by the Australian Bureau of Statistics to deduct expenditure that is classified as consumption, rather than investment. The Australian Bureau of Statistics' statistical treatment of public investment does not always reconcile with the Territory Government's reporting of investment expenditure and, as a result, is not directly comparable.

## Public non financial corporations

Government owned and controlled entities that provide goods and services to consumers on a commercial basis and are funded largely by the sale of these goods and services with the aim to maximise sustainable returns to government. These entities are legally distinguishable from the government that owns them.

### Receivables

Assets (or amounts to be received) that include short and long-term trade credit, accounts receivable, prepaid expenses, grants, taxes and interest receivable.

### Repairs and maintenance expenses

Expenses incurred to maintain existing government owned assets in working condition or keep an asset functioning at its required capacity. Reported in other operating expenses in the operating statement, it excludes works that enhance an asset significantly or extend its useful life.

### Sales of goods and services

Revenue from the direct provision of goods and services, including fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on assets such as buildings and equipment, but excludes rental income from the use of non-produced assets such as land.

### Specific purpose payments

A Commonwealth financial contribution to support delivery of services in a particular sector. Payments are made from Commonwealth Treasury to state and territory treasuries and are appropriated to the relevant government agency.

### State final demand

A major component of gross state product, and a measure of the demand for goods and services in an economy. While state final demand includes consumption and investment expenditure, it does not include the contribution of trade or changes in inventories to economic growth and therefore is not a comprehensive measure of economic growth.

### Statutory bodies

Entities established by or under an Act for a public purpose where there is a need for some operational independence from government. These entities are mainly funded through levies, taxes or grant funding.

### Superannuation interest cost

Costs equivalent to interest expense that would be payable if the Territory borrowed funds to extinguish superannuation liabilities related to defined benefit and defined contribution schemes.

### Territory-funded expenses

Expenses funded by the Territory from appropriation and payments made from the Central Holding Authority including interest and employee entitlements.

### Tied revenue

Revenue received by the Territory that must be used for specific purposes, predominantly through national funding agreements, federation funding agreement schedules, national partnership agreements and specific purpose payments, which are tied with a sector.

### Total public sector

The sector formed through a consolidation of the non financial public and public financial corporation sectors.

### Unemployment rate

Number of unemployed persons expressed as a percentage of the labour force.

### Uniform Presentation Framework

A framework agreed by the Council on Federal Financial Relations to incorporate AASB 1049.

The Uniform Presentation Framework requires Commonwealth, state and territory governments to present a minimum set of budget and financial outcome information based on the government finance statistics, according to an agreed format and specified reporting arrangements. This enables users of the information to make valid comparisons between jurisdictions.

### Untied revenue

Revenue received by the Territory that can be used for discretionary purposes. It comprises GST revenue.

### Wage price index

A measure of hourly rates of pay over time for a fixed range of jobs. The Australian Bureau of Statistics measures the wage price index at the state and territory level (as well as nationally) and for both the public and private sectors. It excludes non-wage costs such as superannuation, payroll tax and workers compensation.







NORTHERN TERRITORY

# 2025-26 BUDGET

Budget Paper No. 3  
**AGENCY BUDGET  
STATEMENTS**



## Contents

Overview	3
Part 1 Agencies	13
Department of the Chief Minister and Cabinet	15
Department of the Legislative Assembly	23
Auditor-General's Office	29
Northern Territory Electoral Commission	35
Office of the Independent Commissioner Against Corruption	41
Ombudsman's Office	47
Northern Territory Police Force	53
Northern Territory Fire and Emergency Service	61
Department of Agriculture and Fisheries	69
Department of Mining and Energy	77
Department of Corrections	85
Department of Treasury and Finance	93
Central Holding Authority	101
Northern Territory Treasury Corporation	109
Department of Logistics and Infrastructure	115
Attorney-General's Department	125
Department of Tourism and Hospitality	135
Territory Wildlife Parks	143
Department of Health	149
Department of Housing, Local Government and Community Development	161
NT Home Ownership	171
Department of Lands, Planning and Environment	177
Land Development Corporation	187
Aboriginal Areas Protection Authority	193
Department of Corporate and Digital Development	199
Data Centre Services	207
NT Fleet	213
Department of Education and Training	219
Department of Trade, Business and Asian Relations	229
Department of Children and Families	237
Department of People, Sport and Culture	245
Part 2 Community service obligation payments and output appropriation	253
Community service obligation payments	254
Output appropriation	256
Abbreviations and acronyms	257
Explanation of terms	258



# Overview

Budget Paper No. 3 provides accrual and output-based information for Northern Territory Government agencies and business divisions for 2024-25 and 2025-26, including:

- agency profiles, output descriptions and budget highlights
- expense and appropriation amounts, including explanations of material variations
- full-time equivalent (FTE) staffing information based on the March quarter 2025 average
- output statements for agencies and business line statements for government business divisions (GBDs), including key performance indicators
- financial statements (operating statement, balance sheet and cash flow statement) and revenue statements
- a summary of community service obligation (CSO) payments to GBDs and government owned corporations
- a summary of output appropriation funding by agency from 2024-25 to 2028-29.

The 2025 Budget is prepared in accordance with the Territory's financial management legislation and framework, which is summarised below.

## Financial management legislation

The Territory's financial management framework, including accountability requirements, is established by the:

- *Fiscal Integrity and Transparency Act 2001* (FITA), which prescribes whole of government financial reporting requirements
- *Financial Management Act 1995* (FMA), which sets out agency and GBD financial accountability requirements.

These Acts are supplemented by the annual *Appropriation Act*, which provides the legal authority for the government's funding decisions.

## *Fiscal Integrity and Transparency Act 2001*

The FITA requires reporting of the budget and forward estimates in accordance with external reporting standards. The reporting standard used is the Uniform Presentation Framework, agreed by state, territory and Commonwealth governments. This is based on Australian Accounting Standards Board 1049 *Whole of Government and General Government Sector Financial Reporting*.

## Financial Management Act 1995

The FMA provides the financial framework within which Territory Government agencies and GBDs operate and manage resources. Budget Paper No. 3 includes all agencies and GBDs that are subject to the FMA and included in the Territory's budget sector.

The FMA provides the rules for budget monitoring and management for each agency and GBD, including accountability processes for budget variations arising from unforeseen circumstances or where government functions are redistributed between agencies.

The FMA also specifies agency and GBD internal control requirements, asset safeguarding, financial transaction and bank account rules, and financial reporting obligations.

Government owned corporations, such as the Power and Water Corporation, Jacana Energy and Territory Generation, are not included in Budget Paper No. 3 as they are subject to the *Government Owned Corporations Act 2001*.

## Financial management framework

The Territory's financial management framework utilises an accrual output-based methodology for budgeting, accounting and reporting, with performance reporting a central tenet. This ensures the Territory's financial management processes are contemporary and consistent with the frameworks of other jurisdictions across Australia.

The financial management framework includes *Treasurer's Direction – Organisational performance and accountability*, which establishes the minimum standards for Territory Government agencies to plan, review and report their organisational performance and accountability, including performance reporting in Budget Paper No. 3.

## Agencies – outputs and key performance indicators

The financial management framework provides a consistent basis for the 2025 Budget, including output structures and key performance indicators for each agency. Agency annual reports record actual performance and provide explanations of material variations.

Agency corporate and shared services costs are separately identified in a corporate and shared services output group for accountability and transparency. Costs associated with shared services functions are reported in both the agency providing the services and the agency receiving the services.

Extensive machinery of government changes occurred following the 2024 Northern Territory general election, including creation of several new agencies and disaggregation of functions. The 2025 Budget provides budget information based on the new agency structures for 2024-25 (revised) and 2025-26. The revised 2024-25 figures have been backcast to 1 July 2024, including where agencies have internally restructured their outputs during 2024-25 to better align with government's strategic priorities.

Backcast original 2024-25 budget information is not available under the new agency structures due to the scale and complexity of the post-2024 election machinery of government changes. As a result, there are material differences in budget and staffing information published in the 2025 Budget compared to information published in the 2024 Budget. The following table details the major machinery of government function transfers by agency.

	Major functions transferred out	Major functions transferred in
<b>Ceased agencies</b>		
Department of Industry, Tourism and Trade	Workforce training Agriculture and fisheries Mining and energy Tourism and hospitality Business Workforce and population Trade and investment Occupational licensing	
Department of Territory Families, Housing and Communities	Housing Youth justice Heritage Children and families People, sport and culture	
Department of Environment, Parks and Water Security	Bushfires Natural resources Environment Pastoral land management Parks and wildlife	
Department of the Attorney-General and Justice	Fines recovery unit Correctional services Legal services Justice services Director of Public Prosecutions Independent offices NT WorkSafe	
<b>New agency structure (where impacted by major transfers)</b>		
Department of the Chief Minister and Cabinet	Advanced manufacturing Local Jobs Fund Investment attraction Local government Aboriginal interpreter service Regional development Territory regional growth Darwin Waterfront Corporation	
Northern Territory Police Force (NTPF)	Information management Workforce services	
Northern Territory Fire and Emergency Service		Bushfires
Department of Agriculture and Fisheries		Agriculture and fisheries Pastoral land management
Department of Mining and Energy		Mining and energy
Department of Corrections		Youth justice Correctional services
Department of Logistics and Infrastructure	Lands and planning Housing repairs and maintenance	
Attorney-General's Department		Legal services Justice services Director of Public Prosecutions Independent offices NT WorkSafe
Department of Tourism and Hospitality		Tourism and hospitality Parks and wildlife Darwin Waterfront Corporation Occupational licensing

*continued*

	Major functions transferred out	Major functions transferred in
Department of Housing, Local Government and Community Development		Housing Local government Aboriginal interpreter service Regional development Territory regional growth Housing repairs and maintenance
Department of Lands, Planning and Environment		Heritage Lands and planning Natural resources Environment
Department of Corporate and Digital Development		Fines recovery unit Information management (NTPF) Workforce services (NTPF)
Department of Education and Training		Workforce training
Department of Trade, Business and Asian Relations		Business Workforce and population Trade and investment Advanced manufacturing Local Jobs Fund Investment attraction
Department of Children and Families		Children and families
Department of People, Sport and Culture		People, sport and culture

## Government businesses – business lines and performance

GBDs are expected to operate on a commercial basis and recover costs through user charges. However, GBDs remain subject to the financial management framework and FMA accountability requirements, with the chief executive of each GBD accountable to the responsible minister for financial performance.

Commercial practices implemented for GBDs include:

- fully attributing costs and being subject to similar government taxes (including tax equivalents), fees and charges as privately owned businesses
- adopting efficient pricing methods that account for all costs
- using CSO payments to compensate for undertaking non-commercial activities at the direction of government and paying dividends on profits earned
- performance monitoring.

GBDs are required to disaggregate income and expense information by business line. An operating surplus/deficit before income tax is also provided by business line.

A performance statement is provided for each GBD, summarising expected financial performance in 2025-26, relative to 2024-25. Key performance indicators for each business line are also included, with actual performance and financial outcomes presented in annual reports.

GBDs must comply with competitive neutrality principles to minimise any commercial advantage over private sector businesses due to government ownership. The Territory Government has a formal mechanism to allow private sector businesses to make competitive neutrality complaints against GBDs, managed by the Department of Treasury and Finance.



## Accrual accounting

Under accrual accounting, income (revenue and gains) and expenses are recorded in the period in which they occur, regardless of whether cash has been received or paid. Accrual accounting also includes transactions where no cash is exchanged, such as creating obligations to pay or rights to receive cash in the future, and the cost of using assets in producing outputs, known as depreciation expense.

## Appropriation arrangements

The Territory Government has a cash appropriation framework. Appropriation is provided to fund agencies and is generally an agency's main income and cash source. Three types of appropriation are recognised: output appropriation, capital appropriation and Commonwealth appropriation (including other external appropriation). The three appropriation types are designated in the *Appropriation Act* as 'purposes' as they reflect a purpose for providing funds and are shown separately in agency financial statements.

## 2024-25 revised

The revised 2024-25 budget information presented in this publication reflects the revised 2024-25 budget for each agency, incorporating any machinery of government changes and including the financial consequences of any government policy decisions made since the original 2024-25 budget. The budget variations are approved in accordance with the requirements of the FMA, with formal variation instruments tabled in the Legislative Assembly.

## 2025-26 budget

The 2025-26 budget for agencies is based on a forward estimates model, with inflator and deflator factors (parameters) applied to each agency's base budget and funding adjustments incorporated for new initiatives, and any savings and revenue measures approved through the year and during the budget development process. The following parameters have been applied in the 2025 Budget:

- consumer price index (CPI) parameter (inflator) of 1.7% in 2025-26, 2.4% in 2026-27 and 2.5% per annum thereafter, applied to agency operational expenditure budgets
- a wages parameter (inflator) of 3% per annum from 2025-26, applied to agency employee expenditure budgets
- a composite parameter (inflator) comprising 75% of the wages parameter and 25% of the CPI parameter, applied to agency grant expenditure budgets
- a budget repair measure (deflator), replacing the former efficiency dividend, of 1% per annum applied in all years, with a two-thirds discount applied to certain frontline agencies or functions
- a demand parameter (inflator) of 1.4% per annum applied to the Department of Health budget.

## Budget Paper No. 3 layout and presentation

This publication presents agencies and GBDs in separate sections in the order set out in the Administrative Arrangements Order as it applied at 28 November 2024.

The layout remains similar to the format used in the 2024 Budget.

Although some adjustments are made for consistency and to aid clarity during the preparation of this budget paper, the information for each agency and GBD is largely as provided by, and agreed with, each agency's accountable officer.

The following information describes the elements within the agency and GBD sections.

## Expenses and appropriation summary

Provides expense information for each output group and output (or business line for GBDs) equating to total operating expenses in the operating statement. Explanations for material variations between the revised 2024-25 budget and the 2025-26 budget are provided as footnotes. Output, capital and Commonwealth appropriations are also shown, on a cash-flow basis.

For GBDs, this section describes financial performance, focusing on key variations between the years.

## Agency and business division profile

A concise narrative overview of the agency's or GBD's key responsibilities.

## Budget highlights

A table outlining additional funding for new initiatives approved since the May 2024 Budget, key existing initiatives and new capital projects.

## Outputs, business lines and performance

Agency budgets are based on outputs and objectives. GBD budgets are based on activities and objectives. Outputs (activities) are the services provided or the goods produced by an agency (GBD) for users external to the agency (GBD).

Outputs that are intended to contribute to the same objective are aggregated into an output group. Activities that are intended to contribute to the same objective are aggregated into a business line. An objective is provided for each output group or business line and a description is provided for each output or activity.

Key performance indicators are provided with targets and estimated outcomes identified for each measure. The indicators are focused on presenting measures that are meaningful, nationally consistent and relevant to assessing the achievement of the intended objective.

*Treasurer's Direction – Organisational performance and accountability* requires agencies and GBDs to annually review their Budget Paper No. 3 key performance indicators to ensure the measures meet the SMART principles (that is, specific, measurable, achievable, relevant and time-bound) and align with government priorities, agency objectives and statutory responsibilities.

To enable meaningful comparisons where measures have changed, agencies and GBDs recast key performance indicators for the 2024-25 estimate to be on a consistent basis with 2025-26 budget information. Where measures have been modified and 2024-25 data is not available, or where measures are commencing in 2025-26, no 2024-25 estimate is provided.

## Financial statements

A set of financial statements (operating statement, balance sheet and cash flow statement) is presented on an accrual basis for each agency and GBD for the revised 2024-25 budget and the 2025-26 budget.

**Operating statement** – presents expenses, revenues, gains and net result of an agency. It excludes capital payments and receipts, as these only affect the balance sheet and cash flow statement.

As appropriation only covers cash expenses, most agencies will show a deficit due to unfunded non-cash expenses, including depreciation and amortisation. Agencies may also show a surplus or deficit in relation to the transfer of expenditure between years due to the treatment of timing differences in line with accounting standards. For example, where Commonwealth revenue is received in one year but not spent until the following financial year, a surplus will be shown in the first year and a deficit in the second. Approved carryovers, where unspent funding in one year is carried forward to a subsequent year, may also result in an agency showing a budgeted deficit. As a result, budgeted deficits at the agency level do not necessarily worsen whole of government fiscal outcomes over the budget and forward estimate period.

Agency accountable officers are required to comply with an employee expense cap. The employee expense cap for each agency is equivalent to the employee expense budget figure in the operating statement.

In addition to operating revenues controlled and utilised by an agency to fund its activities, a number of agencies also act on behalf of the Territory Government in the management of administered items. Administered items in the operating statement include the collection of revenues such as taxes, levies, fees and fines that an agency is unable to use to further its own objectives without authorisation.

Administered items are transferred to and reported by the Central Holding Authority (CHA), as the parent entity of government. Administered income and expenses are not recognised in the agency's operating statement but are reported separately in accordance with Australian accounting standards.

**Balance sheet** – presents assets and liabilities, and records the net assets or equity of an agency at the end of the year. Deficits (as recorded in the operating statement) reduce the equity position over time, while surpluses increase equity.

In addition to assets and liabilities controlled and utilised by an agency to deliver its activities, a number of agencies also act on behalf of the Territory Government in managing administered items. Administered items on the balance sheet include government assets and liabilities managed by an agency that it is unable to use or consume to further its own objectives without authorisation.

Administered items are transferred to and reported by CHA, as the parent entity of government. Administered assets and liabilities are not recognised in the agency's balance sheet but are reported separately in accordance with Australian accounting standards.

**Cash flow statement** – presents cash movements in and out of an agency during the financial year and includes capital receipts and payments. The statement also reconciles to the agency's cash account at the end of the year, which is reported in the balance sheet.

## Revenue statement

In addition to the financial statements, a revenue statement is included to provide detailed information on revenue received by each agency, GBD and CHA, including Commonwealth revenue.

Estimates for revenue from the Commonwealth are based on information provided in the Commonwealth's 2025 Budget, released in March 2025, and any other funding agreements subsequently agreed.

A comprehensive discussion of Commonwealth revenue is provided in Budget Paper No. 2 *Budget Strategy and Outlook*.

## Community service obligation payments and output appropriation

This section details CSO payments made to GBDs and government owned corporations to fund specific Territory Government, community or social objectives that would not otherwise be undertaken if left to commercial or market forces, or would be undertaken at higher prices. CSO requirements are reviewed annually.

This section also details output appropriation by agency from 2024-25 to 2028-29 to provide transparency in relation to time-limited Territory Government funding.

## Ministerial portfolios

### **The Hon. Lia Emele Finocchiaro MLA**

Chief Minister

Minister for Police

Minister for Fire and Emergency Services

Minister for Defence NT

Minister for Territory Coordinator

### **The Hon. Gerard Phillip Maley MLA**

Deputy Chief Minister

Minister for Agriculture and Fisheries

Minister for Mining and Energy

Minister for Corrections

Minister for Renewables

Minister for Recreational Fishing

### **The Hon. William (Bill) Carl Yan MLA**

Treasurer

Minister for Logistics and Infrastructure

Minister for Housing Construction

### **The Hon Marie-Clare Joy Boothby MLA**

Attorney-General

Minister for Tourism and Hospitality

Minister for Major Events

Minister for Parks and Wildlife

Minister for Racing

### **The Hon. Steven (Steve) Mark Edgington MLA**

Minister for Health

Minister for Mental Health

Minister for Alcohol Policy

Minister for Aboriginal Affairs

Minister for Housing, Local Government and Community Development

Minister for Essential Services

### **The Hon. Joshua (Josh) Roland Burgoyne MLA**

Minister for Lands, Planning and Environment

Minister for Corporate and Digital Development

Minister for Water Resources

**The Hon. Jo-Anne (Jo) Hersey MLA**

Minister for Education and Training

Minister for Early Education

Minister for Public Service

**The Hon. Robyn Patricia Cahill OAM MLA**

Minister for Trade, Business and Asian Relations

Minister for International Education, Migration and Population

Minister for Workforce Development

Minister for Advanced Manufacturing

Minister for Children and Families

Minister for Child Protection

Minister for Prevention of Domestic Violence

**The Hon. Jinson Anto Charls MLA**

Minister for People, Sport and Culture

Minister for Disability

Minister for Arts

Minister for Youth, Seniors and Equality

Minister for Multicultural Affairs

Minister for Veterans

Part 1

Agencies





# Department of the Chief Minister and Cabinet

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Advice and coordination</b>	<b>30 233</b>	<b>23 305</b>	1
Strategic advice and coordination	8 631	5 077	
Strategic policy, reform and Aboriginal partnerships	12 411	11 750	
Territory regional coordination	9 191	6 478	
<b>Office of the Territory Coordinator</b>	<b>15 603</b>	<b>6 382</b>	2
Office of the Territory Coordinator	15 603	6 382	
<b>Government support</b>	<b>31 470</b>	<b>30 121</b>	3
Support to ministers and Leader of the Opposition	16 982	17 309	
Support to the Administrator	3 194	3 135	
Government services	11 294	9 677	
<b>Office of the Commissioner for Public Employment</b>	<b>6 736</b>	<b>7 692</b>	4
Employee and industrial relations	2 437	3 017	
Workforce planning and development	2 352	2 661	
Aboriginal employment and career development	1 009	1 018	
Public sector appeals and grievance reviews	938	996	
<b>Corporate and shared services</b>	<b>17 469</b>	<b>17 684</b>	
Corporate and governance	7 146	7 358	
Shared services received	9 536	9 539	
Shared services provided	787	787	
<b>Total expenses</b>	<b>101 511</b>	<b>85 184</b>	
<b>Appropriation</b>			
Output	72 467	71 025	
Commonwealth	2 496	1 054	

## 2025-26 staffing: 293 FTE

- 1 The decreases in the strategic advice and coordination, and strategic policy, reform and Aboriginal partnerships outputs in 2025-26 are primarily due to expiry of time-limited Commonwealth funding agreements. The decrease in the Territory regional coordination output in 2025-26 mainly reflects the Territory funding profile for Gove Futures.
- 2 The decrease in 2025-26 mostly reflects temporary funding arrangements to support gas purchases for energy security in 2024-25.
- 3 The decrease in the government services output in 2025-26 is due to one-off funding in 2024-25 for Protocol NT and savings initiatives from 2025-26.
- 4 The increases in the employee and industrial relations, and workforce planning and development outputs in 2025-26 mainly reflects funding for upcoming enterprise agreement bargaining processes.

## Agency profile

The department supports the Chief Minister and Cabinet in actioning government's priorities by:

- delivering informed government decision-making and effective priority reforms across government
- supporting economic growth in the Territory and accelerating jobs and opportunities for all Territorians
- providing leadership and coordination across government in urban, regional and remote areas
- positioning the interests of the Territory at state, national and international levels through engagement with governments, industry and community sectors

- delivering efficient and effective support of executive government
- leading and coordinating the Territory Government's Aboriginal affairs agenda
- delivering improved organisational performance through strategic leadership and governance, and providing corporate services functions.

The Office of the Commissioner for Public Employment is responsible for public sector workforce management and development, and industrial relations. The office supports the Commissioner's statutory employer functions under the *Public Sector Employment and Management Act 1993* (PSEMA). The Commissioner provides strategic and policy advice to support the Minister for Public Employment's requirements under PSEMA and other industrial relations legislation.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Key existing initiatives</b>		
Northern Territory Remote Aboriginal Investment — service evaluation, monitoring and reform <sup>1</sup>	700	1 054

<sup>1</sup> Includes Commonwealth funding.

## Output groups and objectives

### Advice and coordination

**Objective:** Informed government decision-making and effective delivery of priority reforms across government.

#### Strategic advice and coordination

Lead, coordinate and provide strategic advice to maximise benefits to the Territory, including through participation in strategic intergovernmental discussions and agreements.

Drive, support and maximise defence activity and national security to grow the Territory's economy and strengthen community resilience.

Lead and coordinate emergency recovery activities across the Territory.

#### Strategic policy, reform, and Aboriginal partnerships

Provide strategic advice across a range of public policy issues to the Chief Minister and Cabinet. Work with relevant agencies and stakeholders to develop, guide and implement priority strategies and initiatives.

Coordinate and lead the development and implementation of the Territory's Aboriginal affairs policy, ensuring land and sea ownership delivers on the economic and social aspirations of Aboriginal Territorians.

#### Territory regional coordination

Work across agencies to lead the delivery of strategies and actions to improve outcomes within the regions in partnership with government agencies and key stakeholders.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Client satisfaction with engagement through policy development and coordination processes <sup>1</sup>			≥ 90%
Ministerial advice provided within allotted timeframes <sup>1</sup>			≥ 90%

1 New measure commencing 1 July 2025.

## Office of the Territory Coordinator

**Objective:** Economic growth in the Territory and accelerating jobs and opportunities for all Territorians.

### Office of the Territory Coordinator

Facilitate significant projects and programs of work, designate infrastructure coordination and Territory development areas, and expedite scheduled statutory processes and decisions.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Stakeholder engagements conducted by the Territory Coordinator <sup>1</sup>			120
Client satisfaction with engagement through Territory Coordinator processes <sup>1</sup>			≥ 90%

1 New measure commencing 1 July 2025.

## Government support

**Objective:** Efficient and effective support of executive government.

### Support to ministers and Leader of the Opposition

Provide operational advice and administrative support to the Chief Minister, ministers and Leader of the Opposition.

### Support to the Administrator

Provide operational advice and administrative support to the Office of the Administrator of the Northern Territory.

### Government services

Provide a streamlined whole of government approach to ensure communication and marketing priorities are effectively and professionally managed across agencies.

Provide operational advice, support and hospitality services including protocol matters to the Chief Minister, ministers, Leader of the Opposition and the Administrator of the Northern Territory.

Provide secretariat services to the department, Cabinet and Executive Council.

Provide legislative drafting services and advice about bills for Acts, committee stage amendments, subordinate legislation and miscellaneous statutory instruments.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Client satisfaction with government services provided <sup>1</sup>		90%	≥ 90%
Client satisfaction with support provided to the Administrator	≥ 90%	90%	≥ 90%
Publications without error on the Northern Territory legislation website within 5 business days of commencement	≥ 95%	95%	≥ 95%

1 New measure.

## Office of the Commissioner for Public Employment

**Objective:** An agile, capable, engaged and diverse workforce that delivers government's priorities and provides high quality services to Territorians.

### Employee and industrial relations

Develop and manage employment policies, and provide employment services that ensure all employment legislative requirements are applied. Ensure Northern Territory Public Sector (NTPS) employees have access to contemporary and sustainable working arrangements, and comply with the objectives of the PSEMA. Provide strategic public and private industrial relations advice, and administer the Territory's *Long Service Leave Act 1981* and *Public Holidays Act 1981*.

### Workforce planning and development

Build workforce capability and capacity within the NTPS through establishing and implementing workforce planning and development strategies and initiatives, including core capability and leadership development throughout the NTPS. Develop and promote strategic workforce initiatives and professional development, and support agencies to improve inclusion and diversity across the NTPS.

### Aboriginal employment and career development

Improve Aboriginal employment outcomes, and lead, support and promote agency and employee engagement to implement the NTPS Aboriginal Employment and Career Development Strategy.

### Public sector appeals and grievance reviews

Conduct promotion, disciplinary and inability appeals pursuant to the PSEMA. Provide employees with independent review of agency actions and decisions through a flexible, agile and contemporary grievance review process. Ensure a uniform merit-based selection process across the NTPS and sustainable special measures recruitment plans.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Ministerial client satisfaction with Office of the Commissioner for Public Employment services, communication and responsiveness <sup>1</sup>			≥ 95%
Agency client satisfaction with Office of the Commissioner for Public Employment services, communication and responsiveness <sup>1</sup>			≥ 85%
NTPS enterprise bargaining agreements are within the NTPS Wages Policy or approved by the Budget Repair Sub-committee <sup>1</sup>			100%
NTPS employees who identify as Aboriginal	≥ 12%	12%	≥ 12%

1 New measure commencing 1 July 2025.

## Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and governance, and provision of corporate services functions.

### Corporate and governance

Provide a range of corporate and governance services to support the agency's functions.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.  
Receive infrastructure services from the Department of Logistics and Infrastructure.

### Shared services provided

Provide shared corporate and governance services to the Department of Treasury and Finance.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	1 176	262
Capital		
Appropriation		
Output	72 467	71 025
Commonwealth	4 115	1 054
Sales of goods and services	2 110	2 110
Interest revenue		
Goods and services received free of charge	9 536	9 539
Gain (+)/loss (-) on disposal of assets		
Other revenue	9 907	221
<b>TOTAL INCOME</b>	<b>99 311</b>	<b>84 211</b>
<b>EXPENSES</b>		
Employee expenses	52 995	53 378
Administrative expenses		
Purchases of goods and services	30 493	17 797
Repairs and maintenance		
Depreciation and amortisation	585	510
Services free of charge	9 536	9 539
Other administrative expenses		
Grants and subsidies expenses		
Current	7 902	3 960
Capital		
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>101 511</b>	<b>85 184</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 2 200</b>	<b>- 973</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	9 154	8 125
Receivables	3 222	3 222
Prepayments	603	603
Inventories		
Advances and investments		
Property, plant and equipment	34 475	33 965
Other assets		
<b>TOTAL ASSETS</b>	<b>47 454</b>	<b>45 915</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	3 597	3 597
Borrowings and advances		
Provisions	6 551	6 551
Other liabilities	791	416
<b>TOTAL LIABILITIES</b>	<b>10 939</b>	<b>10 564</b>
<b>NET ASSETS</b>	<b>36 515</b>	<b>35 351</b>
<b>EQUITY</b>		
Capital		
Opening balance	105 346	82 294
Equity injections/withdrawals	- 23 052	- 191
Reserves	12 079	12 079
Accumulated funds		
Opening balance	- 55 658	- 57 858
Current year surplus (+)/deficit (-)	- 2 200	- 973
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>36 515</b>	<b>35 351</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	1 176	262
Capital		
Appropriation		
Output	72 467	71 025
Commonwealth	2 496	1 054
Other agency receipts from sales of goods and services	7 290	1 956
Interest received		
<b>Total operating receipts</b>	<b>83 429</b>	<b>74 297</b>
<b>Operating payments</b>		
Payments to employees	56 962	53 378
Payments for goods and services	30 665	17 797
Grants and subsidies paid		
Current	7 902	3 960
Capital		
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>95 529</b>	<b>75 135</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 12 100</b>	<b>- 838</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances	10	
Sales of investments		
<b>Total investing receipts</b>	<b>10</b>	
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>10</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections	53 905	50 750
<b>Total financing receipts</b>	<b>53 905</b>	<b>50 750</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	115 271	50 941
Service concession liability payments		
<b>Total financing payments</b>	<b>115 271</b>	<b>50 941</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 61 366</b>	<b>- 191</b>
Net increase (+)/decrease (-) in cash held	- 73 456	- 1 029
Cash at beginning of financial year	82 610	9 154
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>9 154</b>	<b>8 125</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>1 017</b>	<b>137</b>	<b>- 880</b>	<b>1</b>
Cross-border Aboriginal interpreting	416		- 416	
Northern Territory Aboriginal Legal Interpreting Services	312		- 312	
Living Safe Together intervention program	289		- 289	
Gove Futures		137	137	
<b>Other grants</b>	<b>159</b>	<b>125</b>	<b>- 34</b>	
Alcohol Kava Regional Consultation Plan	159		- 159	
Gove Futures		125	125	
<b>Output appropriation</b>	<b>72 467</b>	<b>71 025</b>	<b>- 1 442</b>	<b>2</b>
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>4 115</b>	<b>1 054</b>	<b>- 3 061</b>	<b>1</b>
Northern Territory Risk Reduction Program	2 363		- 2 363	
Northern Territory Remote Aboriginal Investment – service evaluation, monitoring and reform	700	1 054	354	
Living Safe Together intervention program expansion	617		- 617	
Countering violent extremism high risk rehabilitation and reintegration program	261		- 261	
Northern Territory Remote Aboriginal Investment – alcohol policy	174		- 174	
<b>Sales of goods and services</b>	<b>2 110</b>	<b>2 110</b>		
Professional development programs	786	786		
EmployAbility	463	463		
Gazettal notice charges	350	350		
Local government by-laws drafting	150	150		
Merit selection training	125	125		
Other	236	236		
<b>Goods and services received free of charge</b>	<b>9 536</b>	<b>9 539</b>	<b>3</b>	
<b>Other revenue</b>	<b>9 907</b>	<b>221</b>	<b>- 9 686</b>	<b>3</b>
Gas contract recoveries	9 354		- 9 354	
NT Police Force Review implementation	171		- 171	
Other	382	221	- 161	
<b>OPERATING REVENUE</b>	<b>99 311</b>	<b>84 211</b>	<b>- 15 100</b>	

1 The variations are in line with relevant agreements.

2 The variation largely reflects the cessation of funding for the NT Masterbrand initiative from 2025-26.

3 The variation is mostly due to one-off recoveries from Power and Water Corporation in 2024-25 relating to gas contracts entered into by the Territory Government.



# Department of the Legislative Assembly

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Parliamentary services</b>	<b>30 171</b>	<b>31 665</b>	1
Assembly services	4 521	4 738	
Members' entitlements	18 039	19 310	
Building management services	7 611	7 617	
<b>Corporate and shared services</b>	<b>6 445</b>	<b>6 532</b>	
Corporate and governance	1 810	1 895	
Shared services received	4 635	4 637	
<b>Total expenses</b>	<b>36 616</b>	<b>38 197</b>	
<b>Appropriation</b>			
Output	28 077	29 638	
Capital	41	41	

## 2025-26 staffing: 98 FTE

1 The increase in the members' entitlements output in 2025-26 is primarily due to an increase in Legislative Assembly members' entitlements as determined by the Remuneration Tribunal.

## Agency profile

The Department of the Legislative Assembly provides operational support, services and professional advice to Northern Territory Legislative Assembly members and other clients, and promotes community understanding of the work of the Legislative Assembly and its committees.

## Output groups and objectives

### Parliamentary services

**Objective:** Parliamentary services that facilitate effective representation by members of the Legislative Assembly, good governance and parliamentary democracy.

### Assembly services

Provide administrative and procedural support and advice to members, the parliament and its committees, including:

- producing and providing public access to parliamentary documentation, records and proceedings
- delivering public education on the role and operation of parliament
- providing administrative services and support to members, the parliament and its committees in accordance with the Remuneration Tribunal Determination
- managing members' participation in the Commonwealth Parliamentary Association and other inter-parliamentary activities.

**Members' entitlements**

Facilitate the provision of members' entitlements determined by the Remuneration Tribunal.

**Building management services**

Provide a secure, safe and well-maintained facility and precinct to facilitate the operation of parliament and activities for members and other clients.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Member satisfaction with Chamber support and advice	> 95%	98%	> 95%
Records and transcripts produced within agreed timeframes	> 95%	99%	> 95%
Member satisfaction with committee support and advice	> 98%	100%	> 98%
Speaker and member client satisfaction with internal services	> 95%	94%	> 95%
Speaker and member client satisfaction with external services <sup>1</sup>	> 95%	89%	> 95%
Client satisfaction with building amenity and safety	> 95%	93%	> 95%

1 Reflects the results of members of the Legislative Assembly's annual satisfaction survey on services provided by other Territory government agencies.

**Corporate and shared services**

**Objective:** Improved organisational performance through strategic leadership and governance, and provision of corporate services functions.

**Corporate and governance**

Provide a range of corporate and governance services to support the agency's functions.

**Shared services received**

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	28 077	29 638
Commonwealth		
Sales of goods and services	75	75
Interest revenue		
Goods and services received free of charge	4 635	4 637
Gain (+)/loss (-) on disposal of assets		
Other revenue	52	73
<b>TOTAL INCOME</b>	<b>32 839</b>	<b>34 423</b>
<b>EXPENSES</b>		
Employee expenses	22 081	23 555
Administrative expenses		
Purchases of goods and services	6 123	6 231
Repairs and maintenance		
Depreciation and amortisation	3 774	3 774
Services free of charge	4 635	4 637
Other administrative expenses	3	
Grants and subsidies expenses		
Current		
Capital		
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>36 616</b>	<b>38 197</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 3 777</b>	<b>- 3 774</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	10 181	10 181
Receivables	75	75
Prepayments	118	118
Inventories	8	8
Advances and investments		
Property, plant and equipment	221 217	217 484
Other assets		
<b>TOTAL ASSETS</b>	<b>231 599</b>	<b>227 866</b>
<b>LIABILITIES</b>		
Deposits held	2	2
Creditors and accruals	867	867
Borrowings and advances		
Provisions	1 589	1 589
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>2 458</b>	<b>2 458</b>
<b>NET ASSETS</b>	<b>229 141</b>	<b>225 408</b>
<b>EQUITY</b>		
Capital		
Opening balance	150 386	150 492
Equity injections/withdrawals	106	41
Reserves	139 941	139 941
Accumulated funds		
Opening balance	- 57 515	- 61 292
Current year surplus (+)/deficit (-)	- 3 777	- 3 774
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>229 141</b>	<b>225 408</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	28 077	29 638
Commonwealth		
Other agency receipts from sales of goods and services	127	148
Interest received		
<b>Total operating receipts</b>	<b>28 204</b>	<b>29 786</b>
<b>Operating payments</b>		
Payments to employees	22 081	23 555
Payments for goods and services	6 123	6 231
Grants and subsidies paid		
Current		
Capital		
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>28 204</b>	<b>29 786</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales	2	2
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>	<b>2</b>	<b>2</b>
<b>Investing payments</b>		
Purchases of assets	43	43
Advances and investing payments		
<b>Total investing payments</b>	<b>43</b>	<b>43</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 41</b>	<b>- 41</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital	41	41
Commonwealth		
Equity injections		
<b>Total financing receipts</b>	<b>41</b>	<b>41</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>		
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>41</b>	<b>41</b>
Net increase (+)/decrease (-) in cash held		
Cash at beginning of financial year	10 181	10 181
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>10 181</b>	<b>10 181</b>

Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
Output appropriation	28 077	29 638	1 561	1
Sales of goods and services	75	75		
Parliament House venue hire charges	75	75		
Goods and services received free of charge	4 635	4 637	2	
Other revenue	52	73	21	
OPERATING REVENUE	32 839	34 423	1 584	

1 The variation largely reflects additional funding from 2025-26 for Legislative Assembly members' entitlements as determined by the Remuneration Tribunal.

# Auditor-General's Office

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Audits and reviews</b>	<b>5 186</b>	<b>5 183</b>	
Audits and reviews	5 186	5 183	
<b>Corporate and shared services</b>	<b>654</b>	<b>626</b>	1
Corporate and governance	481	453	
Shared services received	173	173	
<b>Total expenses</b>	<b>5 840</b>	<b>5 809</b>	
<b>Appropriation</b>			
Output	3 178	3 214	

## 2025-26 staffing: 4 FTE

1 The decrease in the corporate and governance output in 2025-26 is primarily due to the triennial strategic review under section 26 of the *Audit Act 1995*, conducted in 2024.

## Agency profile

The Northern Territory Auditor-General's Office supports the Auditor-General in discharging the Auditor-General's responsibilities under the *Audit Act 1995* and other legislation.

## Output groups and objectives

### Audits and reviews

**Objective:** Provide independent audits and other assurance services to parliament to help in its oversight of the performance and accountability of the public sector.

#### Audits and reviews

Undertake audits of the financial statements of Territory entities and the Treasurer's Annual Financial Statement, and issue audit opinions on their compliance with relevant accounting standards and legislation. Undertake other assurance engagements including performance management system audits, information technology, controls, and compliance audits and reviews.

Report audit findings, including deficiencies in internal controls identified during audits, and provide recommendations to accountable officers. Report to parliament on the outcomes of financial statement audits and other assurance engagements and reviews.

Undertake reviews of matters referred under the *Public Information Act 2010*.

Manage out-sourced audits and own assurance activities efficiently and effectively to achieve quality audits.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Average number of days taken after balance date to issue financial audit opinions <sup>1</sup>		111 days	100 days
Average number of months taken to complete performance management system audits <sup>1, 2</sup>		31 months	12 months
Average number of months taken to complete <i>Public Information Act 2010</i> referrals <sup>1</sup>		2 months	3 months
Members of the Legislative Assembly satisfaction <sup>3</sup>			≥75%
Implementation of audit recommendations <sup>3</sup>			≥70%
Client satisfaction <sup>3</sup>			≥60%

1 New measure.

2 The 2024-25 estimate includes time taken to complete a delayed audit from 2020 related to accounting for assets on leased land, reported in the November 2024 Legislative Assembly report.

3 New measure commencing 1 July 2025.

## Corporate and shared services

**Objective:** Improved organisational performance through strategic and governance leadership, and provision of efficient and effective administrative services.

### Corporate and governance

Provide financial, people, information systems, records and property management services to support the Auditor-General and the audits and reviews output of the Auditor-General's Office. Provide administrative support to the Auditor-General, including parliamentary reporting and communications, and stakeholder engagement.

Manage records to ensure confidentiality of information. Manage outsourced services and own activities efficiently and effectively, and ensure compliance and good governance.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.  
Receive infrastructure services from the Department of Logistics and Infrastructure.



## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	3 178	3 214
Commonwealth		
Sales of goods and services	2 486	2 422
Interest revenue		
Goods and services received free of charge	173	173
Gain (+)/loss (-) on disposal of assets		
Other revenue	3	
<b>TOTAL INCOME</b>	<b>5 840</b>	<b>5 809</b>
<b>EXPENSES</b>		
Employee expenses	1 048	1 106
Administrative expenses		
Purchases of goods and services	4 619	4 530
Repairs and maintenance		
Depreciation and amortisation		
Services free of charge	173	173
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>5 840</b>	<b>5 809</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>		

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	1 265	1 265
Receivables	691	691
Prepayments	5	5
Inventories		
Advances and investments		
Property, plant and equipment		
Other assets		
<b>TOTAL ASSETS</b>	<b>1 961</b>	<b>1 961</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	372	372
Borrowings and advances		
Provisions	124	124
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>496</b>	<b>496</b>
<b>NET ASSETS</b>	<b>1 465</b>	<b>1 465</b>
<b>EQUITY</b>		
Capital		
Opening balance	570	570
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	895	895
Current year surplus (+)/deficit (-)		
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>1 465</b>	<b>1 465</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	3 178	3 214
Commonwealth		
Other agency receipts from sales of goods and services	2 489	2 422
Interest received		
<b>Total operating receipts</b>	<b>5 667</b>	<b>5 636</b>
<b>Operating payments</b>		
Payments to employees	1 048	1 106
Payments for goods and services	4 619	4 530
Grants and subsidies paid		
Current		
Capital		
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>5 667</b>	<b>5 636</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections		
<b>Total financing receipts</b>		
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>		
<b>NET CASH FROM FINANCING ACTIVITIES</b>		
Net increase (+)/decrease (-) in cash held		
Cash at beginning of financial year	1 265	1 265
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>1 265</b>	<b>1 265</b>

Revenue statement

	2024-25 Revised	2025-26 Budget	Variation
	\$000	\$000	\$000
Output appropriation	3 178	3 214	36
Sales of goods and services	2 486	2 422	- 64
Recovery of audit costs	2 486	2 422	- 64
Goods and services received free of charge	173	173	
Other revenue	3		- 3
OPERATING REVENUE	5 840	5 809	- 31

# Northern Territory Electoral Commission

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Electoral services</b>	<b>4 743</b>	<b>1 330</b>	1
Electoral services	4 743	1 330	
<b>Corporate and shared services</b>	<b>1 032</b>	<b>1 059</b>	
Corporate and governance	416	443	
Shared services received	616	616	
<b>Total expenses</b>	<b>5 775</b>	<b>2 389</b>	
<b>Appropriation</b>			
Output	4 585	1 712	

## 2025-26 staffing: 16 FTE

1 The decrease in 2025-26 is mostly due to funding in 2024-25 to conduct the 2024 Northern Territory general election.

## Agency profile

The Northern Territory Electoral Commission provides an independent electoral service to the people of the Territory, the Legislative Assembly, local government councils and other organisations.

## Output groups and objectives

### Electoral services

**Objective:** An effective electoral service that conducts electoral events and supports redistributions, maintains high public confidence and participation, and keeps the community informed on electoral matters.

#### Electoral services

Provide a range of electoral services including:

- Legislative Assembly, local government and fee-for-service elections
- redistribution of Legislative Assembly electoral boundaries and local government representation reviews
- electoral education sessions for schools and community groups
- management of the joint electoral roll for the Northern Territory in partnership with the Australian Electoral Commission.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Number of challenged election results	0	0	0
Eligible voters on the electoral roll <sup>1</sup>	≥ 90%	94.1%	≥ 95%

1 The variation in 2024-25 is due to increased enrolments following ongoing enrolment stimulation activities by the Australian Electoral Commission and Northern Territory Electoral Commission including engagement activities for the 2024 Northern Territory general election.

## Corporate and shared services

**Objective:** Improved organisational performance through strategic and governance leadership and provision of corporate services functions.

### **Corporate and governance**

Provide a range of corporate and governance services to support the agency's functions.

### **Shared services received**

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	4 585	1 712
Commonwealth		
Sales of goods and services	540	50
Interest revenue		
Goods and services received free of charge	616	616
Gain (+)/loss (-) on disposal of assets		
Other revenue	6	
<b>TOTAL INCOME</b>	<b>5 747</b>	<b>2 378</b>
<b>EXPENSES</b>		
Employee expenses	2 689	1 326
Administrative expenses		
Purchases of goods and services	2 403	397
Repairs and maintenance		
Depreciation and amortisation	63	47
Services free of charge	616	616
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Community service obligations		
Interest expenses	4	3
<b>TOTAL EXPENSES</b>	<b>5 775</b>	<b>2 389</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 28</b>	<b>- 11</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	1 342	480
Receivables	395	57
Prepayments	45	45
Inventories		
Advances and investments		
Property, plant and equipment	79	43
Other assets	11	
<b>TOTAL ASSETS</b>	<b>1 872</b>	<b>625</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	219	219
Borrowings and advances	81	45
Provisions	253	253
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>553</b>	<b>517</b>
<b>NET ASSETS</b>	<b>1 319</b>	<b>108</b>
<b>EQUITY</b>		
Capital		
Opening balance	3 101	4 301
Equity injections/withdrawals	1 200	- 1 200
Reserves		
Accumulated funds		
Opening balance	- 2 954	- 2 982
Current year surplus (+)/deficit (-)	- 28	- 11
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>1 319</b>	<b>108</b>



# Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	4 585	1 712
Commonwealth		
Other agency receipts from sales of goods and services	208	388
Interest received		
<b>Total operating receipts</b>	<b>4 793</b>	<b>2 100</b>
<b>Operating payments</b>		
Payments to employees	2 689	1 326
Payments for goods and services	2 403	397
Grants and subsidies paid		
Current		
Capital		
Community service obligations		
Interest paid	4	3
<b>Total operating payments</b>	<b>5 096</b>	<b>1 726</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 303</b>	<b>374</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections	1 200	
<b>Total financing receipts</b>	<b>1 200</b>	
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	35	36
Equity withdrawals		1 200
Service concession liability payments		
<b>Total financing payments</b>	<b>35</b>	<b>1 236</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1 165</b>	<b>- 1 236</b>
Net increase (+)/decrease (-) in cash held	862	- 862
Cash at beginning of financial year	480	1 342
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>1 342</b>	<b>480</b>

Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
Output appropriation	4 585	1 712	- 2 873	1
Sales of goods and services	540	50	- 490	
Fees and charges	540	50	- 490	2
Goods and services received free of charge	616	616		
Other revenue	6		- 6	
OPERATING REVENUE	5 747	2 378	- 3 369	

1 The reduction reflects one-off funding in 2024-25 for the preparation and conduct of the 2024 Northern Territory general election.

2 The variation reflects the timing of local government elections, which are conducted on a cost-recovery basis.

# Office of the Independent Commissioner Against Corruption

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Office of the Independent Commissioner Against Corruption</b>	<b>5 752</b>	<b>5 383</b>	1
Office of the Independent Commissioner Against Corruption operations	5 752	5 383	
<b>Corporate and shared services</b>	<b>1 327</b>	<b>1 288</b>	
Corporate and governance	646	607	
Shared services received	681	681	
<b>Total expenses</b>	<b>7 079</b>	<b>6 671</b>	
<b>Appropriation</b>			
Output	5 592	5 667	

## 2025-26 staffing: 22 FTE

1 The decrease in 2025-26 is primarily due to one-off expenditure in 2024-25 relating to the hosting of the Australian Public Sector Anti-Corruption Conference.

## Agency profile

The Independent Commissioner Against Corruption has responsibility for discharging a range of statutory functions as prescribed in the *Independent Commissioner Against Corruption Act 2017*. In discharging those functions, the Commissioner is not subject to direction by any person regarding the way statutory functions are performed or what priority is given to any matter.

The Commissioner is required to report on the general nature of allegations received, and indicate the kinds of activities undertaken to prevent, detect and respond to improper conduct.

The Commissioner is supported by the Office of the Independent Commissioner Against Corruption and is also its Chief Executive.

## Output groups and objectives

### Office of the Independent Commissioner Against Corruption

**Objective:** Integrity in public administration is improved.

#### Office of the Independent Commissioner Against Corruption operations

Prevent, detect, investigate and respond to improper conduct by public officers, bodies and those who receive government funds, while protecting persons who assist in this role.

Deliver training, review practices, make recommendations and findings, refer matters and make public comment to assist public authorities to improve their practices and procedures in the integrity of administration of public funds.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Allegations received <sup>1</sup>			300
Assessments completed within 20 business days of receipt of report	≥ 90%	98%	≥ 90%
Average time (in days) to complete an investigation <sup>1</sup>			365
Referrals to other public bodies with a direction to report back <sup>1</sup>			40
Reviews or evaluations completed <sup>1</sup>			4
Percentage of review recommendations accepted by agencies <sup>1</sup>			≥ 90%
Education and prevention activities conducted	100	110	100
Satisfaction rate of participants on face to face and online learning sessions <sup>2</sup>	≥ 60%	80%	≥ 75%

1 New measure commencing 1 July 2025.

2 The variation in 2024-25 is due to an increase in tailored face-to-face sessions being delivered.

### Corporate and shared services

**Objective:** Improved organisational performance through strategic and governance leadership and the provision of corporate services functions.

#### Corporate and governance

Provide a range of corporate and governance services to support the agency's functions including financial and budget management, governance, risk management and general services.

#### Shared services received

Receive other corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	5 592	5 667
Commonwealth		
Sales of goods and services	865	
Interest revenue		
Goods and services received free of charge	681	681
Gain (+)/loss (-) on disposal of assets		
Other revenue		
<b>TOTAL INCOME</b>	<b>7 138</b>	<b>6 348</b>
<b>EXPENSES</b>		
Employee expenses	4 682	4 731
Administrative expenses		
Purchases of goods and services	1 351	936
Repairs and maintenance		
Depreciation and amortisation	365	323
Services free of charge	681	681
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>7 079</b>	<b>6 671</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>59</b>	<b>- 323</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	1 715	1 715
Receivables	12	12
Prepayments	210	210
Inventories		
Advances and investments		
Property, plant and equipment	1 793	1 470
Other assets		
<b>TOTAL ASSETS</b>	<b>3 730</b>	<b>3 407</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	191	191
Borrowings and advances		
Provisions	544	544
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>735</b>	<b>735</b>
<b>NET ASSETS</b>	<b>2 995</b>	<b>2 672</b>
<b>EQUITY</b>		
Capital		
Opening balance	1 069	1 069
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	1 867	1 926
Current year surplus (+)/deficit (-)	59	- 323
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>2 995</b>	<b>2 672</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	5 592	5 667
Commonwealth		
Other agency receipts from sales of goods and services	865	
Interest received		
<b>Total operating receipts</b>	<b>6 457</b>	<b>5 667</b>
<b>Operating payments</b>		
Payments to employees	4 682	4 731
Payments for goods and services	1 351	936
Grants and subsidies paid		
Current		
Capital		
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>6 033</b>	<b>5 667</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>424</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections		
<b>Total financing receipts</b>		
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>		
<b>NET CASH FROM FINANCING ACTIVITIES</b>		
Net increase (+)/decrease (-) in cash held	424	
Cash at beginning of financial year	1 291	1 715
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>1 715</b>	<b>1 715</b>

Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
Output appropriation	5 592	5 667	75	
Sales of goods and services	865		- 865	1
Australian Public Sector Anti-Corruption Conference fees	865		- 865	
Goods and services received free of charge	681	681		
OPERATING REVENUE	7 138	6 348	- 790	

1 The reduction reflects one-off fees from hosting the Australian Public Sector Anti-Corruption Conference in 2024-25.



# Ombudsman's Office

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Ombudsman's Office</b>	<b>1 640</b>	<b>1 735</b>	1
Ombudsman's operations	1 640	1 735	
<b>Information Commissioner</b>	<b>422</b>	<b>436</b>	
Information Commissioner operations	422	436	
<b>Judicial Commission</b>	<b>354</b>	<b>370</b>	
Judicial Commission operations	354	370	
<b>Corporate and shared services</b>	<b>740</b>	<b>700</b>	1
Corporate and governance	392	352	
Shared services received	348	348	
<b>Total expenses</b>	<b>3 156</b>	<b>3 241</b>	
<b>Appropriation</b>			
Output	2 808	2 893	

## 2025-26 staffing: 17 FTE

1 The variation is primarily due to a one-off transfer in 2024-25 from the Ombudsman's operations output to the corporate and governance output for employee costs.

## Agency profile

The role of the Ombudsman's Office is to improve the decision-making and administrative actions of public authorities and conduct of police officers, through:

- timely, effective, efficient, independent, impartial and fair investigation, and resolution of complaints made by members of the public under the *Ombudsman Act 2009*
- the Office of the Information Commissioner, promoting knowledge about freedom of information (FOI) and privacy rights, and investigating and resolving complaints about FOI and privacy matters.

The Ombudsman is required to inspect, audit and report on compliance by law enforcement agencies under telecommunications interception, controlled operations and surveillance devices legislation.

The Ombudsman also provides support to the independent Judicial Commission and is the interim Northern Territory National Preventive Mechanism for the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment.

## Output groups and objectives

### Ombudsman's Office

**Objective:** Improved public administration.

### Ombudsman's operations

Resolve complaints about Territory Government agencies, police and local government councils. Make recommendations for improvements to public administration and assist public authorities to improve their practices and procedures.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Approaches received	2 200	2 200	2 200
Approaches finalised	2 200	2 200	2 200
Police approaches finalised within 90 days	≥ 80%	80%	≥ 80%
Other approaches finalised within 28 days	≥ 90%	90%	≥ 90%

## Information Commissioner

**Objective:** Improved understanding and awareness of FOI and privacy rights.

### Information Commissioner operations

Provide advice and promote knowledge about FOI and privacy rights. Investigate and resolve complaints about FOI and privacy matters, and related applications.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
General enquiries	300	300	300
Complaints/applications received	30	30	30
Complaints/applications finalised	30	30	30

## Judicial Commission

**Objective:** Effective management of complaints against judicial officers and Northern Territory Civil and Administrative Tribunal members.

### Judicial Commission operations

Manage complaints relating to the behaviour or capacity of judicial officers and members, and provide support to the independent Judicial Commission.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Complaints finalised within 6 months	≥ 80%	80%	≥ 80%

## Corporate and shared services

**Objective:** Improved organisational performance through strategic and governance leadership and provision of corporate services functions.

### Corporate and governance

Provide a range of corporate and governance services to support the agency's functions.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	2 808	2 893
Commonwealth		
Sales of goods and services		
Interest revenue		
Goods and services received free of charge	348	348
Gain (+)/loss (-) on disposal of assets		
Other revenue		
<b>TOTAL INCOME</b>	<b>3 156</b>	<b>3 241</b>
<b>EXPENSES</b>		
Employee expenses	2 482	2 511
Administrative expenses		
Purchases of goods and services	326	382
Repairs and maintenance		
Depreciation and amortisation		
Services free of charge	348	348
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>3 156</b>	<b>3 241</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>		

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	1 939	1 939
Receivables	1	1
Prepayments	11	11
Inventories		
Advances and investments		
Property, plant and equipment		
Other assets		
<b>TOTAL ASSETS</b>	<b>1 951</b>	<b>1 951</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	69	69
Borrowings and advances		
Provisions	448	448
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>517</b>	<b>517</b>
<b>NET ASSETS</b>	<b>1 434</b>	<b>1 434</b>
<b>EQUITY</b>		
Capital		
Opening balance	295	295
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	1 139	1 139
Current year surplus (+)/deficit (-)		
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>1 434</b>	<b>1 434</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	2 808	2 893
Commonwealth		
Other agency receipts from sales of goods and services		
Interest received		
<b>Total operating receipts</b>	<b>2 808</b>	<b>2 893</b>
<b>Operating payments</b>		
Payments to employees	2 482	2 511
Payments for goods and services	326	382
Grants and subsidies paid		
Current		
Capital		
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>2 808</b>	<b>2 893</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections		
<b>Total financing receipts</b>		
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>		
<b>NET CASH FROM FINANCING ACTIVITIES</b>		
Net increase (+)/decrease (-) in cash held		
Cash at beginning of financial year	1 939	1 939
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>1 939</b>	<b>1 939</b>

Revenue statement

	2024-25 Revised	2025-26 Budget	Variation
	\$000	\$000	\$000
Output appropriation	2 808	2 893	85
Goods and services received free of charge	348	348	
OPERATING REVENUE	3 156	3 241	85

# Northern Territory Police Force

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Policing services</b>	<b>520 646</b>	<b>557 958</b>	1
Community safety, crime prevention and safer roads	520 646	557 958	
<b>Corporate and shared services</b>	<b>51 129</b>	<b>50 148</b>	
Corporate and governance	11 824	12 231	
Shared services received	37 779	36 391	
Shared services provided	1 526	1 526	
<b>Total expenses</b>	<b>571 775</b>	<b>608 106</b>	
<b>Appropriation</b>			
Output	450 111	491 120	
Capital	8 265	8 265	
Commonwealth	50 430	42 363	

## 2025-26 staffing: 2,155 FTE

1 The increase in 2025-26 is primarily due to increased funding for domestic, family and sexual violence response initiatives and implementation of the Police Review response.

## Agency profile

Northern Territory Police Force's core functions, as outlined under the *Police Administration Act 1978*, include upholding the law and maintaining social order, protecting life and property, preventing, detecting, investigating and prosecuting offences, managing road safety education and enforcement measures, and managing services provision in emergencies.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Domestic, family and sexual violence co-responder early intervention		6 259
Alice Springs police communications centre	1 000	2 000
Family Safety Framework		1 569
<b>Key existing initiatives</b>		
Northern Territory Police funding package	75 000	95 000
Remote Policing Implementation Plan	10 163	10 163
Airwing police aircraft replacement with leasing	2 300	4 700
School-based policing	3 489	3 489
Northern Territory Police, Fire and Emergency Service wellbeing strategy	3 000	3 000
Increase closed-circuit television monitoring staff	1 281	1 281
Police banned drinker order support team	1 000	1 000
National Disability Insurance Scheme (NDIS) worker screening	584	584
<b>New capital works</b>		
Joint Emergency Services Communication Centre		6 600

## Output groups and objectives

### Policing services

**Objective:** Improved community safety and crime prevention through policing, law enforcement and engagement, and partnership activities.

#### **Community safety, crime prevention and safer roads**

Provide timely, high quality and effective response activities to community issues, including:

- a visible presence in our community
- efficient call centre operations
- crime detection capability and management of high-harm offenders
- care and protection of victim-survivors and witnesses
- reducing harm caused on our roads, through engagement and enforcement activities
- responding to and investigating road crash incidents
- a safe environment and care for all persons in custody
- resourcing and planning for the search and rescue of people, vehicles, vessels and aircraft on land, seas, inland waterways and urban environments
- service provision to the judiciary
- engagement with our urban, regional and remote communities
- reducing the impact of harm caused by antisocial behaviour, family and domestic violence, and alcohol misuse by delivering enforcement, support and prevention services
- youth engagement through effective alternative pathways, diverting youth away from the criminal justice system
- preventative measures aimed at promoting public safety by reducing the opportunities and conditions for crime to occur
- fostering collaboration with established national bodies on matters of national security.



Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Graduated sworn police members trained and deployed	≥ 169	166	≥ 169
Graduated Aboriginal liaison officers trained and deployed	≥ 30	30	≥ 30
Crimes against the person cleared up within 30 days <sup>1</sup>	≥ 85%	74%	≥ 85%
Crimes against property cleared up within 30 days <sup>2</sup>	≥ 85%	62%	≥ 85%
000 calls answered within 10 seconds <sup>3</sup>	≥ 90%	78%	≥ 90%
Total offences per 100,000 population <sup>4</sup>	≤ 24 909	20 220	≤ 24 909
Domestic violence-related assaults as a proportion of total assaults <sup>5</sup>	≤ 64%	69%	≤ 64%
Domestic violence offenders reoffending within 2 years <sup>6</sup>	≤ 31%	51%	≤ 31%
Victim-survivors of domestic violence offences subject to further violent offending within 2 years <sup>7</sup>	≤ 29%	48%	≤ 29%
Property crime offenders reoffending within 2 years <sup>8</sup>	≤ 32%	46%	≤ 32%
Property crime re-victimisation within 2 years <sup>9</sup>	≤ 15%	28%	≤ 15%
Driver alcohol tests returned as positive	≤ 10%	8%	≤ 10%
Road deaths per 100,000 registered vehicles <sup>10</sup>	≤ 14	22.5	≤ 14
Road deaths of Aboriginal and Torres Strait Islander people as a proportion of total road deaths <sup>11</sup>	≤ 26%	45%	≤ 26%
Motor vehicle crash victims admitted to hospital <sup>12</sup>	≤ 8%	12%	≤ 8%
Proportion of diversion events for youth who have been apprehended <sup>13</sup>	≥ 45%	30%	≥ 45%

1 The variation in 2024-25 is due to resource and demand challenges and reflects the complexity of investigations.

2 The variation in 2024-25 is primarily due to the nature of theft and property damage offences, which are typically high-volume crimes where the identity of suspects is not known to victims. This results in longer identification and clearance timeframes.

3 The variation in 2024-25 is due to an increase in 000 call volume relating to non-urgent matters. A community education campaign is ongoing to direct non-urgent calls to 131 444.

4 The variation in 2024-25 mainly reflects an overall reduction in property offences due to targeted interventions.

5 The variation in 2024-25 reflects increased identification of domestic violence offences due to governance improvements, and increasing community awareness and willingness to report.

6 The variation in 2024-25 reflects improvements in reporting and governance, and greater police focus on domestic violence-related training resulting in higher detection of offending.

7 The variation in 2024-25 reflects improvements in reporting and governance, and greater police focus on domestic violence-related training resulting in higher detection of offending and earlier support of victim-survivors.

8 The variation in 2024-25 is largely attributed to the proactive targeting of repeat offenders by specialist units, leading to higher reoffending rates being recorded despite contributing to overall crime reduction efforts.

9 The variation in 2024-25 reflects the high-volume and persistent nature of offences such as theft and property damage.

10 The variation in 2024-25 reflects a national trend in road deaths, which are at the highest levels in a decade. Road policing resources have been enhanced in Darwin and Alice Springs to support targeted operations across the Territory.

11 Northern Territory Police Force is working to address the over-representation of Aboriginal and Torres Strait Islander deaths on Territory roads through education and improvements in police capabilities.

12 The variation in 2024-25 reflects an increased trend in road trauma resulting from crashes. Road policing resources have been enhanced in Darwin and Alice Springs to support targeted operations across the Territory.

13 The variation in 2024-25 is due to a higher proportion of apprehended youths being ineligible for diversion.

## Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and governance, and provision of corporate services functions.

### Corporate and governance

Provide a range of corporate and governance services to support the agency's functions.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

### Shared serviced provided

Provide logistics, facilities, procurement, fleet, housing and wellbeing support services to the Northern Territory Fire and Emergency Service.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	3 366	4 158
Capital	600	
Appropriation		
Output	450 111	491 120
Commonwealth	49 384	42 208
Sales of goods and services	9 076	8 880
Interest revenue		
Goods and services received free of charge	37 779	36 391
Gain (+)/loss (-) on disposal of assets	100	100
Other revenue	2 202	897
<b>TOTAL INCOME</b>	<b>552 618</b>	<b>583 754</b>
<b>EXPENSES</b>		
Employee expenses	400 955	423 247
Administrative expenses		
Purchases of goods and services	95 323	108 372
Repairs and maintenance		
Depreciation and amortisation	34 367	37 073
Services free of charge	37 779	36 391
Other administrative expenses	891	
Grants and subsidies expenses		
Current	708	760
Capital		
Community service obligations		
Interest expenses	1 752	2 263
<b>TOTAL EXPENSES</b>	<b>571 775</b>	<b>608 106</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 19 157</b>	<b>- 24 352</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	809	841
Interest revenue		
Royalties and rents		
Other revenue		
<b>TOTAL INCOME</b>	<b>809</b>	<b>841</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	18 589	17 084
Receivables	27 620	27 620
Prepayments	120	120
Inventories	3 377	3 377
Advances and investments		
Property, plant and equipment	392 669	376 288
Other assets		
<b>TOTAL ASSETS</b>	<b>442 375</b>	<b>424 489</b>
<b>LIABILITIES</b>		
Deposits held	6 237	6 237
Creditors and accruals	13 664	13 664
Borrowings and advances	57 721	55 767
Provisions	61 890	61 890
Other liabilities	10	10
<b>TOTAL LIABILITIES</b>	<b>139 522</b>	<b>137 568</b>
<b>NET ASSETS</b>	<b>302 853</b>	<b>286 921</b>
<b>EQUITY</b>		
Capital		
Opening balance	662 094	673 554
Equity injections/withdrawals	11 460	8 420
Reserves	123 674	123 674
Accumulated funds		
Opening balance	- 475 218	- 494 375
Current year surplus (+)/deficit (-)	- 19 157	- 24 352
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>302 853</b>	<b>286 921</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	3 366	4 158
Capital	600	
Appropriation		
Output	450 111	491 120
Commonwealth	49 384	42 208
Other agency receipts from sales of goods and services	11 278	9 777
Interest received		
<b>Total operating receipts</b>	<b>514 739</b>	<b>547 263</b>
<b>Operating payments</b>		
Payments to employees	401 416	423 247
Payments for goods and services	95 323	108 372
Grants and subsidies paid		
Current	708	760
Capital		
Community service obligations		
Interest paid	1 752	2 263
<b>Total operating payments</b>	<b>499 199</b>	<b>534 642</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>15 540</b>	<b>12 621</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales	4 597	4 197
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>	<b>4 597</b>	<b>4 197</b>
<b>Investing payments</b>		
Purchases of assets	15 176	12 785
Advances and investing payments		
<b>Total investing payments</b>	<b>15 176</b>	<b>12 785</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 10 579</b>	<b>- 8 588</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital	8 265	8 265
Commonwealth	1 046	155
Equity injections		
<b>Total financing receipts</b>	<b>9 311</b>	<b>8 420</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	11 410	13 958
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>	<b>11 410</b>	<b>13 958</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 2 099</b>	<b>- 5 538</b>
Net increase (+)/decrease (-) in cash held	2 862	- 1 505
Cash at beginning of financial year	15 727	18 589
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>18 589</b>	<b>17 084</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>2 813</b>	<b>3 968</b>	<b>1 155</b>	1
National Crime Intelligence System – tranche 1 funding	2 653	3 968	1 315	
Australia-New Zealand Counter Terrorism Council	160		- 160	
<b>Other grants</b>	<b>553</b>	<b>190</b>	<b>- 363</b>	
Disaster Ready Fund	394	81	- 313	
Automatic number plate recognition system	71	71		
Other	88	38	- 50	
<b>Capital grants and subsidies revenue</b>				
<b>Other grants</b>	<b>600</b>		<b>- 600</b>	2
Alice Springs Town Council CCTV Project	600		- 600	
<b>Output appropriation</b>	<b>450 111</b>	<b>491 120</b>	<b>41 009</b>	3
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>49 384</b>	<b>42 208</b>	<b>- 7 176</b>	1
Northern Territory Remote Aboriginal Investment – community safety	30 492		- 30 492	
Strengthening Community Safety in Central Australia	12 603	4 889	- 7 714	
National Firearm Register	5 953	5 500	- 453	
Aged Care Worker Screening – Preparatory Support Northern Territory	336		- 336	
Northern Territory Remote Aboriginal Investment – Remote Policing		31 819	31 819	
<b>Sales of goods and services</b>	<b>9 076</b>	<b>8 880</b>	<b>- 196</b>	
Safe NT	5 314	5 314		
School-based policing	3 000	3 000		
Other	762	566	- 196	
<b>Goods and services received free of charge</b>	<b>37 779</b>	<b>36 391</b>	<b>- 1 388</b>	4
<b>Gain (+)/loss (-) on disposal of assets</b>	<b>100</b>	<b>100</b>		
<b>Other revenue</b>	<b>2 202</b>	<b>897</b>	<b>- 1 305</b>	2
Countering violent extremism	508		- 508	
<i>Misuse of Drugs Act 1990</i> – money forfeited	500		- 500	
Seconded staff arrangements	316	316		
Automated number plate recognition subscription	194		- 194	
Other	684	581	- 103	
<b>OPERATING REVENUE</b>	<b>552 618</b>	<b>583 754</b>	<b>31 136</b>	
<b>Capital appropriation</b>	<b>8 265</b>	<b>8 265</b>		
<b>Commonwealth capital appropriation</b>	<b>1 046</b>	<b>155</b>	<b>- 891</b>	1
<b>CAPITAL RECEIPTS</b>	<b>9 311</b>	<b>8 420</b>	<b>- 891</b>	

1 The variations are in line with relevant agreements.

2 The decrease mainly reflects one-off funding in 2024-25.

3 The increase is primarily due to additional funding for domestic, family and sexual violence response initiatives and implementation of the Police Review response.

4 The decrease largely relates to a one-off redirection of repairs and maintenance services provided by the Department of Logistics and Infrastructure to fund minor works in 2024-25.

# Northern Territory Fire and Emergency Service

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Fire and rescue services</b>	<b>51 061</b>	<b>56 903</b>	1
Fire prevention and response management	51 061	56 903	
<b>Emergency services</b>	<b>7 374</b>	<b>7 346</b>	
Emergency and preparedness services	7 374	7 346	
<b>Bushfires NT</b>	<b>12 521</b>	<b>11 160</b>	2
Fire and land management and mitigation services	12 521	11 160	
<b>Corporate and shared services</b>	<b>9 740</b>	<b>11 380</b>	3
Corporate and governance	2 749	4 590	
Shared services received	6 991	6 790	
<b>Total expenses</b>	<b>80 696</b>	<b>86 789</b>	
<b>Appropriation</b>			
Output	60 122	67 659	
Capital	4 514	4 462	
Commonwealth	2 936	4 431	

## 2025-26 staffing: 356 FTE

- 1 The increase in 2025-26 is primarily due to additional funding to fully establish the Northern Territory Fire and Emergency Service as a standalone agency.
- 2 The decrease in 2025-26 reflects one-off externally funded items in 2024-25.
- 3 The increase in the corporate and governance output in 2025-26 mainly relates to additional funding to fully establish the Northern Territory Fire and Emergency Service as a standalone agency.

## Agency profile

The Northern Territory Fire and Emergency Service comprises the Northern Territory Fire and Rescue Service, the Northern Territory Emergency Service and Bushfires NT. The department's core functions include protecting life, property and the environment, supporting community resilience against fire and other emergencies to enhance safety, and minimising the impact of disasters, hazards and emergencies on the Territory community through effective preparedness, planning and mitigation measures.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Fully establish the Northern Territory Fire and Emergency Service		7 000
Disaster Ready Fund – round 2 <sup>1</sup>		1 378
<b>Key existing initiatives</b>		
Northern Territory Fire and Rescue Service Reform – stage 1	5 000	5 000
National Aerial Firefighting Centre funding arrangements	2 500	2 500
Enhancing emergency management	3 000	1 100
Northern Territory Emergency Service capability	746	746
Disaster Ready Fund – round 1 <sup>1</sup>	1 837	368

1 Includes Commonwealth funding.

## Output groups and objectives

### Fire and rescue services

**Objective:** Protection of life, property and the environment against fire and other emergencies to enhance community safety.

#### Fire prevention and response management

Provide a range of fire and emergency management activities aimed at:

- building community resilience through partnering with volunteers, stakeholders and local communities
- enhancing community education and training to improve preparedness and awareness
- providing proactive hazard reduction and advocacy for fire management
- ensuring capabilities and resources meet evolving community expectations for preventative and responsive operational activities.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Buildings deemed compliant at first inspection after occupancy permit issued <sup>1</sup>	≥ 55%	38%	≥ 55%
Career firefighters meeting minimum training requirements for current rank	≥ 80%	82%	≥ 80%
Auxiliary and volunteer firefighters meeting minimum training requirements <sup>2</sup>	≥ 80%	40%	≥ 80%
Median response time (minutes): <sup>3</sup>			
– Territory-wide emergency response areas	≤ 8	6	≤ 8
– outer regional emergency response areas	≤ 8	7	≤ 8
– remote emergency response areas	≤ 8	4	≤ 8
– very remote emergency response areas	≤ 10	5	≤ 10
Fire incidents attended <sup>4</sup>	4 870	4 265	4 700
Structure fires contained to room or object of origin within an emergency response area <sup>3, 5</sup>	≥ 90%	41%	≥ 90%
Structure fires contained to room or object of origin outside an emergency response area <sup>3, 5</sup>	≥ 50%	42%	≥ 50%
Fires investigated for which cause was determined <sup>5</sup>	≥ 75%	67%	≥ 75%
Community resilience and awareness programs delivered <sup>6</sup>	≥ 500	168	≥ 500
Building and fire safety inspections conducted by operational crews <sup>5</sup>	≥ 400	296	≥ 400
Fire-break inspections <sup>7</sup>	850	30	850
Unwanted alarm responses as a proportion of total alarm responses <sup>5, 8</sup>	≤ 50%	37%	≤ 50%
Vehicle crashes attended <sup>9</sup>	≤ 186	661	≤ 186
Vehicle crashes attended involving injuries and or extraction of victim(s) from vehicle <sup>9</sup>	≤ 11%	52%	≤ 11%

1 The variation in 2024-25 is due to building safety issues for construction and renovation certification, and non-compliance with the National Construction Code.

2 The variation in 2024-25 reflects limited trainer availability and challenges securing recognised training for volunteers in remote locations.

3 An emergency response area has a permanent or volunteer Northern Territory Fire and Rescue Service presence.

4 The variation in 2024-25 reflects an overall reduction in reported fire incidents requiring attendance.

5 This measure is volatile from year to year.

6 The variation in 2024-25 is due to resourcing availability.

7 The variation in 2024-25 is attributed to an increased length in wet season conditions delaying inspections, which are unable to be conducted until the fire season commences.

8 An unwanted alarm response occurs when the Northern Territory Fire and Rescue Service responds to a call where there is no fire or other emergency present.

9 The variation in 2024-25 is due to a significant increase in vehicle crashes on Territory roads, which are at about four times the national average.



## Emergency services

**Objective:** Minimise the impact of disasters, hazards and emergencies on our community through effective preparedness, planning and mitigation measures including engaging with stakeholders.

### Emergency and preparedness services

Provide a range of emergency and preparedness services through our dedicated staff and volunteers, including:

- emergency management activities to increase disaster preparedness in our community
- hazard management activities to enhance community preparedness through proactive initiatives aimed at building resilience
- ensuring prevention, preparation, response and recovery to limit the impact of emergency events.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Volunteer members meeting minimum operational training requirements <sup>1</sup>	100%	78%	100%
Emergency management courses delivered <sup>2</sup>	≥ 40	23	≥ 40
Hazard management courses delivered to emergency service personnel <sup>2</sup>	≥ 50	36	≥ 50
Local emergency plans (46) reviewed by 1 November <sup>3</sup>	100%	100%	100%
Regional emergency plans (2) reviewed by 1 November <sup>3</sup>	100%	100%	100%
Territory Emergency Plan reviewed by 1 November <sup>3</sup>	Yes	Yes	Yes
Community education programs delivered to members of the public	≥ 50	50	≥ 50

1 The variation in 2024-25 is due to new volunteer members who have not yet completed induction training.

2 The variation in 2024-25 is due to trainer resourcing availability.

3 It is a statutory requirement for the operation and effectiveness of the Territory's plans to be reviewed at least once every 12 months.

## Bushfires NT

**Objective:** Fire management support for landholders and volunteer bushfire brigades across the Territory, including planning, education, mitigation and suppression activities.

### Fire and land management and mitigation services

Provide a range of support and preparedness services through our dedicated staff and volunteers, including:

- planned mitigation activities to increase fire protection in our community
- hazard management activities to enhance community preparedness and compliance with the *Bushfires Management Act 2016*
- ensuring prevention, preparation, response and recovery relating to fire management.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Total authorised bushfire volunteers <sup>1</sup>	≥ 367	410	≥ 410
Properties in high-risk fire protection zones found to comply with the <i>Bushfires Management Act 2016</i>	≥ 90%	90%	≥ 90%
Planned mitigation burns completed in fire protection zones	≥ 80%	80%	≥ 80%
Accredited training units delivered relating to fire management <sup>2</sup>	≥ 40	100	≥ 100

- 1 The variation in 2024-25 and increase in 2025-26 is due to increased wildfire activity in the Central Australia region requiring additional bushfire volunteer resources.
- 2 The variation in 2024-25 and increase in 2025-26 reflects an increased focus on delivering training to volunteers to expand service delivery within the community.

Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and governance, and provision of corporate services functions.

**Corporate and governance**

Provide a range of corporate and governance services to support the agency's functions.

**Shared services received**

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

Receive logistics, facilities, procurement, fleet, housing and wellbeing support services from the Northern Territory Police Force.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	122	
Capital		
Appropriation		
Output	60 122	67 659
Commonwealth	2 936	4 431
Sales of goods and services	1 995	917
Interest revenue		
Goods and services received free of charge	6 991	6 790
Gain (+)/loss (-) on disposal of assets	138	
Other revenue	11	11
<b>TOTAL INCOME</b>	<b>72 315</b>	<b>79 808</b>
<b>EXPENSES</b>		
Employee expenses	48 525	55 427
Administrative expenses		
Purchases of goods and services	16 176	15 994
Repairs and maintenance		
Depreciation and amortisation	6 671	6 624
Services free of charge	6 991	6 790
Other administrative expenses		
Grants and subsidies expenses		
Current	2 333	1 419
Capital		535
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>80 696</b>	<b>86 789</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 8 381</b>	<b>- 6 981</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	4 972	5 165
Interest revenue		
Royalties and rents		
Other revenue		
<b>TOTAL INCOME</b>	<b>4 972</b>	<b>5 165</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	2 552	2 195
Receivables	964	964
Prepayments	623	623
Inventories		
Advances and investments		
Property, plant and equipment	127 658	125 513
Other assets	92	75
<b>TOTAL ASSETS</b>	<b>131 889</b>	<b>129 370</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	8 274	8 274
Borrowings and advances		
Provisions	10 409	10 409
Other liabilities	2 600	2 600
<b>TOTAL LIABILITIES</b>	<b>21 283</b>	<b>21 283</b>
<b>NET ASSETS</b>	<b>110 606</b>	<b>108 087</b>
<b>EQUITY</b>		
Capital		
Opening balance	117 725	134 832
Equity injections/withdrawals	17 107	4 462
Reserves	2 280	2 280
Accumulated funds		
Opening balance	- 18 125	- 26 506
Current year surplus (+)/deficit (-)	- 8 381	- 6 981
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>110 606</b>	<b>108 087</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	122	
Capital		
Appropriation		
Output	60 122	67 659
Commonwealth	2 936	4 431
Other agency receipts from sales of goods and services	1 950	928
Interest received		
<b>Total operating receipts</b>	<b>65 130</b>	<b>73 018</b>
<b>Operating payments</b>		
Payments to employees	47 731	55 427
Payments for goods and services	15 340	15 994
Grants and subsidies paid		
Current	2 333	1 419
Capital		535
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>65 404</b>	<b>73 375</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 274</b>	<b>- 357</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales	633	495
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>	<b>633</b>	<b>495</b>
<b>Investing payments</b>		
Purchases of assets	5 745	4 957
Advances and investing payments		
<b>Total investing payments</b>	<b>5 745</b>	<b>4 957</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 5 112</b>	<b>- 4 462</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital	4 514	4 462
Commonwealth		
Equity injections		
<b>Total financing receipts</b>	<b>4 514</b>	<b>4 462</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	1 417	
Service concession liability payments		
<b>Total financing payments</b>	<b>1 417</b>	
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>3 097</b>	<b>4 462</b>
Net increase (+)/decrease (-) in cash held	- 2 289	- 357
Cash at beginning of financial year	4 841	2 552
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>2 552</b>	<b>2 195</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Other grants</b>	<b>122</b>		<b>- 122</b>	
Northern Territory Risk Reduction Program – landholder alliance project	122		- 122	
<b>Output appropriation</b>	<b>60 122</b>	<b>67 659</b>	<b>7 537</b>	<b>1</b>
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>2 936</b>	<b>4 431</b>	<b>1 495</b>	<b>2</b>
Provision of fire services for Commonwealth properties	2 936	3 053	117	
Disaster Ready Fund		1 378	1 378	
<b>Sales of goods and services</b>	<b>1 995</b>	<b>917</b>	<b>- 1 078</b>	<b>3</b>
Vacant Crown land strategy	660		- 660	
Ayers Rock Resort Corporation	500	500		
Nhulunbuy Corporation	367	367		
NT spatial data aggregation and harmonisation	210		- 210	
Australian fire danger rating system	142		- 142	
Other	116	50	- 66	
<b>Goods and services received free of charge</b>	<b>6 991</b>	<b>6 790</b>	<b>- 201</b>	
<b>Gain (+)/loss (-) on disposal of assets</b>	<b>138</b>		<b>- 138</b>	
<b>Other revenue</b>	<b>11</b>	<b>11</b>		
Other	11	11		
<b>OPERATING REVENUE</b>	<b>72 315</b>	<b>79 808</b>	<b>7 493</b>	
<b>Capital appropriation</b>	<b>4 514</b>	<b>4 462</b>	<b>- 52</b>	
<b>CAPITAL RECEIPTS</b>	<b>4 514</b>	<b>4 462</b>	<b>- 52</b>	

1 The variation largely reflects additional funding from 2025-26 to fully establish the Northern Territory Fire and Emergency Service.

2 The variation is in line with relevant Commonwealth agreements.

3 The decrease mainly reflects one-off funding in 2024-25.

# Department of Agriculture and Fisheries

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Agriculture, fisheries and biosecurity</b>	<b>69 760</b>	<b>55 977</b>	1
Industry development and project facilitation	4 202	2 606	
Agriculture	21 148	16 790	
Fisheries	17 598	17 425	
Biosecurity and animal welfare	26 812	19 156	
<b>Corporate and shared services</b>	<b>9 582</b>	<b>9 555</b>	
Corporate and governance	1 849	1 847	
Shared services received	7 733	7 708	
<b>Total expenses</b>	<b>79 342</b>	<b>65 532</b>	
<b>Appropriation</b>			
Output	43 973	45 261	
Capital	1 007	401	
Commonwealth	4 150	1 548	

## 2025-26 staffing: 302 FTE

1 The decrease in the industry development and project facilitation output in 2025-26 is primarily due to one-off external funding in 2024-25 and finalisation of time-limited funding for fast tracking the sustainable development precinct for agribusiness in 2024-25. The decrease in the agriculture output in 2025-26 predominantly reflects one-off external funding in 2024-25. The decrease in the biosecurity and animal welfare output in 2025-26 is largely due to one-off external and Commonwealth funding in 2024-25.

## Agency profile

The Department of Agriculture and Fisheries supports, promotes and enables economic growth and enhancement of the Territory lifestyle through research, diagnostic testing and industry facilitation actions that underpin the development and management of primary industry and fisheries.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Operations of the fisheries compliance unit		1 000
<b>Key existing initiatives</b>		
Recreational fishing access to Aboriginal waters	500	500
Establishment of the fisheries compliance unit	2 517	

## Output groups and objectives

### Agriculture, fisheries and biosecurity

**Objective:** Increased economic growth and viability of existing and emerging primary industries.

#### Industry development and project facilitation

Facilitate the development of agriculture and aquaculture across the Territory including working with industry proponents or investors to identify new land, diversification opportunities, on-farm industry development and pathways to markets.

#### Agriculture

Promote and enable economic growth in partnership with industry through research, development, and capacity-building projects and activities that support new and existing agribusinesses. Increase productivity, secure sustainable markets and enable manufacturing opportunities for Territory produce across agriculture, horticulture, forestry, cattle and buffalo businesses.

Manage the pastoral estate and provide land management services to promote optimum use and environmental sustainability of the Territory's natural resources.

#### Fisheries

Work in partnership with industry and the community to ensure sustainability, best use and fair access to the Territory's aquatic resources for the economic benefit and recreational enjoyment of all Territorians.

#### Biosecurity and animal welfare

Support Territory economic development and underpin market access for agricultural products by providing research, extension and diagnostic functions, and excluding, eradicating and managing plant pests and animal disease risks.

Work with stakeholders to respond to animal cruelty complaints and ensure best practice animal welfare standards are adhered to within the Territory.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Number of significant agriculture sector projects currently being managed <sup>1</sup>		5	5
Pastoral land clearing applications processed within 6 months <sup>2</sup>	≥ 80%	80%	≥ 90%
Number of significant research projects completed and communicated	25	25	25
Stakeholder satisfaction with extension events delivered	≥ 85%	85%	≥ 85%
Number of fish stocked for recreational fishing <12 months old <sup>1</sup>		75 000	75 000
Number of fish stocked for recreational fishing >12 months old <sup>1</sup>		500	500
Livestock biosecurity inspections, certification and registrations supporting livestock supply chain trade and market access	1 500	1 500	1 500
Livestock biosecurity risks excluded through timely and accurate laboratory diagnostic services <sup>3</sup>	240	500	≥ 500
Scheduled surveillance activities for high priority pests, inspections of products and interstate certification audits undertaken to support industry to maintain trade and support market access <sup>4</sup>	110	194	230
Animal welfare complaints actioned within 3 days of receiving complaint	≥ 95%	95%	≥ 95%

1 New measure.

2 Excludes any extensions requested by proponents. The increase in the 2025-26 target aligns with agency objectives to ensure high quality service for industry.

3 The variation in 2024-25 and increase in the 2025-26 target is due to higher disease exclusion testing than expected.

4 The variation in 2024-25 and increase in the 2025-26 target is largely due to an increase in chemical audits on primary producers and implementation of monthly chemical and interstate certification audits.



## Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and provision of corporate support functions.

### **Corporate and governance**

Provide strategic leadership and a range of corporate and governance services to support the agency's functions.

### **Shared services received**

Receive corporate services from the Department of Corporate and Digital Development and Department of Trade, Business and Asian Relations, and infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	9 282	2 703
Capital		
Appropriation		
Output	43 973	45 261
Commonwealth	5 457	1 548
Sales of goods and services	8 993	5 780
Interest revenue		
Goods and services received free of charge	5 929	5 959
Gain (+)/loss (-) on disposal of assets		
Other revenue	114	99
<b>TOTAL INCOME</b>	<b>73 748</b>	<b>61 350</b>
<b>EXPENSES</b>		
Employee expenses	43 125	38 408
Administrative expenses		
Purchases of goods and services	21 177	13 881
Repairs and maintenance		
Depreciation and amortisation	4 512	4 239
Services free of charge	5 929	5 959
Other administrative expenses	68	
Grants and subsidies expenses		
Current	4 438	2 955
Capital		
Community service obligations		
Interest expenses	93	90
<b>TOTAL EXPENSES</b>	<b>79 342</b>	<b>65 532</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 5 594</b>	<b>- 4 182</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services		
Interest revenue		
Royalties and rents	5 928	6 159
Other revenue		
<b>TOTAL INCOME</b>	<b>5 928</b>	<b>6 159</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	2 783	2 783
Receivables	6 682	6 682
Prepayments	97	97
Inventories		
Advances and investments	263	263
Property, plant and equipment	106 514	102 676
Other assets		
<b>TOTAL ASSETS</b>	<b>116 339</b>	<b>112 501</b>
<b>LIABILITIES</b>		
Deposits held	2 774	2 774
Creditors and accruals	2 337	2 337
Borrowings and advances	2 537	2 480
Provisions	5 471	5 471
Other liabilities	12	12
<b>TOTAL LIABILITIES</b>	<b>13 131</b>	<b>13 074</b>
<b>NET ASSETS</b>	<b>103 208</b>	<b>99 427</b>
<b>EQUITY</b>		
Capital		
Opening balance		73 587
Equity injections/withdrawals	73 587	401
Reserves	35 215	35 215
Accumulated funds		
Opening balance		- 5 594
Current year surplus (+)/deficit (-)	- 5 594	- 4 182
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>103 208</b>	<b>99 427</b>

## Assets and liabilities administered for the Central Holding Authority

<b>ASSETS</b>		
Taxes receivable		
Grants and subsidies receivable		
Royalties and rent receivable	349	349
Other receivables		
<b>TOTAL ASSETS</b>	<b>349</b>	<b>349</b>
<b>LIABILITIES</b>		
Central Holding Authority income payable	349	349
Unearned Central Holding Authority income		
<b>TOTAL LIABILITIES</b>	<b>349</b>	<b>349</b>
<b>NET ASSETS</b>		

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	4 850	2 703
Capital		
Appropriation		
Output	43 973	45 261
Commonwealth	4 150	1 548
Other agency receipts from sales of goods and services	8 187	5 879
Interest received		
<b>Total operating receipts</b>	<b>61 160</b>	<b>55 391</b>
<b>Operating payments</b>		
Payments to employees	36 846	38 408
Payments for goods and services	19 764	13 881
Grants and subsidies paid		
Current	4 430	2 955
Capital		
Community service obligations		
Interest paid	93	90
<b>Total operating payments</b>	<b>61 133</b>	<b>55 334</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>27</b>	<b>57</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	1 007	401
Advances and investing payments		
<b>Total investing payments</b>	<b>1 007</b>	<b>401</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 1 007</b>	<b>- 401</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	2 774	
Appropriation		
Capital	1 007	401
Commonwealth		
Equity injections	319	
<b>Total financing receipts</b>	<b>4 100</b>	<b>401</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	54	57
Equity withdrawals	283	
Service concession liability payments		
<b>Total financing payments</b>	<b>337</b>	<b>57</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>3 763</b>	<b>344</b>
Net increase (+)/decrease (-) in cash held	2 783	
Cash at beginning of financial year		2 783
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>2 783</b>	<b>2 783</b>

# Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>4 265</b>	<b>387</b>	<b>- 3 878</b>	1
National Banana Freckle Response	1 592		- 1 592	
North Australia Coordination Network	1 061		- 1 061	
Northern Australia Biosecurity Sequencing Network	498	105	- 393	
Agrifutures – jackfruit stage 2	479	269	- 210	
Cotton Partnership	157		- 157	
Other	478	13	- 465	
<b>Other grants</b>	<b>5 017</b>	<b>2 316</b>	<b>- 2 701</b>	1
Various livestock research and development grants	1 882	324	- 1 558	
Various plant industry research and development grants	1 225	842	- 383	
Cooperative Research Centre for Developing Northern Australia – blacklip rock oyster	650	430	- 220	
Browsing Ant Eradication Program	558	262	- 296	
Cooperative Research Centre for Developing Northern Australia – black jewfish	368	247	- 121	
Other	334	211	- 123	
<b>Output appropriation</b>	<b>43 973</b>	<b>45 261</b>	<b>1 288</b>	
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>5 457</b>	<b>1 548</b>	<b>- 3 909</b>	1
Northern Australia Plant Capacity and Response Network	1 638		- 1 638	
National Water Grid Fund	956	810	- 146	
Boosting High Pathogenicity Avian Influenza Biosecurity Response Capability	892	297	- 595	
Browsing Ant Eradication Program	565	266	- 299	
Future Drought Fund	494		- 494	
Horticultural netting trial	258		- 258	
National Plant Health Surveillance Program	211		- 211	
Other	443	175	- 268	
<b>Sales of goods and services</b>	<b>8 993</b>	<b>5 780</b>	<b>- 3 213</b>	2
Research and services contracts	3 430	1 213	- 2 217	
Water analysis testing	2 144	1 904	- 240	
Research farm – sale of livestock and produce	1 924	1 438	- 486	
Biosecurity fees and diagnostic testing	652	398	- 254	
Fisheries fee for services	452	446	- 6	
Facility rental fees	376	366	- 10	
Other	15	15		
<b>Goods and services received free of charge</b>	<b>5 929</b>	<b>5 959</b>	<b>30</b>	

*continued*

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
Other revenue	114	99	- 15	
<b>OPERATING REVENUE</b>	<b>73 748</b>	<b>61 350</b>	<b>- 12 398</b>	
Capital appropriation	1 007	401	- 606	3
<b>CAPITAL RECEIPTS</b>	<b>1 007</b>	<b>401</b>	<b>- 606</b>	

- 1 The variations are in line with the relevant agreements.  
2 The variation largely reflects higher revenue from research and service contracts in 2024-25.  
3 The variation is mostly due to one-off funding in 2024-25 to purchase equipment to support the fisheries compliance unit.

# Department of Mining and Energy

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Mining and energy</b>	<b>57 480</b>	<b>44 481</b>	1
Northern Territory Geological Survey	13 766	13 934	
Mining development	23 621	8 651	
Energy development	8 068	6 832	
Sustainable energy development	11 438	13 346	
Beetaloo Project Management Office	587	1 718	
<b>Corporate and shared services</b>	<b>4 111</b>	<b>4 125</b>	
Corporate and governance	1 476	1 466	
Shared services received	2 635	2 659	
<b>Total expenses</b>	<b>61 591</b>	<b>48 606</b>	
<b>Appropriation</b>			
Output	38 823	40 020	
Commonwealth	43 315	2 000	

## 2025-26 staffing: 166 FTE

1 The decrease in the mining development output in 2025-26 is primarily due to additional Commonwealth funding in 2024-25 for mine remediation. The decrease in the energy development output in 2025-26 reflects the carryover of unspent funds into 2024-25 from prior years for petroleum exploration regulation. The increase in the sustainable energy development output in 2025-26 is largely due to the transfer of funding from 2024-25 to align with timing of activities. The increase in the Beetaloo Project Management Office output in 2025-26 reflects the transfer of time-limited funding from 2024-25 to align with program delivery timeframes.

## Agency profile

The Department of Mining and Energy is responsible for implementing the Territory Government's priorities for mineral and energy resources development, supporting the expansion of energy supply for the Territory and strategic partners, and delivering mineral industry development, renewables and energy systems.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Beetaloo Sub-basin development	381	1 510
<b>Key existing initiatives</b>		
Remote renewable power rollout	179	1 568
Mineral industry development	916	1 526
Electricity market reform	2 231	1 048
Achieving net zero and facilitating new industries	430	750
Accelerate hydrogen industry development	771	506

## Output groups and objectives

### Mining and energy

**Objective:** Minerals and energy projects are developed and managed through provision of quality geological information, efficient and effective regulation of titles, operational approvals and remediation activities.

#### Northern Territory Geological Survey

Support resource exploration through acquisition, management, delivery and promotion of geoscience information and data. Manage statutory reporting of exploration and production, and provide access to industry reports, data and drill core.

Deliver industry grant programs and promote the Territory as an exploration investment destination through the Resourcing the Territory program.

#### Mining development

Deliver strategies, policy and regulation under the *Mineral Titles Act 2010* and *Legacy Mines Remediation Act 2023* to support the responsible operation and expansion of the Territory's mining and extractive industries, and the effective rehabilitation of legacy mine sites.

Increase the Territory's competitiveness as a mining project investment destination by actively engaging with proponents and their projects, to expedite timely approvals on the pathway to a final investment decision.

#### Energy development

Advance projects for energy security through provision of strategic advice, policy development and regulation including administration of titles and tenure, sustainable resource management, operational approvals, and monitoring and compliance under the *Petroleum Act 1984*, the *Energy Pipelines Act 1981* and the *Geothermal Energy Act 2009*.

#### Sustainable energy development

Lead the coordinated design and development of the Territory's electricity systems and sustainable energy industry enablers to deliver long-term affordable, secure, reliable and sustainable outcomes for the Territory.

Promote and facilitate delivery of private sector sustainable energy projects to secure external investment and economic diversification.

#### Beetaloo Project Management Office

Coordinate the development and commercialisation of the Beetaloo Sub-basin across government to maximise benefits for Territorians. Advance and accelerate industry and investment confidence in onshore gas development in the Beetaloo by facilitating the short to medium-term delivery of coordinated, whole of government policy, infrastructure and industry growth-related outcomes.



Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Increase in uptake of information provided by Northern Territory Geological Survey <sup>1</sup>	≥ 15%	5%	≥ 10%
External investment into geoscience programs	≥ \$8M	\$8M	≥ \$8M
Fraser Institute Annual Survey geological database	≥ 5th	5th	≥ 5th
Fraser Institute Annual Survey investment attractiveness index	≥ 10th	10th	≥ 10th
Mineral exploration expenditure <sup>2</sup>	≥ \$200M	\$175M	≥ \$180M
Proportion of Australian private exploration expenditure spent in the Territory <sup>2</sup>	≥ 5%	4.5%	≥ 5%
Mineral exploration licences on native title affected land granted within 9 months	≥ 85%	85%	≥ 85%
Energy title applications and report assessments completed within 60 days	≥ 85%	85%	≥ 85%
Regulatory site inspections for petroleum and pipeline operations <sup>3</sup>	36	30	32
Remediation projects progressed by the Legacy Mines Unit	8	8	8
Beetaloo titleholders delivering gas to market <sup>4</sup>			2

1 The variation in 2024-25 is due to an Australia-wide downturn in exploration. The decrease in 2025-26 target reflects expected growth trends.

2 The variations are due to challenging market conditions for key commodities and the transition to a new environmental licensing regime.

3 The variation in 2024-25 and decrease in 2025-26 target is due to revised timelines for the commencement of industry activities, resulting in fewer inspections.

4 New measure commencing 1 July 2025.

## Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and provision of corporate support functions.

### Corporate and governance

Provide a range of corporate and governance services to support the agency's functions.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development and Department of Trade, Business and Asian Relations. Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	38 823	40 020
Commonwealth	15 238	3 000
Sales of goods and services	1 358	1 185
Interest revenue		
Goods and services received free of charge	1 439	1 441
Gain (+)/loss (-) on disposal of assets		
Other revenue	1 145	1 094
<b>TOTAL INCOME</b>	<b>58 003</b>	<b>46 740</b>
<b>EXPENSES</b>		
Employee expenses	26 516	23 796
Administrative expenses		
Purchases of goods and services	25 994	16 280
Repairs and maintenance		
Depreciation and amortisation	441	451
Services free of charge	1 439	1 441
Other administrative expenses		
Grants and subsidies expenses		
Current	4 195	5 634
Capital	3 000	1 000
Community service obligations		
Interest expenses	6	4
<b>TOTAL EXPENSES</b>	<b>61 591</b>	<b>48 606</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 3 588</b>	<b>- 1 866</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	11 867	11 867
Interest revenue		
Royalties and rents	11 539	12 078
Other revenue	55	55
<b>TOTAL INCOME</b>	<b>23 461</b>	<b>24 000</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	147 685	145 226
Receivables	2 701	2 701
Prepayments	194	194
Inventories		
Advances and investments		
Property, plant and equipment	30 955	30 504
Other assets		
<b>TOTAL ASSETS</b>	<b>181 535</b>	<b>178 625</b>
<b>LIABILITIES</b>		
Deposits held	144 170	144 170
Creditors and accruals	2 598	2 598
Borrowings and advances	121	77
Provisions	3 273	3 273
Other liabilities	5 000	4 000
<b>TOTAL LIABILITIES</b>	<b>155 162</b>	<b>154 118</b>
<b>NET ASSETS</b>	<b>26 373</b>	<b>24 507</b>
<b>EQUITY</b>		
Capital		
Opening balance		26 764
Equity injections/withdrawals	26 764	
Reserves	3 197	3 197
Accumulated funds		
Opening balance		- 3 588
Current year surplus (+)/deficit (-)	- 3 588	- 1 866
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>26 373</b>	<b>24 507</b>

## Assets and liabilities administered for the Central Holding Authority

<b>ASSETS</b>		
Taxes receivable		
Grants and subsidies receivable		
Royalties and rent receivable	267	267
Other receivables		
<b>TOTAL ASSETS</b>	<b>267</b>	<b>267</b>
<b>LIABILITIES</b>		
Central Holding Authority income payable	267	267
Unearned Central Holding Authority income		
<b>TOTAL LIABILITIES</b>	<b>267</b>	<b>267</b>
<b>NET ASSETS</b>		

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	38 823	40 020
Commonwealth	20 238	2 000
Other agency receipts from sales of goods and services	1 598	2 279
Interest received		
<b>Total operating receipts</b>	<b>60 659</b>	<b>44 299</b>
<b>Operating payments</b>		
Payments to employees	22 748	23 796
Payments for goods and services	26 773	16 280
Grants and subsidies paid		
Current	4 195	5 634
Capital	2 108	1 000
Community service obligations		
Interest paid	6	4
<b>Total operating payments</b>	<b>55 830</b>	<b>46 714</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>4 829</b>	<b>- 2 415</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	23 077	
Advances and investing payments		
<b>Total investing payments</b>	<b>23 077</b>	
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 23 077</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	144 170	
Appropriation		
Capital		
Commonwealth	23 077	
Equity injections		
<b>Total financing receipts</b>	<b>167 247</b>	
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	42	44
Equity withdrawals	1 272	
Service concession liability payments		
<b>Total financing payments</b>	<b>1 314</b>	<b>44</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>165 933</b>	<b>- 44</b>
Net increase (+)/decrease (-) in cash held	147 685	- 2 459
Cash at beginning of financial year		147 685
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>147 685</b>	<b>145 226</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Output appropriation</b>	<b>38 823</b>	<b>40 020</b>	<b>1 197</b>	
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>15 238</b>	<b>3 000</b>	<b>- 12 238</b>	1
Management of the former Rum Jungle mine site	14 888		- 14 888	
Solar for Multi-Dwelling Grant Scheme	350	2 000	1 650	
Energy and Emissions		1 000	1 000	
<b>Sales of goods and services</b>	<b>1 358</b>	<b>1 185</b>	<b>- 173</b>	
Mines and energy processing fees (licences/titles)	1 026	1 073	47	
Pine Creek ground gravity survey	180		- 180	
Business and industry events	149	109	- 40	
Other	3	3		
<b>Goods and services received free of charge</b>	<b>1 439</b>	<b>1 441</b>	<b>2</b>	
<b>Other revenue</b>	<b>1 145</b>	<b>1 094</b>	<b>- 51</b>	
Legacy mines	1 094	1 094		
Other	51		- 51	
<b>OPERATING REVENUE</b>	<b>58 003</b>	<b>46 740</b>	<b>- 11 263</b>	
<b>Commonwealth capital appropriation</b>	<b>23 077</b>		<b>- 23 077</b>	1
Management of the former Rum Jungle mine site	23 077		- 23 077	
<b>CAPITAL RECEIPTS</b>	<b>23 077</b>		<b>- 23 077</b>	

1 The variations are in line with the relevant agreements.



# Department of Corrections

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Adult operations</b>	<b>252 613</b>	<b>302 076</b>	1
Custodial services	252 613	302 076	
<b>Community corrections</b>	<b>41 346</b>	<b>49 945</b>	2
Community corrections	41 346	49 945	
<b>Youth justice</b>	<b>82 943</b>	<b>84 706</b>	
Youth justice	82 943	84 706	
<b>Corporate and shared services</b>	<b>58 803</b>	<b>57 995</b>	
Corporate and governance	27 171	26 134	
Shared services received	31 632	31 861	
<b>Total expenses</b>	<b>435 705</b>	<b>494 722</b>	
<b>Appropriation</b>			
Output	373 607	435 392	
Capital	8 367	8 641	
Commonwealth	310		

## 2025-26 staffing: 1,294 FTE

1 The increase in 2025-26 is primarily due to additional funding for increased prisoner numbers.

2 The increase in 2025-26 mostly reflects additional funding for increased prisoner numbers and bail supported accommodation.

## Agency profile

The Department of Corrections provides correctional services that promotes accountability and rehabilitation, and strengthens pathways to reduced reoffending.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Corrections demand pressures		60 000
Prisoner healthcare		20 000
Increasing electronic monitoring capacity	6 000	6 000
Domestic, family and sexual violence reduction and prevention		4 210

## Output groups and objectives

### Adult operations

**Objective:** Community safety is improved through correctional interventions, programs and services for people who have offended or are at risk of reoffending.

#### Custodial services

Provide a safe, secure and humane custodial service focused on reducing reoffending by addressing criminogenic needs through targeted programs, education and training.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Annual recidivism rate of convicted people	≤ 59%	60%	≤ 59%
Eligible prisoners completing their enrolled education or training program <sup>1</sup>	≥ 80%	87%	≥ 80%
Prisoner offence-specific program completions <sup>2</sup>	≥ 80%	98%	≥ 80%

1 The variation in 2024-25 is due to successful expansion of education and training services to all Territory correctional facilities.

2 The variation in 2024-25 is due to clinical staff heavily focussed on supporting offenders to complete programs.

### Community corrections

**Objective:** Community safety is improved through services for people who have offended or are at risk of reoffending.

#### Community corrections

Monitor and supervise community-based offenders to ensure offenders are held accountable for non-compliance with orders by the courts and Parole Board.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Completion of supervised community corrections orders <sup>1</sup>	≥ 70%	76%	≥ 70%

1 The variation in 2024-25 is due to a variety of factors including high quality case management and support for compliance with conditions of orders.

### Youth justice

**Objective:** Reduce reoffending and promote community safety by supporting young people.

#### Youth Justice

Provide youth detention and diversion programs, and services that contribute to community safety, keep young people safe, and reduce offending and reoffending by young people.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Young people successfully completing community-based orders	≥ 55%	55%	≥ 55%
Receptions into a youth detention facility <sup>1</sup>	750	1 200	1 000

1 The variation in 2024-25 and increase in the 2025-26 target reflects strengthened bail laws.



## Corporate and shared services

**Objective:** The performance of the agency's business units improved through strategic leadership, governance and efficient support services.

### Corporate and governance

Provide strategic, governance and support services to facilitate agency operations.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	2 420	
Capital		
Appropriation		
Output	373 607	435 392
Commonwealth	310	
Sales of goods and services	3 367	3 367
Interest revenue		
Goods and services received free of charge	31 632	31 861
Gain (+)/loss (-) on disposal of assets		
Other revenue	11 864	1 078
<b>TOTAL INCOME</b>	<b>423 200</b>	<b>471 698</b>
<b>EXPENSES</b>		
Employee expenses	202 570	235 108
Administrative expenses		
Purchases of goods and services	110 163	135 939
Repairs and maintenance	895	
Depreciation and amortisation	19 327	22 404
Services free of charge	31 632	31 861
Other administrative expenses	88	
Grants and subsidies expenses		
Current	24 481	23 654
Capital		
Community service obligations		
Interest expenses	46 549	45 756
<b>TOTAL EXPENSES</b>	<b>435 705</b>	<b>494 722</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 12 505</b>	<b>- 23 024</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	26 099	26 099
Receivables	1 199	1 199
Prepayments	1 515	1 515
Inventories	2 692	2 692
Advances and investments		
Property, plant and equipment	833 243	810 839
Other assets		
<b>TOTAL ASSETS</b>	<b>864 748</b>	<b>842 344</b>
<b>LIABILITIES</b>		
Deposits held	365	365
Creditors and accruals	23 153	23 978
Borrowings and advances	464 640	455 794
Provisions	26 047	26 047
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>514 205</b>	<b>506 184</b>
<b>NET ASSETS</b>	<b>350 543</b>	<b>336 160</b>
<b>EQUITY</b>		
Capital		
Opening balance	367 651	587 870
Equity injections/withdrawals	220 219	8 641
Reserves	129 897	129 897
Accumulated funds		
Opening balance	- 354 719	- 367 224
Current year surplus (+)/deficit (-)	- 12 505	- 23 024
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>350 543</b>	<b>336 160</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	2 420	
Capital		
Appropriation		
Output	373 607	435 392
Commonwealth	310	
Other agency receipts from sales of goods and services	15 504	4 445
Interest received		
<b>Total operating receipts</b>	<b>391 841</b>	<b>439 837</b>
<b>Operating payments</b>		
Payments to employees	210 518	235 108
Payments for goods and services	118 170	134 909
Grants and subsidies paid		
Current	24 481	23 654
Capital		
Community service obligations		
Interest paid	46 736	45 961
<b>Total operating payments</b>	<b>399 905</b>	<b>439 632</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 8 064</b>	<b>205</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	500	
Advances and investing payments		
<b>Total investing payments</b>	<b>500</b>	
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 500</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	- 5 257	
Appropriation		
Capital	8 367	8 641
Commonwealth		
Equity injections	24 649	
<b>Total financing receipts</b>	<b>27 759</b>	<b>8 641</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	8 054	8 846
Equity withdrawals	19 794	
Service concession liability payments		
<b>Total financing payments</b>	<b>27 848</b>	<b>8 846</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 89</b>	<b>- 205</b>
Net increase (+)/decrease (-) in cash held	- 8 653	
Cash at beginning of financial year	34 752	26 099
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>26 099</b>	<b>26 099</b>

# Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>15</b>		<b>- 15</b>	
Celebrating Australia Day	15		- 15	
<b>Other grants</b>	<b>2 405</b>		<b>- 2 405</b>	1
Domestic, family and sexual violence reduction	2 405		- 2 405	
<b>Output appropriation</b>	<b>373 607</b>	<b>435 392</b>	<b>61 785</b>	2
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>310</b>		<b>- 310</b>	
Homelessness	310		- 310	
<b>Sales of goods and services</b>	<b>3 367</b>	<b>3 367</b>		
Prison industries and prisoner support revenue	3 234	3 234		
Other	133	133		
<b>Goods and services received free of charge</b>	<b>31 632</b>	<b>31 861</b>	<b>229</b>	
<b>Other revenue</b>	<b>11 864</b>	<b>1 078</b>	<b>- 10 786</b>	3
Insurance reimbursements – Darwin Correctional Centre	10 550		- 10 550	
Prison phone system, outside work wages, prison room/board	1 078	1 078		
Return of unspent grants	236		- 236	
<b>OPERATING REVENUE</b>	<b>423 200</b>	<b>471 698</b>	<b>48 498</b>	
<b>Capital appropriation</b>	<b>8 367</b>	<b>8 641</b>	<b>274</b>	
<b>CAPITAL RECEIPTS</b>	<b>8 367</b>	<b>8 641</b>	<b>274</b>	

1 The variations are in line with relevant agreements.

2 The increase mostly reflects additional funding from 2025-26 for corrections demand pressures.

3 The variation largely reflects one-off insurance reimbursements in 2024-25 for works at the Darwin Correctional Centre.



# Department of Treasury and Finance

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Financial management</b>	<b>6 764</b>	<b>12 106</b>	1
Financial management	6 764	12 106	
<b>Economic services</b>	<b>190 445</b>	<b>225 630</b>	2
Economic services	5 372	5 939	
Payments on behalf of government	185 073	219 691	
<b>Territory revenue</b>	<b>22 322</b>	<b>30 413</b>	3
Territory revenue	4 548	14 302	
Home owner assistance	17 774	16 111	
<b>Superannuation</b>	<b>2 420</b>	<b>2 469</b>	
Superannuation	2 420	2 469	
<b>Economic regulation</b>	<b>1 308</b>	<b>1 452</b>	4
Utilities Commission	1 308	1 452	
<b>Corporate and shared services</b>	<b>11 440</b>	<b>11 206</b>	
Corporate and governance	4 008	3 774	
Shared services received	7 432	7 432	
<b>Total expenses</b>	<b>234 699</b>	<b>283 276</b>	
<b>Appropriation</b>			
Output	192 108	240 138	
Commonwealth	22 857	20 685	

## 2025-26 staffing: 108 FTE

- 1 The increase in 2025-26 mostly reflects time-limited resources to support the development of whole of government ICT projects, including the Sage budget management system.
- 2 The increase in the economic services output in 2025-26 is mainly due to the timing of project-related expenditure. The increase in the payments on behalf of government output in 2025-26 relates to an increase in community service obligation payments for regulated retail electricity tariffs, partially offset by a reduction in Commonwealth funding for the National Energy Bill Relief Program.
- 3 The increase in the Territory revenue output in 2025-26 reflects time-limited resources to support the development of the RevConnect ICT project.
- 4 The increase in 2025-26 is primarily due to one-off project-related expenditure.

## Agency profile

The Department of Treasury and Finance provides specialist fiscal, economic and commercial policy advice and services to government to assist in delivering services and infrastructure to benefit Territorians. Its purpose is to promote the fiscal sustainability and economic development of the Territory.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
HomeGrown and FreshStart housing incentives	11 708	9 814
<b>Key existing initiatives</b>		
Utilities payments	155 416	192 116
National Energy Bill Relief program <sup>1</sup>	22 857	20 685

1 Commonwealth funding.

## Output groups and objectives

### Financial management

**Objective:** Effective financial management, analysis and reporting. Reliable strategic policy advice to the government regarding whole of government resource issues, intergovernmental matters and major government priorities.

#### Financial management

Provide financial analysis, reporting and strategic policy advice to inform decision-making on whole of government resource allocation. Manage the Central Holding Authority and provide financial services to support the Northern Territory Treasury Corporation. Provide financial leadership to the NTPS and meet the Territory's financial reporting obligations.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Compliance with financial reporting and disclosure obligations, as specified in the FITA	100%	100%	100%
Unmodified audit opinion on the financial statements of each sector of government in the Treasurer's Annual Financial Report	Yes	Yes	Yes
Maintain or improve the Territory's credit rating of Aa3 (stable)	Yes	Yes	Yes
Ministerial advice provided within allotted timeframes <sup>1</sup>	≥ 80%	96%	≥ 80%
Satisfaction of the Treasurer with fiscal and strategic policy advice <sup>2</sup>	≥ 5	5	≥ 5

1 Refers to advice sought on correspondence to the Treasurer.

2 Measure ranges from a rating of 1 = extremely dissatisfied through to 6 = extremely satisfied.

### Economic services

**Objective:** Effective analysis and advice on economic, commercial and demographic issues affecting the Territory.

#### Economic services

Provide economic forecasts, analysis and policy advice to inform government decision-making. Forecast GST and own-source revenue for the Territory. Provide across government oversight of major commercial contracts to ensure value for money. Provide advice to the Treasurer on the financial performance of government owned corporations.

#### Payments on behalf of government

Payments made on behalf of government as a result of formal agreements or legislative requirements, for example, community service obligations for uniform tariffs for utilities.



Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Variation between key economic forecasts and actual outcomes <sup>1</sup>	≤ 1ppt	≤ 1ppt	≤ 1ppt
Contribution of the government owned corporations to government's fiscal balance <sup>2</sup>	≤-\$156M	- \$218M	≤-\$121M
Maintain or improve the Territory's GST revenue-sharing relativities	≥ 5.06681	5.15112	≥ 5.15112
Ministerial advice provided within allotted timeframes <sup>3</sup>	≥ 80%	76%	≥ 80%
Satisfaction of the Treasurer with strategic policy advice <sup>4</sup>	≥ 5	5	≥ 5

1 Includes population, employment, unemployment, CPI and wage price index forecasts.

2 The variation in 2024-25 and decrease in 2025-26 target reflects updated statement of corporate intent numbers as provided by government owned corporations.

3 Refers to advice sought on correspondence to the Treasurer.

4 Measure ranges from a rating of 1 = extremely dissatisfied through to 6 = extremely satisfied.

## Territory revenue

**Objective:** Efficient and responsive revenue management services. Effective analysis and advice on Territory revenue matters.

### Territory revenue

Administer and maintain the integrity of the Territory's tax, royalty, concession and grant schemes. Provide education, and advisory and compliance services relevant to the Territory's own-source revenue.

### Home owner assistance

Administer assistance schemes to encourage home ownership.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Variation between revenue forecast and actual outcome <sup>1</sup>	≤ 5%	19.15%	≤ 5%
Ministerial advice provided within allotted timeframes <sup>2</sup>	≥ 80%	83%	≥ 80%
Satisfaction of the Treasurer with revenue advice <sup>3</sup>	≥ 5	5	≥ 5
Overdue debt as a percentage of total revenue collected	< 1.70%	0.16%	< 1.70%
Territory taxation effort <sup>4</sup>	≥ 90%	81.90%	≥ 90%
Territory Revenue Office expenditure as a percentage of non-financial public sector taxes and royalties	< 1%	0.37%	< 1%

1 The variation in 2024-25 is due to better than expected mineral royalty receipts, as well as higher than expected payroll tax receipts and stamp duty.

2 Refers to advice sought on correspondence to the Treasurer.

3 Measure ranges from a rating of 1 = extremely dissatisfied through to 6 = extremely satisfied.

4 Measure reflects the most recent year assessed by the Commonwealth Grants Commission compared to the states' average of 100%. The 2024-25 result is similar to that achieved in 2023-24. While there was an increase in the Territory's relative insurance duty taxation effort, an increase in the average stamp duty rate on high value properties and payroll tax rate in other states led to a reduction in the Territory's aggregate taxation effort below the KPI level.

## Superannuation

**Objective:** Superannuation services that meet the expectations of scheme members. Effective analysis and advice on superannuation matters that enables government to meet its obligations.

### Superannuation

Provide superannuation services to scheme members, and advice to the Commissioner for Public Employment and government.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Member statements issued within approved timeframes	100%	100%	100%
Satisfaction of the Treasurer with superannuation advice <sup>1</sup>	≥ 5	5	≥ 5
Unmodified audit opinion on superannuation reporting obligations	Yes	Yes	Yes

1 Measure ranges from a rating of 1 = extremely dissatisfied through to 6 = extremely satisfied.

## Economic regulation

**Objective:** An economic regulatory framework that promotes competition, and fair and efficient market conduct or, in the absence of a competitive market, prevents the misuse of monopoly power.

### Utilities Commission

Administer economic regulatory frameworks and seek to protect the long-term interests of Territory consumers of services. Provide independent advice to government for the regulated industries of electricity, water, sewerage and ports.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Determinations, reports and approvals issued or published within statutory timeframes	100%	100%	100%

## Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and governance, and provision of corporate services functions.

### Corporate and governance

Provide corporate and governance services to support the agency's executive functions including executive support, governance and risk services, and corporate communications.

### Shared services received

Receive shared financial and business services from the Department of the Chief Minister and Cabinet. Receive other corporate services from the Department of Corporate and Digital Development, and infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	192 108	240 138
Commonwealth	22 857	20 685
Sales of goods and services	362	497
Interest revenue		
Goods and services received free of charge	7 432	7 432
Gain (+)/loss (-) on disposal of assets		
Other revenue	19 634	
<b>TOTAL INCOME</b>	<b>242 393</b>	<b>268 752</b>
<b>EXPENSES</b>		
Employee expenses	17 710	19 134
Administrative expenses		
Purchases of goods and services	6 186	20 388
Repairs and maintenance		
Depreciation and amortisation	13	9
Services free of charge	7 432	7 432
Other administrative expenses	6 807	6 897
Grants and subsidies expenses		
Current	23 352	21 180
Capital	17 774	16 111
Community service obligations	155 416	192 116
Interest expenses	9	9
<b>TOTAL EXPENSES</b>	<b>234 699</b>	<b>283 276</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>7 694</b>	<b>- 14 524</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue	863 597	868 823
Commonwealth revenue		
GST revenue	4 287 467	4 570 875
Specific purpose payments	558 356	625 662
National partnership agreements	1 120 525	1 210 333
Current grants		
Capital grants		
Fees from regulatory services	565	587
Interest revenue		
Royalties and rents	298 000	346 000
Other revenue	300	300
<b>TOTAL INCOME</b>	<b>7 128 810</b>	<b>7 622 580</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	9 184	19 911
Receivables	2 121	2 121
Prepayments	55	55
Inventories		
Advances and investments	25 000	25 000
Property, plant and equipment	9	
Other assets		
<b>TOTAL ASSETS</b>	<b>36 369</b>	<b>47 087</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	3 460	3 460
Borrowings and advances		
Provisions	2 759	2 759
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>6 219</b>	<b>6 219</b>
<b>NET ASSETS</b>	<b>30 150</b>	<b>40 868</b>
<b>EQUITY</b>		
Capital		
Opening balance	- 90 945	- 95 482
Equity injections/withdrawals	- 4 537	25 242
Reserves		
Accumulated funds		
Opening balance	117 938	125 632
Current year surplus (+)/deficit (-)	7 694	- 14 524
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>30 150</b>	<b>40 868</b>

## Assets and liabilities administered for the Central Holding Authority

<b>ASSETS</b>		
Taxes receivable	64 303	72 430
Grants and subsidies receivable		
Royalties and rent receivable	84 794	84 794
Other receivables	341 484	153 614
<b>TOTAL ASSETS</b>	<b>490 581</b>	<b>310 838</b>
<b>LIABILITIES</b>		
Central Holding Authority income payable	217 984	227 061
Unearned Central Holding Authority income	272 597	83 777
<b>TOTAL LIABILITIES</b>	<b>490 581</b>	<b>310 838</b>
<b>NET ASSETS</b>		

# Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	192 108	240 138
Commonwealth	22 857	20 685
Other agency receipts from sales of goods and services	19 996	497
Interest received		
<b>Total operating receipts</b>	<b>234 961</b>	<b>261 320</b>
<b>Operating payments</b>		
Payments to employees	17 675	19 134
Payments for goods and services	12 993	27 285
Grants and subsidies paid		
Current	23 352	21 180
Capital	17 774	16 111
Community service obligations	155 416	192 116
Interest paid	9	9
<b>Total operating payments</b>	<b>227 219</b>	<b>275 835</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>7 742</b>	<b>- 14 515</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections	9 900	28 150
<b>Total financing receipts</b>	<b>9 900</b>	<b>28 150</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	14 437	2 908
Service concession liability payments		
<b>Total financing payments</b>	<b>14 437</b>	<b>2 908</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 4 537</b>	<b>25 242</b>
Net increase (+)/decrease (-) in cash held	3 205	10 727
Cash at beginning of financial year	5 979	9 184
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>9 184</b>	<b>19 911</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
Output appropriation	192 108	240 138	48 030	1
Commonwealth appropriation				
National partnership agreements	22 857	20 685	- 2 172	2
National Energy Bill Relief	22 857	20 685	- 2 172	
Sales of goods and services	362	497	135	
Fees and charges	362	497	135	
Goods and services received free of charge	7 432	7 432		
Other revenue	19 634		- 19 634	3
Underground power project recoveries	19 634		- 19 634	
<b>OPERATING REVENUE</b>	<b>242 393</b>	<b>268 752</b>	<b>26 359</b>	

1 The variation reflects increased funding for regulated retail electricity tariffs and community service obligation payments.

2 The variation is in line with the relevant Commonwealth agreement.

3 The decrease reflects the recovery of underground power project funding from Power and Water Corporation that has been reprioritised to fund HomeGrown and FreshStart housing incentives.

# Central Holding Authority

## Overview

The Central Holding Authority (CHA) receives Commonwealth income, including GST revenue, national partnership and specific purpose payments, and Territory own-source revenue collected by other agencies on behalf of CHA. It then distributes this funding to agencies in the form of appropriations.

As the parent financial entity of government, CHA does not transact directly with the public. CHA's key deliverables include:

- administration of appropriation payments to agencies in accordance with the *Appropriation Act*
- maintaining government's investment portfolio
- managing government borrowings
- recognising unfunded employee liabilities including superannuation, long service leave and workers compensation.

## Appropriations from the Central Holding Authority

The *Appropriation Act* provides CHA with the authority to fund specific purposes. The main appropriation purposes are output, capital and Commonwealth.

Output appropriation is the operating payment to each agency for the outputs they provide.

Capital appropriation is the payment for capital investment. Most capital works for general government agencies are centrally managed by the Department of Logistics and Infrastructure, which receives capital appropriation for capital works managed on behalf of other agencies. A number of general government agencies also receive capital appropriation for the acquisition of capital items.

Commonwealth appropriation relates to national partnership and specific purpose payment funding, and other external funding, received by the Territory. Commonwealth Treasury makes payments to the Territory's Department of Treasury and Finance on behalf of CHA, which are passed on to the relevant agencies as Commonwealth appropriation.

Other appropriation purposes include those paid for employee entitlements (such as superannuation and long service leave), interest, taxes, administration payments and Treasurer's Advance.

Most revenue received by the Territory is recorded in CHA's operating statement, including GST revenue, national partnership and specific purpose payments, and Territory taxes. Funds are provided to agencies as output appropriation, capital appropriation or Commonwealth appropriation, which can be for operational or capital purposes. Output appropriation is recorded in the operating and cash flow statements, whereas capital appropriation is recorded only in the cash flow statement.

## Performance

CHA's net operating balance is projected to improve from a surplus of \$89 million in 2024-25 to a surplus of \$321 million in 2025-26 as a result of higher revenue of \$519 million, partially offset by an increase in expenditure of \$287 million.

The \$519 million increase in revenue from 2024-25 to 2025-26 reflects:

- higher GST revenue of \$283 million, mostly due to a higher Territory GST relativity and growth in the national GST collections pool
- a net increase in national partnership, specific purpose payment and capital grant revenue of \$199 million in line with relevant Commonwealth agreements
- higher royalty, rent and dividend revenue of \$63 million, due to revised royalty payer estimates and higher commodity prices
- increased other revenue of \$15 million, mostly due to higher workers compensation premiums recovered from agencies, partially offset by
- lower interest revenue of \$48 million reflecting anticipated returns on investments in line with expected market conditions.

The increase in expenditure of \$287 million from 2024-25 to 2025-26 reflects:

- a net increase in appropriation payments to agencies of \$212 million, comprising new government decisions of \$301 million and a \$71 million increase in Commonwealth appropriation provided to agencies, largely relating to funding under the Better and Fairer Schools Agreement, and the Land Transport Infrastructure Projects funding agreement, partly offset by a decrease in Treasurer's Advance of \$160 million, mostly due to a step down in funding set aside to address agency demand pressures
- higher interest expenses of \$74 million in 2025-26 in line with government's borrowing requirements.



## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue	933 107	939 435
Commonwealth revenue		
GST revenue	4 287 467	4 570 875
Specific purpose payments	558 356	625 662
National partnership agreements	1 120 525	1 210 333
Current grants		
Capital grants	26 873	68 812
Fees from regulatory services	29 606	30 260
Interest revenue	166 342	117 909
Royalties, rents and dividends	349 925	412 698
Superannuation contributions	29 886	30 825
Other revenue	77 618	92 334
<b>TOTAL INCOME</b>	<b>7 579 705</b>	<b>8 099 143</b>
<b>EXPENSES</b>		
Long service leave expense	54 737	56 379
Superannuation expense	181 583	177 756
Other salary expenses	70 013	73 030
Administrative expenses	967	984
Interest expenses	390 566	464 878
Appropriation expenses	6 793 163	7 004 939
<b>TOTAL EXPENSES</b>	<b>7 491 029</b>	<b>7 777 966</b>
<b>NET SURPLUS (+)/DEFICIT (-)</b>	<b>88 676</b>	<b>321 177</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Comprehensive income		
Changes in accounting policies		
Correction of prior period errors		
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		
<b>COMPREHENSIVE RESULT</b>	<b>88 676</b>	<b>321 177</b>

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	683 899	520 800
Receivables	236 309	258 204
Prepayments	293 452	111 211
Advances and investments	1 685 393	1 771 384
Equity investments	17 880 255	19 515 077
Other assets		
<b>TOTAL ASSETS</b>	<b>20 779 308</b>	<b>22 176 676</b>
<b>LIABILITIES</b>		
Deposits held	1 132 434	833 500
Creditors and accruals	76 268	79 798
Borrowings and advances	10 501 001	12 109 723
Superannuation liability	2 968 603	2 918 317
Provision for long service leave	419 457	419 457
Provision for workers compensation	267 935	267 935
Other liabilities	307 919	121 078
<b>TOTAL LIABILITIES</b>	<b>15 673 617</b>	<b>16 749 808</b>
<b>NET ASSETS</b>	<b>5 105 691</b>	<b>5 426 868</b>
<b>EQUITY</b>		
Capital		
Reserves		
Accumulated funds		
Opening balance	5 017 015	5 105 691
Current year surplus (+)/deficit (-)	88 676	321 177
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>5 105 691</b>	<b>5 426 868</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received	938 759	934 317
Commonwealth revenue received		
GST receipts	4 287 467	4 570 875
Specific purpose payments	558 356	625 662
National partnership agreements	1 130 953	1 021 185
Current grants		
Capital grants	20 563	75 806
Receipts from regulatory services	29 606	30 260
Interest received	105 152	89 246
Royalties, rents and dividends received	368 187	398 843
Superannuation contributions	29 886	30 825
Other receipts	77 618	92 334
<b>Total operating receipts</b>	<b>7 546 547</b>	<b>7 869 353</b>
<b>Operating payments</b>		
Long service leave payments	54 737	56 379
Superannuation benefits paid	244 035	228 042
Other salary payments	72 935	76 039
Payments for goods and services	4 467	5 584
Interest paid	389 600	460 920
Appropriation payments	6 724 557	6 984 498
<b>Total operating payments</b>	<b>7 490 331</b>	<b>7 811 462</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>56 216</b>	<b>57 891</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Advance and investing receipts		
Equity withdrawals from agencies	294 201	144 288
Other investing receipts		
<b>Total investing receipts</b>	<b>294 201</b>	<b>144 288</b>
<b>Investing payments</b>		
Advance and investing payments	56 586	57 328
Appropriation payments	1 424 105	1 364 330
Equity injections to agencies	554 989	253 408
<b>Total investing payments</b>	<b>2 035 680</b>	<b>1 675 066</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 1 741 479</b>	<b>- 1 530 778</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings	1 536 400	1 617 000
Deposits received	- 232 365	- 298 934
<b>Total financing receipts</b>	<b>1 304 035</b>	<b>1 318 066</b>
<b>Financing payments</b>		
Repayment of borrowings	26 240	8 278
<b>Total financing payments</b>	<b>26 240</b>	<b>8 278</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1 277 795</b>	<b>1 309 788</b>
Net increase (+)/decrease (-) in cash held	- 407 468	- 163 099
Cash at beginning of financial year	1 091 367	683 899
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>683 899</b>	<b>520 800</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Taxation revenue</b>	<b>933 107</b>	<b>939 435</b>	<b>6 328</b>	
Payroll tax	449 302	413 141	- 36 161	1
Stamp duty	290 401	254 497	- 35 904	2
Lotteries, gaming and wagering tax	98 706	129 221	30 515	3
Light vehicle registration	41 988	42 404	416	
Heavy vehicle registration	27 755	28 528	773	
Passenger service levy	2 689	2 689		
Income tax equivalents				
Power and Water Corporation		42 218	42 218	4
Northern Territory Treasury Corporation	9 106	13 587	4 481	4
Jacana Energy	6 973	4 291	- 2 682	
NT Fleet	4 248	4 210	- 38	
Land Development Corporation	1 160		- 1 160	
Data Centre Services	1 097	962	- 135	
Territory Generation	- 318	3 687	4 005	4
<b>Commonwealth revenue</b>	<b>5 993 221</b>	<b>6 475 682</b>	<b>482 461</b>	
GST revenue	4 287 467	4 570 875	283 408	5
National partnership agreements	1 120 525	1 210 333	89 808	6
Specific purpose payments	558 356	625 662	67 306	6
Capital grants	26 873	68 812	41 939	6
<b>Fees from regulatory services</b>	<b>29 606</b>	<b>30 260</b>	<b>654</b>	
<b>Interest revenue</b>	<b>166 342</b>	<b>117 909</b>	<b>- 48 433</b>	7
Conditions of Service Reserve	117 776	85 991	- 31 785	
General interest	48 566	31 918	- 16 648	
<b>Royalties, rents and dividends</b>	<b>349 925</b>	<b>412 698</b>	<b>62 773</b>	
Mining and petroleum royalties	298 000	346 000	48 000	8
Mining and petroleum rents	11 539	12 078	539	
Land rents	10 014	10 404	390	
Dividends				
NT Fleet		4 912	4 912	9
Northern Territory Treasury Corporation	21 247	31 702	10 455	10
Jacana Energy	3 491	4 480	989	
Power and Water Corporation	2 000	2 000		
Data Centre Services	1 281	1 122	- 159	
Land Development Corporation	1 353		- 1 353	
Territory Generation	1 000		- 1 000	
<b>Superannuation contributions</b>	<b>29 886</b>	<b>30 825</b>	<b>939</b>	

continued

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Other revenue</b>	<b>77 618</b>	<b>92 334</b>	<b>14 716</b>	
Workers compensation premiums	54 107	68 107	14 000	11
Other	23 511	24 227	716	
<b>OPERATING REVENUE</b>	<b>7 579 705</b>	<b>8 099 143</b>	<b>519 438</b>	

- 1 The decrease is largely due to the net effects of payroll tax reforms from 1 July 2025, combined with flow-on effects of the Barossa project transitioning from construction to production with a lower operational workforce.
- 2 The decrease mostly reflects an expected moderation in stamp duty on conveyances following a number of large one-off transactions in 2024-25.
- 3 The increase is mainly due to gambling tax changes from 1 July 2025.
- 4 The increase predominantly reflects expected tax obligations in line with revised profitability.
- 5 The increase is due to a higher GST relativity for the Territory and growth in the national GST collections pool.
- 6 The variations are in line with relevant Commonwealth agreements.
- 7 The variations reflect returns on investments in line with anticipated market conditions.
- 8 The increase is largely due to revised royalty payer estimates and higher commodity prices.
- 9 The increase reflects NT Fleet's dividend exemption expiring in 2024-25.
- 10 The increase is mostly due to improved profitability associated with additional borrowings.
- 11 The variation reflects an increase to workers compensation premiums recovered from agencies, in line with rising workers compensation costs.



# Northern Territory Treasury Corporation

Business line	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Income</b>	<b>486 354</b>	<b>586 022</b>	1
Government loans and investments	486 354	586 002	
<b>Expenses</b>	<b>456 001</b>	<b>540 733</b>	2
Government loans and investments	456 001	540 733	
<b>Surplus (+)/deficit (-) before income tax</b>	<b>30 353</b>	<b>45 289</b>	

## 2025-26 staffing: 4 FTE

- 1 The increase in 2025-26 largely reflects additional interest income associated with higher interest rates and increased loans to CHA, Power and Water Corporation, and Territory Generation.
- 2 The increase in 2025-26 is mostly due to higher interest expenditure on additional borrowings to fund loans to CHA, Power and Water Corporation, and Territory Generation.

## Business division profile

The Northern Territory Treasury Corporation is the central financing authority for the Territory Government. The corporation undertakes borrowing and investment activities on behalf of the Territory and provides cost-effective loans to its public sector clients.

## Performance

Performance is expected to improve in 2025-26 mostly due to increased loans and borrowings, upon which the corporation charges a margin.

The borrowing program for 2025-26 is expected to be around \$2.5 billion, comprising \$0.8 billion of maturing debt and \$1.7 billion of additional borrowings. The corporation will continue to focus on issuance in the domestic market, including institutional and retail investors, for its borrowing program.

The key variables that affect the corporation's financial performance are the financial market outlook for interest rates, investor demand for semi-government securities and level of loans and borrowings.

The Reserve Bank of Australia (RBA) reduced the cash rate to 4.1% in February 2025, as expected by most financial market participants. Although demand pressures and inflation have softened, the RBA has indicated it will take a cautious approach in easing monetary policy. Market pricing currently anticipates two further cash rate reductions over the next 12 months to 3.5%. The 10-year Australian Government bond yields are at similar levels to June 2024, at around 4.4%.

## Business line

### Government loans and investments

**Objective:** Fund loans to government using appropriate borrowing strategies and ensuring compliance with financial reporting obligations, and effectively manage surplus cash on behalf of the CHA with the aim of optimising returns within approved guidelines and cash flow requirements.

**Activities:** Undertake borrowing and investing activities for the Territory Government. Invest surplus short-term cash balances of government accounts. Provide cost-efficient loans to its public sector clients and government agencies, government owned corporations and local authorities.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Unqualified audit opinion on the corporation's reporting obligations	Yes	Yes	Yes
Investment portfolio return above benchmark <sup>1</sup>	≥ index	≥ index	≥ index
Weighted average cost of borrowings <sup>2</sup>	≤ 5.50%	5.75%	≤ 5.75%
Borrowing rate margin compared to industry peers <sup>3</sup>	≤ 0.25%	0.35%	≤ 0.35%

1 The benchmark is the Bloomberg AUSBond Bank Bill Index.

2 The variation in 2024-25 is due to higher than expected interest rates. The 2025-26 target reflects prevailing financial market expectations for interest rates and the corporation's expected borrowing profile.

3 The 2025-26 target has been revised to better reflect trend performance.



## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations		
Sales of goods and services	997	987
Interest revenue	485 357	585 035
Rent and dividends		
Gain (+)/loss (-) on disposal of assets		
Other revenue		
<b>TOTAL INCOME</b>	<b>486 354</b>	<b>586 022</b>
<b>EXPENSES</b>		
Employee expenses	1 072	910
Administrative expenses		
Purchases of goods and services	1 698	1 830
Repairs and maintenance		
Depreciation and amortisation	8	4
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Interest expenses	453 223	537 989
<b>TOTAL EXPENSES</b>	<b>456 001</b>	<b>540 733</b>
<b>SURPLUS (+)/DEFICIT (-) BEFORE INCOME TAX</b>	<b>30 353</b>	<b>45 289</b>
Income tax expense	9 106	13 587
<b>NET SURPLUS (+)/DEFICIT (-)</b>	<b>21 247</b>	<b>31 702</b>

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	156 334	53 134
Receivables	9 560	17 090
Prepayments	172	172
Inventories		
Advances and investments	12 231 997	14 003 398
Property, plant and equipment	4	
Other assets		
<b>TOTAL ASSETS</b>	<b>12 398 067</b>	<b>14 073 794</b>
<b>LIABILITIES</b>		
Deposits held	779	779
Creditors and accruals	100 282	123 211
Borrowings and advances	12 244 881	13 882 743
Provisions	30 494	45 430
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>12 376 436</b>	<b>14 052 163</b>
<b>NET ASSETS</b>	<b>21 631</b>	<b>21 631</b>
<b>EQUITY</b>		
Capital		
Opening balance	18 714	18 714
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	2 917	2 917
Current year surplus (+)/deficit (-)	21 247	31 702
Dividends paid/payable	- 21 247	- 31 702
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>21 631</b>	<b>21 631</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Grants and subsidies received		
Current		
Capital		
Community service obligations		
Receipts from sales of goods and services	997	987
Interest received	482 881	577 005
<b>Total operating receipts</b>	<b>483 878</b>	<b>577 992</b>
<b>Operating payments</b>		
Payments to employees	1 072	910
Payments for goods and services	1 698	1 830
Grants and subsidies paid		
Current		
Capital		
Interest paid	435 245	510 921
Income tax paid	16 731	9 106
<b>Total operating payments</b>	<b>454 746</b>	<b>522 767</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>29 132</b>	<b>55 225</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances	48 699	16 099
Sales of investments		
<b>Total investing receipts</b>	<b>48 699</b>	<b>16 099</b>
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments	1 566 400	1 787 500
<b>Total investing payments</b>	<b>1 566 400</b>	<b>1 787 500</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 1 517 701</b>	<b>- 1 771 401</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings	2 195 313	2 481 656
Deposits received		
Equity injections		
<b>Total financing receipts</b>	<b>2 195 313</b>	<b>2 481 656</b>
<b>Financing payments</b>		
Repayment of borrowings	917 150	847 428
Lease payments	8	5
Dividends paid	39 040	21 247
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>	<b>956 198</b>	<b>868 680</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1 239 115</b>	<b>1 612 976</b>
Net increase (+)/decrease (-) in cash held	- 249 454	- 103 200
Cash at beginning of financial year	405 788	156 334
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>156 334</b>	<b>53 134</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Sales of goods and services</b>	<b>997</b>	<b>987</b>	<b>- 10</b>	
Investment management fees	967	984	17	
Other	30	3	- 27	
<b>Interest revenue</b>	<b>485 357</b>	<b>585 035</b>	<b>99 678</b>	1
Interest from general government sector entities	392 040	463 175	71 135	
Interest from public non financial corporations	92 817	121 360	19 020	
Gain on Territory Bonds	500	500		
<b>OPERATING REVENUE</b>	<b>486 354</b>	<b>586 022</b>	<b>99 668</b>	

1 The variation mainly reflects new loans to CHA, Power and Water Corporation, and Territory Generation, combined with higher interest rates in 2025-26.

# Department of Logistics and Infrastructure

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Infrastructure NT</b>	<b>139 952</b>	<b>58 726</b>	1
Infrastructure NT policy and development	10 241	14 904	
Strategic project office	129 711	43 822	
<b>Infrastructure investment program, support and delivery</b>	<b>159 710</b>	<b>165 872</b>	2
Infrastructure investment and delivery	40 387	38 694	
Investment planning and governance	8 300	8 296	
Building asset management	111 023	118 882	
<b>Logistics infrastructure and services</b>	<b>313 366</b>	<b>306 355</b>	3
Passenger transport	73 660	72 355	
Registration and licensing	10 148	10 418	
Road and water safety and compliance	9 572	9 736	
Transport planning and delivery	196 536	196 866	
Transport assets	20 849	14 296	
Strategy, policy and legislation	2 601	2 684	
<b>Housing program office</b>	<b>85 046</b>	<b>36 263</b>	4
Capital program delivery	74 331	25 181	
Program planning and engagement	10 715	11 082	
<b>Corporate and shared services</b>	<b>33 443</b>	<b>33 290</b>	
Corporate and governance	10 325	10 172	
Shared services received	23 118	23 118	
<b>Total expenses</b>	<b>731 517</b>	<b>600 506</b>	
<b>Appropriation</b>			
Output	365 934	397 637	
Capital	860 171	890 915	
Commonwealth	622 421	442 394	

## 2025-26 staffing: 741 FTE

- 1 The increase in the Infrastructure NT policy and development output in 2025-26 is mainly due to Commonwealth funding for the Growing Regions and Regional Precincts and Partnership programs. The decrease in the strategic project office output mostly reflects the timing of Commonwealth funding for the Darwin Region Water Supply Infrastructure program.
- 2 The increase in the building asset management output in 2025-26 is primarily due to additional funding for the whole of government repairs and maintenance program.
- 3 The decrease in the transport assets output in 2025-26 is mainly due to the expensing of completed works in 2024-25 that did not meet asset recognition criteria and are owned by external bodies.
- 4 The decrease in the capital program delivery output in 2025-26 is mainly due to the expensing of completed works in 2024-25 that did not meet asset recognition criteria and are owned by external bodies.

## Agency profile

The Department of Logistics and Infrastructure works with the community, business and industry to build, connect and grow the Territory. The department plans, constructs, maintains and invests in services, and integrated logistics and infrastructure solutions across the Territory. The department also performs transport regulatory functions on behalf of the Territory Government.

The department is responsible for:

- integrated infrastructure planning that contributes to the Territory's future economic development, aligns with community needs and delivers sustainable outcomes
- securing land tenure arrangements in remote communities
- delivering the Territory Government's capital works program including housing, roads, and marine and built infrastructure
- delivering passenger transport services and regulation, with a focus on safety and reliability
- providing regulatory oversight of designated ports and pilotage operations in the Territory, advancing marine infrastructure development and promoting recreational boating safety
- delivering a consistently high standard of customer services across the department to support the community, industry and stakeholders
- engaging nationally to advance investment in the Territory and ensure national approaches to regulation are suitable to local requirements and circumstances.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Whole of government repairs and maintenance – new funding		20 000
<b>Key existing initiatives</b>		
Whole of government repairs and maintenance – existing funding	194 008	184 795
Territory-wide public transport services	32 990	33 090
Territory-wide school transport services	24 320	24 410
Middle Arm Sustainable Development Precinct	5 013	14 517
Coordination and management of antisocial behaviour on the bus network	4 000	4 000
Remote passenger transport program	3 000	3 070
Bus network safety and security	2 872	2 942
Driver education	2 718	2 766
Adelaide River off-stream water storage	1 215	1 215
<b>New capital works</b>		
Strauss to Middle Arm pipeline <sup>1</sup>		93 500
Building compliance works to existing government infrastructure	5 823	3 000

1 Commonwealth funded.

## Output groups and objectives

### Infrastructure NT

**Objective:** Strategic infrastructure planning that coordinates and aligns infrastructure needs with industry and population growth.

#### Infrastructure NT policy and development

Provide whole of government leadership for project development and delivery that analyses, prioritises and supports strategic government infrastructure investment.

**Strategic project office**

Delivery of strategic projects that significantly develop the Territory.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Government's strategic infrastructure planning document, Northern Territory Infrastructure Plan and Pipeline, developed and released annually	Yes	Yes	Yes

**Infrastructure investment program, support and delivery**

**Objective:** Government-built asset infrastructure is fit for purpose and the Territory's works programs are delivered efficiently in accordance with value for Territory principles.

**Infrastructure investment and delivery**

Plan and deliver construction and maintenance services that provide high quality government infrastructure and support ongoing construction-related jobs across the Territory.

**Investment planning and governance**

Provide central program governance, strategic and technical advice, procurement and reporting to support agency services through partnering agreements for delivery of infrastructure services.

**Building asset management**

Develop the Strategic Asset Management Framework to provide a consistent approach for asset planning and maintenance of built infrastructure across agencies.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Construction contracts awarded to Territory enterprises	≥ 97%	99%	≥ 97%
Territory Government-owned building assets inspected	≥ 33%	33%	≥ 33%

**Logistics infrastructure and services**

**Objective:** Safe, efficient, reliable and economical transport systems and infrastructure.

**Passenger Transport**

Manage the safe and efficient delivery of public and school transport services in the Territory, and provide commercial passenger vehicle licensing, operator accreditation and regulatory services.

**Registration and licensing**

Provide driver licensing and vehicle registration services through the Motor Vehicle Registry, online services and service partners. Oversee driver licence training and practical assessments delivered by industry.

**Road and water safety and compliance**

Deliver community and school-based road safety education and the DriveSafe licensing program. Provide vehicle standards advice and regulatory services. Conduct vehicle inspections and on-road enforcement, and auditing of heavy and commercial passenger vehicles.

Provide regional harbourmaster regulatory services for designated ports, issue marine pilot licences and manage waterways. Provide regulatory oversight of recreational vessels, and deliver community boating safety education and awareness programs.

**Transport planning and delivery**

Develop and implement strategies and programs to deliver and manage the Territory's transport infrastructure.

**Transport assets**

Develop and manage the Territory's transport asset program.

**Strategy, policy and legislation**

Undertake strategic planning and policy development, develop and implement national and local reforms, and oversee industry consultation.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
School and community-based road and marine safety programs delivered <sup>1</sup>	675	450	675
Heavy vehicles checked as part of on-road auditing activity <sup>1, 2</sup>	7 000	4 500	7 000
Motor Vehicle Registry customers served within 15 minutes <sup>3</sup>	≥ 80%	50%	≥ 80%
Reported defects on roads repaired	≥ 80%	76%	≥ 80%
Average processing time for corridor access applications (days)	≤ 10	6	≤ 10

1 The variation in 2024-25 is due to staff resourcing availability.

2 The 2025-26 target reflects ongoing targeted recruitment for specific technical positions in the vehicle compliance area.

3 The variation in 2024-25 is due to ongoing staff recruitment and retention challenges.

**Housing program office**

**Objective:** Improved urban and remote housing, and land availability.

**Capital program delivery**

Deliver design and construction services that provide serviced land, quality government housing and related infrastructure in urban and remote areas, and support ongoing construction-related jobs across the Territory.

**Program planning and engagement**

Work with communities to plan housing infrastructure that is fit for purpose and reduces overcrowding through the delivery of new housing and related infrastructure.

Liaise with key landowner stakeholders to secure leases for Territory Government agencies over infrastructure, housing and essential services assets in remote areas.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Remote housing lots developed	200	227	200
Proportion of Aboriginal people employed to deliver housing works and services <sup>1</sup>	≥ 30%	30%	≥ 30%
New constructed homes:			
– remote	260	270	270
– urban	17	18	17

1 The 2024-25 target has been recast to reflect machinery of government changes.



## Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and governance, and provision of corporate services functions.

### **Corporate and governance**

Provide a range of corporate and governance services to support the agency's functions, including financial services, governance and risk services, and communications and media.

### **Shared services received**

Receive corporate services from the Department of Corporate and Digital Development.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	90	881
Capital	581	
Appropriation		
Output	365 934	397 637
Commonwealth	156 239	73 535
Sales of goods and services	13 447	13 245
Interest revenue		
Goods and services received free of charge	23 118	23 118
Gain (+)/loss (-) on disposal of assets		
Other revenue	14 660	4 649
<b>TOTAL INCOME</b>	<b>574 069</b>	<b>513 065</b>
<b>EXPENSES</b>		
Employee expenses	107 970	109 887
Administrative expenses		
Purchases of goods and services	98 826	92 545
Repairs and maintenance	201 914	222 606
Depreciation and amortisation	85 154	89 373
Services free of charge	23 118	23 118
Other administrative expenses	23 771	
Grants and subsidies expenses		
Current	8 201	5 193
Capital	181 796	57 166
Community service obligations		
Interest expenses	767	618
<b>TOTAL EXPENSES</b>	<b>731 517</b>	<b>600 506</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 157 448</b>	<b>- 87 441</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue	72 432	73 621
Commonwealth revenue		
Current grants		
Capital grants	24 473	57 562
Fees from regulatory services	5 715	5 937
Interest revenue		
Royalties and rents	1 183	1 220
Other revenue	3 334	3 335
<b>TOTAL INCOME</b>	<b>107 137</b>	<b>141 675</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	312 317	166 566
Receivables	18 735	18 307
Prepayments	476	476
Inventories		
Advances and investments		
Property, plant and equipment	10 431 507	11 773 956
Other assets	83 356	82 451
<b>TOTAL ASSETS</b>	<b>10 846 391</b>	<b>12 041 756</b>
<b>LIABILITIES</b>		
Deposits held	36 540	36 540
Creditors and accruals	65 562	65 562
Borrowings and advances	17 972	13 740
Provisions	15 722	15 722
Other liabilities	268 307	97 013
<b>TOTAL LIABILITIES</b>	<b>404 103</b>	<b>228 577</b>
<b>NET ASSETS</b>	<b>10 442 288</b>	<b>11 813 179</b>
<b>EQUITY</b>		
Capital		
Opening balance	5 860 476	6 348 474
Equity injections/withdrawals	487 998	1 458 332
Reserves	6 174 194	6 174 194
Accumulated funds		
Opening balance	- 1 922 932	- 2 080 380
Current year surplus (+)/deficit (-)	- 157 448	- 87 441
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>10 442 288</b>	<b>11 813 179</b>

## Assets and liabilities administered for the Central Holding Authority

<b>ASSETS</b>		
Taxes receivable		
Grants and subsidies receivable		
Royalties and rent receivable	49	49
Other receivables	17 325	26 004
<b>TOTAL ASSETS</b>	<b>17 374</b>	<b>26 053</b>
<b>LIABILITIES</b>		
Central Holding Authority income payable	442	442
Unearned Central Holding Authority income	16 932	25 611
<b>TOTAL LIABILITIES</b>	<b>17 374</b>	<b>26 053</b>
<b>NET ASSETS</b>		

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	90	881
Capital		
Appropriation		
Output	365 934	397 637
Commonwealth	161 784	64 922
Other agency receipts from sales of goods and services	26 050	12 418
Interest received		
<b>Total operating receipts</b>	<b>553 858</b>	<b>475 858</b>
<b>Operating payments</b>		
Payments to employees	112 360	109 887
Payments for goods and services	300 588	315 151
Grants and subsidies paid		
Current	8 201	5 193
Capital	123 079	57 166
Community service obligations		
Interest paid	767	618
<b>Total operating payments</b>	<b>544 995</b>	<b>488 015</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>8 863</b>	<b>- 12 157</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances	7 456	7 593
Sales of investments		
<b>Total investing receipts</b>	<b>7 456</b>	<b>7 593</b>
<b>Investing payments</b>		
Purchases of assets	1 249 448	1 431 822
Advances and investing payments	1 956	2 093
<b>Total investing payments</b>	<b>1 251 404</b>	<b>1 433 915</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 1 243 948</b>	<b>- 1 426 322</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	- 123	
Appropriation		
Capital	860 171	890 915
Commonwealth	460 637	377 472
Equity injections	131 162	56 000
<b>Total financing receipts</b>	<b>1 451 847</b>	<b>1 324 387</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	4 379	4 232
Equity withdrawals	13 186	27 427
Service concession liability payments		
<b>Total financing payments</b>	<b>17 565</b>	<b>31 659</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1 434 282</b>	<b>1 292 728</b>
Net increase (+)/decrease (-) in cash held	199 197	- 145 751
Cash at beginning of financial year	113 120	312 317
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>312 317</b>	<b>166 566</b>

# Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>12</b>	<b>14</b>	<b>2</b>	
Aerodrome priority works	12	14	2	
<b>Other grants</b>	<b>78</b>	<b>867</b>	<b>789</b>	
Disaster Ready Fund	78	867	789	
Capital grants and subsidies revenue				
<b>Commonwealth grants</b>	<b>581</b>		<b>- 581</b>	
Other	581		- 581	
<b>Output appropriation</b>	<b>365 934</b>	<b>397 637</b>	<b>31 703</b>	1
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>156 239</b>	<b>73 535</b>	<b>- 82 704</b>	2
National Water Grid Fund	120 791	28 090	- 92 701	
National network repairs and maintenance	21 900	22 448	548	
Land transport infrastructure projects	11 000	12 000	1 000	
Growing regions program	1 342	4 763	3 421	
Black spot program	819	1 012	193	
Regional precincts and partnership program	387	3 850	3 463	
Safer local roads and infrastructure program		767	767	
Active transport fund program		605	605	
<b>Sales of goods and services</b>	<b>13 447</b>	<b>13 245</b>	<b>- 202</b>	
Motor vehicle registry administrative charges	8 435	8 435		
Other	5 012	4 810	- 202	
<b>Goods and services received free of charge</b>	<b>23 118</b>	<b>23 118</b>		
<b>Other revenue</b>	<b>14 660</b>	<b>4 649</b>	<b>- 10 011</b>	
Australian Taxation Office reimbursement	10 000		- 10 000	3
Defence Accommodation Precinct Darwin	2 644	2 502	- 142	
Port lease finance income	1 956	2 093	137	
Other	60	54	- 6	
<b>OPERATING REVENUE</b>	<b>574 069</b>	<b>513 065</b>	<b>- 61 004</b>	
<b>Capital appropriation</b>	<b>860 171</b>	<b>890 915</b>	<b>30 744</b>	4
<b>Commonwealth capital appropriation</b>				
<b>National partnership agreements</b>	<b>440 659</b>	<b>301 081</b>	<b>- 139 578</b>	2
Investment Roads	256 624	142 106	- 114 518	
Remote Housing Northern Territory	168 201	122 124	- 46 077	
Government employment housing	7 714		- 7 714	
Northern Australia Roads Program	4 720	3 310	- 1 410	

*continued*

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
Barkly Regional Deal				
– student boarding accommodation	1 500		- 1 500	
– Barkly Business Hub	900		- 900	
– Tennant Creek visitor park		3 000	3 000	
National Water Grid Fund		18 500	18 500	
Heavy vehicle safety program		5 400	5 400	
Black spot program		1 641	1 641	
Bees Creek emergency training facility	1 000	2 150	1 150	
Disaster Ready Fund – round two		1 000	1 000	
Other		1 850	1 850	
<b>Other</b>	<b>19 978</b>	<b>76 391</b>	<b>56 413</b>	2
Local roads and community infrastructure	8 378	4 967	- 3 411	
Government schools minor new works	5 939		- 5 939	
Darwin visitor accommodation precinct	3 000	6 500	3 500	
Roads to Recovery	2 541	20 000	17 459	
Darwin Youth and Community Hub and Men's Shed relocation		3 650	3 650	
National Aboriginal Art Gallery		39 000	39 000	
Other	120	2 274	2 154	
<b>CAPITAL RECEIPTS</b>	<b>1 320 808</b>	<b>1 268 387</b>	<b>- 52 421</b>	

1 The variation largely reflects additional funding in 2025-26 for the whole of government repairs and maintenance program, combined with the funding profile for the Middle Arm Sustainable Development Precinct and a one-off reclassification to capital appropriation in 2024-25 to support the delivery of various capital projects.

2 The variations are in line with relevant agreements.

3 The variation reflects a one-off reimbursement in 2024-25, following a favourable Australian Taxation Office GST ruling relating to works undertaken on dwellings for residents with a disability.

4 The variation largely relates to the funding profile for delivery of the Darwin ship lift facility and various capital projects.

# Attorney-General's Department

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Legal services</b>	<b>23 972</b>	<b>22 500</b>	1
Solicitor for the Northern Territory	9 827	9 912	
Solicitor-General	1 005	1 025	
Crime victims services	13 140	11 563	
<b>Strategic policy services</b>	<b>74 176</b>	<b>90 328</b>	2
Legal and strategic policy	61 747	80 164	
Criminal justice research, evaluation and statistics	1 911	1 805	
Aboriginal Justice	10 518	8 359	
<b>Justice services</b>	<b>56 164</b>	<b>55 235</b>	3
Higher courts	20 082	16 410	
Lower courts	29 629	32 496	
NT Civil and Administrative Tribunal	3 477	3 363	
Registrar-General	1 957	1 924	
Parole Board	1 019	1 042	
<b>Director of Public Prosecutions</b>	<b>19 569</b>	<b>22 489</b>	4
Director of Public Prosecutions	19 569	22 489	
<b>Independent offices</b>	<b>16 640</b>	<b>16 555</b>	
Anti-Discrimination Commission	1 924	1 655	
Children's Commissioner	1 882	1 880	
Consumer Affairs	2 857	2 927	
Health and Community Services Complaints Commission	1 029	1 047	
Liquor Commission	538	544	
Public Guardian and Trustee	8 410	8 502	
<b>NT WorkSafe</b>	<b>8 730</b>	<b>8 866</b>	
NT WorkSafe	8 730	8 866	
<b>Corporate and shared services</b>	<b>21 051</b>	<b>21 134</b>	
Corporate and governance	7 603	7 613	
Shared services received	13 448	13 521	
<b>Total expenses</b>	<b>220 302</b>	<b>237 107</b>	
<b>Appropriation</b>			
Output	137 532	131 692	
Capital	556	556	
Commonwealth	36 997	65 428	

## 2025-26 staffing: 596 FTE

- The decrease in the crime victims services output in 2025-26 is primarily due to finalisation of grant payments for an expanded victim support pilot program.
- The increase in the legal and strategic policy output in 2025-26 mostly reflects additional Commonwealth funding under the National Access to Justice Partnership. The decrease in the Aboriginal Justice output in 2025-26 is primarily due to the finalisation of time-limited funding for law and justice groups, partially offset by additional Commonwealth funding under the Northern Territory Remote Aboriginal Investment agreement.
- The decrease in the higher courts output in 2025-26 is due to one-off funding in 2024-25. The increase in the lower courts output in 2025-26 mainly reflects additional funding for demand pressures.
- The increase in 2025-26 mostly relates to additional demand pressures funding for the Director of Public Prosecutions.

## Agency profile

The Attorney-General's Department provides strategic law and legal policy services to government, strategic policy support across the justice continuum, support to courts and tribunals, prosecutions, regulatory, registration and board secretariat services, advocacy, guardianship, trusts, estates and will services, and mediation and complaint resolution services.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Director of Public Prosecutions demand pressures	2 360	8 500
Legal Aid NT demand pressures	8 996	5 500
Local court demand pressures	3 570	5 300
Victims of crime – address backlog and additional support for victims	1 600	3 500
Continuation of community courts		1 300
Domestic, family and sexual violence reduction and prevention:		
– specialist courts		1 068
– specialist prosecution services		850
Higher courts demand pressures	2 400	
<b>Key existing initiatives</b>		
Enhanced guardianship services for vulnerable Territorians	2 000	2 000
Community courts	1 285	

## Output groups and objectives

### Legal services

**Objective:** Quality legal advice and representation for government.

#### Solicitor for the Northern Territory

Provide government with quality legal services including legal advice and representation.

#### Solicitor-General

Act as counsel for the Crown in right of the Northern Territory of Australia and for any person for whom the Attorney-General requests the Solicitor-General to act, including legal advice to the Administrator, the Attorney-General, executive government and Cabinet office, and at the discretion of the Attorney-General, to the Legislative Assembly and its various committees.

#### Crime victims services

Administer the Crime Victims Assistance scheme and register to assist victims of violent crime, and meet the Territory's obligations under the National Redress Scheme. Recover victim payments from offenders, manage counselling and support services grants, and advise the Attorney-General on victim-related matters.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Client satisfaction of the quality and timelines of legal services	≥ 85%	90%	≥ 85%
Legal requests completed by due date	≥ 85%	90%	≥ 85%
Victims of crime assistance applications finalised <sup>1</sup>	420	500	420

<sup>1</sup> The variation in 2024-25 is due to additional temporary staffing and legislative changes.



## Strategic policy services

**Objective:** Quality advice and coordination of strategic reform and policy development for government.

### Legal and strategic policy

Develop, review and implement legislative change, and advise the Attorney-General and government on law and justice measures. Lead, coordinate and provide advice on significant strategic policy projects including establishing governance arrangements and partnerships to support implementation. Administer National Access to Justice Partnership grants on behalf of the Territory and Commonwealth.

### Criminal justice research, evaluation and statistics

Provide statistics and research to build an evidence base to develop, monitor and evaluate criminal justice policies and practices. Lead, provide advice and coordinate monitoring and evaluation activities.

### Aboriginal Justice

Lead the implementation of the Northern Territory Aboriginal Justice Agreement.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Ministerial requests for the Attorney-General complete by due date <sup>1</sup>			≥ 75%
Bills introduced to parliament <sup>2</sup>	8	6	5
Number of Aboriginal people referred to alternative to custody facilities or programs <sup>1</sup>			85
Ad hoc criminal justice research and statistics requests delivered within agreed timeframes	≥ 95%	98%	≥ 95%

<sup>1</sup> New measure commencing 1 July 2025.

<sup>2</sup> The variation in 2024-25 is due to the caretaker period prior to the 2024 Northern Territory General Election. The decrease in the 2025-26 target is due to machinery of government changes.

## Justice services

**Objective:** An accessible and fair justice, and land titles management system that deals with matters expeditiously in a way that promotes, protects and respects rights.

### Higher courts

Provide processing and appropriate case-flow management for higher courts, including the Supreme Court and courts of appeal.

### Lower courts

Provide processing and appropriate case-flow management for lower courts, tribunals and other statutory offices.

### NT Civil and Administrative Tribunal

Provide a forum to resolve smaller legal disputes, reconsider government decisions and help ensure certain important human rights are respected.

### Registrar-General

Register dealings with land and other property, powers of attorney, births, deaths, marriages, and changes of name and sex or gender.

### Parole Board

Provide secretariat support to the Parole Board of the Northern Territory and undertake associated administrative duties.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Higher courts criminal matters clearance rate <sup>1</sup>	≥ 88%	95%	≥ 88%
Lower courts criminal matters clearance rate <sup>2</sup>	≥ 88%	95%	≥ 95%
Northern Territory Civil and Administrative Tribunal clearance rate (excluding mental health and adult guardianship proceedings) <sup>3</sup>	≥ 90%	105%	≥ 90%
Registrar-General client satisfaction	≥ 95%	95%	≥ 95%

1 The variation in 2024-25 is due to a temporary increase in resources provided to process cases.

2 The variation in 2024-25 and increase in the 2025-26 target is due to an increase in resources provided to process cases.

3 The variation in 2024-25 reflects the finalisation of matters lodged in 2024-25 as well as matters lodged in prior years.

## Director of Public Prosecutions

**Objective:** The Territory community is provided with an independent public prosecution service.

### Director of Public Prosecutions

Provide an independent public prosecution service to the Territory, and witness and victim support services during the criminal justice process.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Matters finalised with a guilty verdict	≥ 95%	95%	≥ 95%
Supreme Court criminal matters finalised within 12 months <sup>1</sup>	≥ 80%	75%	≥ 75%
Local Court criminal matters finalised within 12 months	≥ 80%	80%	≥ 80%

1 The variation in 2024-25 and decrease in the 2025-26 target is due to the significant increase in workload and volume of committal cases moving to the Supreme Court from the Local Court.

## Independent offices

**Objective:** The Territory community has access to services that protect, advocate and promote a person's legal rights and interests, and contribute towards an equitable society.

### Anti-Discrimination Commission

Eliminate and prevent discrimination, sexual harassment and victimisation by raising awareness about individuals' rights and responsibilities in the Territory through public education and training, complaints handling, community engagement and positive duty implementation.

Promote the rights of people detained or receiving treatment under the *Mental Health and Related Services Act 1998* and the *Disability Services Act 1993* through the Community Visitor Program.

### Children's Commissioner

Handle complaints relating to services provided to vulnerable children including undertaking investigations and inquiries into systemic issues. Monitor the administration of the *Care and Protection of Children Act 2007* and places where children are held involuntarily in institutional settings. Promote and advocate for the rights, interests and wellbeing of vulnerable children.

### Consumer Affairs

Regulate and promote rights and responsibilities to consumers and business through education and compliance actions. Provide dispute resolution services for consumer law, business and residential tenancies, and residential building matters.

### Health and Community Services Complaints Commission

Resolve complaints between users and providers of health and community services in the Territory. Provide recommendations to improve service delivery, and encourage awareness of the rights and responsibilities of users and providers of health services, disability services and services for aged people.

### Liquor Commission

Provide secretariat support to the Liquor Commission of the Northern Territory and undertake associated administrative duties.

### Public Guardian and Trustee

Safeguard and promote the personal, legal and financial interests of Territorians by providing adult guardianship, trust, estate and wills services within a human rights framework.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Anti-Discrimination Commission complaints conciliated	≥ 50%	48%	≥ 50%
Community Visitor Program issues resolved/referred <sup>1</sup>	≥ 60%	88%	≥ 60%
Children's Commissioner complaint decisions made within 28 days <sup>2</sup>			≥ 90%
Consumer Affairs scheduled education visits to business completed	≥ 85%	95%	≥ 85%
Health and Community Services Complaints Commission complaints and enquiries closed	100%	100%	100%
Compliance reviews of trust files annually	≥ 80%	80%	≥ 80%
Complex and non-complex decisions aligning with the represented person's views	≥ 73%	75%	≥ 75%

1 The variation in 2024-25 is due to filling of vacant regional positions.

2 New measure commencing 1 July 2025.

## NT WorkSafe

**Objective:** Legislative reforms, safety awareness and education that supports industry, business and community needs.

### NT WorkSafe

Work with Territory industry to influence best possible outcomes in work health and safety including dangerous goods, electrical safety and rehabilitation, and compensation for injured workers returning to work.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Incident rate of serious injury and disease claims per 1,000 workers in the Territory is reduced year on year <sup>1</sup>	≤ 7.6	7.9	≤ 7.4
Active cases per 100,000 people residing in the Territory is reduced year on year <sup>2</sup>	≤ 237	237	≤ 225

1 The variation in 2024-25 is due to a change in national data collection methodology and data collection periods.

2 The decrease in the 2025-26 target reflects alignment with annual target reduction.

## Corporate and shared services

**Objective:** The performance of the agency's business units is improved through strategic leadership, governance and efficient support services.

### Corporate and governance

Provide strategic, governance and support services to facilitate agency operations.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	3 103	1 865
Capital		
Appropriation		
Output	137 532	131 692
Commonwealth	36 997	65 428
Sales of goods and services	13 561	13 561
Interest revenue		
Goods and services received free of charge	13 448	13 521
Gain (+)/loss (-) on disposal of assets		
Other revenue	4 669	6 018
<b>TOTAL INCOME</b>	<b>209 310</b>	<b>232 085</b>
<b>EXPENSES</b>		
Employee expenses	96 363	99 140
Administrative expenses		
Purchases of goods and services	35 764	35 801
Repairs and maintenance		
Depreciation and amortisation	4 853	4 853
Services free of charge	13 448	13 521
Other administrative expenses		
Grants and subsidies expenses		
Current	69 874	83 792
Capital		
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>220 302</b>	<b>237 107</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 10 992</b>	<b>- 5 022</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	824	856
Interest revenue		
Royalties and rents		
Other revenue	1 077	1 116
<b>TOTAL INCOME</b>	<b>1 901</b>	<b>1 972</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	9 158	8 989
Receivables	604	604
Prepayments	493	493
Inventories		
Advances and investments		
Property, plant and equipment	198 610	194 313
Other assets		
<b>TOTAL ASSETS</b>	<b>208 865</b>	<b>204 399</b>
<b>LIABILITIES</b>		
Deposits held	5 257	5 257
Creditors and accruals	7 641	7 641
Borrowings and advances		
Provisions	13 078	13 078
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>25 976</b>	<b>25 976</b>
<b>NET ASSETS</b>	<b>182 889</b>	<b>178 423</b>
<b>EQUITY</b>		
Capital		
Opening balance		33 497
Equity injections/withdrawals	33 497	556
Reserves	160 384	160 384
Accumulated funds		
Opening balance		- 10 992
Current year surplus (+)/deficit (-)	- 10 992	- 5 022
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>182 889</b>	<b>178 423</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	3 103	1 865
Capital		
Appropriation		
Output	137 532	131 692
Commonwealth	36 997	65 428
Other agency receipts from sales of goods and services	17 626	19 579
Interest received		
<b>Total operating receipts</b>	<b>195 258</b>	<b>218 564</b>
<b>Operating payments</b>		
Payments to employees	83 283	99 140
Payments for goods and services	28 618	35 801
Grants and subsidies paid		
Current	69 874	83 792
Capital		
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>181 775</b>	<b>218 733</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>13 483</b>	<b>- 169</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	556	556
Advances and investing payments		
<b>Total investing payments</b>	<b>556</b>	<b>556</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 556</b>	<b>- 556</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	5 257	
Appropriation		
Capital	556	556
Commonwealth		
Equity injections	14 377	
<b>Total financing receipts</b>	<b>20 190</b>	<b>556</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	23 959	
Service concession liability payments		
<b>Total financing payments</b>	<b>23 959</b>	
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 3 769</b>	<b>556</b>
Net increase (+)/decrease (-) in cash held	9 158	- 169
Cash at beginning of financial year		9 158
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>9 158</b>	<b>8 989</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>1 199</b>	<b>1 827</b>	<b>628</b>	1
Mparntwe peacemaking service	627	1 667	1 040	
West Daly peace project	410	160	- 250	
Community engagement project	136		- 136	
Redress scheme awareness	26		- 26	
<b>Other grants</b>	<b>1 904</b>	<b>38</b>	<b>- 1 866</b>	1
Domestic, Family and Sexual Violence reduction	1 369		- 1 369	
Barkly Regional Deal – community mediation	349		- 349	
Town camps peace project	186	38	- 148	
<b>Output appropriation</b>	<b>137 532</b>	<b>131 692</b>	<b>- 5 840</b>	2
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>36 997</b>	<b>65 428</b>	<b>28 431</b>	1
Legal assistance services	36 871	61 921	25 050	
Northern Territory Remote Aboriginal Investment	126	2 726	2 600	
Specialised and trauma-informed legal services		575	575	
Family law information sharing		206	206	
<b>Sales of goods and services</b>	<b>13 561</b>	<b>13 561</b>		
Land Titles Office fees and levies	5 510	5 510		
NT WorkSafe	3 240	3 240		
Public Trustee commission, fees and levies	1 374	1 374		
Supreme Court fees	967	967		
Births, deaths and marriages fees and levies	935	935		
Northern Territory Civil and Administration Tribunal fees	505	505		
Local Court fees	430	430		
Family Court and Federal Court rent	400	400		
Anti-Discrimination training	200	200		
<b>Goods and services received free of charge</b>	<b>13 448</b>	<b>13 521</b>	<b>73</b>	
<b>Other revenue</b>	<b>4 669</b>	<b>6 018</b>	<b>1 349</b>	
Crime Victims Assistance levy	3 410	4 710	1 300	
Tenants advice service	690	725	35	
Commissioner of Tenancies	471	485	14	
Other	98	98		
<b>OPERATING REVENUE</b>	<b>209 310</b>	<b>232 085</b>	<b>22 775</b>	
<b>Capital appropriation</b>	<b>556</b>	<b>556</b>		
<b>CAPITAL RECEIPTS</b>	<b>556</b>	<b>556</b>		

1 The variations are in line with relevant agreements.

2 The variation mostly reflects the finalisation of time-limited funding for various initiatives.



# Department of Tourism and Hospitality

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Tourism, events and screen production</b>	<b>92 767</b>	<b>88 387</b>	1
Tourism, events and screen production	92 767	88 387	
<b>Darwin Waterfront Corporation</b>	<b>24 603</b>	<b>25 258</b>	
Darwin Waterfront Corporation	24 603	25 258	
<b>Liquor, gaming and racing</b>	<b>39 689</b>	<b>43 354</b>	2
Licensing NT	39 689	43 354	
<b>Parks and wildlife</b>	<b>54 217</b>	<b>54 374</b>	
Parks and wildlife	54 217	54 374	
<b>Corporate and shared services</b>	<b>22 432</b>	<b>22 064</b>	
Corporate and governance	10 429	10 020	
Shared services received	12 003	12 044	
<b>Total expenses</b>	<b>233 708</b>	<b>233 437</b>	
<b>Appropriation</b>			
Output	173 143	175 405	
Capital	260	260	
Commonwealth	4 018	4 448	

## 2025-26 Staffing: 349 FTE

- 1 The decrease in the tourism, events and screen production output in 2025-26 is primarily due to the conclusion of time-limited tourism funding.
- 2 The increase in the Licensing NT output in 2025-26 is due to a transfer of Commonwealth funding under the Northern Territory Remote Aboriginal Investment agreement for liquor compliance and alcohol policy from 2024-25 to 2025-26.

## Agency profile

The Department of Tourism and Hospitality supports the tourism industry through development activities, strategy, policy and promotion, and delivers competitive regulatory frameworks that enable responsible and sustainable growth, market access and stakeholder certainty.

The department is responsible for management, development, protection and preservation of the Territory's wildlife, parks and reserves.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Tourism base budget rebuild		8 000
<b>Key existing initiatives</b>		
Funding for the screen industry	2 500	3 610
Strategic Indigenous tourism projects	2 692	2 208
Major events support	2 000	2 000
Enhanced crocodile management	524	857

## Output groups and objectives

### Tourism, events and screen production

**Objective:** Increase visitation and screen production in the Territory.

#### Tourism, events and screen production

Encourage and facilitate sustainable growth of the tourism industry, market the Territory as a desirable visitor destination, support the operation of the Northern Territory Major Events Company, and support, develop and promote growth of the screen sector for the benefit of Territorians and the economy.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Holiday visitor growth:			
– domestic <sup>1,2</sup>		1.1%	1.2%
– international <sup>1,3</sup>		4.2%	4.4%
Screen production expenditure in the Territory <sup>1</sup>		\$7.5M	\$9M

1 New measure.

2 Proportion of domestic holiday travellers who travelled to the Territory or within the Territory for leisure purposes, staying overnight.

3 Proportion of international visitors to Australia who travelled to the Territory for leisure purposes, staying overnight.

### Darwin Waterfront Corporation

**Objective:** A sustainably managed Darwin Waterfront Precinct that provides residential, business, event and entertainment opportunities.

#### Darwin Waterfront Corporation

Support the operation of the Darwin Waterfront Corporation.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Darwin Convention Centre increase in international and national delegate numbers from prior years <sup>1</sup>	≥ 1%	1%	≥ 1%

1 Compared to average of the three prior years.

### Liquor, gaming and racing

**Objective:** Maintain a strong regulatory compliance function for the liquor, gaming and racing sectors.

#### Licensing NT

Provide a regulatory framework that delivers a range of liquor, gambling and racing services that supports jobs, industry, business and the community.

Minimise potential harm to the community through a program of compliance monitoring, education and advice in high-risk areas in a range of racing, gambling and liquor environments.

Administer funding support for gambling-related research, amelioration programs and community non-profit group projects.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Compliant liquor licensed premises <sup>1</sup>	≥ 90%	98%	≥ 90%
Liquor licence applications actioned within 30 days <sup>2</sup>	≥ 70%	81%	≥ 70%
Gambling disputes resolved within 6 months <sup>3</sup>	≥ 90%	100%	≥ 90%

1 The variation in 2024-25 reflects the implementation of compliance plans.

2 The variation in 2024-25 reflects increased efficiencies in the processing of applications due to lower staff vacancy rates and implementation of new processes.

3 The variation in 2024-25 is due to the implementation of a new triaging and assessment process for complaints received.

## Parks and wildlife

**Objective:** The natural, cultural, historical and recreational assets of Territory parks and reserves are protected, with a focus on maintaining community safety and encouraging visitation to parks.

### Parks and wildlife

Manage, regulate and protect the Territory's 85 parks and reserves in partnership with traditional owners, offering safe and diverse natural and cultural experiences while growing visitation.

Provide CSO funding for the non-commercial functions carried out by Territory wildlife parks.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Strategic fire, weed and pest management projects completed within Territory parks and reserves	≥ 90%	96%	≥ 90%
Visitors to parks and reserves (millions) <sup>1</sup>	≥ 3.4	3.1	≥ 3.4
Number of rangers	137	140	142

1 The variation in 2024-25 primarily reflects a downturn in visitors to the Territory in line with regional trends, particularly for Central Australia.

## Corporate and shared services

**Objective:** Improved organisational performance through strategic and governance leadership, and provision of corporate services functions.

### Corporate and governance

Provide a range of corporate and governance services to support the agency's functions.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue	16 792	15 753
Grants and subsidies revenue		
Current	3 000	
Capital		
Appropriation		
Output	173 143	175 405
Commonwealth	5 950	4 448
Sales of goods and services	9 336	9 254
Interest revenue	22	
Goods and services received free of charge	12 003	12 044
Gain (+)/loss (-) on disposal of assets		
Other revenue	438	380
<b>TOTAL INCOME</b>	<b>220 684</b>	<b>217 284</b>
<b>EXPENSES</b>		
Employee expenses	47 771	47 562
Administrative expenses		
Purchases of goods and services	46 578	47 005
Repairs and maintenance		
Depreciation and amortisation	10 061	9 681
Services free of charge	12 003	12 044
Other administrative expenses		
Grants and subsidies expenses		
Current	91 182	89 159
Capital	15 765	17 647
Community service obligations	8 623	8 623
Interest expenses	1 725	1 716
<b>TOTAL EXPENSES</b>	<b>233 708</b>	<b>233 437</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 13 024</b>	<b>- 16 153</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	1 551	1 656
Interest revenue		
Royalties and rents		
Other revenue	473	473
<b>TOTAL INCOME</b>	<b>2 024</b>	<b>2 129</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	8 056	11 132
Receivables	2 365	2 365
Prepayments	522	522
Inventories	251	251
Advances and investments		
Property, plant and equipment	303 495	294 074
Other assets	51	51
<b>TOTAL ASSETS</b>	<b>314 740</b>	<b>308 395</b>
<b>LIABILITIES</b>		
Deposits held	3 053	3 053
Creditors and accruals	4 838	4 838
Borrowings and advances	83 274	82 822
Provisions	6 881	6 881
Other liabilities	817	817
<b>TOTAL LIABILITIES</b>	<b>98 863</b>	<b>98 411</b>
<b>NET ASSETS</b>	<b>215 877</b>	<b>209 984</b>
<b>EQUITY</b>		
Capital		
Opening balance		136 034
Equity injections/withdrawals	136 034	10 260
Reserves	92 867	92 867
Accumulated funds		
Opening balance		- 13 024
Current year surplus (+)/deficit (-)	- 13 024	- 16 153
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>215 877</b>	<b>209 984</b>

## Assets and liabilities administered for the Central Holding Authority

<b>ASSETS</b>		
Taxes receivable		
Grants and subsidies receivable		
Royalties and rent receivable	19	19
Other receivables	28	28
<b>TOTAL ASSETS</b>	<b>47</b>	<b>47</b>
<b>LIABILITIES</b>		
Central Holding Authority income payable	47	47
Unearned Central Holding Authority income		
<b>TOTAL LIABILITIES</b>	<b>47</b>	<b>47</b>
<b>NET ASSETS</b>		

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received	16 792	15 753
Grants and subsidies received		
Current	3 000	
Capital		
Appropriation		
Output	173 143	175 405
Commonwealth	4 018	4 448
Other agency receipts from sales of goods and services	10 160	9 634
Interest received		
<b>Total operating receipts</b>	<b>207 113</b>	<b>205 240</b>
<b>Operating payments</b>		
Payments to employees	39 772	47 562
Payments for goods and services	45 319	47 005
Grants and subsidies paid		
Current	89 223	89 159
Capital	15 765	17 647
Community service obligations	8 623	8 623
Interest paid	1 725	1 716
<b>Total operating payments</b>	<b>200 427</b>	<b>211 712</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>6 686</b>	<b>- 6 472</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	260	260
Advances and investing payments		
<b>Total investing payments</b>	<b>260</b>	<b>260</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 260</b>	<b>- 260</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	3 053	
Appropriation		
Capital	260	260
Commonwealth		
Equity injections	10 000	10 000
<b>Total financing receipts</b>	<b>13 313</b>	<b>10 260</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	443	452
Equity withdrawals	11 240	
Service concession liability payments		
<b>Total financing payments</b>	<b>11 683</b>	<b>452</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1 630</b>	<b>9 808</b>
Net increase (+)/decrease (-) in cash held	8 056	3 076
Cash at beginning of financial year		8 056
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>8 056</b>	<b>11 132</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Taxation revenue</b>	<b>16 792</b>	<b>15 753</b>	<b>- 1 039</b>	1
<b>Current grants and subsidies revenue</b>				
<b>Other grants</b>	<b>3 000</b>		<b>- 3 000</b>	2
Territory Aviation Attraction Scheme	3 000		- 3 000	
<b>Output appropriation</b>	<b>173 143</b>	<b>175 405</b>	<b>2 262</b>	3
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>5 950</b>	<b>4 448</b>	<b>- 1 502</b>	4
Strategic Indigenous Tourism Projects	1 896	1 104	- 792	
Northern Territory Remote Aboriginal Investment – Liquor Compliance	1 743	1 743		
Marine Park Management Capacity	892	850	- 42	
Darwin Cyclone Tracy Memorial	600		- 600	
Strengthening Community Safety in Central Australia	350	504	154	
Northern Territory Remote Aboriginal Investment – Alcohol Policy	247	247		
Resourcing the Gamba Army	222		- 222	
<b>Sales of goods and services</b>	<b>9 336</b>	<b>9 254</b>	<b>- 82</b>	
Parks camping fees and other associated revenue	4 474	4 474		
Darwin Waterfront Corporation recoveries	2 342	2 342		
Racing and Wagering Fund levy	2 000	2 000		
Territory Wildlife Parks service level agreement	263	263		
Other	257	175	- 82	
<b>Interest revenue</b>	<b>22</b>		<b>- 22</b>	
<b>Goods and services received free of charge</b>	<b>12 003</b>	<b>12 044</b>	<b>41</b>	
<b>Other revenue</b>	<b>438</b>	<b>380</b>	<b>- 58</b>	
Miscellaneous income	358	300	- 58	
Fuel tax credits	80	80		
<b>OPERATING REVENUE</b>	<b>220 684</b>	<b>217 284</b>	<b>- 3 400</b>	
<b>Capital appropriation</b>	<b>260</b>	<b>260</b>		
<b>CAPITAL RECEIPTS</b>	<b>260</b>	<b>260</b>		

1 The variation reflects higher Community Benefit Levy revenue than expected in 2024-25.

2 The variation reflects one-off funding in 2024-25.

3 The variation is mostly due to the transfer of tourism and screen industry funding from 2024-25 to 2025-26 to align with service delivery timing.

4 The variations largely reflect one-off funding in 2024-25 for the Darwin Cyclone Tracy Memorial, combined with the timing of funding for various agreements.





# Territory Wildlife Parks

Business line	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Income</b>	<b>11 711</b>	<b>11 711</b>	
Territory Wildlife Park	6 328	6 328	
Alice Springs Desert Park	5 383	5 383	
<b>Expenses</b>	<b>13 787</b>	<b>13 399</b>	1
Territory Wildlife Park	7 554	7 167	
Alice Springs Desert Park	6 233	6 232	
<b>Surplus (+)/deficit (-) before income tax</b>	<b>- 2 076</b>	<b>- 1 688</b>	
Territory Wildlife Park	- 1 226	- 839	
Alice Springs Desert Park	- 850	- 849	

## 2025-26 staffing: 75 FTE

1 The decrease in 2025-26 for Territory Wildlife Park is primarily due to a reduction in depreciation and amortisation expenses.

## Business division profile

Territory Wildlife Parks consists of the Territory Wildlife Park at Berry Springs and the Alice Springs Desert Park. Both parks support the Territory's biodiversity through captive breeding and recovery programs for threatened species, education and research. They operate as commercial attractions, linking visitors to the Territory's unique natural landscape and local flora and fauna.

## Performance

Performance in 2025-26 is expected to modestly improve compared to 2024-25, largely reflecting lower depreciation and amortisation expenses for Territory Wildlife Park.

## Business line

### Territory Wildlife Park

**Objective:** Provide high quality educational, interpretative and cultural experiences, and collaborative threatened species breeding programs.

**Activities:** Manage the Territory Wildlife Park to increase visitation, conserve threatened species through captive breeding and research, deliver environmental and sustainable outputs, and provide education.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Visitor numbers <sup>1</sup>	54 000	50 000	53 000
Biodiversity and threatened species conservation programs <sup>2</sup>	4	5	5
Visitor satisfaction	≥ 95%	96%	≥ 95%

1 The variation in 2024-25 reflects tourism trends. The increase in the 2025-26 target is primarily due to the addition of new visitor experiences that are expected to drive visitation.

2 The variation in 2024-25 is due to the addition of the atlas moth conservation project. Programs include the northern quoll, black-footed tree rat, ghost bat, bush stone-curlew and atlas moth conservation projects.

Alice Springs Desert Park

**Objective:** Provide high quality education and interpretative experiences of the region’s landscape, and collaborative threatened species breeding programs.

**Activities:** Manage the Alice Springs Desert Park to increase visitation, conserve threatened species through captive breeding and research, and deliver environmental education.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Visitor numbers <sup>1</sup>	52 000	50 000	52 500
Biodiversity and threatened species conservation programs <sup>2</sup>	4	5	5
Visitor satisfaction	≥ 95%	95%	≥ 95%

1 The variation in 2024-25 reflects tourism trends.  
2 The variation in 2024-25 is due to the continuation of the central rock-rat captive breeding program. Programs include the central rock-rat, red-tailed phascogale, mala, greater stick-nest rat and bilby conservation projects.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations	8 623	8 623
Sales of goods and services	3 070	3 070
Interest revenue	18	18
Rent and dividends		
Gain (+)/loss (-) on disposal of assets		
Other revenue		
<b>TOTAL INCOME</b>	<b>11 711</b>	<b>11 711</b>
<b>EXPENSES</b>		
Employee expenses	7 800	7 800
Administrative expenses		
Purchases of goods and services	2 933	2 981
Repairs and maintenance	597	597
Depreciation and amortisation	2 436	2 003
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Interest expenses	21	18
<b>TOTAL EXPENSES</b>	<b>13 787</b>	<b>13 399</b>
<b>SURPLUS (+)/DEFICIT (-) BEFORE INCOME TAX</b>	<b>- 2 076</b>	<b>- 1 688</b>
Income tax expense		
<b>NET SURPLUS (+)/DEFICIT (-)</b>	<b>- 2 076</b>	<b>- 1 688</b>

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	1 140	1 178
Receivables	238	238
Prepayments	334	334
Inventories	70	70
Advances and investments		
Property, plant and equipment	31 351	29 447
Other assets		
<b>TOTAL ASSETS</b>	<b>33 133</b>	<b>31 267</b>
<b>LIABILITIES</b>		
Deposits held	94	94
Creditors and accruals	350	350
Borrowings and advances	593	415
Provisions	921	921
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>1 958</b>	<b>1 780</b>
<b>NET ASSETS</b>	<b>31 175</b>	<b>29 487</b>
<b>EQUITY</b>		
Capital		
Opening balance	35 719	39 577
Equity injections/withdrawals	3 858	
Reserves	38 696	38 696
Accumulated funds		
Opening balance	- 45 022	- 47 098
Current year surplus (+)/deficit (-)	- 2 076	- 1 688
Dividends paid/payable		
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>31 175</b>	<b>29 487</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Grants and subsidies received		
Current		
Capital		
Community service obligations	8 623	8 623
Receipts from sales of goods and services	3 070	3 070
Interest received	18	18
<b>Total operating receipts</b>	<b>11 711</b>	<b>11 711</b>
<b>Operating payments</b>		
Payments to employees	7 800	7 800
Payments for goods and services	3 530	3 578
Grants and subsidies paid		
Current		
Capital		
Interest paid	21	18
Income tax paid		
<b>Total operating payments</b>	<b>11 351</b>	<b>11 396</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>360</b>	<b>315</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	488	99
Advances and investing payments		
<b>Total investing payments</b>	<b>488</b>	<b>99</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 488</b>	<b>- 99</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Equity injections		
<b>Total financing receipts</b>		
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	223	178
Dividends paid		
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>	<b>223</b>	<b>178</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 223</b>	<b>- 178</b>
Net increase (+)/decrease (-) in cash held	- 351	38
Cash at beginning of financial year	1 491	1 140
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>1 140</b>	<b>1 178</b>

Revenue statement

	2024-25 Revised	2025-26 Budget	Variation
	\$000	\$000	\$000
Community service obligations	8 623	8 623	
Sales of goods and services	3 070	3 070	
Fees and charges	3 070	3 070	
Interest revenue	18	18	
OPERATING REVENUE	11 711	11 711	

# Department of Health

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Hospital services and support</b>	<b>1 434 862</b>	<b>1 536 178</b>	1
Hospital services and support	1 434 862	1 536 178	
<b>Primary health care</b>	<b>288 002</b>	<b>313 389</b>	2
Remote primary health care	198 812	226 443	
Urban primary health care	35 521	36 375	
Territory-wide community services	53 669	50 571	
<b>Community treatment and extended care</b>	<b>190 900</b>	<b>210 550</b>	3
Alcohol and other drugs	57 650	60 334	
Mental health	117 885	135 049	
Aged care	15 365	15 167	
<b>Disease prevention and health protection</b>	<b>29 243</b>	<b>28 108</b>	4
Disease prevention and health protection	29 243	28 108	
<b>National critical care and trauma response</b>	<b>28 315</b>	<b>26 240</b>	5
National critical care and trauma response	28 315	26 240	
<b>Corporate and shared services</b>	<b>213 731</b>	<b>218 049</b>	6
Corporate and governance	86 418	92 942	
Shared services received	127 313	125 107	
<b>Total expenses</b>	<b>2 185 053</b>	<b>2 332 514</b>	
<b>Appropriation</b>			
Output	1 239 745	1 284 652	
Capital	5 925	7 302	
Commonwealth	111 953	176 877	

## 2025-26 staffing: 7,421 FTE

- 1 The increase in 2025-26 mainly reflects the funding uplift under the National Health Reform Agreement and additional Territory Government funding for health services.
- 2 The increase in the remote primary health care output in 2025-26 is mainly due to additional Commonwealth funding for the Comprehensive Primary Health Care Delivery agreement and Medicare urgent care clinic, and additional Territory Government funding for health services. The decrease in the Territory-wide community services output in 2025-26 mostly reflects variations in Commonwealth funding under various agreements.
- 3 The increase in the alcohol and other drugs output in 2025-26 relates to additional funding for the community-led alcohol harm reduction program. The increase in the mental health output in 2025-26 is primarily due to additional funding for operation of the new mental health ward at Royal Darwin Hospital.
- 4 The decrease in 2025-26 is mainly due to Commonwealth funding agreements yet to be renegotiated, including the Rheumatic Fever Strategy.
- 5 The decrease in the national critical care and trauma response output in 2025-26 reflects the transfer of funding between years, and the renegotiation of the National Critical Care and Trauma Response Centre agreement and other agreements with the Department of Foreign Affairs and Trade.
- 6 The increase in the corporate and governance output in 2025-26 mostly reflects a one-off funding transfer to the Department of Corporate and Digital Development in 2024-25 for clinical system upgrades.

## Agency profile

The role of the Department of Health is to work together in partnership with individuals, families, the community, Aboriginal health organisations and stakeholders to provide a health system that delivers high quality, culturally appropriate, evidence-based and patient-centred care by:

- improving Territorians' lifetime physical and mental health through focusing on primary prevention and wellbeing, and improving health literacy through availability of information and data
- integrating the roles of the community, primary and hospital care to reduce demand on the hospital system
- developing new models of care that provide culturally appropriate, efficient, consistent and safe services to reflect best practice and contextually applied evidence-based care while allowing patients to receive care closer to home
- harnessing technology to help overcome the physical and financial barriers of distance, and to improve decision-making
- establishing workforce solutions to improve retention of skilled staff, attract talent and introduce new ways of working to ensure staff feel valued, safe and supported
- maximising the power of partnerships with communities, government and non-government organisations (NGOs), particularly Aboriginal community-controlled health organisations, to address inequities in remote areas
- ensuring care is planned and provided on the basis of what matters to patients
- maintaining and enhancing capacity to respond to local and national trauma events.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Additional funding for health services		100 000
Additional funding to commence operations of the new mental health ward at Royal Darwin Hospital		16 500
Specialist domestic, family and sexual violence afterhours health response program		400
<b>Key existing initiatives</b>		
Reform the banned drinker register and assessment, withdrawal and specialised alcohol treatment services to assist people with alcohol misuse issues and dependence	15 500	15 500
Cessation of time-limited funding provided to address the budget shortfall in health services funding	120 000	



## Output groups and objectives

### Hospital services and support

**Objective:** The health and wellbeing of those in the community who require acute or specialist care is improved and maintained.

#### Hospital services and support

Provide admitted, non-admitted and emergency health services, aeromedical retrievals and ambulance services.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Weighted activity units <sup>1</sup>	196 478	198 939	199 275
Elective surgery timely admissions: <sup>2</sup>			
– category 1 – patients admitted within 30 days	100%	79%	100%
– category 2 – patients admitted within 90 days	≥ 97%	62%	≥ 97%
– category 3 – patients admitted within 365 days	≥ 97%	67%	≥ 97%
Emergency department presentations departing within 4 hours <sup>3</sup>	≥ 80%	53%	≥ 80%
Potentially preventable hospitalisations (excluding dialysis) <sup>4</sup>	≤ 10%	15%	≤ 10%
Hospital acquired complications per 100 episodes	≤ 2.0	1.38	≤ 2.0
Aboriginal clients discharged against medical advice <sup>5</sup>	≤ 7%	11%	≤ 7%
Average length (in days) of acute mental health inpatient stay	≤ 12	9.6	≤ 12
Relative stay index (against national average) <sup>3, 6</sup>	≤ 100%	116%	≤ 100%
Average monthly number of acute patients who stay in hospital for 35 days or more <sup>2, 7</sup>	≤ 6	24.9	≤ 6

1 The variation in 2024-25 and increase in the 2025-26 target reflects the natural year-to-year variations of activity based funding, which is inherently demand driven.

2 The variation in 2024-25 reflects continued challenges in attraction and retention of qualified clinical staff and continued bed block issues.

3 The variation in 2024-25 is due to continued bed block challenges.

4 The variation in 2024-25 is due to challenges in attraction and retention of suitably qualified clinical staff.

5 The 2024-25 estimate result is consistent with previous NT results and remains higher than the National average of 4.3%. Continued high demand for services and limited availability of Aboriginal liaison officers remain contributing factors.

6 System issues and bed block remain challenges to meeting the relative stay index target.

7 The variation in 2024-25 also includes the impact of long stay older patients awaiting residential aged care places.

### Primary health care

**Objective:** The capability of Territorians to maintain and improve their health is strengthened through education, prevention, early intervention and access to culturally appropriate assessment, treatment and support services.

#### Remote primary health care

Provide primary health care services through government health centres located in remote communities.

#### Urban primary health care

Provide primary health care services through government health centres located in urban communities.

**Territory-wide community services**

Provide community care services through hearing, oral health, cancer screening specialists and allied health services across the Territory.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Screened Aboriginal children under 5 years with anaemia <sup>1</sup>	≤ 10%	13%	≤ 10%
Remote Aboriginal clients aged 15 years and over with type II diabetes and or coronary heart disease who have a chronic disease management plan <sup>2,3</sup>	≥ 85%	79%	≥ 85%
Remote Aboriginal clients aged 15 years and over with type II diabetes whose latest HbA1c measurements are lower than or equal to 7% <sup>3</sup>	≥ 41%	37%	≥ 41%
Remote Aboriginal children who received early intervention for conductive hearing loss <sup>3</sup>	≥ 45%	39%	≥ 45%

- 1 The variation in 2024-25 reflects a transition to testing methodologies with higher sensitivity for anaemia.  
2 Measure includes services provided by remote Territory Government primary care clinics only. Performance can be impacted by clients receiving services from Aboriginal community-controlled clinics.  
3 The variation in 2024-25 reflects continued challenges in attraction and retention of suitable qualified clinical staff.

**Community treatment and extended care**

**Objective:** The capacity of individuals, families and communities to improve and protect their health and wellbeing is strengthened through access to specialist and community-based clinical and support services.

**Alcohol and other drugs**

Deliver community development, education intervention, treatment and care, policy, planning, service funding and program management, and legislative support to reduce harm attributable to the use and misuse of alcohol, tobacco and other drugs.

**Mental health**

Provide specialist mental health services including assessment, case management and treatment, and support an integrated Territory-wide mental health service through reporting, policy, planning, program funding and management, and legislative support.

**Aged care**

Provide services to support senior Territorians to live in the community, along with hospital care and assessment for residential care.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Alcohol and other drug assessments undertaken in Territory Government and NGO facilities <sup>1, 2</sup>	4 500	3 354	5 600
Alcohol and other drug treatments commenced in Territory Government and NGO facilities (episodes) <sup>1, 2</sup>	2 800	2 205	3 500
Alcohol and other drug treatments, commenced in Territory Government and NGO facilities, that are closed <sup>1</sup>	70%	56%	70%
Individuals receiving non-admitted public mental health services <sup>1</sup>	9 200	8 550	9 200
Alcohol-attributed emergency department presentations per 1,000 persons in the Territory	≤ 50	50	≤ 50
Separations from public acute mental health inpatient units with community service follow-up within seven days <sup>3, 4</sup>	≥ 80%	95%	≥ 90%
Separations from public acute mental health inpatient units followed by readmission within 28 days of discharge	≤ 10%	11%	≤ 10%
Aged Care Assessment Program clients receiving timely intervention in accordance with priority at referral <sup>3</sup>	≥ 90%	97%	≥ 90%

1 The variation in 2024-25 reflects the volatility in service provider numbers and staffing for a small, dispersed Territory population.

2 The increase in the 2025-26 target reflects increased access to residential rehabilitation services and the establishment of the Take a Break program for short stay clients.

3 The variation in 2024-25 is due to recruitment to vacant positions.

4 The increase in the 2025-26 target reflects anticipated output following recruitment of a dedicated resource.

## Disease prevention and health protection

**Objective:** The capacity of individuals, families and communities to improve and protect their health is strengthened through promotion and prevention strategies, and appropriate interventions that minimise harm from disease and the environment.

### Disease prevention and health protection

Provide an integrated Territory-wide disease prevention and health protection service, including statutory surveillance and monitoring, and preventative health programs to control and reduce the amount of communicable disease caused by physical, chemical, biological and radiological factors in the environment.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Reported environmental health incidents resolved within 3 months	≥ 85%	85%	≥ 85%
Children fully immunised:			
– at age 12 months	≥ 95%	92%	≥ 95%
– at age 2 years	≥ 92%	90%	≥ 92%
24-hour access to sterile injecting equipment in the 5 town centres of the Territory	100%	100%	100%

National critical care and trauma response

**Objective:** High quality and efficient emergency medical response services are available for northern Australia and Asia-Pacific regions, building sustainable disaster, public health and infectious/communicable disease capability and resilience across the region.

**National critical care and trauma response**

Operation and development of the National Critical Care and Trauma Response Centre that provides evidence-based emergency care, research and education, enabling health responses to incidents of national and international significance, including deployable capability.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Training participants including clinicians, managers, administrators and youth <sup>1</sup>	1 500	700	800

1 The variation in 2024-25 and 2025-26 reflects a consistent downward trend in training and participation numbers since 2021-22.

Corporate and shared services

**Objective:** Effective and efficient performance of the health system through governance and regulation, system-wide policy, plans and standards, and resource and information management.

**Corporate and governance**

Provide leadership and strategic management that ensures the health system meets its service and quality objectives, and identifies and mitigates risk. Deliver Territory-wide strategy, policies and plans to ensure an equitable and integrated system. Ensure participation at the national level to maximise opportunities for delivery of health care across the Territory.

**Shared services received**

Receive corporate shared services from the Department of Corporate and Digital Development. Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	521 873	578 694
Capital	302	
Appropriation		
Output	1 239 745	1 284 652
Commonwealth	124 049	180 595
Sales of goods and services	92 721	92 365
Interest revenue		
Goods and services received free of charge	127 313	125 107
Gain (+)/loss (-) on disposal of assets		
Other revenue	2 815	2 592
<b>TOTAL INCOME</b>	<b>2 108 818</b>	<b>2 264 005</b>
<b>EXPENSES</b>		
Employee expenses	1 282 842	1 391 435
Administrative expenses		
Purchases of goods and services	528 457	569 989
Repairs and maintenance		
Depreciation and amortisation	75 484	72 202
Services free of charge	127 313	125 107
Other administrative expenses	158	
Grants and subsidies expenses		
Current	164 936	170 599
Capital	4 283	1 434
Community service obligations		
Interest expenses	1 580	1 748
<b>TOTAL EXPENSES</b>	<b>2 185 053</b>	<b>2 332 514</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 76 235</b>	<b>- 68 509</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	289	295
Interest revenue		
Royalties and rents		
Other revenue		
<b>TOTAL INCOME</b>	<b>289</b>	<b>295</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	76 511	86 275
Receivables	115 556	115 556
Prepayments	14 707	14 707
Inventories	12 727	12 727
Advances and investments		
Property, plant and equipment	1 097 616	1 033 716
Other assets		
<b>TOTAL ASSETS</b>	<b>1 317 117</b>	<b>1 262 981</b>
<b>LIABILITIES</b>		
Deposits held	5 763	5 763
Creditors and accruals	219 915	219 915
Borrowings and advances	37 760	35 525
Provisions	167 347	167 347
Other liabilities	25 405	19 711
<b>TOTAL LIABILITIES</b>	<b>456 190</b>	<b>448 261</b>
<b>NET ASSETS</b>	<b>860 927</b>	<b>814 720</b>
<b>EQUITY</b>		
Capital		
Opening balance	1 589 637	1 643 330
Equity injections/withdrawals	53 693	22 302
Reserves	318 942	318 942
Accumulated funds		
Opening balance	- 1 025 110	- 1 101 345
Current year surplus (+)/deficit (-)	- 76 235	- 68 509
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>860 927</b>	<b>814 720</b>

## Assets and liabilities administered for the Central Holding Authority

<b>ASSETS</b>		
Taxes receivable		
Grants and subsidies receivable		
Royalties and rent receivable		
Other receivables	529	529
<b>TOTAL ASSETS</b>	<b>529</b>	<b>529</b>
<b>LIABILITIES</b>		
Central Holding Authority income payable	529	529
Unearned Central Holding Authority income		
<b>TOTAL LIABILITIES</b>	<b>529</b>	<b>529</b>
<b>NET ASSETS</b>		

# Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	521 873	578 694
Capital	302	
Appropriation		
Output	1 239 745	1 284 652
Commonwealth	110 480	176 877
Other agency receipts from sales of goods and services	88 611	92 981
Interest received		
<b>Total operating receipts</b>	<b>1 961 011</b>	<b>2 133 204</b>
<b>Operating payments</b>		
Payments to employees	1 282 715	1 391 435
Payments for goods and services	528 482	569 989
Grants and subsidies paid		
Current	164 936	170 599
Capital	4 283	1 434
Community service obligations		
Interest paid	1 580	1 748
<b>Total operating payments</b>	<b>1 981 996</b>	<b>2 135 205</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 20 985</b>	<b>- 2 001</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	7 700	7 302
Advances and investing payments		
<b>Total investing payments</b>	<b>7 700</b>	<b>7 302</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 7 700</b>	<b>- 7 302</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital	5 925	7 302
Commonwealth	1 473	
Equity injections		15 000
<b>Total financing receipts</b>	<b>7 398</b>	<b>22 302</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	2 394	3 235
Equity withdrawals	127	
Service concession liability payments		
<b>Total financing payments</b>	<b>2 521</b>	<b>3 235</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>4 877</b>	<b>19 067</b>
Net increase (+)/decrease (-) in cash held	- 23 808	9 764
Cash at beginning of financial year	100 319	76 511
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>76 511</b>	<b>86 275</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>489 632</b>	<b>559 551</b>	<b>69 919</b>	1
National Health Reform – activity based funding	396 532	474 949	78 417	
Highly specialised drugs	36 306	36 306		
National Health Reform – block and teaching, training and research	25 103	25 103		
National Health Reform – public health funding	5 147	5 147		
Indigenous Australians' Health Program	4 549	2 092	- 2 457	
Public health operations in emergencies for national strengthening in the Indo-Pacific	3 162	3 449	287	
Rural Health Outreach Fund	3 131		- 3 131	
Flexible care and subsidy for transition care	2 900	2 900		
Aged care assessment program	2 144	2 497	353	
Home support program	2 057	2 105	48	
National Rural Generalist Pathway	1 901	1 588	- 313	
Organ and tissue donation	1 510	1 339	- 171	
Aged care short-term restorative care	1 000	1 000		
Other	4 190	1 076	- 3 114	
<b>Other grants</b>	<b>32 241</b>	<b>19 143</b>	<b>- 13 098</b>	1
Specialist training programs	10 737	7 467	- 3 270	
Primary Health Network Northern Territory	6 733	2 065	- 4 668	
Clinical teaching services agreement	3 076	2 708	- 368	
Australian teletrial program	2 204	1 426	- 778	
College of nursing and midwifery at Charles Darwin University	1 286	509	- 777	
Integrated rural training pipeline	1 216	1 154	- 62	
National healthcare identifiers	1 200		- 1 200	
Other	5 789	3 814	- 1 975	
<b>Capital grants and subsidies revenue</b>				
<b>Other grants</b>	<b>302</b>		<b>- 302</b>	
<b>Output appropriation</b>	<b>1 239 745</b>	<b>1 284 652</b>	<b>44 907</b>	2
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>124 049</b>	<b>180 595</b>	<b>56 546</b>	1
Comprehensive Primary Health Care Delivery – health	46 330	47 720	1 390	
Northern Territory Remote Aboriginal Investment – health	17 573	17 437	- 136	
National Critical Care and Trauma Response Centre	15 640	20 550	4 910	
Medicare urgent care clinic	14 469	16 177	1 708	
John Flynn Prevocational Doctor Program	5 670	7 171	1 501	
Primary care pilot	4 736	479	- 4 257	
Strengthening Medicare – supporting older Australians	3 680	3 680		
Community-led alcohol harm reduction	2 572	5 248	2 676	
Remote store licensing scheme in the Territory	2 277	2 450	173	

continued



	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
Improving trachoma control services for Aboriginal Australians	1 948	2 284	336	
Public dental services for adults	1 417	1 420	3	
Specialist services for children	1 372	1 355	- 17	
National mental health and suicide prevention	815	1 471	656	
Health Reform – support for hospital and related health services		50 800	50 800	
Other	5 550	2 353	- 3 197	
<b>Sales of goods and services</b>	<b>92 721</b>	<b>92 365</b>	<b>- 356</b>	
Cross-border charges	27 762	27 762		
Hospital patients (private, ineligible, defence, nursing home and other)	22 786	22 805	19	
Medicare bulk-billing revenue	13 417	13 417		
Compensable patients	11 784	11 784		
Recoveries, fees and charges	7 782	7 782		
Veterans' Affairs	3 902	3 902		
Other patient generated income	775	775		
Other	4 513	4 138	- 375	
<b>Goods and services received free of charge</b>	<b>127 313</b>	<b>125 107</b>	<b>- 2 206</b>	<b>3</b>
<b>Other revenue</b>	<b>2 815</b>	<b>2 592</b>	<b>- 223</b>	
<b>OPERATING REVENUE</b>	<b>2 108 818</b>	<b>2 264 005</b>	<b>155 187</b>	
<b>Capital appropriation</b>	<b>5 925</b>	<b>7 302</b>	<b>1 377</b>	<b>4</b>
<b>Commonwealth capital appropriation</b>	<b>1 473</b>		<b>- 1 473</b>	<b>1</b>
Medicare urgent care clinic	815		- 815	
National Critical Care and Trauma Response Centre	598		- 598	
Northern Territory Remote Aboriginal Investment – health	60		- 60	
<b>CAPITAL RECEIPTS</b>	<b>7 398</b>	<b>7 302</b>	<b>- 96</b>	

1 The variations are in line with relevant agreements.

2 The variation mostly reflects additional funding for provision of health services across the Territory.

3 The variation is due to a supplementary repairs and maintenance allocation in 2024-25.

4 The variation largely reflects additional funding in 2025-26 for the acquisition of capital equipment in hospitals.



# Department of Housing, Local Government and Community Development

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Housing</b>	<b>806 775</b>	<b>703 665</b>	1
Urban housing	156 297	147 922	
Remote housing	331 996	255 933	
Town camps and homelands	111 617	105 229	
Government employee housing	96 640	66 983	
Indigenous essential services	110 225	127 598	
<b>Local Government and Community Development</b>	<b>115 852</b>	<b>112 348</b>	2
Local government	60 896	59 529	
Community development	42 012	39 679	
Interpreter and translator services	12 944	13 140	
<b>Corporate and shared services</b>	<b>39 593</b>	<b>40 291</b>	
Corporate and governance	14 940	15 638	
Shared services received	24 653	24 653	
<b>Total expenses</b>	<b>962 220</b>	<b>856 304</b>	
<b>Appropriation</b>			
Output	300 311	305 867	
Capital	20 269	29 269	
Commonwealth	143 874	229 615	

## 2025-26 staffing: 538 FTE

- 1 The decrease in the urban housing output in 2025-26 primarily relates to the timing of Commonwealth funding for the Social Housing Accelerator Payment. The decrease in the remote housing and government employee housing outputs in 2025-26 are primarily due to non-cash adjustments in 2024-25 relating to one-off increases in depreciation associated with a change in policy regarding the useful life of assets, and one-off capital related expenses in 2024-25. The decrease in the town camps and homelands output in 2025-26 is mainly due to the transfer of Commonwealth funding from 2023-24 to 2024-25 for the Homelands Housing and Infrastructure Program. The increase in the Indigenous essential services output in 2025-26 mostly relates to Commonwealth funding under the National Water Grid Fund.
- 2 The decrease in the community development output in 2025-26 mostly reflects timing of funding for the Future of Jabiru and Kakadu, and finalisation of the Barkly Regional Deal, partially offset by additional Commonwealth funding for the Northern Territory Remote Aboriginal Investment agreement and the regional Precincts and Partnerships Program.

## Agency profile

The Department of Housing, Local Government and Community Development works to provide housing for those in need and supports communities to grow through respectful engagement underpinned by empowering local people, including through the delivery of interpreter and translator services, Indigenous essential services, town camps and homelands services, and provides funding and support to the local government sector.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Site concept for affordable housing at Ozanam House		1 230
<b>Key existing initiatives</b>		
Housing Australia Future Fund	500	11 500
Future of Jabiru and Kakadu	3 089	1 171
<b>New capital works</b>		
Remote Housing – 10 Year remote housing agreement 2024–2035		
– new HomeBuild <sup>1</sup>		205 629
– land servicing		28 612
Remote Housing Investment Package		
– Room to Breathe		25 336
– government employee housing		24 664
Rolling program to refresh the Territory's public housing stock		5 000

<sup>1</sup> Includes Commonwealth funding.

## Output groups and objectives

### Housing

**Objective:** Affordable, appropriate and accessible housing for eligible Territorians that contributes to economic development, local jobs and improved social wellbeing.

#### Urban housing

Provide eligible Territorians access to safe, affordable and appropriate housing, and promote tenant and community safety through effective tenancy and property management.

#### Remote housing

Manage and provide access to safe, appropriate and affordable housing for Territorians living in remote areas.

#### Town camps and homelands

Support Territorians living in town camps and homelands by providing housing and empowering their communities.

#### Government employee housing

Provide housing and manage tenancies for eligible Territory Government employees in designated regional and remote areas.

#### Indigenous essential services

Coordinate funding and provide strategic planning and policy advice for delivery of electricity, water and sewerage to remote Aboriginal communities through Indigenous Essential Services Pty Ltd, a subsidiary of the Power and Water Corporation, under a purchaser-provider model.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Urban social housing dwellings <sup>1, 2</sup>	5 180	5 180	5 280
Urban social housing dwellings managed by community housing providers <sup>1, 2</sup>	≥ 21%	21%	≥ 22%
Urban public housing rent received	≥ 90%	90%	≥ 90%
Urban public housing dwellings inspected in previous 12 months <sup>3</sup>	≥ 90%	60%	≥ 90%
Urban public housing dwellings occupied within 70 days of vacancy <sup>4, 5</sup>	≥ 50%	30%	≥ 50%
New households assisted into urban public housing <sup>4</sup>	215	200	215
Remote public housing dwellings managed <sup>2</sup>	5 850	5 850	6 110
Remote public housing tenancies living in appropriately sized housing	≥ 50%	50%	≥ 50%
Remote public housing rent received <sup>3</sup>	≥ 80%	75%	≥ 80%
Remote public housing dwellings inspected in previous 12 months <sup>3, 6</sup>	≥ 90%	65%	≥ 72%
Remote public housing dwellings occupied within 70 days of vacancy <sup>4, 5</sup>	≥ 50%	45%	≥ 50%
New households assisted into remote public housing <sup>2, 4</sup>	485	450	500
Houses upgraded under the Homelands Housing and Infrastructure Program <sup>7, 8</sup>	200	365	100
Businesses providing town camps and homelands services that are Aboriginal business enterprises <sup>9</sup>	≥ 50%	84%	≥ 60%
Government employee housing dwellings inspected in previous 12 months <sup>3</sup>	≥ 90%	80%	≥ 90%
Maintenance contracts awarded to Aboriginal Business Enterprises <sup>10</sup>			≥ 50%
Proportion of days safe drinking water is supplied across the 72 Indigenous essential services communities	≥ 95%	99%	≥ 95%
Average electrical outage duration for each customer served across the 72 Indigenous essential services communities (minutes/year)	≤ 500	200	≤ 500

1 The 2024-25 target has been backcast due to a change in counting methodology reflecting improved source reporting and the exclusion of short and medium-term housing.

2 The increase in the 2025-26 target reflects additional dwellings to be constructed.

3 The variation in 2024-25 is due to limited access to properties and staff capacity.

4 Measure has been disaggregated to urban and remote public housing compared to previous publications.

5 The variation in 2024-25 is due to limited capacity, and repairs and maintenance constraints.

6 The decrease in 2025-26 target reflects alignment to performance indicators under Commonwealth funding agreements.

7 The variation in 2024-25 reflects a larger number of smaller upgrades undertaken in 2024-25.

8 The decrease in the 2025-26 target reflects a number of larger upgrades in 2025-26.

9 The variation in 2024-25 and increase in the 2025-26 target reflects a higher proportion of town camps and homelands services provided by Aboriginal business enterprises.

10 New measure commencing 1 July 2025.

## Local government and community development

**Objective:** Improved decision-making, local governance structures and greater outcomes for all Territorians.

### Local government

Manage contemporary legislation, funding initiatives and capacity-building programs that foster and build strong, resilient and sustainable local governments that represent communities fairly and effectively, and deliver services that best meet community needs.

### Community development

Drive the delivery of strategies and actions to improve outcomes across the Territory in partnership with government agencies, community organisations, key stakeholders, local government and the Commonwealth.

**Interpreter and translator services**

Provide Aboriginal and other interpreter and translator services to overcome language barriers for Territorians who don't speak English as a first language.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Community governance agreements reviewed <sup>1</sup>			100%
Scheduled local government compliance reviews completed	4	4	4
Aboriginal interpreting hours provided by accredited or qualified interpreters	≥ 76%	80%	≥ 76%
Aboriginal interpreting assignments completed <sup>2</sup>	≥ 70%	49%	≥ 55%

1 New measure commencing 1 July 2025.  
2 The variation in 2024-25 and decrease in the 2025-26 target reflects alignment to service delivery capacity.

**Corporate and shared services**

**Objective:** Effective and efficient performance of the agency and its funded organisations through governance and regulation, system-wide reform and strategy, policy, plans and standards, resource and information management, evaluation and performance analysis.

**Corporate and governance**

Provide leadership and strategic management to ensure the agency meets its service and quality objectives, and identifies and mitigates risk. Deliver Territory-wide coordination, strategy, reform policies and plans to ensure an equitable and integrated system.

**Shared services received**

Receive corporate services from the Department of Corporate and Digital Development.  
Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	471	105
Capital		
Appropriation		
Output	300 311	305 867
Commonwealth	189 473	231 595
Sales of goods and services	134 888	134 888
Interest revenue		
Goods and services received free of charge	25 157	25 157
Gain (+)/loss (-) on disposal of assets		
Other revenue	2 358	1 630
<b>TOTAL INCOME</b>	<b>652 658</b>	<b>699 242</b>
<b>EXPENSES</b>		
Employee expenses	76 004	73 541
Administrative expenses		
Purchases of goods and services	113 103	114 441
Repairs and maintenance	101 142	114 191
Depreciation and amortisation	225 514	180 008
Services free of charge	25 157	25 157
Other administrative expenses	92 771	16 217
Grants and subsidies expenses		
Current	168 985	159 948
Capital	153 424	167 040
Community service obligations	3 657	3 657
Interest expenses	2 463	2 104
<b>TOTAL EXPENSES</b>	<b>962 220</b>	<b>856 304</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 309 562</b>	<b>- 157 062</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	36 511	28 167
Receivables	38 985	38 985
Prepayments	2 749	2 749
Inventories	41	41
Advances and investments		
Property, plant and equipment	3 494 536	3 385 962
Other assets		
<b>TOTAL ASSETS</b>	<b>3 572 822</b>	<b>3 455 904</b>
<b>LIABILITIES</b>		
Deposits held	6 572	6 572
Creditors and accruals	36 992	36 992
Borrowings and advances	96 825	115 997
Provisions	8 733	8 733
Other liabilities	11 657	9 572
<b>TOTAL LIABILITIES</b>	<b>160 779</b>	<b>177 866</b>
<b>NET ASSETS</b>	<b>3 412 043</b>	<b>3 278 038</b>
<b>EQUITY</b>		
Capital		
Opening balance	3 879 755	3 793 077
Equity injections/withdrawals	- 86 678	23 057
Reserves	1 754 786	1 754 786
Accumulated funds		
Opening balance	- 1 826 258	- 2 135 820
Current year surplus (+)/deficit (-)	- 309 562	- 157 062
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>3 412 043</b>	<b>3 278 038</b>



## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	471	105
Capital		
Appropriation		
Output	300 311	305 867
Commonwealth	143 874	229 615
Other agency receipts from sales of goods and services	124 508	120 196
Interest received		
<b>Total operating receipts</b>	<b>569 164</b>	<b>655 783</b>
<b>Operating payments</b>		
Payments to employees	88 789	73 541
Payments for goods and services	214 284	228 632
Grants and subsidies paid		
Current	168 985	159 948
Capital	146 238	167 040
Community service obligations	3 657	3 657
Interest paid	2 463	2 104
<b>Total operating payments</b>	<b>624 416</b>	<b>634 922</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 55 252</b>	<b>20 861</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	21 984	33 769
Advances and investing payments		
<b>Total investing payments</b>	<b>21 984</b>	<b>33 769</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 21 984</b>	<b>- 33 769</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	- 87	
Appropriation		
Capital	20 269	29 269
Commonwealth		
Equity injections	18 585	
<b>Total financing receipts</b>	<b>38 767</b>	<b>29 269</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	21 155	18 493
Equity withdrawals	45 209	6 212
Service concession liability payments		
<b>Total financing payments</b>	<b>66 364</b>	<b>24 705</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 27 597</b>	<b>4 564</b>
Net increase (+)/decrease (-) in cash held	- 104 833	- 8 344
Cash at beginning of financial year	141 344	36 511
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>36 511</b>	<b>28 167</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>312</b>		<b>- 312</b>	
Stronger Places, Stronger People	312		- 312	
<b>Other grants</b>	<b>159</b>	<b>105</b>	<b>- 54</b>	
Alcohol Kava Regional Consultation Plan	159		- 159	
Arnhem Land Progress Association Interpreting Services		105	105	
<b>Output appropriation</b>	<b>300 311</b>	<b>305 867</b>	<b>5 556</b>	<b>1</b>
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>189 473</b>	<b>231 595</b>	<b>42 122</b>	<b>2</b>
Housing and Essential Services on Northern Territory Homelands	69 143	66 000	- 3 143	
Remote Housing Northern Territory	47 800	48 015	215	
National Water Grid Fund	23 100	38 010	14 910	
Central Australia investment package	15 000	15 000		
National Agreement on Social Housing and Homelessness	12 780	13 070	290	
Social Housing Accelerator Payment	10 520	1 980	- 8 540	
Northern Territory Remote Aboriginal Investment – Aboriginal interpreter services	7 673	8 500	827	
Barkly Regional Deal	1 907		- 1 907	
Household Energy Upgrades Fund (social housing)	1 400	2 500	1 100	
Regional Precincts and Partnership Program	150	4 240	4 090	
Housing Australia Future Fund		25 000	25 000	
Northern Territory Remote Aboriginal Investment – community development hubs		7 300	7 300	
Northern Territory Remote Aboriginal Investment – jobs, training and business hubs		1 980	1 980	
<b>Sales of goods and services</b>	<b>134 888</b>	<b>134 888</b>		
Rent and tenancy charges	130 207	130 207		
Local government rates revenue	3 190	3 190		
Interpreting and translating services	1 331	1 331		
Other	160	160		
<b>Goods and services received free of charge</b>	<b>25 157</b>	<b>25 157</b>		
<b>Other revenue</b>	<b>2 358</b>	<b>1 630</b>	<b>- 728</b>	<b>3</b>
National Rental Affordability Scheme	1 433	1 433		
Cross-border Aboriginal interpreting	416		- 416	
Northern Territory Aboriginal Legal Interpreting Services	312		- 312	
Other	197	197		
<b>OPERATING REVENUE</b>	<b>652 658</b>	<b>699 242</b>	<b>46 584</b>	

continued

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Capital appropriation</b>	<b>20 269</b>	<b>29 269</b>	<b>9 000</b>	4
<b>CAPITAL RECEIPTS</b>	<b>20 269</b>	<b>29 269</b>	<b>9 000</b>	

1 The variation largely reflects additional funding from 2025-26 to support the Housing Australia Future Fund, combined with the funding profile for repairs and maintenance.

2 The variations are in line with the relevant agreements.

3 The decrease largely reflects one-off funding in 2024-25.

4 The variation mostly relates to revised timing and funding profile for delivery of the Northern Territory Community Housing Growth Strategy.



# NT Home Ownership

Business line	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Income</b>	<b>10 617</b>	<b>10 817</b>	
NT Home Ownership	10 617	10 817	
<b>Expenses</b>	<b>7 741</b>	<b>7 391</b>	1
NT Home Ownership	7 741	7 391	
<b>Surplus (+)/deficit (-) before income tax</b>	<b>2 876</b>	<b>3 426</b>	

## 2025-26 staffing: 2 FTE

1 The decrease in 2025-26 is primarily due to reduced borrowings and interest expenses due to loan repayments.

## Business division profile

NT Home Ownership oversees the provision of Territory Government home loan products and services to assist eligible Territorians to achieve affordable home ownership.

## Performance

Financial performance in 2025-26 is expected to moderately improve compared to 2024-25.

## Business line

### NT Home Ownership

**Objective:** Assist eligible Territorians to achieve affordable home ownership.

**Activities:** Provide Territory Government home loan products and services.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Loan accounts in arrears greater than 30 days <sup>1</sup>	≤ 5%	7%	≤ 5%

1 The variation in 2024-25 reflects the impact of higher interest rates on borrowers.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations	3 657	3 657
Sales of goods and services		
Interest revenue	6 960	7 160
Rent and dividends		
Gain (+)/loss (-) on disposal of assets		
Other revenue		
<b>TOTAL INCOME</b>	<b>10 617</b>	<b>10 817</b>
<b>EXPENSES</b>		
Employee expenses	311	311
Administrative expenses		
Purchases of goods and services	2 425	2 343
Repairs and maintenance		
Depreciation and amortisation		
Other administrative expenses		
Grants and subsidies expenses		
Current	243	243
Capital		
Interest expenses	4 762	4 494
<b>TOTAL EXPENSES</b>	<b>7 741</b>	<b>7 391</b>
<b>SURPLUS (+)/DEFICIT (-) BEFORE INCOME TAX</b>	<b>2 876</b>	<b>3 426</b>
Income tax expense		
<b>NET SURPLUS (+)/DEFICIT (-)</b>	<b>2 876</b>	<b>3 426</b>

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	8 066	8 680
Receivables	48	48
Prepayments		
Inventories		
Advances and investments	101 885	96 885
Property, plant and equipment		
Other assets		
<b>TOTAL ASSETS</b>	<b>109 999</b>	<b>105 613</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	492	501
Borrowings and advances	87 996	80 175
Provisions	27	27
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>88 515</b>	<b>80 703</b>
<b>NET ASSETS</b>	<b>21 484</b>	<b>24 910</b>
<b>EQUITY</b>		
Capital		
Opening balance	22 745	22 745
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	- 4 137	- 1 261
Current year surplus (+)/deficit (-)	2 876	3 426
Dividends paid/payable		
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>21 484</b>	<b>24 910</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Grants and subsidies received		
Current		
Capital		
Community service obligations	3 657	3 657
Receipts from sales of goods and services		
Interest received	6 960	7 160
<b>Total operating receipts</b>	<b>10 617</b>	<b>10 817</b>
<b>Operating payments</b>		
Payments to employees	311	311
Payments for goods and services	2 425	2 343
Grants and subsidies paid		
Current	243	243
Capital		
Interest paid	4 765	4 485
Income tax paid		
<b>Total operating payments</b>	<b>7 744</b>	<b>7 382</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>2 873</b>	<b>3 435</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances	15 000	15 000
Sales of investments	4 000	4 000
<b>Total investing receipts</b>	<b>19 000</b>	<b>19 000</b>
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments	6 000	14 000
<b>Total investing payments</b>	<b>6 000</b>	<b>14 000</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>13 000</b>	<b>5 000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Equity injections		
<b>Total financing receipts</b>		
<b>Financing payments</b>		
Repayment of borrowings	12 459	7 821
Lease payments		
Dividends paid		
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>	<b>12 459</b>	<b>7 821</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 12 459</b>	<b>- 7 821</b>
Net increase (+)/decrease (-) in cash held	3 414	614
Cash at beginning of financial year	4 652	8 066
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>8 066</b>	<b>8 680</b>



## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation
	\$000	\$000	\$000
Community service obligations	3 657	3 657	
Interest revenue	6 960	7 160	200
Interest on loans	6 900	7 100	200
Interest on cash balances	60	60	
<b>OPERATING REVENUE</b>	<b>10 617</b>	<b>10 817</b>	<b>200</b>



# Department of Lands, Planning and Environment

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Lands and planning</b>	<b>55 389</b>	<b>47 580</b>	1
Land development	17 102	6 000	
Crown land estate	18 948	22 121	
Planning	6 397	6 507	
Building advisory services	3 296	3 213	
Land information and spatial analytics	9 278	9 365	
Northern Territory Planning Commission	368	374	
<b>Environment</b>	<b>17 500</b>	<b>17 626</b>	2
Environment assessment and policy	7 670	7 017	
Environment regulation	7 486	8 197	
Heritage	1 415	1 470	
Northern Territory Environment Protection Authority	929	942	
<b>Natural resources</b>	<b>52 076</b>	<b>41 082</b>	3
Flora and fauna	18 674	15 988	
Water resources	19 253	13 148	
Water security	3 521	2 308	
Rangelands	10 628	9 638	
<b>Mining</b>	<b>3 258</b>	<b>3 249</b>	
Mining	3 258	3 249	
<b>Corporate and shared services</b>	<b>13 869</b>	<b>13 455</b>	
Corporate and governance	4 116	4 020	
Shared services received	9 753	9 435	
<b>Total expenses</b>	<b>142 092</b>	<b>122 992</b>	
<b>Appropriation</b>			
Output	90 666	88 015	
Capital	928	15 383	
Commonwealth	5 118	3 860	

## 2025-26 Staffing: 450 FTE

- 1 The decrease in 2025-26 in the land development output primarily reflects one-off capital related expenditure in 2024-25. The increase in the Crown land estate output in 2025-26 is primarily due to one-off asset write downs.
- 2 The variations in the environment assessment and policy and environment regulation outputs in 2025-26 are mostly due to a one-off transfer of funding between outputs to support priority environmental activities.
- 3 The decrease in the flora and fauna output in 2025-26 is primarily due to finalisation of time-limited funding for the Aboriginal Ranger Grant program and Darwin Harbour Wastewater Management Framework, and revised timing of externally funded programs in line with milestone payments. The decreases in the water resources and water security outputs mostly reflect timing of Commonwealth milestone payments and the Territory Water Plan funding profile. The decrease in the rangelands output is primarily due to timing of externally funded programs in line with milestone payments.

## Agency profile

The Department of Lands, Planning and Environment engages with community, business and industry to support the Territory's economic development and protect its natural resources and cultural assets through integrated planning, evidence-based advice and efficient regulation.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Key existing initiatives</b>		
Building the Base – mapping the Territory's environmental resources	3 150	3 150
Implementation of the Territory Water Plan	4 193	2 698
Land Development Supply Program	2 848	2 100
Petroleum Unit	2 000	2 000
Beetaloo Basin regional monitoring program	2 000	2 000
Sustainable economic reconstruction priorities	1 900	1 900
Manage fire and weeds on Crown land	1 500	1 500
Hydraulic fracturing – regulation and assessment	1 028	1 028
Strategic weed management	750	750
Enhanced crocodile management	276	643
<b>New capital works</b>		
Infrastructure for Growth – headworks infrastructure and subdivision designs to support the development of land	2 000	2 000

## Output groups and objectives

### Lands and planning

**Objective:** Long-term integrated planning is undertaken, and land is released and managed to support community needs and economic development in the Territory. Land and building developments are appropriately regulated across the Territory.

#### Land development

Plan, develop and implement the land development program, including forward planning activities and investigations, to optimise and facilitate land release, and support sustainable population growth across the Territory.

#### Crown land estate

Manage the Crown land estate including provision of land to support community needs and economic development. Provide advice and undertake administrative activities on a range of matters related to the Crown land estate including the release and management of Crown land, Aboriginal land claims, native title claims and community living area applications. Manage the operations of the Frances Bay marine facilities.

#### Planning

Develop and implement strategic land use policies, and provide streamlined development and regulatory processes in accordance with the *Planning Act 1999* to guide sustainable growth to meet the needs of the community.

#### Building advisory services

Manage and reform the regulatory framework to ensure structures within proclaimed building areas achieve structural, fire, safety, health and amenity standards, and meet community expectations. Ensure residential swimming pool safety barriers meet specific standards.

### Land information and spatial analytics

Provide geospatial, survey and valuation services with supporting land information, geospatial data, systems and mapping to support the Territory Government, land development industry, business and the public.

### Northern Territory Planning Commission

Set the strategic framework for integrated land use, transport and infrastructure planning. Develop planning options that provide flexibility for the future and meet a range of possible needs, while delivering more sustainable and cost-effective outcomes for the community that reflect environmental and heritage values.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Average processing time for development applications (days)	≤ 55	55	≤ 55
Building practitioners audited	65	65	65
NT Integrated Land Information System is online and accessible	100%	100%	100%
Average approval times for survey plans (days)	≤ 6	6	≤ 6

## Environment

**Objective:** Ecologically sustainable development of the Territory is supported by administering the Territory's environmental laws.

### Environment assessment and policy

Assessment and provision of policy advice on potential environmental impacts and risks from human activities, including a changing climate, to support the ecologically sustainable development of the Territory.

### Environment regulation

Apply, monitor and ensure compliance with Territory environment laws, including advice and guidance, licensing and approvals, monitoring compliance and enforcement, to support the ecologically sustainable development of the Territory.

### Heritage

Protect, conserve, promote and celebrate the Territory's rich and diverse cultural heritage through preservation of historical and archaeological places.

### Northern Territory Environment Protection Authority

Provide staff and facilities to enable the Northern Territory Environment Protection Authority to properly exercise its powers and perform its functions.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Assessment decisions under the <i>Environment Protection Act 2019</i> made within statutory timeframes	≥ 80%	80%	≥ 80%
Environment management plan decisions made under the <i>Petroleum (Environment) Regulations 2016</i> within 90 calendar days	≥ 90%	90%	≥ 90%
Environmental licence decisions made under the <i>Waste Management and Pollution Control Act 1998</i> within 60 business days of a compliant application <sup>1</sup>	≥ 90%	90%	≥ 80%
Places and objects on the NT Heritage Register <sup>2</sup>			300
Northern Territory Environment Protection Authority satisfaction with support provided <sup>3</sup>	≥ 5	5	≥ 5
Priority sites identified in compliance plans undergo an inspection	100%	100%	100%

1 The decrease in the 2025-26 target is due to licences being issued for longer periods (5 or 10 years) resulting in a decrease in renewals but a higher proportion of new facility applications being more complex, requiring longer to assess.

2 New measure commencing 1 July 2025. Represents permanent heritage places and objects.

3 Measures range from a rating of 1 = extremely dissatisfied to 6 = extremely satisfied.

## Natural resources

**Objective:** The Territory's natural resources are sustainably developed, threats to the Territory's environmental assets are mitigated, and native flora and fauna are conserved.

### Flora and fauna

Scientific assessment and monitoring of the Territory's native flora and fauna, and delivery of policy and advice to support conservation and sustainable use of wildlife.

### Water resources

Scientific assessment and monitoring of the Territory's water resources, and delivery of policy, advice and regulation to support sustainable use of water.

### Water security

Deliver water security initiatives across policy, projects, programs, public engagement and investment decisions.

### Rangelands

Scientific assessment and monitoring of the Territory's land, and delivery of extension services, policy, advice and regulation to support the sustainable use of the land resource.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Spatial biodiversity records for the Territory (millions) <sup>1</sup>	4.65	4.65	4.70
Biodiversity information requests met within agreed timeframes	≥ 85%	85%	≥ 85%
Water extraction licences assessed within 80 business days	≥ 70%	70%	≥ 70%
Planned water extraction licence inspections completed	100%	100%	100%
Annual public water resource reports produced for declared plan areas <sup>2</sup>	≥ 80%	80%	≥ 90%
Water information forums delivered in remote communities	10	10	10
Compliance inspections undertaken under the <i>Weeds Management Act 2001</i>	≥ 90%	90%	≥ 90%
Applications for the clearing of native vegetation on unzoned land assessed within 84 days <sup>3</sup>			≥ 80%

1 The increase in the 2025-26 target is due to the expected addition of about 50,000 biodiversity records from a variety of sources, including the Department of Lands, Planning and Environment surveys, data provided by environmental consultants and capture from public biodiversity databases.

2 The increase in the 2025-26 target reflects the commitment to improving transparency and stakeholder confidence in water resource management aligning with the number of declared water allocation plans.

3 New measure commencing 1 July 2025.

## Mining

**Objective:** Mineral projects are managed responsibly and sustainably through the efficient and effective administration of the *Environment Protection Act 2019*.

### Mining

Support sustainable development of the Territory's mineral exploration, extraction and mining sectors through outcomes-focused and risk-proportional environmental regulation.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Applications for environmental (mining) licences under the <i>Environment Protection Act 2019</i> screened within 2 business days of receipt <sup>1</sup>			≥ 85 %
Environmental (mining) licence applications under the <i>Environment Protection Act 2019</i> assessed within statutory timeframes <sup>1</sup>			≥ 85 %
Licensed high risk mining sites that have undergone a compliance inspection <sup>1</sup>			≥ 85 %

1 New measure commencing 1 July 2025.

## Corporate and shared services

**Objective:** Improved organisational performance through strategic and governance leadership, and provision of corporate services functions.

### Corporate and governance

Provide a range of corporate and governance services to support the agency's functions including financial, strategic, governance and risk services, and communications and media.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	5 974	5 220
Capital		
Appropriation		
Output	90 666	88 015
Commonwealth	9 627	3 860
Sales of goods and services	6 174	5 223
Interest revenue		
Goods and services received free of charge	9 753	9 435
Gain (+)/loss (-) on disposal of assets		
Other revenue	2 101	833
<b>TOTAL INCOME</b>	<b>124 295</b>	<b>112 586</b>
<b>EXPENSES</b>		
Employee expenses	67 285	61 870
Administrative expenses		
Purchases of goods and services	36 645	32 968
Repairs and maintenance	3 208	2 100
Depreciation and amortisation	7 834	7 246
Services free of charge	9 753	9 435
Other administrative expenses	6 521	3 080
Grants and subsidies expenses		
Current	7 552	6 293
Capital	3 294	
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>142 092</b>	<b>122 992</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 17 797</b>	<b>- 10 406</b>

### Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	279	290
Interest revenue		
Royalties and rents	2 903	3 025
Other revenue		
<b>TOTAL INCOME</b>	<b>3 182</b>	<b>3 315</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.



## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	6 543	5 891
Receivables	4 268	4 268
Prepayments	9 870	9 870
Inventories		
Advances and investments	859	859
Property, plant and equipment	1 048 842	1 053 583
Other assets	111	
<b>TOTAL ASSETS</b>	<b>1 070 493</b>	<b>1 074 471</b>
<b>LIABILITIES</b>		
Deposits held	740	740
Creditors and accruals	2 880	2 880
Borrowings and advances	35	35
Provisions	8 204	8 204
Other liabilities	1 160	161
<b>TOTAL LIABILITIES</b>	<b>13 019</b>	<b>12 020</b>
<b>NET ASSETS</b>	<b>1 057 474</b>	<b>1 062 451</b>
<b>EQUITY</b>		
Capital		
Opening balance	334 675	499 311
Equity injections/withdrawals	164 636	15 383
Reserves	773 831	773 831
Accumulated funds		
Opening balance	- 197 871	- 215 668
Current year surplus (+)/deficit (-)	- 17 797	- 10 406
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>1 057 474</b>	<b>1 062 451</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	5 974	5 220
Capital		
Appropriation		
Output	90 666	88 015
Commonwealth	5 118	3 860
Other agency receipts from sales of goods and services	4 469	5 057
Interest received		
<b>Total operating receipts</b>	<b>106 227</b>	<b>102 152</b>
<b>Operating payments</b>		
Payments to employees	68 984	61 870
Payments for goods and services	41 478	35 068
Grants and subsidies paid		
Current	7 552	6 293
Capital		
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>118 014</b>	<b>103 231</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 11 787</b>	<b>- 1 079</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales	3 455	3 455
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>	<b>3 455</b>	<b>3 455</b>
<b>Investing payments</b>		
Purchases of assets	12 978	18 411
Advances and investing payments		
<b>Total investing payments</b>	<b>12 978</b>	<b>18 411</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 9 523</b>	<b>- 14 956</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	- 2 398	
Appropriation		
Capital	928	15 383
Commonwealth		
Equity injections	18 291	
<b>Total financing receipts</b>	<b>16 821</b>	<b>15 383</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	484	
Service concession liability payments		
<b>Total financing payments</b>	<b>484</b>	
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>16 337</b>	<b>15 383</b>
Net increase (+)/decrease (-) in cash held	- 4 973	- 652
Cash at beginning of financial year	11 516	6 543
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>6 543</b>	<b>5 891</b>

# Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>2 185</b>	<b>2 474</b>	<b>289</b>	
MacDonnell Ranges threat abatement	1 750	2 386	636	
Acacia peuce trajectory	171	19	- 152	
Running Waters Rehabilitation Project – Lake Eyre Basin Finke River waterholes	113		- 113	
National protection and management of underwater cultural heritage	105	69	- 36	
Lake Eyre Basin Rivers Assessment project	24		- 24	
National pollutant inventory	22		- 22	
<b>Other grants</b>	<b>3 789</b>	<b>2 746</b>	<b>- 1 043</b>	1
Ichthys Project voluntary offsets	2 199	2 000	- 199	
Darwin Harbour Integrated Marine Monitoring and Research Program	851	746	- 105	
Disaster Ready Fund	545		- 545	
Mapping of buffel distribution	150		- 150	
Enhancing national pest animal and weed management	44		- 44	
<b>Output appropriation</b>	<b>90 666</b>	<b>88 015</b>	<b>- 2 651</b>	2
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>9 627</b>	<b>3 860</b>	<b>- 5 767</b>	3
National Water Grid Fund – Water Allocation Plan for the Adelaide River catchment	4 009	600	- 3 409	
National Water Grid Fund – other	2 763	1 019	- 1 744	
Digital Environmental Assessment Program	1 032	551	- 481	
Darwin Harbour catchment waterways	855	1 146	291	
National Soil Action Plan	390	544	154	
Enhancing national pest animal and weed management	381		- 381	
Improving Great Artesian Basin drought resilience	110		- 110	
Recycling Modernisation Fund	87		- 87	
<b>Sales of goods and services</b>	<b>6 174</b>	<b>5 223</b>	<b>- 951</b>	4
Sale of product, maps and valuations	1 873	1 873		
Development assessment application fees	1 607	1 607		
Frances Bay marine facility	1 069	1 069		
Subregional biodiversity assessments	391		- 391	
Flood alert hydrographic services	209	209		
Aerial photography	202	202		
Other	823	263	- 560	
<b>Goods and services received free of charge</b>	<b>9 753</b>	<b>9 435</b>	<b>- 318</b>	

*continued*

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Other revenue</b>	<b>2 101</b>	<b>833</b>	<b>- 1 268</b>	5
Kittyhawk reimbursement	977		- 977	
Wharf Precinct electricity cost reimbursement	459	459		
McArthur River Mine – independent monitor services	436	374	- 62	
Aboriginal Ranger grants reimbursement	229		- 229	
<b>OPERATING REVENUE</b>	<b>124 295</b>	<b>112 586</b>	<b>- 11 709</b>	
<b>Capital appropriation</b>	<b>928</b>	<b>15 383</b>	<b>14 455</b>	6
<b>CAPITAL RECEIPTS</b>	<b>928</b>	<b>15 383</b>	<b>14 455</b>	

1 The variations are in line with relevant agreements.

2 The variation primarily reflects the finalisation of time-limited funding for various initiatives.

3 The variations reflect the timing of funding in line with milestone payments for various projects including the National Water Grid Authority.

4 The decrease largely reflects one-off funding in 2024-25.

5 The variation is primarily due to a one-off reimbursement in 2024-25 relating to the Kittyhawk intersection project.

6 The variation largely relates to revised timing and funding profile for delivery of the Adelaide River off-stream water storage and the strategic infrastructure corridor projects.

# Land Development Corporation

Business line	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Income</b>	<b>22 153</b>	<b>16 620</b>	1
Residential development	9 956	7 537	
Industrial development	12 197	9 083	
<b>Expenses</b>	<b>18 288</b>	<b>17 804</b>	2
Residential development	9 870	8 127	
Industrial development	8 418	9 677	
<b>Surplus (+)/deficit (-) before income tax</b>	<b>3 865</b>	<b>- 1 184</b>	
Residential development	86	- 590	
Industrial development	3 779	- 594	

## 2025-26 Staffing: 15 FTE

- 1 The decrease in residential development income in 2025-26 primarily reflects lower expected sales at Zuccoli. The decrease in industrial development income in 2025-26 is due to one-off revenue received in 2024-25 relating to a sale negotiation settlement.
- 2 The decrease in residential development expenses in 2025-26 reflects lower expected demand at Zuccoli. The increase in industrial development expenses in 2025-26 relates to interest costs on additional borrowings and land remediation works at Hidden Valley.

## Business division profile

The Land Development Corporation underpins economic development through the provision of strategic industrial land and marine infrastructure.

The corporation also facilitates the delivery of innovative residential and mixed-use developments, with emphasis on affordability, regional development and innovation, largely through partnership arrangements with the private sector.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Holtze Industrial Estate stage 2	1 843	9 257
Kilgariff Estate dwelling construction initiative	270	3 240
<b>Key existing initiatives</b>		
Marine Industry Park – Precinct 1	217	20 000
Fannie Bay development	278	2 567
Wishart Estate stage 2	250	2 150

## Performance

The corporation's performance is expected to decline in 2025-26 mostly due to lower residential land sales, lower industrial income following one-off revenue received in 2024-25 and higher industrial development expenses predominantly relating to additional interest on new loans.

## Business line

### Residential development

**Objective:** Provide affordable, innovative and appropriate residential property solutions through the development and delivery of a range of residential projects.

**Activities:** Development and sale of residential land at the Palmerston suburb of Zuccoli, the Alice Springs suburb of Kilgariff and the Darwin suburb of Fannie Bay.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Jobs supported to deliver new residential titled lots <sup>1</sup>	14	0	21
New residential lots delivered	36	36	40

1 The variation in 2024-25 reflects postponed construction of the next phase of lots at Zuccoli due to slower than expected sales. The increase in the 2025-26 target is due to anticipated increased development activity at Zuccoli.

### Industrial development

**Objective:** Ensure the availability, development and management of strategic industrial land and precincts.

**Activities:** Development, sale and leasing of industrial land at Middle Arm Sustainable Development Precinct, Wishart Estate, Tiwi Islands and Holtze Industrial Estate, and at East Arm comprising Darwin Business Park, Bulk Liquids Area and Marine Industry Park.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Jobs supported to deliver new industrial titled lots <sup>1,2</sup>	46	1	58
New industrial lots delivered <sup>2</sup>	2	2	11
Industrial leases managed <sup>3</sup>	15	19	15
Industrial licences managed <sup>4</sup>	14	20	17
Lease and licence rent collected on time <sup>5</sup>	≥ 85%	80%	≥ 80%

1 The variation in 2024-25 is due to challenges in electrical and sewer headworks design at the Marine Industry Park – Precinct 1.

2 The increase in the 2025-26 target is due to an anticipated increase in development activity at the Marine Industry Park – Precinct 1.

3 The variation in 2024-25 reflects a new development lease attached to a land sale at East Arm and three long-term ground leases. The decrease in the 2025-26 target is due to the expected sale of four properties at East Arm and Holtze Industrial Estate stage 2.

4 The variation in 2024-25 relates to the issuance of six new licences across various Land Development Corporation land areas. The decrease in the 2025-26 target reflects the anticipated lapsing of three licences at Fannie Bay and Hidden Valley.

5 The variations reflect changing market conditions.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations		
Sales of goods and services	12 968	10 851
Interest revenue	488	364
Rent and dividends	4 116	3 656
Gain (+)/loss (-) on disposal of assets	120	1 142
Other revenue	4 461	607
<b>TOTAL INCOME</b>	<b>22 153</b>	<b>16 620</b>
<b>EXPENSES</b>		
Employee expenses	3 060	3 121
Administrative expenses		
Purchases of goods and services	12 824	10 658
Repairs and maintenance	500	500
Depreciation and amortisation	731	689
Other administrative expenses	200	725
Grants and subsidies expenses		
Current		
Capital		
Interest expenses	973	2 111
<b>TOTAL EXPENSES</b>	<b>18 288</b>	<b>17 804</b>
<b>SURPLUS (+)/DEFICIT (-) BEFORE INCOME TAX</b>	<b>3 865</b>	<b>- 1 184</b>
Income tax expense	1 160	
<b>NET SURPLUS (+)/DEFICIT (-)</b>	<b>2 705</b>	<b>- 1 184</b>

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	25 288	4 532
Receivables	405	405
Prepayments	679	679
Inventories	133 572	152 750
Advances and investments		
Property, plant and equipment	14 361	12 548
Other assets	310	304
<b>TOTAL ASSETS</b>	<b>174 615</b>	<b>171 218</b>
<b>LIABILITIES</b>		
Deposits held	64	64
Creditors and accruals	7 350	2 306
Borrowings and advances	29 343	36 661
Provisions	2 873	360
Other liabilities	6 926	4 952
<b>TOTAL LIABILITIES</b>	<b>46 556</b>	<b>44 343</b>
<b>NET ASSETS</b>	<b>128 059</b>	<b>126 875</b>
<b>EQUITY</b>		
Capital		
Opening balance	54 402	54 402
Equity injections/withdrawals		
Reserves	1 550	1 550
Accumulated funds		
Opening balance	70 755	72 107
Current year surplus (+)/deficit (-)	2 705	- 1 184
Dividends paid/payable	- 1 353	
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>128 059</b>	<b>126 875</b>



## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Grants and subsidies received		
Current		
Capital		
Community service obligations		
Receipts from sales of goods and services	20 667	13 140
Interest received	488	364
<b>Total operating receipts</b>	<b>21 155</b>	<b>13 504</b>
<b>Operating payments</b>		
Payments to employees	3 060	3 121
Payments for goods and services	14 385	36 124
Grants and subsidies paid		
Current		
Capital		
Interest paid	928	2 092
Income tax paid	1 227	1 160
<b>Total operating payments</b>	<b>19 600</b>	<b>42 497</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1 555</b>	<b>- 28 993</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales	154	2 266
Repayment of advances	6	6
Sales of investments		
<b>Total investing receipts</b>	<b>160</b>	<b>2 272</b>
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>160</b>	<b>2 272</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings	13 000	7 500
Deposits received	- 661	
Equity injections		
<b>Total financing receipts</b>	<b>12 339</b>	<b>7 500</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	221	182
Dividends paid	1 431	1 353
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>	<b>1 652</b>	<b>1 535</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>10 687</b>	<b>5 965</b>
Net increase (+)/decrease (-) in cash held	12 402	- 20 756
Cash at beginning of financial year	12 886	25 288
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>25 288</b>	<b>4 532</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Sales of goods and services</b>	<b>12 968</b>	<b>10 851</b>	<b>- 2 117</b>	1
Sales of land	12 968	10 851	- 2 117	
<b>Interest revenue</b>	<b>488</b>	<b>364</b>	<b>- 124</b>	
<b>Rent and dividends</b>	<b>4 116</b>	<b>3 656</b>	<b>- 460</b>	
Rent	4 116	3 656	- 460	
<b>Gain (+)/loss (-) on disposal of assets</b>	<b>120</b>	<b>1 142</b>	<b>1 022</b>	2
<b>Other revenue</b>	<b>4 461</b>	<b>607</b>	<b>- 3 854</b>	3
<b>OPERATING REVENUE</b>	<b>22 153</b>	<b>16 620</b>	<b>- 5 533</b>	

1 The variation largely reflects lower expected residential land sales at Zuccoli in 2025-26.

2 The increase is due to expected one-off proceeds from the sale of industrial premises in 2025-26.

3 The variation mostly relates to one-off revenue received in 2024-25 associated with Wishart Estate stage 2.

# Aboriginal Areas Protection Authority

Output group/Output	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Protection of sacred sites</b>	<b>6 175</b>	<b>6 270</b>
Protection of sacred sites	6 175	6 270
<b>Corporate and shared services</b>	<b>2 089</b>	<b>2 106</b>
Corporate and governance	1 118	1 135
Shared services received	971	971
<b>Total expenses</b>	<b>8 264</b>	<b>8 376</b>
<b>Appropriation</b>		
Output	3 243	3 323

2025-26 Staffing: 31 FTE

## Agency profile

The Aboriginal Areas Protection Authority's purpose and objectives, as contained in the *Northern Territory Aboriginal Sacred Sites Act 1989*, are to protect sacred sites and the traditional interests of Aboriginal custodians in sacred sites.

The Authority documents and stores a secure record of the traditional information on which legal recognition of these interests depends and provides authoritative advice so these interests are incorporated in decisions about land use.

## Output groups and objectives

### Protection of sacred sites

**Objective:** Enhanced relations between Aboriginal custodians and the wider Territory community by increasing the level of certainty when identifying constraints, if any, on land and sea use proposals from the existence of sacred sites.

#### Protection of sacred sites

Provide statutory services for the protection and registration of sacred sites and the avoidance of sacred sites in the economic development and use of land.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Authority certificates issued	100	101	100
Average time between receiving authority certificate applications and completing service (days)	≤ 120	116	≤ 120
Requests for information completed	850	885	850
Average time between receiving requests for information and completing service (days)	≤ 3	2	≤ 3
Statutory appeals	≤ 1%	nil	≤ 1%

## Corporate and shared services

**Objective:** Improved organisational performance through strategic and governance leadership and the provision of corporate services functions.

### Corporate and governance

Provide a range of corporate and governance services to support the authority's functions.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.

Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	3 243	3 323
Commonwealth		
Sales of goods and services	4 249	4 286
Interest revenue		
Goods and services received free of charge	971	971
Gain (+)/loss (-) on disposal of assets		
Other revenue		
<b>TOTAL INCOME</b>	<b>8 463</b>	<b>8 580</b>
<b>EXPENSES</b>		
Employee expenses	4 845	5 383
Administrative expenses		
Purchases of goods and services	2 439	2 018
Repairs and maintenance		
Depreciation and amortisation	9	4
Services free of charge	971	971
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>8 264</b>	<b>8 376</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>199</b>	<b>204</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	60	63
Interest revenue		
Royalties and rents		
Other revenue		
<b>TOTAL INCOME</b>	<b>60</b>	<b>63</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	2 417	2 625
Receivables	197	197
Prepayments	36	36
Inventories		
Advances and investments		
Property, plant and equipment	4	
Other assets		
<b>TOTAL ASSETS</b>	<b>2 654</b>	<b>2 858</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	220	220
Borrowings and advances		
Provisions	455	455
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>675</b>	<b>675</b>
<b>NET ASSETS</b>	<b>1 979</b>	<b>2 183</b>
<b>EQUITY</b>		
Capital		
Opening balance	- 2 379	- 2 379
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	4 159	4 358
Current year surplus (+)/deficit (-)	199	204
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>1 979</b>	<b>2 183</b>

# Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	3 243	3 323
Commonwealth		
Other agency receipts from sales of goods and services	4 249	4 286
Interest received		
<b>Total operating receipts</b>	<b>7 492</b>	<b>7 609</b>
<b>Operating payments</b>		
Payments to employees	4 845	5 383
Payments for goods and services	2 439	2 018
Grants and subsidies paid		
Current		
Capital		
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>7 284</b>	<b>7 401</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>208</b>	<b>208</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections		
<b>Total financing receipts</b>		
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>		
<b>NET CASH FROM FINANCING ACTIVITIES</b>		
Net increase (+)/decrease (-) in cash held	208	208
Cash at beginning of financial year	2 209	2 417
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>2 417</b>	<b>2 625</b>

Revenue statement

	2024-25 Revised	2025-26 Budget	Variation
	\$000	\$000	\$000
Output appropriation	3 243	3 323	80
Sales of goods and services	4 249	4 286	37
Fees and charges	4 249	4 286	37
Goods and services received free of charge	971	971	
OPERATING REVENUE	8 463	8 580	117



# Department of Corporate and Digital Development

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Corporate support development</b>	<b>201 131</b>	<b>202 368</b>	1
Workforce services	30 916	30 589	
Employment services	20 428	20 698	
Procurement services	9 232	9 272	
Information management services	11 736	10 614	
Finance services	8 056	8 051	
Property leasing services	118 041	120 383	
Fines Recovery Unit	2 722	2 761	
<b>Digital government development</b>	<b>232 097</b>	<b>241 091</b>	2
ICT network services	48 777	49 400	
Agency business systems and support services	76 658	69 280	
Across government systems and support services	27 291	28 473	
Digital projects	53 605	63 806	
Data services	12 878	12 861	
Digital communications	3 478	3 493	
Digital connectivity and strategy	9 410	13 778	
<b>Corporate and shared services</b>	<b>9 922</b>	<b>11 309</b>	3
Corporate and governance	7 430	8 590	
Shared services received	321	321	
Shared services provided	2 171	2 398	
<b>Total expenses</b>	<b>443 150</b>	<b>454 768</b>	
<b>Appropriation</b>			
Output	338 681	358 604	
Capital	29 574	21 163	
Commonwealth	4 500	2 200	

## 2025-26 staffing: 1,190 FTE

- 1 The decrease in the information management services output in 2025-26 is primarily related to a reduction in cost recoveries for courier and mail services, and the transfer of a function to the Northern Territory Police Force.
- 2 The decrease in the agency business systems and support services output is primarily due to a depreciation adjustment for a major project and one-off funding in 2024-25 for the sentencing reform project. The increase in the digital projects output in 2025-26 mostly reflects the transfer of funding from 2024-25 to 2025-26 to align with project delivery timing and additional funding for the Joint Emergency Services Communications Centre upgrade. The increase in the digital connectivity and strategy output in 2025-26 is mainly related to additional Commonwealth funding to improve telecommunications across the Territory.
- 3 The increase in the corporate and governance output in 2025-26 mostly reflects realignment of the agency budget as a result of a review of corporate cost allocations and centralisation of early careers program funding.

## Agency profile

The Department of Corporate and Digital Development supports all government agencies by delivering corporate and digital services, providing expert advice, developing transformative solutions and managing the Territory Government's digital environment.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Joint Emergency Services Communications Centre upgrade (on behalf of Northern Territory Police Force)	150	5 400
WebEOC upgrade	898	700
<b>Key existing initiatives</b>		
Acacia program (on behalf of the Department of Health) <sup>1</sup>	43 806	30 250
Northern Territory mobile driver licence (on behalf of the Department of Logistics and Infrastructure)	719	12 376
Education management transformation program (on behalf of the Department of Education and Training) <sup>2</sup>	4 450	9 650
Data management system for the Aboriginal Areas Protection Authority	600	6 320
Territory Services online portal	5 500	4 800
e-Conveyancing	2 285	4 030
Telecommunications uplift for Territory schools	4 215	4 000
School LAN cabling	2 780	2 800
Pensioner concession scheme system upgrade	407	2 300
National Firearms Registry (on behalf of Northern Territory Police Force) <sup>3</sup>	2 367	907
NTGPay – procure to pay system	100	600

1 Includes new funding of \$6 million in 2025-26.

2 Formerly known as the student management system replacement – stage 1.

3 Supersedes Tracer.

## Output groups and objectives

### Corporate support development

**Objective:** Professional, responsive and consistent corporate services, high quality value-adding solutions and trusted advice that enables agencies to focus on their core business and delivering government priorities.

#### Workforce services

Provide workforce decision support and development services, human capital initiatives and advice to assist agencies to manage their workforce, including human resources strategic planning, case management and training.

#### Employment services

Deliver end-to-end employment operations and advisory services that support the employment of staff across government, including payroll processing.

#### Procurement services

Coordinate procurement and contract administration services, advice and innovation, enabling agencies to source the goods and services needed for their business operations, including management of across-government contracts.

#### Information management services

Deliver FOI services to applicants and agencies, and provide information and records management services to support agencies to manage their business records effectively.

### Finance services

Provide whole of government finance operations and expert advice that support agencies to manage their financial resources effectively.

### Property leasing services

Deliver property leasing and tenancy management services and commercial advice to meet the leased accommodation requirements of agencies.

### Fines Recovery Unit

Process and collect fines and infringement penalties, and undertake enforcement actions to collect unpaid fines.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Average days taken to resolve human resource matters	≤ 92	60	≤ 92
Hours to complete a preliminary assessment of first level human resource service requests (average)	≤ 2	2	≤ 2
Participants commencing in enterprise early careers programs <sup>1</sup>	390	371	390
NTPS employees completing training programs coordinated by the department <sup>2</sup>	≥ 20 000	18 000	≥ 18 000
Payroll client queries resolved on first contact <sup>3</sup>			70%
Days to activate new employees on payroll system (average)	≤ 4	4	≤ 4
Across-government contracts – annual contractor performance reviews <sup>3</sup>			250
Days to process tender documents (average)	≤ 3	3	≤ 3
Days to process information management service requests	≤ 2	2	≤ 2
Applications made under the <i>Information Act</i> 2002 finalised within statutory timeframes	≥ 95%	95%	≥ 95%
Fines and penalties collection rate <sup>3,4</sup>			≥ 85%
Payments processing accuracy	100%	100%	100%
Days to collect debts (average) <sup>5</sup>	≤ 55	60	≤ 55
Leased accommodation occupancy density (m <sup>2</sup> /FTE) <sup>6</sup>	16.5	15.0	15.5
Unallocated net lettable area <sup>7</sup>	≤ 0.3%	0.3%	≤ 0.4%

1 The variation in 2024-25 is due to a reduction in agency demand.

2 The variation in 2024-25 is due to lower completion rates. The decrease in the 2025-26 target reflects three training programs combined into one.

3 New measure commencing 1 July 2025.

4 Measure based on the dollar value of fines issued compared to the dollar value of fines collected.

5 The variation in 2024-25 is due to an increase in the number of invoices requiring debt collection actions.

6 The variation in 2024-25 is due to a planned consolidation of accommodation that has resulted in a more efficient use of space.

7 The increase in the 2025-26 target includes additional allowance for decant accommodation during refurbishments.

## Digital government development

**Objective:** Transformative customer-focused digital solutions and services operating in a secure and controlled ICT environment, leveraging technology and connectivity to improve government service delivery.

### ICT network services

Operate and oversee government's ICT network, infrastructure, cyber security operations and sourcing of ICT services to manage and sustain government's digital ecosystem.

### Agency business systems and support services

Provide systems administration and support services, improvement initiatives, digital solutions and technical advice that support agencies to deliver their services to the community.

**Across government systems and support services**

Provide systems administration and support services, improvement initiatives, digital solutions and technical advice for systems that operate across government to support the NTPS.

**Digital projects**

Implement major digital projects in collaboration with agencies. Provide advice and guidance to agencies on new project proposals that help deliver efficient, customer-focused digital solutions.

**Data services**

Provide data management, reporting services and advice to inform decision-making in agencies.

**Digital communications**

Provide whole of government web services, new online initiatives and advice to support agencies and inform the community about government services.

**Digital connectivity and strategy**

Develop digital policy and strategy, and provide expertise to government and agencies to support the digital transformation of government services. Advocate for greater telecommunications connectivity for Territorians and support development of a local digital economy.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
ICT Service Centre queries resolved on first contact	≥ 70%	70%	≥ 70%
Availability of core agency business systems	≥ 99%	98%	99%
Availability of core across-government systems	≥ 99%	100%	≥ 99%
Average annual unscheduled outages per core system	≤ 2	0	≤ 2
Availability of OneNTG business intelligence environment <sup>1</sup>			≥ 99%
Days to process website publishing requests (average) <sup>1</sup>			≤ 5
Major ICT projects overseen by the ICT Governance Board	≥ 90%	100%	≥ 90%
Additional published datasets on the NT open data portal	≥ 30	33	≥ 30

<sup>1</sup> New measure commencing 1 July 2025.

**Corporate and shared services**

**Objective:** Improved organisational performance through strategic leadership and governance, and provision of corporate services functions.

**Corporate and governance**

Provide a range of corporate and governance services to support the agency's functions.

**Shared services received**

Receive infrastructure services from the Department of Logistics and Infrastructure.

**Shared services provided**

Provide corporate and governance services to support functions and divisions assisted by the department, primarily NT Fleet and Data Centre Services.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current		
Capital		
Appropriation		
Output	338 681	358 604
Commonwealth	500	6 000
Sales of goods and services	45 728	45 788
Interest revenue		
Goods and services received free of charge	321	321
Gain (+)/loss (-) on disposal of assets		
Other revenue	17 990	14 525
<b>TOTAL INCOME</b>	<b>403 220</b>	<b>425 238</b>
<b>EXPENSES</b>		
Employee expenses	157 799	154 957
Administrative expenses		
Purchases of goods and services	163 165	173 852
Repairs and maintenance		
Depreciation and amortisation	98 324	99 666
Services free of charge	321	321
Other administrative expenses		
Grants and subsidies expenses		
Current	1 225	1 246
Capital	1 750	5 864
Community service obligations		
Interest expenses	20 566	18 862
<b>TOTAL EXPENSES</b>	<b>443 150</b>	<b>454 768</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 39 930</b>	<b>- 29 530</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services		
Interest revenue		
Royalties and rents		
Other revenue	18 240	18 916
<b>TOTAL INCOME</b>	<b>18 240</b>	<b>18 916</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	20 439	23 352
Receivables	5 222	5 222
Prepayments	23 950	23 950
Inventories		
Advances and investments		
Property, plant and equipment	594 455	506 800
Other assets	356 742	380 501
<b>TOTAL ASSETS</b>	<b>1 000 808</b>	<b>939 825</b>
<b>LIABILITIES</b>		
Deposits held	216	216
Creditors and accruals	23 228	23 228
Borrowings and advances	600 217	520 893
Provisions	23 358	23 358
Other liabilities	6 700	2 900
<b>TOTAL LIABILITIES</b>	<b>653 719</b>	<b>570 595</b>
<b>NET ASSETS</b>	<b>347 089</b>	<b>369 230</b>
<b>EQUITY</b>		
Capital		
Opening balance	379 607	416 409
Equity injections/withdrawals	36 802	51 671
Reserves		
Accumulated funds		
Opening balance	- 29 390	- 69 320
Current year surplus (+)/deficit (-)	- 39 930	- 29 530
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>347 089</b>	<b>369 230</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current		
Capital		
Appropriation		
Output	338 681	358 604
Commonwealth	4 500	2 200
Other agency receipts from sales of goods and services	63 718	60 313
Interest received		
<b>Total operating receipts</b>	<b>406 899</b>	<b>421 117</b>
<b>Operating payments</b>		
Payments to employees	157 132	154 957
Payments for goods and services	163 165	173 852
Grants and subsidies paid		
Current	1 225	1 246
Capital	1 750	5 864
Community service obligations		
Interest paid	20 566	18 862
<b>Total operating payments</b>	<b>343 838</b>	<b>354 781</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>63 061</b>	<b>66 336</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	45 747	35 414
Advances and investing payments		
<b>Total investing payments</b>	<b>45 747</b>	<b>35 414</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 45 747</b>	<b>- 35 414</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital	29 574	21 163
Commonwealth		
Equity injections	17 929	30 508
<b>Total financing receipts</b>	<b>47 503</b>	<b>51 671</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	76 380	79 680
Equity withdrawals	13 206	
Service concession liability payments		
<b>Total financing payments</b>	<b>89 586</b>	<b>79 680</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 42 083</b>	<b>- 28 009</b>
Net increase (+)/decrease (-) in cash held	- 24 769	2 913
Cash at beginning of financial year	45 208	20 439
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>20 439</b>	<b>23 352</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Output appropriation</b>	<b>338 681</b>	<b>358 604</b>	<b>19 923</b>	<b>1</b>
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>500</b>	<b>6 000</b>	<b>5 500</b>	<b>2</b>
Aged care worker screening – preparatory support Northern Territory	500	500		
Regional Roads Australia Mobile Program		4 000	4 000	
Mobile connectivity services		1 500	1 500	
<b>Sales of goods and services</b>	<b>45 728</b>	<b>45 788</b>	<b>60</b>	
ICT infrastructure services	29 924	29 924		
Rent recovery	5 252	5 307	55	
Shared services corporate management charges	4 943	4 948	5	
Enforcement fees	2 819	2 819		
ICT identity and coordination services	1 748	1 748		
Salary sacrifice administrative fees	1 042	1 042		
<b>Goods and services received free of charge</b>	<b>321</b>	<b>321</b>		
<b>Other revenue</b>	<b>17 990</b>	<b>14 525</b>	<b>- 3 465</b>	<b>3</b>
<b>OPERATING REVENUE</b>	<b>403 220</b>	<b>425 238</b>	<b>22 018</b>	
<b>Capital appropriation</b>	<b>29 574</b>	<b>21 163</b>	<b>- 8 411</b>	<b>4</b>
<b>CAPITAL RECEIPTS</b>	<b>29 574</b>	<b>21 163</b>	<b>- 8 411</b>	

1 The variation mainly reflects the timing of funding in line with milestone payments for various ICT projects including the Acacia program, data management system, eConveyancing, e-Medication, mobile driver licence and SerPro projects.

2 The variation is mostly due to new Commonwealth funding in 2025-26 for the Regional Roads Australia Mobile Program.

3 The variation largely reflects one-off cost recovery for ICT system development costs in 2024-25 for various projects.

4 The variation relates to the timing of funding in line with milestones payments for various ICT projects including the Acacia program, eConveyancing and mobile driver licence projects.



# Data Centre Services

Business line	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Income</b>	<b>33 868</b>	<b>33 006</b>
Data centre management	33 868	33 006
<b>Expenses</b>	<b>30 210</b>	<b>29 800</b>
Data centre management	30 210	29 800
<b>Surplus (+)/deficit (-) before income tax</b>	<b>3 658</b>	<b>3 206</b>

**2025-26 staffing: 47 FTE**

## Business division profile

Data Centre Services delivers core ICT infrastructure and support services to Territory Government agencies.

## Performance

Performance in 2025-26 is expected to be broadly consistent with 2024-25.

## Business line

### Data centre management

**Objective:** A computing environment that is reliable, adaptable and secure for government's critical digital systems, with high levels of performance and availability.

**Activities:** Deliver high quality, reliable and secure enterprise-scale computing services across a diverse range of technology platforms that support government operations.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Fully managed servers	2 030	1 980	2 070
Data storage area network (terabytes) <sup>1</sup>	14 000	14 197	15 000
Virtual server computing availability	100%	100%	100%
Mainframe computing availability	100%	100%	100%

1 The increase in the 2025-26 target reflects the projected capital expenditure for storage hardware.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations		
Sales of goods and services	31 461	30 636
Interest revenue	735	735
Rent and dividends		
Gain (+)/loss (-) on disposal of assets		
Other revenue	1 672	1 635
<b>TOTAL INCOME</b>	<b>33 868</b>	<b>33 006</b>
<b>EXPENSES</b>		
Employee expenses	7 195	7 194
Administrative expenses		
Purchases of goods and services	19 012	18 752
Repairs and maintenance		
Depreciation and amortisation	3 843	3 726
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Interest expenses	160	128
<b>TOTAL EXPENSES</b>	<b>30 210</b>	<b>29 800</b>
<b>SURPLUS (+)/DEFICIT (-) BEFORE INCOME TAX</b>	<b>3 658</b>	<b>3 206</b>
Income tax expense	1 097	962
<b>NET SURPLUS (+)/DEFICIT (-)</b>	<b>2 561</b>	<b>2 244</b>

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	17 204	19 656
Receivables	2 400	2 400
Prepayments	8 161	8 161
Inventories		
Advances and investments		
Property, plant and equipment	18 293	15 317
Other assets		
<b>TOTAL ASSETS</b>	<b>46 058</b>	<b>45 534</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	661	661
Borrowings and advances	9 338	7 986
Provisions	3 532	3 238
Other liabilities	155	155
<b>TOTAL LIABILITIES</b>	<b>13 686</b>	<b>12 040</b>
<b>NET ASSETS</b>	<b>32 372</b>	<b>33 494</b>
<b>EQUITY</b>		
Capital		
Opening balance	4 233	4 233
Equity injections/withdrawals		
Reserves		
Accumulated funds		
Opening balance	26 859	28 139
Current year surplus (+)/deficit (-)	2 561	2 244
Dividends paid/payable	- 1 281	- 1 122
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>32 372</b>	<b>33 494</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Grants and subsidies received		
Current		
Capital		
Community service obligations		
Receipts from sales of goods and services	33 133	32 271
Interest received	735	735
<b>Total operating receipts</b>	<b>33 868</b>	<b>33 006</b>
<b>Operating payments</b>		
Payments to employees	7 195	7 194
Payments for goods and services	19 012	18 752
Grants and subsidies paid		
Current		
Capital		
Interest paid	160	128
Income tax paid	1 432	1 097
<b>Total operating payments</b>	<b>27 799</b>	<b>27 171</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>6 069</b>	<b>5 835</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	1 960	750
Advances and investing payments		
<b>Total investing payments</b>	<b>1 960</b>	<b>750</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 1 960</b>	<b>- 750</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Equity injections		
<b>Total financing receipts</b>		
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments	1 321	1 352
Dividends paid	1 671	1 281
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>	<b>2 992</b>	<b>2 633</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 2 992</b>	<b>- 2 633</b>
Net increase (+)/decrease (-) in cash held	1 117	2 452
Cash at beginning of financial year	16 087	17 204
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>17 204</b>	<b>19 656</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Sales of goods and services</b>	<b>31 461</b>	<b>30 636</b>	<b>- 825</b>	1
Data centre management	31 461	30 636	- 825	
<b>Interest revenue</b>	<b>735</b>	<b>735</b>		
<b>Other revenue</b>	<b>1 672</b>	<b>1 635</b>	<b>- 37</b>	
Infosphere and IBM hardware maintenance	1 672	1 635	- 37	
<b>OPERATING REVENUE</b>	<b>33 868</b>	<b>33 006</b>	<b>- 862</b>	

1 The reduction reflects new price and service delivery from 2025-26.



# NT Fleet

Business line	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Income</b>	<b>48 353</b>	<b>48 308</b>
Vehicle fleet services	48 353	48 308
<b>Expenses</b>	<b>34 194</b>	<b>34 274</b>
Vehicle fleet services	34 194	34 274
<b>Surplus (+)/deficit (-) before income tax</b>	<b>14 159</b>	<b>14 034</b>

2025-26 staffing: 26 FTE

## Business division profile

NT Fleet operates the Territory Government vehicle fleet, with the exception of Northern Territory Police Force and Northern Territory Fire and Emergency Service vehicles.

## Performance

Performance in 2025-26 is expected to be broadly consistent with 2024-25.

## Business line

### Vehicle fleet services

**Objective:** Safe, cost-efficient, fit-for-purpose vehicles that support agencies' requirements.

**Activities:** Acquisition, leasing, whole-of-life management and disposal of a diverse fleet of vehicle assets used by agencies to deliver their core business.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Vehicles managed <sup>1</sup>	3 521	3 670	3 681
Light vehicles managed within the Territory Government fleet policy <sup>2</sup>	≥ 90%	87%	≥ 90%
Electric vehicles in the Territory fleet	150	139	159

1 The variation in 2024-25 is largely due to agencies requesting additional vehicles for operational needs. The increase in the 2025-26 target reflects outstanding additional new vehicle orders.

2 The variation in 2024-25 is due to delays in vehicle deliveries requiring existing vehicle leases to be extended.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Grants and subsidies revenue		
Current		
Capital		
Community service obligations		
Sales of goods and services	42 972	42 927
Interest revenue	174	174
Rent and dividends		
Gain (+)/loss (-) on disposal of assets	5 000	5 000
Other revenue	207	207
<b>TOTAL INCOME</b>	<b>48 353</b>	<b>48 308</b>
<b>EXPENSES</b>		
Employee expenses	3 070	3 070
Administrative expenses		
Purchases of goods and services	15 266	15 346
Repairs and maintenance		
Depreciation and amortisation	15 858	15 858
Other administrative expenses		
Grants and subsidies expenses		
Current		
Capital		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>34 194</b>	<b>34 274</b>
<b>SURPLUS (+)/DEFICIT (-) BEFORE INCOME TAX</b>	<b>14 159</b>	<b>14 034</b>
Income tax expense	4 248	4 210
<b>NET SURPLUS (+)/DEFICIT (-)</b>	<b>9 911</b>	<b>9 824</b>



## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	9 546	13 190
Receivables	1 819	1 819
Prepayments	2 163	2 163
Inventories		
Advances and investments		
Property, plant and equipment	131 989	138 231
Other assets	3 106	3 006
<b>TOTAL ASSETS</b>	<b>148 623</b>	<b>158 409</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals	4 261	4 261
Borrowings and advances		
Provisions	4 685	9 559
Other liabilities	15	15
<b>TOTAL LIABILITIES</b>	<b>8 961</b>	<b>13 835</b>
<b>NET ASSETS</b>	<b>139 662</b>	<b>144 574</b>
<b>EQUITY</b>		
Capital		
Opening balance	565	6 565
Equity injections/withdrawals	6 000	
Reserves		
Accumulated funds		
Opening balance	123 186	133 097
Current year surplus (+)/deficit (-)	9 911	9 824
Dividends paid/payable		- 4 912
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>139 662</b>	<b>144 574</b>

## Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Grants and subsidies received		
Current		
Capital		
Community service obligations		
Receipts from sales of goods and services	43 179	43 134
Interest received	174	174
<b>Total operating receipts</b>	<b>43 353</b>	<b>43 308</b>
<b>Operating payments</b>		
Payments to employees	3 070	3 070
Payments for goods and services	15 266	15 346
Grants and subsidies paid		
Current		
Capital		
Interest paid		
Income tax paid	3 746	4 248
<b>Total operating payments</b>	<b>22 082</b>	<b>22 664</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>21 271</b>	<b>20 644</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales	15 000	15 000
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>	<b>15 000</b>	<b>15 000</b>
<b>Investing payments</b>		
Purchases of assets	36 000	32 000
Advances and investing payments		
<b>Total investing payments</b>	<b>36 000</b>	<b>32 000</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 21 000</b>	<b>- 17 000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Equity injections	6 000	
<b>Total financing receipts</b>	<b>6 000</b>	
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Dividends paid		
Equity withdrawals		
Service concession liability payments		
<b>Total financing payments</b>		
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>6 000</b>	
Net increase (+)/decrease (-) in cash held	6 271	3 644
Cash at beginning of financial year	3 275	9 546
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>9 546</b>	<b>13 190</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation
	\$000	\$000	\$000
Sales of goods and services	42 972	42 927	- 45
Vehicle lease revenue	42 972	42 927	- 45
Interest revenue	174	174	
Gain (+)/loss (-) on disposal of assets	5 000	5 000	
Other revenue	207	207	
OPERATING REVENUE	48 353	48 308	- 45



# Department of Education and Training

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Early childhood education and care services</b>	<b>30 205</b>	<b>25 731</b>	1
Early childhood education and care services	30 205	25 731	
<b>Government education</b>	<b>924 071</b>	<b>976 607</b>	2
Preschool education	43 783	43 511	
Primary years education	508 121	542 954	
Secondary years education	370 412	388 584	
International education	1 755	1 558	
<b>Non-government education</b>	<b>333 112</b>	<b>343 265</b>	
Primary and secondary years education	333 112	343 265	
<b>Training and higher education</b>	<b>109 806</b>	<b>120 046</b>	3
Training	100 306	110 546	
Higher education	9 500	9 500	
<b>Corporate and shared services</b>	<b>86 905</b>	<b>84 996</b>	
Corporate and governance	19 465	18 540	
Shared services received	67 440	66 456	
<b>Total expenses</b>	<b>1 484 099</b>	<b>1 550 645</b>	
<b>Appropriation</b>			
Output	669 926	713 813	
Capital	650		
Commonwealth	605 716	654 902	

## 2025-26 staffing: 4,700 FTE

- 1 The decrease in 2025-26 is primarily due to finalisation of time-limited Commonwealth funding and the carryover of funds from prior years to 2024-25 for the Australian Early Development Census program and Community Child Care Fund program.
- 2 The increase in the primary and secondary years education outputs in 2025-26 mostly reflects additional Territory and Commonwealth funding associated with the Better and Fairer Schools Agreement.
- 3 The increase in 2025-26 in the training output is mainly due to the transfer of National Skills Agreement funding from 2024-25 to 2025-26 to better align funding with program delivery timing.

## Agency profile

The Department of Education and Training delivers, supports and regulates early childhood, education and training services to provide all Territorians with the skills and capabilities to contribute to the Territory's economic and social future. It has a range of strategic policy, regulatory, service delivery and support responsibilities, including:

- ensuring high quality early learning and development programs support a strong start in life
- delivering high quality education services focused on getting back to basics with explicit instruction in literacy and numeracy to re-engage children and young people through flexible learning and intensive support
- providing a high quality and flexible vocational education and training (VET) system
- creating better pathways for Territorians to real and critical jobs
- supporting Territory institutions to deliver tertiary education
- providing a regulatory function over the operation of early years education and care services, and non-government schools.

# Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Increasing school attendance <sup>1</sup>	8 206	12 895
Swimming programs in schools for government and non-government schools	3 000	3 000
Expanding qualified counsellors in schools		1 860
<b>Key existing initiatives</b>		
Government schools resourcing including centralised school costs <sup>1, 2</sup>	684 242	712 894
Supporting apprenticeships and traineeships <sup>1</sup>	28 600	28 600
Boosting literacy and numeracy <sup>1</sup>	14 103	14 231
Keeping and attracting teachers <sup>1</sup>	13 582	13 838
Continued implementation of the Preschool Reform agreement <sup>1</sup>	5 556	6 839
A Better, Safer Future for Central Australia – on-country learning <sup>1</sup>	24 724	

1 Includes Commonwealth funding.

2 Government school funding allocations for 2026 will be finalised in October 2025.

## Output groups and objectives

### Early childhood education and care services

**Objective:** Quality early childhood programs and services to provide a strong start for all Territory children.

#### Early childhood education and care services

Provide strategic advice, assistance and regulation of early childhood education and care services. Provide targeted and integrated early childhood services, family support and capacity-building programs to give children a strong start in life.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Approved services with a quality rating meeting national quality standard or higher <sup>1</sup>		79%	≥ 83%

1 New measure, based on Australian Children's Education and Care Quality Authority ratings for the December quarter.

### Government education

**Objective:** Territorians of all ages are learning the skills and developing capabilities to contribute to the Territory's economic and social future.

#### Preschool education

Provide quality, evidence-based preschool education programs that support a strong start for children.

#### Primary years education

Deliver the Australian curriculum and boost literacy and numeracy through providing quality learning programs with explicit instruction and targeted support for students from transition to year 6.

## Secondary years education

Deliver the Australian curriculum, VET in Schools and the Northern Territory Certificate of Education and Training (NTCET) to enhance educational outcomes, and create better pathways beyond schooling to real and critical jobs.

## International education

Provide strategic advice and services to strengthen international education through growing international school partnerships and fee-paying international student numbers at Territory government schools.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Total preschool student enrolments <sup>1, 2</sup>	2 850	2 844	2 800
Aboriginal preschool student enrolments <sup>1, 2</sup>	1 150	1 192	1 200
Preschool attendance rate: <sup>3</sup>			
– non-Aboriginal	≥ 87%	87%	≥ 88%
– Aboriginal	≥ 53%	52%	≥ 53%
Total primary, middle and senior student enrolments <sup>1</sup>	29 750	29 648	29 400
Aboriginal primary, middle and senior students enrolments <sup>1</sup>	13 200	13 189	13 200
Primary, middle and senior attendance rate: <sup>3</sup>			
– non-Aboriginal	≥ 85%	85%	≥ 86%
– Aboriginal	≥ 60%	56%	≥ 60%
NAPLAN – proportion of students who achieved strong or exceeding proficiency levels: <sup>4</sup>			
Reading – non-Aboriginal students	≥ 61%	58%	≥ 61%
Reading – Aboriginal students	≥ 17%	14%	≥ 17%
Numeracy – non-Aboriginal students	≥ 55%	54%	≥ 55%
Numeracy – Aboriginal students	≥ 13%	11%	≥ 13%
NAPLAN – proportion of students whose results indicate they need additional support: <sup>4</sup>			
Reading – outer regional students	≤ 16%	18%	≤ 16%
Reading – remote students	≤ 34%	37%	≤ 34%
Reading – very remote students	≤ 74%	76%	≤ 74%
Numeracy – outer regional students	≤ 18%	17%	≤ 16%
Numeracy – remote students	≤ 34%	35%	≤ 34%
Numeracy – very remote students	≤ 74%	76%	≤ 74%
Students attaining a NTCET: <sup>5</sup>			
– non-Aboriginal	796	801	873
– Aboriginal	185	192	162
NTCET attainment rate: <sup>6</sup>			
– non-Aboriginal	≥ 84%	85%	≥ 86%
– Aboriginal	≥ 34%	36%	≥ 37%

1 Enrolment numbers are sourced from the Age Grade Census and are not comparable to attendance rates.

Enrolments will vary due to multiple factors including population migration and family choice of education sectors.

2 Territory children may be enrolled in approved preschool programs outside the government sector including in long day care settings.

3 Average attendance rate across the school year.

4 The National Assessment Program – Literacy and Numeracy (NAPLAN) results vary year to year. Measures are derived from national NAPLAN proficiency standards.

5 Number of students who successfully attained a NTCET. The lower 2025-26 target for Aboriginal students is due to a smaller 2025 year 12 starting cohort.

6 The NTCET attainment rate is based on students attaining an NTCET as a proportion of year 12 students enrolled at the start of the school year.

## Non-government education

**Objective:** Quality education choices for Territory families and communities.

### Primary and secondary years education

Regulate non-government schools providing primary and secondary years programs, administer Commonwealth and Territory grants, and work in partnership to deliver education services to Territorians.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Total primary, middle and senior student enrolments <sup>1</sup>	10 800	11 137	11 200
Aboriginal primary, middle and senior student enrolments <sup>1</sup>	2 850	3 030	2 800
Primary, middle and senior attendance rate: <sup>2</sup>			
– non-Aboriginal	≥ 90%	89%	90%
– Aboriginal	≥ 60%	60%	62%
Students attaining a NTCET: <sup>3</sup>			
– non-Aboriginal	388	407	392
– Aboriginal	33	68	61

- 1 Enrolment numbers are sourced from the Age Grade Census and are not comparable to attendance rates. Enrolments will vary due to multiple factors including population migration and family choice of education sectors.
- 2 Average attendance rate across the school year.
- 3 Number of students who successfully attained an NTCET. The lower 2025-26 target is due to a smaller 2025 year 12 starting cohort.

## Training and higher education

**Objective:** Skill requirements of the Territory economy are met through responsive training and higher education sectors that are aligned to the needs of Territorians and Territory employers.

### Training

Administer a high quality and flexible VET system for Territorians.

### Higher education

Provide strategic advice and administer funding to Charles Darwin University and Batchelor Institute of Indigenous Tertiary Education to support a strong and responsive higher education sector in the Territory.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Government school students who completed a Certificate II, III or IV qualification <sup>1</sup>	420	552	441
Non-government school students who completed a Certificate II, III or IV qualification <sup>2</sup>	315	168	315
Apprenticeship and traineeship commencement	2 400	2 333	2 450
Apprentices and trainees who are Aboriginal or Torres Strait Islander	≥ 30%	29%	≥ 30%
VET graduates in employment or further study	≥ 90%	94%	≥ 90%

- 1 The variation in 2024-25 and 2025-26 reflects improved data quality identifying more VET students.
- 2 The variation in 2024-25 reflects a decrease in non-government secondary schools engaging with VET programs.



## Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and governance, and provision of corporate functions.

### **Corporate and governance**

Provide a range of corporate and governance services to support the agency's functions including financial services, portfolio project and performance management, safety management, complaints resolution, strategic policy, intergovernmental relations, governance and risk management, and corporate communications.

### **Shared services received**

Receive corporate services from the Department of Corporate and Digital Development.  
Receive infrastructure services from the Department of Logistics and Infrastructure.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	11 030	7 700
Capital		
Appropriation		
Output	669 926	713 813
Commonwealth	604 690	656 232
Sales of goods and services	16 831	18 279
Interest revenue		
Goods and services received free of charge	67 440	66 456
Gain (+)/loss (-) on disposal of assets		
Other revenue	3 591	223
<b>TOTAL INCOME</b>	<b>1 373 508</b>	<b>1 462 703</b>
<b>EXPENSES</b>		
Employee expenses	682 474	717 753
Administrative expenses		
Purchases of goods and services	93 301	99 573
Repairs and maintenance		
Depreciation and amortisation	63 003	64 191
Services free of charge	67 440	66 456
Other administrative expenses	1 777	
Grants and subsidies expenses		
Current	570 695	597 209
Capital	4 949	5 003
Community service obligations		
Interest expenses	460	460
<b>TOTAL EXPENSES</b>	<b>1 484 099</b>	<b>1 550 645</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 110 591</b>	<b>- 87 942</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	675	702
Interest revenue		
Royalties and rents		
Other revenue		
<b>TOTAL INCOME</b>	<b>675</b>	<b>702</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	84 115	64 434
Receivables	24 332	24 332
Prepayments	2 525	2 525
Inventories		
Advances and investments		
Property, plant and equipment	1 341 266	1 277 075
Other assets	8	8
<b>TOTAL ASSETS</b>	<b>1 452 246</b>	<b>1 368 374</b>
<b>LIABILITIES</b>		
Deposits held	1	1
Creditors and accruals	21 556	21 556
Borrowings and advances	11 753	11 753
Provisions	64 727	64 727
Other liabilities	5 118	3 788
<b>TOTAL LIABILITIES</b>	<b>103 155</b>	<b>101 825</b>
<b>NET ASSETS</b>	<b>1 349 091</b>	<b>1 266 549</b>
<b>EQUITY</b>		
Capital		
Opening balance	1 676 279	1 813 484
Equity injections/withdrawals	137 205	5 400
Reserves	367 517	367 517
Accumulated funds		
Opening balance	- 721 319	- 831 910
Current year surplus (+)/deficit (-)	- 110 591	- 87 942
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>1 349 091</b>	<b>1 266 549</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	10 956	7 700
Capital		
Appropriation		
Output	669 926	713 813
Commonwealth	605 716	654 902
Other agency receipts from sales of goods and services	20 346	18 502
Interest received		
<b>Total operating receipts</b>	<b>1 306 944</b>	<b>1 394 917</b>
<b>Operating payments</b>		
Payments to employees	681 956	717 753
Payments for goods and services	93 365	99 573
Grants and subsidies paid		
Current	570 691	597 209
Capital	4 949	5 003
Community service obligations		
Interest paid	460	460
<b>Total operating payments</b>	<b>1 351 421</b>	<b>1 419 998</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 44 477</b>	<b>- 25 081</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	650	
Advances and investing payments		
<b>Total investing payments</b>	<b>650</b>	
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 650</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital	650	
Commonwealth		
Equity injections	93 500	21 000
<b>Total financing receipts</b>	<b>94 150</b>	<b>21 000</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	12 711	15 600
Service concession liability payments		
<b>Total financing payments</b>	<b>12 711</b>	<b>15 600</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>81 439</b>	<b>5 400</b>
Net increase (+)/decrease (-) in cash held	36 312	- 19 681
Cash at beginning of financial year	47 803	84 115
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>84 115</b>	<b>64 434</b>

# Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>11 030</b>	<b>7 700</b>	<b>- 3 330</b>	1
Children and Schooling Program	7 425	7 564	138	
Connected Beginnings Program	2 170		- 2 170	
Joint Compliance and Monitoring Program	600		- 600	
Learning with Families	367		- 367	
Community Child Care Fund	263		- 263	
Australian Early Development Census	205	136	- 69	
<b>Output appropriation</b>	<b>669 926</b>	<b>713 813</b>	<b>43 887</b>	2
<b>Commonwealth appropriation</b>				
<b>Specific purpose payments</b>	<b>558 356</b>	<b>625 662</b>	<b>67 306</b>	1
Better and Fairer Schools Agreement – non-government schools	278 960	286 550	7 590	
Better and Fairer Schools Agreement – government schools	254 000	300 700	46 700	
National Skills Agreement	25 396	38 412	13 016	
<b>National partnership agreements</b>	<b>46 334</b>	<b>30 570</b>	<b>- 15 764</b>	1
Northern Territory Remote Aboriginal Investment – children and schooling	18 727	18 479	- 248	
On-Country Learning 2024	10 000		- 10 000	
Preschool Reform Agreement	6 970	4 830	- 2 140	
Fee-free TAFE Skills Agreement	5 563	1 600	- 3 963	
Turbocharging TAFE Centres of Excellence	1 600	2 454	854	
Transition funding for highly disadvantaged independent schools	1 540	990	- 550	
Consent and respectful relationships education	724	407	- 317	
Workload Reduction Fund	700	1 300	600	
National Student Wellbeing Program	510	510		
<b>Sales of goods and services</b>	<b>16 831</b>	<b>18 279</b>	<b>1 448</b>	3
School contributions	13 417	15 342	1 924	
International student fees	1 754	1 500	- 254	
ICT services for non-government schools	587	594	7	
Headleasing	384	384		
NT Training Award	193	82	- 111	
Boarder contributions	138	138		
Training centres	90	90		
Other	268	149	- 119	
<b>Goods and services received free of charge</b>	<b>67 440</b>	<b>66 456</b>	<b>- 984</b>	
<b>Other revenue</b>	<b>3 591</b>	<b>223</b>	<b>- 3 368</b>	4
<b>OPERATING REVENUE</b>	<b>1 373 508</b>	<b>1 462 703</b>	<b>89 195</b>	

*continued*

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
Capital appropriation	650		- 650	5
<b>CAPITAL RECEIPTS</b>	<b>650</b>		<b>- 650</b>	

- 1 The variations are in line with relevant Commonwealth agreements.
- 2 The increase largely reflects the Territory's increased contributions to support government and non-government schools under the Better and Fairer Schools Agreement.
- 3 The variation reflects expected school contributions for the 2025 calendar year.
- 4 The decrease largely reflects the return of unspent funds and recoveries for various programs in 2024-25.
- 5 The decrease is due to one-off funding in 2024-25 for the purchase of new furniture and equipment for Yirrkala and Alekarenge schools.

# Department of Trade, Business and Asian Relations

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Trade, business and Asian relations</b>	<b>64 943</b>	<b>65 749</b>	1
Business	38 637	38 813	
Workforce and population	7 456	8 213	
Trade and investment	18 850	18 723	
<b>Corporate and shared services</b>	<b>23 567</b>	<b>23 271</b>	
Corporate and governance	4 373	4 109	
Shared services received	16 194	16 195	
Shared services provided	3 000	2 967	
<b>Total expenses</b>	<b>88 510</b>	<b>89 020</b>	
<b>Appropriation</b>			
Output	57 426	64 869	
Commonwealth	3 840	188	

## 2025-26 staffing: 231 FTE

1 The increase in the workforce and population output in 2025-26 is primarily due to additional funding for attracting workers and students to the Territory, partially offset by the finalisation of other time-limited migration initiatives in 2024-25.

## Agency profile

The Department of Trade, Business and Asian Relations works to shape a competitive environment that activates industry and business, attracts investment and drives growth to sustain a vibrant Territory economy and lifestyle.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Attracting workers and students to grow the Territory population and economy		1 990
<b>Key existing initiatives</b>		
Territory Aviation Attraction Scheme	3 911	8 589
Business Growth, Resilience and Security Package	4 371	3 629
Aboriginal and Torres Strait Islander Art Gallery of Australia	1 171	3 529
Advanced manufacturing	1 890	1 390
Circular economy NT Recycling Modernisation Fund <sup>1</sup>	2 468	376

1 Includes Commonwealth funding.

## Output groups and objectives

### Trade, business and Asian relations

**Objective:** Capable innovative businesses, growing industries, a skilled workforce to meet the needs of today and the future, and accelerated investment to support the Territory's growth.

## Business

Improve business resilience, competitiveness and productivity through regulatory reform, efficient licencing, and by building capacity through targeted grant programs, business services and advice.

Grow local supply chain involvement in priority industries. Promote advanced technologies, manufacturing and digital services to enhance business operations and innovation. Improve airline connectivity for business and the community.

Administer the *Associations Act 2003* to ensure a compliant and capable not-for-profit sector. Deliver government's procurement framework of governance, strategy, capability and engagement, including reforms to improve efficiency and effectiveness.

## Workforce and population

Lead research and analysis of the Territory's current and future labour market and skills requirements as key inputs to develop and implement workforce strategies to build a workforce with the skills and capabilities needed now and in the future.

Promote the Territory as a great place to work, study and live. Advocate to the Commonwealth on migration, international student and regional population settings.

Implement policies and initiatives that support workforce and population growth including by building awareness of the Territory's career opportunities. Connect workers and employers to grow populations across all regions.

## Trade and investment

Build the Territory's investment pipeline through attraction and engagement with investors and businesses locally, domestically and internationally.

Develop and promote opportunities for investment and innovation in the Territory. Strategically target markets to accelerate, grow and diversify exports. Amplify the Territory in Asia and strengthen relationships to connect local businesses and industries with international markets and investors.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Customer satisfaction with business support services and programs <sup>1</sup>		75%	≥ 75%
Business grant recipients that report a positive impact on their business	≥ 90%	90%	≥ 90%
Business and skilled migration visas assessed <sup>2</sup>	1 000	2 163	2 500
Occupational licence applications processed within 30 days from lodgement of complete application	≥ 90%	92%	≥ 90%
Incorporated associations compliant with financial lodgements <sup>3</sup>	≥ 75%	66%	≥ 70%
Growth in the investment pipeline <sup>4</sup>			≥ 20%
Opportunities taken to market <sup>4</sup>			4

1 New measure.

2 The variation in 2024-25 is due to a higher than anticipated increase in Commonwealth visa nomination allocations and a record number of Northern Territory Designated Area Migration Agreement (NT DAMA) endorsement applications received. The increase in 2025-26 target reflects an anticipated increase in Commonwealth visa allocations and implementation of a new and expanded NT DAMA program.

3 The variation in 2024-25 reflects responses received following engagement with associations. The decrease in the 2025-26 target is based on anticipated 2024-25 actual achievement.

4 New measure commencing 1 July 2025.



## Corporate and shared services

**Objective:** Improved organisational performance through strategic leadership and provision of corporate and governance support functions.

### **Corporate and governance**

Provide a range of corporate and governance services to support the agencies' functions.

### **Shared services received**

Receive corporate services from the Department of Corporate and Digital Development, and infrastructure services from the Department of Logistics and Infrastructure.

### **Shared services provided**

Provide corporate services to the Department of Agriculture and Fisheries and the Department of Mining and Energy.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	292	150
Capital		
Appropriation		
Output	57 426	64 869
Commonwealth	4 552	188
Sales of goods and services	4 243	3 903
Interest revenue		
Goods and services received free of charge	16 194	16 195
Gain (+)/loss (-) on disposal of assets		
Other revenue	1 287	990
<b>TOTAL INCOME</b>	<b>83 994</b>	<b>86 295</b>
<b>EXPENSES</b>		
Employee expenses	34 768	35 839
Administrative expenses		
Purchases of goods and services	10 910	14 013
Repairs and maintenance		
Depreciation and amortisation	104	103
Services free of charge	16 194	16 195
Other administrative expenses		
Grants and subsidies expenses		
Current	16 764	20 967
Capital	9 770	1 903
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>88 510</b>	<b>89 020</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 4 516</b>	<b>- 2 725</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants		
Fees from regulatory services	2 000	2 000
Interest revenue		
Royalties and rents		
Other revenue		
<b>TOTAL INCOME</b>	<b>2 000</b>	<b>2 000</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	30 405	29 633
Receivables	1 968	1 968
Prepayments	119	119
Inventories		
Advances and investments	62 815	62 815
Property, plant and equipment	408	305
Other assets		
<b>TOTAL ASSETS</b>	<b>95 715</b>	<b>94 840</b>
<b>LIABILITIES</b>		
Deposits held	21	21
Creditors and accruals	2 776	2 776
Borrowings and advances	25 288	25 288
Provisions	4 211	4 211
Other liabilities	151	1
<b>TOTAL LIABILITIES</b>	<b>32 447</b>	<b>32 297</b>
<b>NET ASSETS</b>	<b>63 268</b>	<b>62 543</b>
<b>EQUITY</b>		
Capital		
Opening balance	164 855	175 435
Equity injections/withdrawals	10 580	2 000
Reserves	1 569	1 569
Accumulated funds		
Opening balance	- 109 220	- 113 736
Current year surplus (+)/deficit (-)	- 4 516	- 2 725
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>63 268</b>	<b>62 543</b>

## Cash flow statement

	2024-25 Revised \$000	2025-26 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	4 798	150
Capital		
Appropriation		
Output	57 426	64 869
Commonwealth	3 840	188
Other agency receipts from sales of goods and services	4 323	4 743
Interest received		
<b>Total operating receipts</b>	<b>70 387</b>	<b>69 950</b>
<b>Operating payments</b>		
Payments to employees	47 910	35 839
Payments for goods and services	13 673	14 013
Grants and subsidies paid		
Current	18 735	20 967
Capital	10 662	1 903
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>90 980</b>	<b>72 722</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>- 20 593</b>	<b>- 2 772</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments	30 000	
<b>Total investing payments</b>	<b>30 000</b>	
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 30 000</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections	81 751	42 000
<b>Total financing receipts</b>	<b>81 751</b>	<b>42 000</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	171 075	40 000
Service concession liability payments		
<b>Total financing payments</b>	<b>171 075</b>	<b>40 000</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>- 89 324</b>	<b>2 000</b>
Net increase (+)/decrease (-) in cash held	- 139 917	- 772
Cash at beginning of financial year	170 322	30 405
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>30 405</b>	<b>29 633</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>167</b>	<b>150</b>	<b>- 17</b>	
Barkly Regional Deal	167	150	- 17	
<b>Other grants</b>	<b>125</b>		<b>- 125</b>	
Northern Territory Risk Reduction Program	125		- 125	
<b>Output appropriation</b>	<b>57 426</b>	<b>64 869</b>	<b>7 443</b>	1
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>4 552</b>	<b>188</b>	<b>- 4 364</b>	2
Yulara water supply	2 900		- 2 900	
Recycling Modernisation Fund	1 442	188	- 1 254	
Other	210		- 210	
<b>Sales of goods and services</b>	<b>4 243</b>	<b>3 903</b>	<b>- 340</b>	
Corporate shared services provided	3 000	2 967	55	
General skilled migration visas processing fees	854	480	- 374	
Business and industry events	99	75	- 24	
Tradestart	93	96	3	
Other	197	285		
<b>Goods and services received free of charge</b>	<b>16 194</b>	<b>16 195</b>	<b>1</b>	
<b>Other revenue</b>	<b>1 287</b>	<b>990</b>	<b>- 297</b>	
Agents Licensing Fidelity Guarantee Fund	998	952	- 46	
Procurement NT	243	19	- 224	
Other	46	19	- 27	
<b>OPERATING REVENUE</b>	<b>83 994</b>	<b>86 295</b>	<b>2 301</b>	

1 The increase largely reflects additional funding from 2025-26 to support aviation attraction and the Aboriginal and Torres Strait Islander Art Gallery of Australia.

2 The variations are in line with the relevant agreements.



# Department of Children and Families

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>Families</b>	<b>199 072</b>	<b>204 091</b>	1
Family support	39 583	44 531	
Child protection	21 420	20 930	
Out of home care	138 069	138 630	
<b>Domestic, family and sexual violence</b>	<b>75 680</b>	<b>71 503</b>	2
Domestic, family and sexual violence services	75 680	71 503	
<b>Homelessness</b>	<b>72 970</b>	<b>73 161</b>	
Homelessness services	72 970	73 161	
<b>Emergency management</b>	<b>729</b>	<b>680</b>	
Emergency management welfare group	729	680	
<b>Corporate and shared services</b>	<b>23 551</b>	<b>23 375</b>	
Corporate and governance	4 161	4 132	
Shared services received	17 908	17 920	
Shared services provided	1 482	1 323	
<b>Total expenses</b>	<b>372 002</b>	<b>372 810</b>	
<b>Appropriation</b>			
Output	287 602	280 731	
Commonwealth	58 410	70 623	

## 2025-26 Staffing: 556 FTE

- 1 The increase in the family support output in 2025-26 is primarily due to Commonwealth funding under the Northern Territory Remote Aboriginal Investment agreement for remote family support and child and family centres.
- 2 The decrease in the domestic, family and sexual violence output mainly reflects Commonwealth funding variations and one-off carryover of unspent funding from prior years into 2024-25, noting additional funding for domestic, family and sexual violence reduction activities has also been provided to other agencies.

## Agency profile

The Department of Children and Families leads the Territory Government's responses to homelessness, domestic, family and sexual violence (DFSV), and child protection. The agency partners with families, communities and service providers to deliver prevention, early intervention and tertiary services that empower individuals experiencing vulnerability to increase safety and wellbeing for themselves, their children and their community.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
National Agreement on Social Housing and Homelessness <sup>1</sup>	42 480	43 780
Northern Territory Remote Aboriginal Investment: <sup>1</sup>		
– remote women's safe spaces		12 750
– family support services		5 370
– child and family centres		4 620
Domestic, family and sexual violence reduction and prevention:		
– Circuit Breaker program	6 232	8 300
– specialist services funding for an integrated system response		5 200
– programs in community settings for people committing DFSV		3 428
– whole of government policy, coordination and governance		2 566
– training and resource centre		1 500
– primary prevention grant program		1 400
– remote safe houses		500
– risk assessment by universal services		250
<b>Key existing initiatives</b>		
Family, Domestic and Sexual Violence Responses – National Partnership Agreement <sup>1</sup>	5 588	4 103
Domestic, family and sexual violence - Action Plan 2	20 000	
Ozanam House relocation	1 770	

<sup>1</sup> Includes Commonwealth funding.

## Output groups and objectives

### Families

**Objective:** Territory children and young people live in safe environments.

#### Family support

Provide targeted family support to families and children experiencing high levels of vulnerability and disadvantage.

#### Child protection

Respond to concerns around children and young people who have experienced harm or are at risk of harm and intervene to help keep them safe and well, including placing children and young people in care when they are unable to live safely with their families.

#### Out of home care

Provide case management and support for children and young people under guardianship of the chief executive and support the reunification of children and young people with their families where it is safe to do so.



Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Family support cases opened <sup>1</sup>			400
Child and family centres (total) <sup>2</sup>	9	8	9
Child protection investigations commenced <sup>3</sup>	≤ 5 000	5 800	≤ 5 000
Children entering out of home care <sup>4</sup>	≤ 135	159	≤ 150
Aboriginal children in out of home care placed with an Aboriginal carer <sup>5</sup>	≥ 35%	25%	≥ 35%
Children exiting out of home care	≥ 180	175	≥ 180

1 New measure commencing 1 July 2025.

2 The variation in 2024-25 relates to the timing of community led development, leasing negotiations, and community and industry consultation.

3 The variation in 2024-25 is due to an increased number of child protection notifications.

4 The variation in 2024-25 reflects an increased number of child protection investigations. The increase in the 2025-26 target is based on 2024-25 performance.

5 The variation in 2024-25 is due to higher than expected non-disclosure or reporting of Aboriginal status recorded in the carer's demographic profile.

## Domestic, family and sexual violence

**Objective:** Territorians are safe from abuse and violence.

### Domestic, family and sexual violence services

Develop policies and provide programs to prevent, reduce and respond to domestic, family and sexual violence.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Domestic and family violence workers completing Risk Assessment Management Framework training	530	530	530
Circuit Breaker cases commenced <sup>1</sup>			200
Eligible referrals to domestic and family violence behaviour change programs <sup>1</sup>			170
Clients supported to develop domestic, family and sexual violence safety plans <sup>1</sup>			≥ 3 500
Bed nights clients stayed at a women's safe house <sup>1</sup>			≥ 35 000

1 New measure commencing 1 July 2025.

## Homelessness

**Objective:** Territorians experiencing or at risk of homelessness have access to culturally safe and appropriate support accommodation and housing.

### Homelessness services

Deliver place-based solutions to address homelessness and support those at risk of homelessness.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Homelessness service presentations where clients were housed at the end of their support period <sup>1</sup>	≥ 19%	7%	≥10%
Homelessness service presentations where a client at risk of homelessness received assistance and avoided homelessness <sup>2</sup>			≥ 85%
Domestic, family and sexual violence short-term transitional accommodation presentations where clients were housed at the end of their support period <sup>2</sup>			300

1 The variation in 2024-25 relates to a change in reporting process by service providers. The decrease in the 2025-26 target reflects new contract arrangements with service providers commencing 1 July 2025. Performance of this target is subject to external market factors and housing supply.

2 New measure commencing 1 July 2025.

## Emergency management

**Objective:** Essential needs of Territorians impacted by an emergency are met.

### Emergency management welfare group

Deliver a coordinated whole of government welfare response in times of emergency to meet the immediate essential needs of individuals and families, including the operation of evacuation centres.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Welfare group meetings held <sup>1</sup>	24	20	24

1 Meetings are set based on regional needs and seasonal activity.

## Corporate and shared services

**Objective:** A service system that is culturally safe, integrated, effective, person-centred and sustainable, and provision of corporate services functions.

### Corporate and governance

Provide leadership and strategic management to ensure the agency meets its service and quality objectives, and identifies and mitigates risk. Deliver Territory-wide coordination, governance and regulation, strategy, policy, plans and standards, resource and information management, evaluation and performance analysis.

### Shared services received

Receive corporate services from the Department of Corporate and Digital Development.  
Receive infrastructure services from the Department of Logistics and Infrastructure.

### Shared services provided

Provide shared corporate and governance services to the Department of People, Sport and Culture.

# Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	532	552
Capital		
Appropriation		
Output	287 602	280 731
Commonwealth	58 410	70 623
Sales of goods and services	1 744	1 392
Interest revenue		
Goods and services received free of charge	17 908	17 920
Gain (+)/loss (-) on disposal of assets		
Other revenue	163	
<b>TOTAL INCOME</b>	<b>366 359</b>	<b>371 218</b>
<b>EXPENSES</b>		
Employee expenses	85 666	81 237
Administrative expenses		
Purchases of goods and services	108 451	99 088
Repairs and maintenance		
Depreciation and amortisation	1 596	1 592
Services free of charge	17 908	17 920
Other administrative expenses		
Grants and subsidies expenses		
Current	155 343	169 973
Capital	3 038	3 000
Community service obligations		
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>372 002</b>	<b>372 810</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 5 643</b>	<b>- 1 592</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>		
Taxation revenue		
Commonwealth revenue		
Current grants		
Capital grants	2 400	7 600
Fees from regulatory services		
Interest revenue		
Royalties and rents		
Other revenue		
<b>TOTAL INCOME</b>	<b>2 400</b>	<b>7 600</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	16 573	16 573
Receivables	92	92
Prepayments		
Inventories		
Advances and investments		
Property, plant and equipment	25 322	23 730
Other assets		
<b>TOTAL ASSETS</b>	<b>41 987</b>	<b>40 395</b>
<b>LIABILITIES</b>		
Deposits held		
Creditors and accruals		
Borrowings and advances	7 425	7 425
Provisions	8 784	8 784
Other liabilities		
<b>TOTAL LIABILITIES</b>	<b>16 209</b>	<b>16 209</b>
<b>NET ASSETS</b>	<b>25 778</b>	<b>24 186</b>
<b>EQUITY</b>		
Capital		
Opening balance		31 421
Equity injections/withdrawals	31 421	
Reserves		
Accumulated funds		
Opening balance		- 5 643
Current year surplus (+)/deficit (-)	- 5 643	- 1 592
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>25 778</b>	<b>24 186</b>

## Assets and liabilities administered for the Central Holding Authority

<b>ASSETS</b>	
Taxes receivable	
Grants and subsidies receivable	
Royalties and rent receivable	
Other receivables	3 100
<b>TOTAL ASSETS</b>	<b>3 100</b>
<b>LIABILITIES</b>	
Central Holding Authority income payable	1 000
Unearned Central Holding Authority income	2 100
<b>TOTAL LIABILITIES</b>	<b>3 100</b>
<b>NET ASSETS</b>	

# Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	532	552
Capital		
Appropriation		
Output	287 602	280 731
Commonwealth	58 410	70 623
Other agency receipts from sales of goods and services	1 815	1 392
Interest received		
<b>Total operating receipts</b>	<b>348 359</b>	<b>353 298</b>
<b>Operating payments</b>		
Payments to employees	76 882	81 237
Payments for goods and services	108 451	99 088
Grants and subsidies paid		
Current	155 343	169 973
Capital	3 038	3 000
Community service obligations		
Interest paid		
<b>Total operating payments</b>	<b>343 714</b>	<b>353 298</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>4 645</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets		
Advances and investing payments		
<b>Total investing payments</b>		
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received		
Appropriation		
Capital		
Commonwealth		
Equity injections	20 000	
<b>Total financing receipts</b>	<b>20 000</b>	
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	8 072	
Service concession liability payments		
<b>Total financing payments</b>	<b>8 072</b>	
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>11 928</b>	
Net increase (+)/decrease (-) in cash held	16 573	
Cash at beginning of financial year		16 573
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>16 573</b>	<b>16 573</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>532</b>	<b>552</b>	<b>20</b>	
Keeping Women Safe in their Homes	442	442		
Mikan Reference Group redesign and implementation	90	110	20	
<b>Output appropriation</b>	<b>287 602</b>	<b>280 731</b>	<b>- 6 871</b>	<b>1</b>
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>58 410</b>	<b>70 623</b>	<b>12 213</b>	<b>2</b>
National Agreement on Social Housing and Homelessness	42 480	43 780	1 300	
Northern Territory Remote Aboriginal Investment	10 342	22 740	12 398	
Family, Domestic and Sexual Violence Responses	5 588	4 103	- 1 485	
<b>Sales of goods and services</b>	<b>1 744</b>	<b>1 392</b>	<b>- 352</b>	<b>3</b>
Corporate shared services provided	1 482	1 323	- 159	
Family law information sharing	91		- 91	
Other	171	69	- 102	
<b>Goods and services received free of charge</b>	<b>17 908</b>	<b>17 920</b>	<b>12</b>	
<b>Other revenue</b>	<b>163</b>		<b>- 163</b>	
Return of unspent grants	156		- 156	
Other	7		- 7	
<b>OPERATING REVENUE</b>	<b>366 359</b>	<b>371 218</b>	<b>4 859</b>	

1 The variation mainly reflects finalisation of time-limited funding in 2024-25 for On the Right Track and families co-responder initiatives.

2 The variations are in line with the relevant agreements.

3 The variations are mostly due to the funding profile for shared corporate services with the Department of People, Sport and Culture and finalisation of time-limited funding.

# Department of People, Sport and Culture

Output group/Output	2024-25 Revised	2025-26 Budget	Note
	\$000	\$000	
<b>People</b>	<b>190 995</b>	<b>189 662</b>	
Social inclusion	17 900	17 470	
Disability	140 930	141 487	
Northern Territory concession and recognition schemes	32 165	30 705	
<b>Sport</b>	<b>37 327</b>	<b>45 225</b>	1
Sport and recreation	37 327	45 225	
<b>Culture</b>	<b>46 215</b>	<b>38 758</b>	2
Arts and culture	33 838	27 398	
Libraries and archives	12 377	11 360	
<b>Corporate and shared services</b>	<b>8 865</b>	<b>8 734</b>	
Corporate and governance	1 559	1 406	
Shared services received	7 306	7 328	
<b>Total expenses</b>	<b>283 402</b>	<b>282 379</b>	
<b>Appropriation</b>			
Output	208 862	211 162	
Capital	45	45	
Commonwealth	1 814		

## 2025-26 staffing: 147 FTE

- 1 The increase in the sport and recreation output in 2025-26 is primarily due to the transfer of funding from 2024-25 to 2025-26 for redevelopment of Woodroffe Oval and Tracy Village sports precinct, and funding to support Aboriginal participation in sports.
- 2 The decrease in the arts and culture output in 2025-26 mostly reflects one-off grants in 2024-25 for the National Iconic Arts Trail program in Big Rivers, partially offset by additional funding in 2025-26 for the Museum and Art Gallery of the NT.

## Agency profile

The department is dedicated to fostering an inclusive, vibrant and healthy community for all Territorians. It promotes active lifestyles through accessible sports and recreation programs, encourages engagement and participation in arts and cultural initiatives, and supports creative expression.

The department ensures that people of all abilities, including those with disabilities, as well as diverse backgrounds and identities, have equitable opportunities to connect, engage, and thrive in the Territory's social, cultural and recreational life. It delivers programs for all Territorians across various sectors, including veterans, disability, seniors, multicultural affairs, youth, gender equity and diversity, concessions, sport and recreation, libraries and archives, arts and culture.

## Budget highlights

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>New initiatives</b>		
Additional NDIS contribution funding	11 500	11 500
Additional funding for Museum and Art Gallery of the Northern Territory		2 500
Supporting Territory Aboriginal participation in sport		500
Prevention activities addressing gender-based violence		250
Continuation of Auslan interpreters		120
AFL Women's Dreamtime match	400	
<b>Key existing initiatives</b>		
Woodroffe Oval redevelopment		6 450
Tracy Village Sports Precinct redevelopment		3 000
Operation Thrive	850	850
Northern Territory Seniors Recognition Scheme increase	846	846
Multicultural grants	600	600
Multicultural community facilities grants	150	400
Priority community infrastructure – Men's Shed relocation <sup>1</sup>	1 000	
<b>New capital works</b>		
Katherine multipurpose multicultural facility		1 500

1 Includes Commonwealth funding.

## Output groups and objectives

### People

**Objective:** Territory communities are empowered, active, diverse, vibrant and safe places for everyone, where people can access the NDIS and disability services they need and receive financial support to assist with the cost of essential goods and services.

#### Social inclusion

Coordinate and manage activities and events that promote diversity, inclusion and social connection through our offices of veterans engagement and support, disability, senior Territorians, multicultural affairs, youth affairs, and gender equity and diversity.

#### Disability

Lead the Territory partnership with the NDIS and development of government's disability policy, and support initiatives that advocate, assist and provide opportunity for those living with disability.

#### Northern Territory concession and recognition schemes

Deliver initiatives that provide financial support for concession holders and seniors to help with cost of living expenses on a range of essential goods and services.



Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Events, programs and activities funded to support and celebrate veterans and their families <sup>1</sup>			20
Events, services and activities funded to celebrate and support senior Territorians <sup>1</sup>			50
Events and activities funded to promote and celebrate our multicultural community <sup>2, 3</sup>	125	101	110
Events and activities funded to promote and celebrate young Territorians <sup>2</sup>	150	278	200
Events and activities funded to enhance gender equity and diversity <sup>2, 3</sup>	60	80	80
Active participants with an approved NDIS plan	5 900	6 100	5 900
Eligible Territorians who are members of the Northern Territory Concession Scheme	≥ 70%	63%	≥ 65%
Eligible Territorians who are members of the Northern Territory Seniors Recognition Scheme	≥ 73%	77%	≥ 75%

1 New measure commencing 1 July 2025.

2 The number of applicants, amounts requested and amounts awarded under application-based grant programs will vary round to round.

3 The 2025-26 target is based on 2024-25 performance.

## Sport

**Objective:** The sport and recreation sector within the Territory is developed for the benefit of all Territorians and visitors.

### Sport and recreation

Support and develop the sport and active recreation sectors to engage Territorians in lifelong participation in sport and active recreation.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Sports and recreation organisation partnerships <sup>1</sup>	68	78	73
Eligible organisations registered for sport vouchers <sup>2</sup>	375	270	275

1 The variation in 2024-25 is due to an increased number of organisations funded in 2024-25 in West Daly, Tiwi and Barkly regions, resulting in an increased number of partnerships being created. The increase in the 2025-26 target is forecast based on funding commitments for 2025-26.

2 The variation in 2024-25 and decrease in the 2025-26 target is due to an audit and bi-annual renewal process of activity providers that resulted in organisations opting out of the program, no longer in operation or no longer redeeming vouchers.

## Culture

**Objective:** Growth and development of the Territory's arts sectors and preservation of places of documentary knowledge and archival collections for future generations.

### Arts and culture

Preserve and promote the Territory's rich and diverse history and culture through curated collections.

**Libraries and archives**

Support and develop the Territory's arts, culture and creative industry sectors through grants, infrastructure and industry support. Includes supporting performance spaces and galleries, and managing the Araluen Cultural Precinct and program at Araluen Arts Centre.

Key performance indicators	2024-25 Target	2024-25 Estimate	2025-26 Target
Online and in-person visits to Territory public libraries including Library & Archives NT	1.4M	1.42M	1.43M
Artists, art workers and arts organisations funded through arts and culture grant programs <sup>1</sup>	150	187	150

1 The variation in 2024-25 is due to an increase in demand for smaller grants such as Quick Response grants to support travel and professional development of artists and arts professionals.

**Corporate and shared services**

**Objective:** Effective and efficient performance of the agency through strategic leadership and governance.

**Corporate and governance**

Provide leadership and strategic management to ensure the agency meets its service and quality objectives, and identifies and mitigates risk.

**Shared services received**

Receive corporate services from the Department of Corporate and Digital Development.  
Receive infrastructure services from the Department of Logistics and Infrastructure. Receive corporate and governance services from the Department of Children and Families.

## Operating statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>INCOME</b>		
Taxation revenue		
Grants and subsidies revenue		
Current	1 312	566
Capital		
Appropriation		
Output	208 862	211 162
Commonwealth	1 624	
Sales of goods and services	1 779	1 683
Interest revenue		
Goods and services received free of charge	54 806	54 834
Gain (+)/loss (-) on disposal of assets		
Other revenue	47	
<b>TOTAL INCOME</b>	<b>268 430</b>	<b>268 245</b>
<b>EXPENSES</b>		
Employee expenses	18 754	19 372
Administrative expenses		
Purchases of goods and services	10 949	10 260
Repairs and maintenance		
Depreciation and amortisation	14 134	14 134
Services free of charge	54 806	54 834
Other administrative expenses	38	
Grants and subsidies expenses		
Current	159 671	159 582
Capital	10 692	9 839
Community service obligations	14 358	14 358
Interest expenses		
<b>TOTAL EXPENSES</b>	<b>283 402</b>	<b>282 379</b>
<b>NET SURPLUS (+)/DEFICIT (-)<sup>1</sup></b>	<b>- 14 972</b>	<b>- 14 134</b>

## Income administered for the Central Holding Authority

<b>INCOME</b>	
Taxation revenue	
Commonwealth revenue	
Current grants	
Capital grants	3 650
Fees from regulatory services	
Interest revenue	
Royalties and rents	
Other revenue	
<b>TOTAL INCOME</b>	<b>3 650</b>

1 Agencies are not-for-profit entities and will generally report a deficit balance due to non-cash items (for example, depreciation and amortisation) and any approved use of cash balances associated with unspent funding from prior financial years.

## Balance sheet

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>ASSETS</b>		
Cash and deposits	10 033	10 033
Receivables	41	41
Prepayments		
Inventories		
Advances and investments		
Property, plant and equipment	419 126	405 037
Other assets		
<b>TOTAL ASSETS</b>	<b>429 200</b>	<b>415 111</b>
<b>LIABILITIES</b>		
Deposits held	87	87
Creditors and accruals	6	6
Borrowings and advances		
Provisions	2 335	2 335
Other liabilities	209	209
<b>TOTAL LIABILITIES</b>	<b>2 637</b>	<b>2 637</b>
<b>NET ASSETS</b>	<b>426 563</b>	<b>412 474</b>
<b>EQUITY</b>		
Capital		
Opening balance		273 659
Equity injections/withdrawals	273 659	45
Reserves	167 876	167 876
Accumulated funds		
Opening balance		- 14 972
Current year surplus (+)/deficit (-)	- 14 972	- 14 134
Transfers to/from reserves		
Accounting policy changes and corrections		
<b>TOTAL EQUITY</b>	<b>426 563</b>	<b>412 474</b>

## Assets and liabilities administered for the Central Holding Authority

<b>ASSETS</b>	
Taxes receivable	
Grants and subsidies receivable	
Royalties and rent receivable	
Other receivables	37
<b>TOTAL ASSETS</b>	<b>37</b>
<b>LIABILITIES</b>	
Central Holding Authority income payable	37
Unearned Central Holding Authority income	
<b>TOTAL LIABILITIES</b>	<b>37</b>
<b>NET ASSETS</b>	

# Cash flow statement

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operating receipts</b>		
Taxes received		
Grants and subsidies received		
Current	1 312	566
Capital		
Appropriation		
Output	208 862	211 162
Commonwealth	1 814	
Other agency receipts from sales of goods and services	1 804	1 683
Interest received		
<b>Total operating receipts</b>	<b>213 792</b>	<b>213 411</b>
<b>Operating payments</b>		
Payments to employees	16 413	19 372
Payments for goods and services	10 949	10 260
Grants and subsidies paid		
Current	159 671	159 582
Capital	10 692	9 839
Community service obligations	14 358	14 358
Interest paid		
<b>Total operating payments</b>	<b>212 083</b>	<b>213 411</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1 709</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Investing receipts</b>		
Proceeds from asset sales		
Repayment of advances		
Sales of investments		
<b>Total investing receipts</b>		
<b>Investing payments</b>		
Purchases of assets	45	45
Advances and investing payments		
<b>Total investing payments</b>	<b>45</b>	<b>45</b>
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>- 45</b>	<b>- 45</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Financing receipts</b>		
Proceeds of borrowings		
Deposits received	87	
Appropriation		
Capital	45	45
Commonwealth		
Equity injections	10 000	
<b>Total financing receipts</b>	<b>10 132</b>	<b>45</b>
<b>Financing payments</b>		
Repayment of borrowings		
Lease payments		
Equity withdrawals	1 763	
Service concession liability payments		
<b>Total financing payments</b>	<b>1 763</b>	
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>8 369</b>	<b>45</b>
Net increase (+)/decrease (-) in cash held	10 033	
Cash at beginning of financial year		10 033
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>10 033</b>	<b>10 033</b>

## Revenue statement

	2024-25 Revised	2025-26 Budget	Variation	Note
	\$000	\$000	\$000	
<b>Current grants and subsidies revenue</b>				
<b>Commonwealth grants</b>	<b>1 227</b>	<b>481</b>	<b>- 746</b>	1
Priority Community Infrastructure	1 000		- 1 000	
Australian Sports Commission	227	481	254	
<b>Other grants</b>	<b>85</b>	<b>85</b>		
Alice Springs Town Council collection management	85	85		
<b>Output appropriation</b>	<b>208 862</b>	<b>211 162</b>	<b>2 300</b>	2
<b>Commonwealth appropriation</b>				
<b>National partnership agreements</b>	<b>1 624</b>		<b>- 1 624</b>	1
National Energy Bill Relief Program	1 434		- 1 434	
Changing Places Implementation	190		- 190	
<b>Sales of goods and services</b>	<b>1 779</b>	<b>1 683</b>	<b>- 96</b>	
Araluen Arts Centre	1 127	1 127		
Hidden Valley	351	361	10	
Marrara indoor stadium	144	144		
Other	157	51	- 106	
<b>Goods and services received free of charge</b>	<b>54 806</b>	<b>54 834</b>	<b>28</b>	
<b>Other revenue</b>	<b>47</b>		<b>- 47</b>	
Return of unspent grants	47		- 47	
<b>OPERATING REVENUE</b>	<b>268 430</b>	<b>268 245</b>	<b>- 185</b>	
<b>Capital appropriation</b>	<b>45</b>	<b>45</b>		
<b>CAPITAL RECEIPTS</b>	<b>45</b>	<b>45</b>		

1 The variations are in line with relevant agreements.

2 The variation largely reflects additional funding in 2025-26 to support the Woodroffe Oval and Tracy Village sports precinct redevelopment.

## Part 2

Community service obligation payments  
and  
output appropriation

## Community service obligation payments

This section details community service obligation (CSO) payments to the Territory's government business divisions (GBDs), government owned corporations and private electricity retailers.

CSOs allow government to deliver specific community and social objectives that would not otherwise be undertaken or would only be undertaken at higher prices if left to commercial or market forces. Where government specifically requires a GBD or government owned corporation to carry out such activities, funding is provided in the form of a CSO payment to ensure the entity's financial performance is not adversely affected.

The provision of CSOs is an important feature of the Territory's competitive neutrality policy for government owned businesses. The competitive neutrality framework encourages a commercial culture, provides an opportunity for regular review of activities funded by CSOs, and ensures transparent budgeting and reporting to demonstrate to competitors that CSOs are not being used to support commercial operations.

The following table outlines the Territory Government's CSO payments for 2024-25 and 2025-26 by purchasing agency, with subsequent commentary on each CSO.

Purchasing agency/Provider/Description	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Department of Treasury and Finance</b>	<b>155 416</b>	<b>192 116</b>
Electricity retailers (including Jacana Energy)		
Regulated retail electricity tariffs	140 216	191 696
Power and Water Corporation		
Regulated retail water and sewerage tariffs	800	420
Gas supply agreement	14 400	
<b>Department of People, Sport and Culture</b>	<b>14 358</b>	<b>14 358</b>
Electricity retailers (including Jacana Energy)		
Northern Territory Concession Scheme	9 650	9 650
Power and Water Corporation		
Northern Territory Concession Scheme	4 708	4 708
<b>Department of Housing, Local Government and Community Development</b>	<b>3 657</b>	<b>3 657</b>
NT Home Ownership		
Home ownership incentives	3 657	3 657
<b>Department of Tourism and Hospitality</b>	<b>8 623</b>	<b>8 623</b>
Territory Wildlife Parks		
Territory Wildlife Park	4 897	4 897
Alice Springs Desert Park	3 726	3 726
<b>Total</b>	<b>182 054</b>	<b>218 754</b>



### **Department of Treasury and Finance**

The Department of Treasury and Finance provides CSO funding to electricity retailers for electricity supply to households and small business customers (using below 750 megawatt hours per annum) across the Territory at uniform tariffs.

Funding for regulated retail electricity tariffs is expected to increase in 2025-26 by \$51.5 million as increases in network and generation costs are not anticipated to be fully offset by increases in tariffs.

The Department of Treasury and Finance also provides CSO funding for legacy contracts entered into by the former vertically integrated Power and Water Corporation that, following structural separation, were deemed to be non-commercial and require CSO funding. However, this CSO funding, for the transport of gas used for power generation, ceases from 2025-26.

CSO funding of \$0.42 million for regulated retail water and sewerage tariffs reflects the cost to Power and Water Corporation of legacy concessional charges for religious and charitable organisations.

### **Department of People, Sport and Culture**

Power and Water Corporation and Jacana Energy receive CSO payments from the Department of People, Sport and Culture to fund subsidised electricity, water and sewerage tariffs for eligible pensioners, seniors and carers under the Northern Territory Concession Scheme.

CSO payments related to the Northern Territory Concession Scheme are expected to remain unchanged in 2025-26.

### **Department of Housing, Local Government and Community Development**

The Department of Housing, Local Government and Community Development provides CSO funding to NT Home Ownership, which provides incentives for eligible Territorians to purchase their own home, thereby increasing home ownership in the Territory. CSO payments related to NT Home Ownership are expected to remain unchanged in 2025-26.

### **Department of Tourism and Hospitality**

The Department of Tourism and Hospitality provides CSO funding for four non-commercial functions carried out by Territory Wildlife Parks, including:

- maintaining the parks' assets to a high standard to support growth and development of the Territory's tourism industry
- supporting biodiversity through captive breeding of endangered, rare and threatened species
- enhancing education of school children through teaching the benefits of the natural environment
- managing the botanic garden at the Alice Springs Desert Park.

CSO payments related to Territory Wildlife Parks are expected to remain unchanged in 2025-26.

# Output appropriation

Output appropriation is Territory Government funding provided to agencies to deliver outputs. It excludes capital appropriation (provided to deliver major and minor capital works), Commonwealth appropriation (provided under various agreements) and non-cash accrual costs, such as depreciation.

The following table details total output appropriation by agency over five years from 2024-25. Variations over the budget and forward estimates period reflect parameter indexation (for example, wages and CPI), budget repair measure and, where applicable, new funding.

	2024-25	2025-26	2026-27	2027-28	2028-29
	Revised	Budget	Forward estimate		
	\$000	\$000	\$000	\$000	\$000
Department of the Chief Minister and Cabinet	72 467	71 025	68 500	69 560	70 955
Department of the Legislative Assembly	28 077	29 638	30 800	31 597	32 419
Auditor-General's Office	3 178	3 214	3 267	3 323	3 377
Northern Territory Electoral Commission	4 585	1 712	1 802	1 840	1 877
Office of the Independent Commissioner Against Corruption	5 592	5 667	5 765	5 861	5 955
Ombudsman's Office	2 808	2 893	2 983	3 043	3 104
Northern Territory Police Force	450 111	491 120	512 979	540 442	554 966
Northern Territory Fire and Emergency Service	60 122	67 659	69 393	71 199	73 023
Department of Agriculture and Fisheries	43 973	45 261	43 664	44 018	44 405
Department of Mining and Energy	38 823	40 020	36 540	30 880	30 727
Department of Corrections	373 607	435 392	450 867	463 775	487 778
Department of Treasury and Finance	192 108	240 138	273 459	278 293	278 906
Department of Logistics and Infrastructure	365 934	397 637	395 327	380 664	377 977
Attorney-General's Department	137 532	131 692	130 949	129 869	132 097
Department of Tourism and Hospitality	173 143	175 405	165 938	167 189	170 608
Department of Health	1 239 745	1 284 652	1 352 652	1 405 259	1 459 918
Department of Housing, Local Government and Community Development	300 311	305 867	307 949	307 617	315 325
Department of Lands, Planning and Environment	90 666	88 015	84 733	84 976	86 469
Aboriginal Areas Protection Authority	3 243	3 323	3 414	3 478	3 538
Department of Corporate and Digital Development	338 681	358 604	336 317	344 395	352 001
Department of Education and Training	669 926	713 813	760 893	776 828	797 052
Department of Trade, Business and Asian Relations	57 426	64 869	53 595	52 290	46 742
Department of Children and Families	287 602	280 731	280 000	288 613	290 768
Department of People, Sport and Culture	208 862	211 162	200 583	203 637	202 024
<b>Total</b>	<b>5 148 522</b>	<b>5 449 509</b>	<b>5 572 369</b>	<b>5 688 646</b>	<b>5 822 011</b>

# Abbreviations and acronyms

CCTV	closed-circuit television
CHA	Central Holding Authority
CPI	consumer price index
CSO	community service obligation
DFSV	domestic family and sexual violence
FITA	<i>Fiscal Integrity and Transparency Act 2001</i>
FMA	<i>Financial Management Act 1995</i>
FOI	freedom of information
FTE	full-time equivalent
GBD	government business division
GST	goods and services tax
ICT	information and communications technology
LAN	local area network
LGBTQIA+	lesbian, gay, bisexual, trans and gender diverse, queer or questioning, intersex, asexual or allies, and others on the spectrum of gender
MLA	Member of the Legislative Assembly
NAPLAN	National Assessment Program – Literacy and Numeracy
NDIS	National Disability Insurance Scheme
NGO	non-government organisation
NTCET	Northern Territory Certificate of Education and Training
NT DAMA	Northern Territory Designated Area Migration Agreement
NTPS	Northern Territory Public Sector
ppt	percentage point
PSEMA	<i>Public Sector Employment and Management Act 1993</i>
RBA	Reserve Bank of Australia
TAFE	technical and further education
VET	vocational education and training

# Explanation of terms

## Accrual accounting

An accounting basis where assets, liabilities, equity, income and expenses are recognised in the reporting periods to which they relate, regardless of when cash is received or paid.

## Activities

Goods and services produced by government business divisions that are sold to the community and agencies on a fee-for-service basis, similar to a commercial enterprise, to achieve objectives.

## Agency

A unit of government administration, office or statutory corporation, nominated in an administrative arrangements order for the purposes of the *Financial Management Act 1995*.

## Appropriation

An authority given by the Legislative Assembly to make payments, now or at some future time, for the purposes stated, up to the limit of the amount in the particular Act.

## Australian Accounting Standards Board

Develops, issues and maintains Australian accounting standards and related pronouncements.

## Budget repair measure

An annual deflator applied to the output appropriation-funded portion of agency expenditure budgets to encourage more efficient service delivery and achieve budget savings.

## Business line

Government business division activities that are intended to contribute to the same objective.

## Capital appropriation

Government's investment in an agency for asset purchases and capital works projects.

## Capital grants

Transfers of assets from one unit to another, for which no economic benefit of equal value are receivable or payable in return. Includes transfers of ownership of assets (other than cash and inventories), transfers of cash to enable recipients to acquire another asset, and transfers of funds realised from the disposal of assets.

## Capital works

Infrastructure projects involving building and engineering works that create or improve government owned assets, as well as constructing or installing facilities and fixtures associated with and forming an integral part of those works.

Capital works projects are generally delivered by the Department of Infrastructure, Planning and Logistics on behalf of client agencies, and typically include constructing buildings, roads and bridges, installing large airconditioning plants or lifts, upgrading or extending existing buildings, and major roadworks that upgrade existing roads.

Budget Paper No. 4 provides information on major and minor works.

## Central Holding Authority

The parent financial entity of government. It receives all Territory own-source revenue collected by other agencies on behalf of the Territory, except revenue permitted by legislation to be retained by the agency. It also receives most Commonwealth income, including GST revenue, national partnership and specific purpose payments, and then distributes this funding to agencies in the form of appropriations.

## Commonwealth appropriation

Specific purpose and national partnership funding arrangements with the Commonwealth. Payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority, and are then on-passed to the relevant agencies. Also includes any other appropriation related to funding from external sources.

## Community service obligation

Arises when government requires a government business division or government owned corporation to carry out activities it would not choose to undertake on a commercial basis or would only do so at higher commercial prices. Community service obligation funding allows the government to achieve identifiable community or social objectives that would not be achieved if left solely to commercial considerations.

## Consumer price index

A general indicator of the prices paid by household consumers for a specific basket of goods and services in one period, relative to the cost of the same basket in a base period.

## Federation funding agreement schedules

Fixed term agreements between the Commonwealth and states and territories, with defined objectives, outcomes, outputs and performance measures for the delivery of specific projects, services or to facilitate reforms arranged under five sectoral federation funding agreements covering health, education and skills, infrastructure, environment, affordable housing, community services and other.

## General government agency

An entity or group of entities mainly engaged in providing services or producing goods for the general public, such as education, health and policing services, which are provided free of charge or at nominal charge.

## Goods and services received free of charge

Resources received by an agency from another entity without charge. Revenue and a corresponding expense are recorded when the goods and services can be reliably measured, and the goods and services would have been purchased if they had not been provided free of charge.

## Government business division

A Territory Government-controlled trading entity that follows commercial practices and is required to comply with competitive neutrality principles.

## Government owned corporation

An entity governed by the *Government Owned Corporations Act 2001*. Operating under a shareholder model of corporate government, its objectives are to function as effectively as any corporate business and maximise sustainable returns to government. The Territory has three government owned corporations: Power and Water Corporation, Territory Generation and Jacana Energy.

## Key performance indicator

Key performance indicators are used to measure the achievement of objectives and the quality, timeliness, accuracy and efficiency of service delivery. Performance indicators, including targets and variance commentary, are publicly reported in Budget Paper No. 3 (this publication) and agency annual reports.

## National partnership agreements

Fixed term agreements between the Commonwealth and states and territories, with defined objectives, outcomes and outputs and performance measures for the delivery of specific projects, services or reforms. National partnerships are being replaced with federation funding agreement schedules.

## Non-cash

Transactions that do not involve the inflow or outflow of cash. Non-cash transactions include depreciation, amortisation, assets gifted (or granted) for nil consideration and unrealised gains or losses.

## Objective

Clear, measurable statements of what an agency or government business division aims to achieve through the delivery of relevant goods and services.

## Output

Goods and services provided by an agency to external users to achieve objectives.

## Output appropriation

Territory Government funding to deliver outputs, after taking into account funding from other revenue sources, and determined at the whole of agency level. Although output appropriation is based on accrual costs, it does not encompass non-cash items, such as depreciation. This will generally result in operating deficits being reported by agencies.

## Output group

An aggregate of agency outputs that contribute to achieving the same objective. Used primarily for reporting purposes.

## Parameters

Used to adjust agency budgets. Also referred to as inflators and deflators.

## Purpose

The *Appropriation (2025–2026) Act 2025* provides the Central Holding Authority with the authority to pay appropriations for a purpose. In accordance with the *Financial Management Act 1995*, purposes are output, capital, Commonwealth, employee entitlements, interest, taxes, other administrative payments, and Treasurer's Advance.

## Repairs and maintenance

Expenses incurred to maintain existing government owned assets in working condition or keep an asset functioning at its required capacity. Excludes works that enhance an asset significantly or extend its useful life.

## Specific purpose payments

Tied payments from Commonwealth Treasury to state and territory treasuries, and appropriated to government agencies, to support service delivery in specific sectors.

## Tax equivalents regime

Mechanism used to ensure government business divisions and government owned corporations incur similar tax liabilities to private enterprises. The regime supports competitive neutrality by achieving a greater degree of parity between the cost structures of government-controlled trading entities and the private sector.

## Treasurer's Advance

An appropriation purpose specified in the *Appropriation Act*, providing a pool of funds specifically set aside in each budget to meet one-off unexpected costs that arise during the year and are substantial enough to warrant additional appropriation. Treasurer's Advance is also the legal mechanism used to fund all new government decisions affecting the current financial year that require additional appropriation to be paid to agencies.

## User charge

A charge applied to end users of a service provided by a government agency or business division, calculated on a cost-recovery basis.







NORTHERN TERRITORY

# 2025-26 BUDGET

Budget Paper No. 4  
**THE INFRASTRUCTURE  
PROGRAM**



## Contents

Overview	3
Program details by agency	15
Department of the Chief Minister and Cabinet	16
Department of the Legislative Assembly	16
Auditor-General's Office	16
Northern Territory Electoral Commission	16
Office of the Independent Commissioner Against Corruption	17
Ombudsman's Office	17
Northern Territory Police Force	17
Northern Territory Fire and Emergency Service	18
Department of Agriculture and Fisheries	18
Department of Mining and Energy	18
Department of Corrections	19
Department of Treasury and Finance	19
Department of Logistics and Infrastructure	19
Attorney-General's Department	22
Department of Tourism and Hospitality	23
Territory Wildlife Parks	23
Department of Health	24
Department of Housing, Local Government and Community Development	25
Department of Lands, Planning and Environment	26
Aboriginal Areas Protection Authority	27
Department of Corporate and Digital Development	27
Department of Education and Training	28
Department of Trade, Business and Asian Relations	29
Department of Children and Families	29
Department of People, Sport and Culture	30
Explanation of terms	31



# Overview

Budget Paper No. 4 details the Northern Territory's infrastructure program for 2025-26. It includes information on major and minor capital works, capital grants, repairs and maintenance, and infrastructure-related expenses for Territory general government agencies.

The infrastructure program represents the total value of major and minor projects government has approved to proceed to construction in the financial year, as well as repairs and maintenance, capital grants and infrastructure-related allocations. Infrastructure payments (cash) represent the expenditure budget allocated to the delivery of the infrastructure program in the financial year and are generally a lower value than the infrastructure program due to the multi-year delivery timeframes for many major works projects.

## Total infrastructure program and payments

Following the publication of the former government's 2024 Budget, the total infrastructure program in 2024-25 increased substantially, from \$4.42 billion to \$5.43 billion, due to underestimation of costs for several major projects approved by the former government, revisions to major road projects funded under national partnership agreements that also require Territory co-contributions and bringing forward the five-year rolling remote police infrastructure program.

An increase in the capital works program of this magnitude, from already elevated levels, was beyond the Territory's fiscal capacity to deliver within a reasonable timeframe. The program also included a range of legacy projects that had not progressed for a number of years, with limited prospects to proceed within approved allocations and scope. As a result, government undertook a major review of the infrastructure program, including reprioritising the program to align with government's strategic objectives and fiscal capacity. Where removed legacy projects remain aligned with government priorities, agencies will be required to develop updated business cases, including reviewing scope and costs, for consideration in future Budget development processes.

The 2025-26 infrastructure program totals \$4.34 billion. The program includes projects to increase public order and community safety, develop the economy, improve transport links, and support the delivery of housing, health, education and other frontline government services across the Territory.

The projected total infrastructure payments of \$2.74 billion in 2025-26 represents a record level of infrastructure expenditure, and includes \$1.99 billion in general government expenditure and \$751 million in expenditure by public non financial corporations including the Power and Water Corporation, Territory Generation, Land Development Corporation and Indigenous Essential Services Pty Ltd.

In 2025-26, infrastructure payments for major projects in the general government sector are projected to be \$1.45 billion, an increase of \$150 million compared to the revised 2024-25 budget. This includes significant funding allocations across new and upgraded correctional facilities, remote policing infrastructure, housing, road and transport projects, school upgrades, and economic projects such as the Darwin ship lift and marine industries project.

Infrastructure payments for projects in the public non financial corporations sector are forecast to increase to \$602 million in 2025-26 and include increased investment in new generation and system services to deliver increased capacity and improve security and reliability of the power system.

Total infrastructure payments for 2024-25 are expected to be \$2.46 billion, lower than the projected figure of \$2.58 billion originally published in the 2024 Budget. This primarily reflects revised timing of Commonwealth and Territory-funded projects.

Table 1 details the infrastructure program and payments by component and budget sector.

Table 1: Total infrastructure payments

	2024-25 Budget		2024-25 Revised		2025-26 Budget	
	Program	Cash	Program	Cash	Program	Cash
	\$M	\$M	\$M	\$M	\$M	\$M
<b>GENERAL GOVERNMENT</b>						
Capital works	4 417	1 446	5 429	1 301	4 336	1 451
Northern Territory funded		863		879		910
Externally funded		583		421		541
Capital grants <sup>1,2</sup>		193		246		196
Repairs and maintenance <sup>1</sup>		241		297		320
Infrastructure-related expenses		18		11		20
<b>TOTAL GENERAL GOVERNMENT<sup>3</sup></b>		<b>1 897</b>		<b>1 854</b>		<b>1 986</b>
<b>PUBLIC NON FINANCIAL CORPORATIONS</b>						
Capital works		538		457		602
Capital grants						
Repairs and maintenance		143		151		149
<b>TOTAL PUBLIC NON FINANCIAL CORPORATIONS<sup>3</sup></b>		<b>681</b>		<b>608</b>		<b>751</b>
<b>TOTAL INFRASTRUCTURE PAYMENTS<sup>3</sup></b>		<b>2 578</b>		<b>2 462</b>		<b>2 737</b>

1 Excludes payments between Territory-controlled entities.

2 Includes non-cash transfers to local government and non-government entities.

3 Totals may not add due to rounding.

## Capital works for the general government sector

The capital works program in 2025-26 includes over \$4.33 billion for new and continuing major and minor capital works projects. Table 2 disaggregates the general government sector major and minor works programs in 2024-25 into revote and new projects. It provides an estimate of the value of capital projects that will revote or carry over into 2025-26 and identifies new major and minor works programs for 2025-26.

Table 2: Capital works and estimated expenditure – general government

	Revoted works in	New minor works	New major works	Total capital works	Cash	Revoted works out
	\$M	\$M	\$M	\$M	\$M	\$M
2024-25 Revised	3 258.5	130.8	2 039.9	5 429.2	1 300.7	3 578.1
2025-26 Budget	3 578.1	121.6	636.5	4 336.2	1 451.1	2 885.1

## Capital works by function

At more than \$2 billion, transport infrastructure projects comprise nearly half of the total infrastructure program, reflecting significant allocations from both the Territory and Commonwealth governments. The housing and community amenities program is more than \$800 million and is the second largest allocation, comprising about 19% of the total program.

The 2025-26 program includes over \$685 million for economic development projects, which mostly relates to the Darwin ship lift project. Public order and safety projects amount to \$270.9 million, including the new corrections infrastructure masterplan and program brought forward for remote police infrastructure and housing upgrades. Of the total program, around 60% is allocated to new and upgraded infrastructure in remote and regional communities across the Territory.

Table 3 summarises the capital works program by Classification of the Functions of Government – Australia (COFOG-A) categories, which is an Australian Bureau of Statistics (ABS) framework for classifying government expenditure reported by all Australian jurisdictions.

Table 3: Capital works by COFOG-A category 2025-26

	Capital works	
	\$M	%
Transport	2 049.3	47.3
Housing and community amenities	833.2	19.2
Economic affairs	685.5	15.8
Public order and safety	270.9	6.3
Recreation, culture and religion	247.3	5.7
Health	158.7	3.7
Environmental protection	41	0.9
Education	32.2	0.7
Social protection	11.6	0.3
General public services	6.5	0.1
<b>TOTAL GENERAL GOVERNMENT</b>	<b>4 336.2</b>	<b>100.0</b>

### Transport

The 2025-26 program continues to invest heavily in transport infrastructure, with around \$2 billion for roads, aerodromes and jetties.

A large proportion of the road and transport infrastructure projects are supported by the Federal Funding Agreement on Land Transport Infrastructure Projects, jointly-funded by the Territory and Commonwealth governments.

Key road and transport projects include:

- \$289 million for upgrades to the Tanami Road
- \$223.1 million for the Northern Territory national network highway upgrades
- \$205.4 million for the Central Arnhem Road upgrade program
- \$181.3 million for Northern Territory gas industry roads

- \$161 million for the Outback Way corridor to upgrade sections of the Plenty Highway and Tjukururu Road
- \$122.6 million for the Northern Territory Strategic Roads Package – upgrade and sealing of remote and regional roads
- \$117.4 million for Buntine Highway upgrade program and rest areas
- \$89.7 million for upgrades on Port Keats Road between Wadeye and Palumpa
- \$80 million for the Arnhem Highway duplication between the Stuart Highway and Kostka Road
- \$66.2 million to upgrade roads within Kakadu National Park to support tourism growth
- \$57.5 million for Tennant Creek to Townsville corridor priority projects
- \$42.6 million to upgrade roads on the Tiwi Islands to support economic and social development
- \$41.6 million for Newman to Katherine corridor priority projects
- \$30 million for remote community access road upgrades
- \$28.3 million for Sandover Highway upgrades
- \$23 million for the Roystonea Avenue duplication between Terry Drive and Lambrick Avenue.

Other major Territory Government-funded transport projects in 2025-26 include continuing construction of a new marine facility at Mandorah to improve safety and meet disability standards (\$18.4 million), and aerodrome and airstrip upgrades at Ali Curung (\$2.3 million), Hughes Airfield (\$2 million), Belyuen (\$1.3 million) and Elcho Island (\$1.3 million).

Capital grants of \$2.4 million will also be provided, taking the total value of transport capital works and capital grants to \$2.05 billion.

## Housing and community amenities

The 2025-26 infrastructure program provides \$833.2 million for new and upgraded remote and urban housing, infrastructure to support land release and improved community amenity.

Commitments include \$615.4 million for remote housing across the Territory, with significant investment by the Territory and Commonwealth governments, comprising:

- \$302.4 million for new HomeBuild and land servicing works under the new 10-year remote housing agreement
- \$300.9 million for remote housing investment package works, including land servicing and HomeBuild NT
- \$12.1 million in ongoing works for new and improved housing through other national partnership agreements for remote housing.

There is also continued investment in residential headworks and land release across the Territory, including:

- \$49.6 million for infrastructure to support the development of Holtze
- \$11 million for land development and community facilities at Kilgariff
- \$11 million for infrastructure to support the development of Farrar West
- \$3.95 million for headworks infrastructure and subdivision designs to support the development of land across regions.



A further \$150 million is committed for housing and community amenity-related capital grants, mostly for homelands and affordable housing projects, bringing the total value of housing and community amenities capital projects and grants to over \$983 million.

## Economic affairs

The 2024-25 infrastructure program invests \$685.5 million for economic enabling infrastructure to support development of the Territory economy.

The most significant economic development project is the Darwin ship lift and marine facilities project, with \$563 million included on the 2025-26 capital works program. Other works include continuing headworks infrastructure to support mixed-use developments, and commercial and industrial land release across the Territory.

An additional \$10.5 million is provided in capital grants, including the Home and Business Battery Scheme and tourism industry development grants, bringing the total investment in economic infrastructure to \$696 million.

## Public order and safety

The 2025-26 infrastructure program invests \$270.9 million in community safety infrastructure to construct, expand and upgrade police and correctional facilities.

Significant projects in 2024-25 include:

- \$143.5 million for the remote police infrastructure and housing upgrade program
- \$69.6 million for the corrections infrastructure masterplan
- \$35.7 million to construct a new multipurpose police complex in Maningrida, including residential housing and visiting officer quarters, multifunction room/courthouse, boat and storage sheds, communications tower and backup generator
- \$6.6 million for upgrades to the Joint Emergency Services Communication Centre.

## Recreation, culture and religion

The 2025-26 infrastructure program includes \$247.3 million to construct new and upgrade existing arts, recreation and park facilities. Capital grants of \$23.3 million bring the total investment to \$270.6 million.

There is \$168.7 million is provided for Alice Springs infrastructure priorities, which includes construction of the Aboriginal and Torres Strait Islander Art Gallery of Australia, a multi-sports precinct in Gillen, repairs and re-establishment of ANZAC oval, an upgraded Visitor Information Centre, and funding for the Alice Springs library and a multicultural centre.

Other major projects in 2025-26 include:

- \$52.4 million for the construction of the Northern Territory Art Gallery in the Darwin CBD including galleries, community spaces and landscaping
- \$5.1 million to continue to enhance recreational fishing across the Territory
- \$4 million for art gallery expansions in Arnhem Land
- \$3.3 million for track upgrades and modifications at the Hidden Valley Motor Sports Complex to support the Motocross World Championships
- \$1.5 million for a multipurpose multicultural facility in Katherine.

## Health

The 2025-26 infrastructure program commits \$158.7 million to construct new and upgrade existing hospital and health facilities to support improved health outcomes for Territorians. Capital grants of \$1.4 million bring the total health infrastructure investment to \$160.1 million in 2025-26.

Significant health infrastructure projects for 2025-26 include:

- \$49.3 million for upgrades at Royal Darwin Hospital mental health inpatient unit
- \$35.1 million to upgrade central sterilisation service departments across Territory hospitals
- \$19.8 million to construct a new primary healthcare centre in Borroloola to improve primary care delivery across the Roper Gulf region
- \$17.6 million for a new modular multipurpose facility at Royal Darwin Hospital
- \$3.15 million for the national critical care and trauma response centre new warehouse and road upgrades project.

## Environmental protection

The 2025-26 infrastructure program includes \$41 million for environmental protection works, including flood mitigation. A further \$0.4 million is provided in capital grants, bringing the total environmental protection investment to \$41.4 million.

Major works in 2025-26 include:

- \$11 million to mitigate flooding in Kulaluk
- \$9.4 million for flood mitigation works in Alice Springs
- \$1.2 million to remediate lots 274 and 7913 (former Shell depot) in Alice Springs.

## Education

The 2025-26 infrastructure program invests \$32.2 million to upgrade schools and education facilities to support improved student outcomes. A further \$4.1 million is provided in capital grants, bringing the total education investment to \$36.3 million.

Major projects in 2025-26 include:

- \$3.8 million for new preschool facilities at Parap Primary School
- \$3.1 million for upgrades at Yuendumu School
- \$2.74 million for planning for enrolment growth in Palmerston and a special education centre for middle and senior students
- \$1.6 million for upgrades to the Leanyer Primary School administration block
- \$1.2 million for the Katherine High School science, technology, engineering, arts and mathematics (STEAM) centre
- \$0.7 million for Bloomfield Street campus – subdivision works
- \$0.3 million for the design of new student boarding accommodation in Tennant Creek.

## Social protection

The 2025-26 infrastructure program includes \$11.6 million to support youth diversion and homelessness programs. Major works in 2025-26 include \$4.6 million for a new northern suburbs youth hub.

A further \$3.5 million is provided in capital grants, bringing the total social protection investment to \$15.1 million.

## General public services

The 2025-26 infrastructure program provides \$6.5 million to support the general functions of government.

## Minor works

Minor works are projects up to \$1 million and provide agencies with the flexibility to undertake small construction projects to improve the serviceability of assets. The 2025-26 infrastructure program includes \$121.6 million for minor works.

## Capital grants

Capital grants are provided to fund the construction or upgrade of significant assets owned by entities outside the budget sector. Capital grants are expected to be \$195.6 million in 2025-26.

## Repairs and maintenance

The 2025-26 infrastructure program provides \$319 million for general government repairs and maintenance, remaining above long-term average levels.

An additional \$20 million per annum in ongoing repairs and maintenance funding was provided in the 2025 Budget, with a focus on maintaining assets for the frontline service delivery agencies. Repairs and maintenance funding will also be indexed from 2026-27, providing a more sustainable approach to maintenance funding that aims to keep pace with changing service delivery costs.

Significant allocations in 2025-26 include:

- urban and remote housing (\$114.2 million)
- Territory and national network roads (\$83.1 million)
- hospital and health facilities (\$34.7 million)
- schools and education facilities (\$34.4 million)
- police, fire and emergency services facilities (\$13.9 million).

Repairs and maintenance funding is held centrally by the Department of Logistics and Infrastructure, and notionally allocated by agency, apart from repairs and maintenance for urban and remote housing, which is managed by the Department of Housing, Local Government and Community Development. Adjustments occur throughout the year as needed.

## General government infrastructure commitments

Tables 4 and 5 summarise the general government sector major works, minor works, capital grants, and repairs and maintenance programs in 2024-25 and 2025-26 by agency. Further detail on capital grants is provided at Table 6.

Table 4: General government infrastructure program summary

	2024-25 Revised			
	Major works	Minor works	Capital grants <sup>1</sup>	Repairs and maintenance <sup>1, 2</sup>
	\$000	\$000	\$000	\$000
Department of the Chief Minister and Cabinet	118	1 470		345
Department of the Legislative Assembly	3 931	1 000		1 650
Auditor-General's Office				2
Northern Territory Electoral Commission				6
Office of the Independent Commissioner Against Corruption				5
Ombudsman's Office				4
Northern Territory Police Force	191 880	4 725		11 500
Northern Territory Fire and Emergency Service	412	1 575		2 201
Department of Agriculture and Fisheries	27 945	2 300		2 600
Department of Mining and Energy	3 346	240	2 865	181
Department of Corrections	130 214	5 900		3 650
Department of Treasury and Finance		100	17 774	15
Department of Logistics and Infrastructure			70 796	
Infrastructure development	1 273 808	17 667		6 682
National network	457 566	3 917		21 900
Territory roads	1 830 158	9 000		58 739
Attorney-General's Department	30	2 400		1 650
Department Tourism and Hospitality	11 371	6 400	11 262	5 300
Territory Wildlife Parks	1 070	750		
Department of Health	265 304	10 380	4 283	33 904
Department of Housing, Local Government and Community Development	792 075	19 805	109 960	101 142
Department of Lands, Planning and Environment	201 306	4 525	2 437	5 600
Aboriginal Areas Protection Authority				8
Department of Corporate and Digital Development	588	402	1 750	290
Department of Education and Training	53 940	29 724	4 049	32 492
Department of Trade, Business and Asian Relations		260	7 370	184
Department of Children and Families	35 397	2 300	3 038	1 350
Department of People, Sport and Culture	17 944	6 000	10 692	3 750
<b>TOTAL GENERAL GOVERNMENT</b>	<b>5 298 403</b>	<b>130 839</b>	<b>246 276</b>	<b>295 150</b>

1 Excludes payments between Territory-controlled entities. Excludes government-controlled entities not subject to the *Financial Management Act 1995*.

2 Figures reflect notional allocations that are held centrally by the Department of Logistics and Infrastructure, and the Department of Housing, Local Government and Community Development.

Table 5: General government infrastructure program summary

	2025-26 Budget			
	Major works	Minor works	Capital grants <sup>1</sup>	Repairs and maintenance <sup>1,2</sup>
	\$000	\$000	\$000	\$000
Department of the Chief Minister and Cabinet		1 070		385
Department of the Legislative Assembly	3 606	1 500		2 220
Auditor-General's Office				2
Northern Territory Electoral Commission				6
Office of the Independent Commissioner Against Corruption				5
Ombudsman's Office				4
Northern Territory Police Force	185 883	4 725		11 720
Northern Territory Fire and Emergency Service		1 925	535	2 220
Department of Agriculture and Fisheries	5 093	1 660		4 215
Department of Mining and Energy	1 918	930		200
Department of Corrections	69 642	5 400		4 100
Department of Treasury and Finance		100	16 111	19
Department of Logistics and Infrastructure			32 076	
Infrastructure development	964 210	11 525		5 963
National network	296 688	4 300		23 948
Territory roads	1 692 646	10 000		59 106
Across government works		10 000		
Attorney-General's Department		2 350		1 770
Department Tourism and Hospitality	7 684	5 760	12 686	5 155
Territory Wildlife Parks		1 350		
Department of Health	145 918	10 380	1 434	34 645
Department of Housing, Local Government and Community Development	690 250	19 955	108 096	114 191
Department of Lands, Planning and Environment	102 877	6 760		6 220
Aboriginal Areas Protection Authority				8
Department of Corporate and Digital Development		300	5 864	325
Department of Education and Training	14 386	14 200	4 083	34 350
Department of Trade, Business and Asian Relations		250	1 903	205
Department of Children and Families	20 409	1 880	3 000	1 590
Department of People, Sport and Culture	13 379	5 250	9 840	6 400
<b>TOTAL GENERAL GOVERNMENT</b>	<b>4 214 588</b>	<b>121 570</b>	<b>195 628</b>	<b>318 972</b>

1 Excludes payments between Territory-controlled entities. Excludes government-controlled entities not subject to the *Financial Management Act 1995*.

2 Figures reflect notional allocations that are held centrally by the Department of Logistics and Infrastructure, and the Department of Housing, Local Government and Community Development.

Table 6: Capital grants

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Northern Territory Fire and Emergency Service</b>		
Disaster ready funding for Central Desert Regional Council		535
<b>Department of Mining and Energy</b>		
Home and Business Battery Scheme	2 865	
<b>Department of Treasury and Finance</b>		
First Home Owner Grant	6 066	6 297
HomeGrown and FreshStart	11 708	9 814
<b>Department of Logistics and Infrastructure</b>		
Active transport fund program		605
Alice Springs multicultural centre	480	960
Alice Springs Town Council library	2 244	2 244
Alice Springs Town Council skate park	1 080	720
Asset transfers to local government and non-government entities	58 694	
Black spot program	868	1 012
Borroloola cyclone shelter	900	
Gove marine infrastructure	1 000	
Growing regions program	1 180	4 716
New and upgraded marine and landside infrastructure	4 000	
Regional precincts and partnership program	150	3 850
Remote housing investment package		17 202
Safer local roads and infrastructure program		767
Teague Park	200	
<b>Department of Tourism and Hospitality</b>		
Community Benefit Fund infrastructure grants	7 587	9 544
Darwin Cyclone Tracy memorial	600	
Visitor Experience Enhancement Program	3 075	3 142
<b>Department of Health</b>		
Medicare urgent care clinics	2 849	
St John Ambulance Australia NT	1 434	1 434

*continued*

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Department of Housing, Local Government and Community Development</b>		
Barkly Regional Deal – Community Development Deal	957	
Barkly Regional Deal – public-private partnership	1 900	
Central Australia infrastructure plan	15 000	15 000
Community development hubs		4 000
Community Housing Strategy	3 636	
Cyclone shelter construction support	400	
Homelands capital grants program	5 791	5 851
Homelands emergency project funds	837	845
Homelands housing and infrastructure upgrade program	64 673	64 000
Housing Australia Future Fund	50	10 950
Future of Jabiru and Kakadu	5 046	
Local government and community development	1 000	
Ozanam House relocation		1 230
Regional Precincts and Partnership Program	150	4 240
Social Housing Accelerator Payment	10 520	1 980
<b>Department of Lands, Planning and Environment</b>		
Katherine East – subdivision works stage 2	2 395	
Lot 11256 Johnston servicing works	42	
<b>Department of Corporate and Digital Development</b>		
Aboriginal community Wi-Fi program		364
Jabiru and Kakadu Futures – mobile connectivity		1 500
Kakadu National Park telecommunications upgrade	1 500	
Northern Territory (NT) Regional Roads Australia Mobile Program (RRAMP)		4 000
Regional connectivity project	250	
<b>Department of Education and Training</b>		
Capital Subsidy Scheme – non-government schools	1 251	1 235
Charles Darwin University	2 798	2 848

*continued*

	2024-25 Revised	2025-26 Budget
	\$000	\$000
<b>Department of Trade, Business and Asian Relations</b>		
Business Growth, Resilience and Security Package	2 944	1 397
Circular Economy Strategy – recycling remediation program	3 876	376
Electric vehicle charger scheme	50	130
Yulara water supply project	500	
<b>Department of Children and Families</b>		
Child and family centres	88	
Darwin Aboriginal and Islander women's shelter upgrade	1 180	
Ozanam House relocation	1 770	
Women's safe houses		3 000
<b>Department of People, Sport and Culture</b>		
Changing Places implementation	190	
Construction of oval lights in Gunbalanya	780	
Darwin Men's Shed	1 000	
Multicultural community facilities grants	150	400
National Iconic Arts Trail – Godinymayin Yijard Rivers Arts and Culture Centre	7 172	
Rugby infrastructure upgrades – Jim McConville Oval	1 400	
Tracy Village sports precinct redevelopment		3 000
Woodroffe Oval redevelopment		6 440
<b>TOTAL CAPITAL GRANTS</b>	<b>246 276</b>	<b>195 628</b>

## Public non financial corporations

The Power and Water Corporation, Territory Generation and Indigenous Essential Services Pty Ltd, as government owned corporations, determine their own capital investment program to ensure service standards for supply reliability are met. The remaining government owned corporation, Jacana Energy, does not have a major capital investment program as its primary business is electricity retailing to customers.

The Land Development Corporation is a government business division that largely determines its own capital investment program to provide strategic industrial land and marine infrastructure, and also facilitates the delivery of residential and mixed-use developments.

The public non financial corporations' combined projected capital investment for 2025-26 is at a record level of \$602 million, with a further \$149 million committed for repairs and maintenance.

## Information presented in this budget paper

Where appropriate, summary tables have been rounded to one decimal place and as a result totals may not add due to rounding. Projects and figures are correct at time of publishing. Program amounts shown are exclusive of GST.



Program details by agency

## Department of the Chief Minister and Cabinet

	Program \$000
MINOR WORKS	1 070
REPAIRS AND MAINTENANCE	385
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>1 455</b>

## Department of the Legislative Assembly

	Program \$000
MAJOR WORKS	3 606
MINOR WORKS	1 500
REPAIRS AND MAINTENANCE	2 220
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>7 326</b>
<b>Revoted works from 2024-25</b>	<b>3 606</b>
<b>Greater Darwin</b>	
Parliament House	
Mechanical and air conditioning upgrades	988
Speaker's Green sub-soil drainage and associated works	217
Upgrades to lifts	1 458
Security infrastructure upgrades to members' electorate offices	943
<b>Total major works</b>	<b>3 606</b>

## Auditor-General's Office

	Program \$000
REPAIRS AND MAINTENANCE	2
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>2</b>

## Northern Territory Electoral Commission

	Program \$000
REPAIRS AND MAINTENANCE	6
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>6</b>

## Office of the Independent Commissioner Against Corruption

	Program \$000
REPAIRS AND MAINTENANCE	5
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>5</b>

## Ombudsman's Office

	Program \$000
REPAIRS AND MAINTENANCE	4
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>4</b>

## Northern Territory Police Force

	Program \$000
MAJOR WORKS	185 883
MINOR WORKS	4 725
REPAIRS AND MAINTENANCE	11 720
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>202 328</b>
<b>Revoted works from 2024-25</b>	<b>179 283</b>
<b>Top End</b>	
Construct a multipurpose police complex in Maningrida, including residential housing and visiting officer quarters, multifunction room/court house, associated boat and storage sheds, communications tower and backup generator <sup>1</sup>	35 745
<b>Across regions</b>	
Reducing crime – remote police infrastructure and housing upgrades	143 538
<b>New works in 2025-26</b>	<b>6 600</b>
<b>Greater Darwin</b>	
Joint Emergency Services Communication Centre	6 600
<b>Total major works</b>	<b>185 883</b>

<sup>1</sup> Joint funding by the Territory and Commonwealth governments.

## Northern Territory Fire and Emergency Service

	Program \$000
MINOR WORKS	1 925
CAPITAL GRANTS	535
REPAIRS AND MAINTENANCE	2 220
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>4 680</b>

## Department of Agriculture and Fisheries

	Program \$000
MAJOR WORKS	5 093
MINOR WORKS	1 660
REPAIRS AND MAINTENANCE	4 215
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>10 968</b>
Revoted works from 2024-25	5 093
Across regions	
Restoring our lifestyle – fishing infrastructure	5 093
<b>Total major works</b>	<b>5 093</b>

## Department of Mining and Energy

	Program \$000
MAJOR WORKS	1 918
MINOR WORKS	930
REPAIRS AND MAINTENANCE	200
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>3 048</b>
Revoted works from 2024-25	1 918
Top End	
Rum Jungle rehabilitation project stage 3 – road upgrade <sup>1</sup>	1 918
<b>Total major works</b>	<b>1 918</b>

<sup>1</sup> Commonwealth funded.

## Department of Corrections

	Program \$000
MAJOR WORKS	69 642
MINOR WORKS	5 400
REPAIRS AND MAINTENANCE	4 100
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>79 142</b>
Revoted works from 2024-25	69 642
Across regions	
Corrections infrastructure masterplan	69 642
<b>Total major works</b>	<b>69 642</b>

## Department of Treasury and Finance

	Program \$000
MINOR WORKS	100
CAPITAL GRANTS	16 111
REPAIRS AND MAINTENANCE	19
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>16 230</b>

## Department of Logistics and Infrastructure

	Program \$000
MAJOR WORKS	2 953 544
MINOR WORKS	35 825
CAPITAL GRANTS	32 076
REPAIRS AND MAINTENANCE	89 017
INFRASTRUCTURE-RELATED	19 547
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>3 130 009</b>
Revoted works from 2024-25	2 616 430
Infrastructure development – revoted works	867 710
Central Australia	
Alice Springs infrastructure priorities <sup>1</sup>	168 749
Barkly	
Ali Curung aerodrome – seal and line mark airstrip	2 342

continued

**Big Rivers**

Katherine heavy vehicle facility – construct compliance inspections shed	800
--	-----

**East Arnhem**

Safety upgrades to Elcho Island aerodrome <sup>1</sup>	1 269
--	-------

**Top End**

Belyuen aerodrome – construct new apron and re-gravel runway <sup>1</sup>	1 329
---	-------

Construct a new marine facility at Mandorah to improve safety and meet disability standards	18 432
---	--------

**Greater Darwin**

Common user ship lift facility at East Arm, including ship lift, wet berths and additional hard stand area for ship repair and maintenance works	563 000
--	---------

Detailed design, business case development and preliminary works for Middle Arm	2 842
---	-------

East Arm utilities upgrades	13 668
-----------------------------	--------

Hughes Airstrip – reconstruct runway pavement <sup>1</sup>	2 002
--	-------

Northern Territory Art Gallery	52 368
--------------------------------	--------

Stokes Hill Wharf upgrades	2 832
----------------------------	-------

**Across regions**

Building compliance works to existing government infrastructure	1 882
---	-------

Regional cyclone shelters <sup>1</sup>	24 934
--	--------

Replacement of critical asset elements in various hospitals, remote health clinics, schools and police stations	11 262
---	--------

<b>National network – revoted works</b>	<b>211 688</b>
---	----------------

**Central Australia**

National Network corridor – Schwartz Crescent and Stuart Highway intersection <sup>1</sup>	8 865
--	-------

**Across regions**

Major Project Business Case Fund <sup>1</sup>	1 875
---	-------

National Network corridor – targeted road safety projects on the Stuart Highway <sup>1</sup>	4 274
--	-------

National Network highway flood resilience upgrades <sup>1</sup>	7 500
---	-------

Northern Territory national network highway upgrades <sup>2</sup>	10 147
---	--------

Northern Territory national network highway upgrades – phase 2 <sup>2</sup>	62 983
---	--------

Northern Territory national network highway upgrades – phase 3 <sup>1</sup>	75 000
---	--------

Road safety program <sup>1</sup>	41 044
----------------------------------	--------

<b>Territory roads – revoted works</b>	<b>1 537 032</b>
--	------------------

**Central Australia**

Outback Way corridor – upgrade various sections of the Plenty Highway and Tjukururu Road <sup>1</sup>	161 040
---	---------

Roads of Strategic Importance – selected upgrades of Maryvale Road <sup>1</sup>	1 008
---	-------

Tanami roads corridor – upgrading Tanami Road <sup>1</sup>	289 019
--	---------

*continued*

Program  
\$000**Barkly**

Sandover Highway upgrade <sup>1</sup>	28 349
Tennant Creek to Townsville corridor – priority projects <sup>1</sup>	57 507

**Big Rivers**

Buntine Highway – upgrade five heavy vehicle rest areas <sup>1</sup>	5 000
Buntine Highway upgrade program <sup>1</sup>	112 426
Industry roads corridor – upgrades to Carpentaria Highway	8 532
Newman to Katherine corridor – priority projects <sup>1</sup>	41 598

**East Arnhem**

Regional roads corridor – Central Arnhem Road upgrade program <sup>1</sup>	205 351
--	---------

**Top End**

Regional roads corridor – selected upgrades on Port Keats Road between Wadeye and Palumpa <sup>1</sup>	89 724
Regional roads corridor – upgrade roads within Kakadu National Park to support tourism growth <sup>2</sup>	66 215
Upgrade roads on the Tiwi Islands to support economic and social development <sup>1</sup>	42 570

**Greater Darwin**

Arnhem Highway duplication – Stuart Highway to Kostka Road <sup>1</sup>	10 000
Roystonea Avenue duplication – Terry Drive to Lambrick Avenue <sup>1</sup>	22 994

**Across regions**

Continue Black Spot Program for road safety projects at targeted locations on Territory and local government roads	4 475
Continue five-year program to replace corrugated steel culverts on various roads	2 931
Industry roads corridor – Carpentaria Highway strengthening and widening	3 964
Local Roads and Community Infrastructure Program <sup>2</sup>	6 105
National Network corridor – priority projects – Stuart Highway/Katherine cotton gin intersection upgrade <sup>1</sup>	17 118
Northern Territory gas industry roads <sup>1</sup>	181 323
Northern Territory Strategic Roads Package – upgrade and sealing of remote and regional roads to bring better economic and social opportunities to communities <sup>1</sup>	77 482
Ongoing program to continue upgrades across regions including strengthening and widening the road network, traffic management road treatment and landscaping road verges	2 292
Rebuilding our economy – road upgrades	5 000
Regional level crossing upgrade <sup>1</sup>	12 000
Remote community access road upgrades <sup>1</sup>	5 000
Road safety program <sup>1</sup>	31 414
Roads to Recovery program on targeted local roads	21 598
Tanami Road and Central Arnhem Road future priorities program	25 000

*continued*

	Program \$000
<b>New works in 2025-26</b>	<b>337 114</b>
<b>Infrastructure development – new works</b>	<b>96 500</b>
<b>Greater Darwin</b>	
Strauss to Middle Arm pipeline <sup>2</sup>	93 500
<b>Across regions</b>	
Building compliance works to existing government infrastructure	3 000
<b>National network – new works</b>	<b>85 000</b>
<b>Across regions</b>	
Major Project Business Case Fund <sup>1</sup>	2 500
National Network highway flood resilience upgrades <sup>1</sup>	7 500
Northern Territory national network highway upgrades – phase 3 <sup>1</sup>	75 000
<b>Territory roads – new works</b>	<b>155 614</b>
<b>Greater Darwin</b>	
Arnhem Highway duplication – Stuart Highway to Kostka Road <sup>1</sup>	70 000
<b>Across regions</b>	
Northern Territory Strategic Roads Package – upgrade and sealing of remote and regional roads to bring better economic and social opportunities to communities <sup>1</sup>	45 102
Rebuilding our economy – road upgrades	5 000
Remote community access road upgrades <sup>1</sup>	25 000
Roads to Recovery program on targeted local roads	10 512
<b>Total major works</b>	<b>2 953 544</b>

1 Joint funding by the Territory and Commonwealth governments.

2 Commonwealth funded.

## Attorney-General's Department

	Program \$000
<b>MINOR WORKS</b>	<b>2 350</b>
<b>REPAIRS AND MAINTENANCE</b>	<b>1 770</b>
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>4 120</b>



## Department of Tourism and Hospitality

	Program \$000
MAJOR WORKS	7 684
MINOR WORKS	5 760
CAPITAL GRANTS	12 686
REPAIRS AND MAINTENANCE	5 155
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>31 285</b>
<b>Revoted works from 2024-25</b>	<b>7 684</b>
<b>Central Australia</b>	
Central Australia – new multi-day walking track	5 527
<b>Barkly</b>	
Battery Hill upgrades	1 681
<b>Big Rivers</b>	
Nitmiluk National Park – new walking trails linking with mountain bike trails	476
<b>Total major works</b>	<b>7 684</b>

## Territory Wildlife Parks

	Program \$000
MINOR WORKS	1 350
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>1 350</b>

# Department of Health

	Program \$000
MAJOR WORKS	145 918
MINOR WORKS	10 380
CAPITAL GRANTS	1 434
REPAIRS AND MAINTENANCE	34 645
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>192 377</b>
<b>Revoted works from 2024-25</b>	<b>145 918</b>
<b>Central Australia</b>	
Alice Springs Hospital – hybrid operating theatre	473
<b>Big Rivers</b>	
Borroloola health centre and morgue	19 765
<b>East Arnhem</b>	
Gove District Hospital – fire remediation works	19 906
<b>Greater Darwin</b>	
National critical care and trauma response centre warehouse and road upgrades project <sup>1</sup>	3 150
Royal Darwin Hospital	
Central sterilisation services department trolley washer and reverse osmosis system	598
Mental health inpatient unit and stabilisation assessment and referral area facility <sup>2</sup>	49 276
New modular multipurpose facility	17 650
<b>Across regions</b>	
Territory hospitals – upgrade the central sterilisation services departments	35 100
<b>Total major works</b>	<b>145 918</b>

<sup>1</sup> Commonwealth funded.

<sup>2</sup> Joint funding by the Territory and Commonwealth governments.

# Department of Housing, Local Government and Community Development

	Program \$000
MAJOR WORKS	690 250
MINOR WORKS	19 955
CAPITAL GRANTS	108 096
REPAIRS AND MAINTENANCE	114 191
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>932 492</b>
<b>Revoted works from 2024-25</b>	<b>401 009</b>
<b>Central Australia</b>	
St Mary's land development (Alice Springs) <sup>1</sup>	14 000
<b>East Arnhem</b>	
Cyclone rectification works (Emu Point)	703
<b>Across regions</b>	
10-year remote housing agreement 2024–2035 – land servicing	26 041
10-year remote housing agreement 2024–2035 – new HomeBuild <sup>2</sup>	42 112
Government employee housing	
Children and schooling	7 270
New teacher housing	2 482
Remote aboriginal housing	
Federal funding agreement – Northern Territory Remote Housing <sup>1</sup>	5 257
National Partnership on Remote Housing <sup>1</sup>	4 659
National Partnership for Remote Housing Northern Territory <sup>1</sup>	2 170
Remote housing investment package	
Government employee housing	30 692
HomeBuild NT	12 751
Land servicing	176 794
Room to Breathe	30 464
Upgrades to remote housing	218
Rolling capital program to provide water quality and security in remote communities	12 421
Urban public housing	
Social housing accelerator payment – urban public housing <sup>1</sup>	32 676
Urban public housing new construction and upgrades	300
	<i>continued</i>

	Program \$000
<b>New works in 2025-26</b>	<b>289 241</b>
<b>Across regions</b>	
10-year remote housing agreement 2024–2035	
New HomeBuild <sup>2</sup>	205 629
Land servicing	28 612
Remote housing investment package	
Government employee housing	24 664
Room to Breathe	25 336
Urban public housing – rolling program to refresh the Territory's public housing stock	5 000
<b>Total major works</b>	<b>690 250</b>
1 Commonwealth funded. 2 Joint funding by the Territory and Commonwealth governments.	

## Department of Lands, Planning and Environment

	Program \$000
<b>MAJOR WORKS</b>	<b>102 877</b>
<b>MINOR WORKS</b>	<b>6 760</b>
<b>REPAIRS AND MAINTENANCE</b>	<b>6 220</b>
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>115 857</b>
<b>Revoted works from 2024-25</b>	<b>100 877</b>
<b>Central Australia</b>	
Alice Springs lot 8131 subdivision – Sienna Village	943
Headworks infrastructure and subdivision works to support the development of Kilgariff residential land	11 000
Infrastructure to mitigate flooding in Alice Springs	9 386
Remediation Alice Springs lots 274 and 7913	1 200
<b>Barkly</b>	
Subdivision works to support the release of industrial land in Tennant Creek	945

*continued*

	Program \$000
<b>Greater Darwin</b>	
Crown land remediation	2 656
Headworks infrastructure to support the development of Farrar West <sup>1</sup>	11 000
Headworks infrastructure to support the development of Holtze	49 605
Headworks infrastructure to support the development of the Berrimah North area plan	1 197
Infrastructure to mitigate flooding in Kulaluk <sup>2</sup>	10 996
<b>Across regions</b>	
Infrastructure for Growth – headworks infrastructure and subdivision designs to support the development of land	1 950
<b>New works in 2025-26</b>	<b>2 000</b>
<b>Across regions</b>	
Infrastructure for Growth – headworks infrastructure and subdivision designs to support the development of land	2 000
<b>Total major works</b>	<b>102 877</b>
<sup>1</sup> Commonwealth funded. <sup>2</sup> Joint funding by the Territory and Commonwealth governments.	

## Aboriginal Areas Protection Authority

	Program \$000
REPAIRS AND MAINTENANCE	8
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>8</b>

## Department of Corporate and Digital Development

	Program \$000
MINOR WORKS	300
CAPITAL GRANTS	5 864
REPAIRS AND MAINTENANCE	325
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>6 489</b>

# Department of Education and Training

	Program \$000
MAJOR WORKS	14 386
MINOR WORKS	14 200
CAPITAL GRANTS	4 083
REPAIRS AND MAINTENANCE	34 350
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>67 019</b>
<b>Revoted works from 2024-25</b>	<b>14 386</b>
<b>Central Australia</b>	
Bloomfield Street campus – subdivision works	681
Yuendumu School – new play equipment, outdoor eating area and amphitheatre <sup>1</sup>	3 074
<b>Barkly</b>	
New student boarding accommodation in Tennant Creek – design works <sup>2</sup>	319
<b>Big Rivers</b>	
Katherine High School – science, technology, engineering, the arts and mathematics (STEAM) centre	1 210
<b>Greater Darwin</b>	
Leanyer Primary School – administration block upgrade <sup>1</sup>	1 552
Parap Primary School – new preschool facilities	3 828
Planning for enrolment growth in Palmerston (secondary/special education)	1 740
Special education centre for middle and senior students in Palmerston – planning works	1 000
Wulagi Primary School – priority roof replacement including repitching and associated works	981
<b>Total major works</b>	<b>14 386</b>

<sup>1</sup> Funded by external source.

<sup>2</sup> Joint funding by the Commonwealth and external sources.

## Department of Trade, Business and Asian Relations

	Program \$000
MINOR WORKS	250
CAPITAL GRANTS	1 903
REPAIRS AND MAINTENANCE	205
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>2 358</b>

## Department of Children and Families

	Program \$000
MAJOR WORKS	20 409
MINOR WORKS	1 880
CAPITAL GRANTS	3 000
REPAIRS AND MAINTENANCE	1 590
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>26 879</b>
<b>Revoted works from 2024-25</b>	<b>20 409</b>
<b>Barkly</b>	
Barkly Regional Deal – Tennant Creek visitor park <sup>1</sup>	10 221
<b>Greater Darwin</b>	
Darwin visitor accommodation precinct <sup>2</sup>	10 000
<b>Across regions</b>	
Women's safe houses upgrades and remote site play equipment	188
<b>Total major works</b>	<b>20 409</b>

<sup>1</sup> Joint funding by the Territory and Commonwealth governments.

<sup>2</sup> Commonwealth funded.

# Department of People, Sport and Culture

	Program \$000
MAJOR WORKS	13 379
MINOR WORKS	5 250
CAPITAL GRANTS	9 840
REPAIRS AND MAINTENANCE	6 400
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>34 869</b>
<b>Revoted works from 2024-25</b>	<b>11 879</b>
<b>East Arnhem</b>	
Arts Trail – Arnhem Land art gallery extensions	4 000
<b>Greater Darwin</b>	
Hidden Valley Motor Sports Complex – track and service modifications to support the Motocross World Championships	3 260
New northern suburbs youth hub	4 619
<b>New works in 2025-26</b>	<b>1 500</b>
<b>Greater Darwin</b>	
Katherine multipurpose multicultural facility	1 500
<b>Total major works</b>	<b>13 379</b>



# Explanation of terms

## Capital grants

Grants provided to fund the construction or upgrade of significant assets owned by entities outside the budget sector (grant recipients). Works may be managed by either the grant recipient, to which the grant is provided directly, or the Department of Logistics and Infrastructure, in which case grant funds are held by the agency during construction.

## Capital works

Building and engineering works that create an asset, as well as constructing or installing facilities and fixtures associated with and forming an integral part of those works. Capital works projects would typically include constructing buildings, roads and bridges, installing large airconditioning plants or lifts, upgrading or extending existing buildings, and major roadworks that upgrade existing roads. Capital works can consist of major and minor works (see definitions below).

Excludes capital items, which are capital purchases where limited construction or fabrication is required, such as equipment and vehicles. Repairs and maintenance works are also excluded as these works relate to maintaining an existing asset in a workable condition, not constructing or upgrading an asset.

## Capital works cash

The funding expected to be spent on a project or projects in a financial year.

## Capital works program

The total amount approved to deliver a project or projects.

## Classifications of Functions of Government – Australia (COFOG-A)

A framework to classify government outlays or expenditure by the purpose served, for example, health or education, which is based on Australian Bureau of Statistics classifications used as part of the government finance statistics manual.

## General government sector

Agencies and other entities controlled by government mainly engaged in the production of goods and or services outside the normal market mechanism, where goods and services are provided free of charge or at nominal charges well below cost of production. This sector is generally funded by taxation (directly or indirectly) and Commonwealth grants.

## Government owned corporations

A corporatised commercial entity within the terms of the *Government Owned Corporations Act 2001* and not including in the general government sector due to its commercial nature. Territory government owned corporations are the Power and Water Corporation, Territory Generation and Jacana Energy.

## Infrastructure program

Combines capital works, capital grants, repairs and maintenance, and infrastructure-related expenses. It represents the Territory Government's total commitments to the construction and maintenance of assets across the Territory, including both government and non-government-owned assets.

## Infrastructure-related expenses

Operational costs that directly relate to the infrastructure program, including strategic infrastructure-related studies, investigations, master planning, project development and consultancy costs not specific to an asset.

## Major works

Construction projects with an estimated value greater than \$1 million that relate to improvements to or construction of a new Territory Government asset.

## Minor works

Construction projects with an estimated value of up to \$1 million that relate to improvements to or construction of a new Territory Government asset. In this budget paper, only the total program level per agency is identified for minor works projects.

## New works

Projects approved to start in the 2025-26 financial year. Individual new works projects are recorded in this budget paper for projects over \$1 million (major new works), with projects of \$1 million or less (minor new works) recorded in aggregate for each agency.

## Public non financial corporations

Public enterprises primarily engaged in the production of goods or services of a non financial nature for sale in the market place at prices that aim to recover most of the costs involved. In this budget paper, public non financial corporations include Land Development Corporation, Indigenous Essential Services Pty Ltd and government owned corporations.

## Repairs and maintenance

Works undertaken to maintain existing assets in working condition. Repairs and maintenance keep an asset functioning at its current capacity and do not enhance the asset significantly or extend its useful life. This is in contrast to capital works on existing assets, which will substantially change or improve the asset through expansion or upgrade.

Repairs and maintenance funding is appropriated to the Department of Logistics and Infrastructure, which manages works on behalf of client agencies. The Department of Housing, Local Government and Community Development also receives its own repairs and maintenance funding to manage works for its assets.

## Revoted works

Capital works initiated in previous years carried forward into the budget year.

As construction of larger projects will often span more than one financial year, the works not completed at the end of the financial year are revoted into the new financial year. These incomplete portions of projects are referred to as revoted works and are distinct from new works.

## Total infrastructure payments

A summary of payments for infrastructure projects and grants at the total public sector. The total infrastructure payments table is the primary infrastructure budget table that identifies the total approved program for the general government sector, including subcomponents and budgeted payments (cash).

## Total public sector

A consolidation of all sectors of government. This process eliminates transactions and balances between sectors.

