

NORTHERN TERRITORY of AUSTRALIA

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HANSARD EXTRACT

ECONOMIC DEVELOPMENT & INFRASTRUCTURE

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Mr DEPUTY SPEAKER: Not necessarily.

Mr PAECH: Investment is happening in number of remote communities. There have been partnerships in the past. I encourage the telecommunications minister—I cannot remember who it is. There was a program previously with the federal government and Telstra because a few communities still need telecommunications turned on. It is important for safety and for them to participate in the economy and sell goods through arts; everyone loves a bit of online shopping. We should be supporting local businesses so we should continue to do that. You can buy a lot of goods over the internet and support local businesses.

Sports carnivals are also important. When remote communities have footy or softball events, they bring money to those remote communities and help the shops and arts centres. Indigenous rangers are a great investment, creating real jobs. A number are being rolled out in the Territory. Remote housing is also important. It is great to see continuing investment; that was a bipartisan commitment with ongoing investment. Any opportunity to grow the workforce in those communities is good.

What is meaningful? I can speak about this since I have an extension of time. Training opportunities for remote Aboriginal Territorians are important, but they have to be meaningful. My family lives in remote communities; I am a proud Aboriginal person. The disappointing thing I have seen over many years—I am not blaming anyone politically, because we all have something to answer for in this sense—is that so many of my family members have enough qualifications and certificates to wallpaper their houses, but they have not been awarded the opportunity to engage in meaningful employment or training and practice.

There is a lot of work to do. I appreciate the commitment of Charles Darwin University, which does a fantastic job. I am excited about the projects it is rolling out with VET programs in building, carpentry, electrical work and job-readiness. It helps a long way in seeing investment.

There are lots of conversations happening tonight. It would be remiss of me not to acknowledge that Tourism Central Australia has an amazing campaign at the moment called Love Letters to Mparntwe/Alice Springs to celebrate the beauty of the place, whether it is the landscape, the culture or the people. It allows us to showcase that. Yes, Alice Springs has had a bad rap over a number of years. I acknowledge the Member for Fannie Bay grew up in Alice Springs—very proud.

There is so much to celebrate in Alice Springs. It is a beautiful place and land of magic, and if we continue to support tourism operators and showcase and sell the magic of that place, every Australian will have the opportunity to see how wonderful my home is. There is a great opportunity for educational tourism, which I have said to the minister for Tourism. Every Australian should come to Alice Springs to see the magic of language, law and culture being spoken and practised every day on the streets. You can walk down the main street of Alice Springs and hear ancient languages from 20 different Aboriginal nations. It is remarkable that we can still celebrate the connection of language, law and culture in our beautiful town. That is an invaluable tourism experience.

To all our tourism operators, Aboriginal tourism operators and businesses, keep up the great work. NT IBN does a deadly job to get the Northern Territory Government to increase Indigenous procurement positions. Supporting local business is important. Though the world is moving online, there are still great businesses. Novita Gifts in Alice Springs recently celebrated its 50th birthday, and we must continue to support it.

This has been a great chance to speak about economic opportunities. The Territory is the land of opportunity, particularly when it comes to the economy, so we should all get behind innovative projects. I remember when Gerry McCarthy—a former minister in the Northern Territory—used to speak about hydrogen, and people thought he was off the mark. Now, we understand how enormous the opportunities are regarding hydrogen.

We should be looking at innovative ways of doing things and not be scared to be bold, but it must be done sustainably.

Dr RAHMAN (Fong Lim): Madam Speaker, it seems rude to interrupt the Member for Gwoja's love letter to Alice Springs. I am almost saddened to have to bring the debate back to economic development and infrastructure, but that is the issue of the day, so I must do as needs must.

I applaud the courage of the Labor opposition for drawing attention to its record on the economy, delivery of major projects and realisation of infrastructure, but honestly, for the second day in a row, this is an own goal. I am amazed to have the opportunity to—once again—point out just how grossly negligent Labor's handling of the economy has been for eight years.

I will not be unsporting about it because I understand from the Deputy Speaker that it was the Leader of the Opposition's 40th birthday yesterday, and I do not want to be the one to ruin the celebrations two days in a row. I will be gentle in what I say and make sure I stick to things that are constructive and useful to reflect on

Similar to yesterday when we talked about health infrastructure, there is a lot of inability to face reality. We are now in a fantasy land of historical revisionism in terms of what was done with the economy in the last eight years regarding bricks-and-mortar infrastructure and workforce. Yesterday I spoke at length about healthcare workforce because that is an important, salient topic.

Thank you to the Leader of the Opposition for the shout-out regarding DAMA III. This is a great achievement, and I thank the Minister for International Students, Migration and Population for allowing me to be a part of the signing the other day. I had a bit to do with the background in years past. This is a great step forward for the Northern Territory.

Alas, we are talking about infrastructure today, not workforce. On that note, let us start talking about bricks and mortar, because that is what the bulk of the agenda and this motion is about. It is about the portfolio we diversified into and about creating greater opportunity for everyone in the Northern Territory through the delivery of major projects. Hang on to your hat, because there is a lot to say about that.

I spent a bit of time in the Department of the Chief Minister and Cabinet, as I have said before. It coincided with my return to Australia and catching up on a lot of Australian television. There is a fantastic show by the Working Dog crew, *Utopia*. I have to be honest with you; at a certain point I was binge-watching *Utopia* whilst trying to do good constructive work within the Department of the Chief Minister and Cabinet—within the Investment Territory and Major Projects space—and I could not tell whether I was on set or in a feverish dream. It was hard to distinguish between rhetoric, reality and fantasy.

I remember the Major Projects Commissioner—I should not name a public servant—saying, 'Take down that *Utopia* sign. It is confusing for everyone.' That was the state of affairs for Major Projects. In the year that I spent there, I saw a series of public servants scrambling because they were subject to the whims of ministers associated with Infrastructure, Major Projects and Treasury. There was a constant succession of announcements of god knows what. There was a lot of high-vis and not a lot of shovels. We did not get many major projects off the ground.

It is true that it is great to have blue-sky thinking and to think about diversifying our economy. I applaud the period in the wake of the Territory Economic Reconstruction Commission report and the period of thinking laterally about how we might structurally reform our economy. I will not take cheap shots today, but clearly prawn farms were not the answer. There are limits to diversification of the economy. That is what we discovered through that period.

It is about bringing it back to bricks and mortar. Today is not about workforce or love letters to Alice Springs; I do love Alice Springs, I might add. It is about the difference between infrastructure of substance and necessity and ventures of vanity. That is the thing. We concentrated a lot of time on infrastructure ventures of vanity.

My learned colleague, the Treasurer, already spoke at length regarding these issues and pointed out case studies in that space. It does not warrant reiterating the litany of disasters of announcements that have failed to materialise into anything beyond a press release.

The contention by the Treasurer is—I have every reason to believe him—that we have a \$5bn former infrastructure program, which notionally we are here to support and celebrate in this motion, but Labor did not leave the money to fund any of it. If that is the case, it is a terrible shame. Labor was running on fumes and tricking the Northern Territory public into thinking that we were doing things—that we had the money and the capacity to do things—when all we were doing was celebrating the naked emperor. It is a tragedy that has been uncovered in the books.

Rarely did we see a shovel touch the ground. There was plenty of high-vis but not many shovels. The two best examples of that are the Tiger Brennan Drive overpass and the art galleries. I would love to see those projects materialise. The fact is that they remain nothing more than artists' sketches. The Tiger Brennan Drive overpass is at least making some progress.

The government and the Treasurer are committed to doing a full review of the infrastructure program. Those on the other side are doing this Chicken Little 'the sky is falling in' routine of, 'The government will cut stuff'.

We will not cut stuff that did not exist. What can you cut? There are a lot of fantastical promises, some of which will now be revealed as being fantastical promises with no money to pay for them, which we will wipe off the books because they are just taking up space on the books. There will be a lot of that happening. There is no doubt that must happen.

Things need realistic secured funding. This government will deliver infrastructure responsibly with proper funding and within a well-managed budget framework to ensure the Territory's infrastructure needs are met without ballooning costs or delays. Do you know why I believe that? I say this especially to members of the opposition. It is because I will hold my government to account on these matters. Good luck wasting money on my dime. That will not happen.

My issue with the Tiger Brennan overpass is not the initiative—it is a great road and makes things much faster—but the mishandling of that project's execution, as evidenced in the significant \$100m blowout.

It is useful for all of us to have a moment of economic Zen and agree that it is good to diversify your economy, but there is such a thing as spreading yourself too thin. That is what we did. We spread ourselves too thin over time. In the relentless pursuit of trying to keep people happy, win votes, be politic and be populist, we had a lot of things being announced which, frankly, were not going to materialise.

It is great that we now have a foray into the critical minerals sector and that hydrogen, which was once thought to be a nonsense venture, has meat to it. There is a range of areas we have made forays into that are positive, but we also took some speculative bets without concentrating on our core areas of expertise, and at a time like this you have to come back to concentrating on those core areas.

I support the government's plans to focus on five key sectors because they are the ones that have historically paid off for us. My caution to my colleagues and the whole House is that, whether it is mining, gas, Defence, agriculture or tourism, it is hard to do anything without people. Therefore, we will need to work together on the workforce component of this solution. I think we are making positive steps in the right direction. DAMA III is a good example. I thank the minister for letting me know in advance, so I could pick the right tie for the photoshoot.

I go back to the Leader of the Opposition's soliloquy because it was beautifully put and fundamentally off the mark. The reality is that the fundamentals of the economy are not sound. I am afraid you will have to do better than randomly pick snippets of the Under Treasurer suggesting that things may be tracking all right. I am a fiscal conservative—as I have pointed out, I am discovering that I am more fiscally conservative than some of my peers in this regard—but I am also an economic rationalist. The rational economic position speaks for itself.

As early as November, a month after coming into this House, I let you all know that the Treasurer's Annual Financial Report's headline was net debt to revenue ratio. Net debt as a ratio to revenue was 108% in 2023–24, which was 11 percentage points higher than the 97% recorded in the year prior. We are all starting to understand—it is great that we are all getting on the same page—that debt is not a bad thing. You need to borrow money to do things. We need lines of credit and money to mortgage houses. You borrow money to make money, and you spend it productively. However, we borrowed beyond our means. We will need to be more restrained and disciplined in how we spend and move forward; otherwise, our credit rating—which is currently Aa3, which ain't much to write home about—will be in jeopardy.

The government has inherited a difficult position whereby it does not want to depress consumer demand or have mass lay-offs of public servants. We are not that dumb; that will not happen. We are trying carefully not to spend our way out of the problem but make sure that in the short run we spend enough to keep the wheels of the economy turning to maintain confidence and, in fact, translate what is optimism at the moment into economic confidence. They are two different things, and we will all learn that over the next period. It is great there is optimism in the market, but translating that into economic confidence requires facing reality and making tough decisions.

I applaud the fact that the Treasurer is doing a pretty good job so far after being handed an absolute hospital pass and trying to work with it as best he can. It is tempting to forensically deconstruct Labor's fiscal and economic mismanagement—really tempting. I waited, chomping at the bit, to rip apart multiple Treasurers' statements from bygone years, but we need to move forward constructively now instead.

I love these small moments of bipartisan Zen that we have. I thank the Member for Gwoja for acknowledging our shared interest in the arts sector and that there is a high return on investment and a multiplier effect when we invest in the arts in the Northern Territory. Who knows? Someday soon we may end up at a gig together.

However, for the time being we need to move forward constructively by looking at what we have—the nuts and bolts—in the numbers on paper. That is what we on this side of the House are doing at both the macro NT scale and the local scale. However, let us first talk, given there are so few chances to do it, about the national scale in the wake of the federal budget from last night.

It is true, I am sorry to say—my colleagues are by and large right—that the federal budget does little to help the Northern Territory Government anew. We have obviously maintained a lot of existing commitments, and a lot of things are being done for Australians across the board, but there is nothing super special just for us other than a short stretch of roadworks. That is true.

To that point the shadow Treasurer, Angus Taylor, is I think bang on in his assessment, which is that the budget released last night is for the next five weeks but not for the next five years. That is entirely predictable, given that we are all but five weeks away from a federal election. It is disappointing that the budget does little to address the medium-term structural deficit which is probably expected to total close to \$180bn over the forward estimates. Likewise, it does little to address productivity, aged care and constructively moving forward the housing accord. It does nothing on migration, even after having foreshadowed the essential skills visa which should have been progressing at this point.

Those things might all seem like macro concepts that have little bearing on the Northern Territory or infrastructure, but they do; that is the thing. We are all the more dependent and affected by the choices that the Commonwealth makes, so it is a missed opportunity. However, I will say again that it is a budget for five weeks, not five years. It is a budget that came about because Cyclone Alfred turned up and a budget had to be delivered. That is the truth of it. I will not browbeat about tax cuts; the fact of the matter is if you have more than 73c a day, as is predicted going over the forward period, you would probably stoke inflation. It is a modest adjustment in the lead-up to a federal election.

Instead, we should be thinking about how to build bridges with the Commonwealth, no matter who is in charge, for the betterment of the Northern Territory. I think we must work together on this because all versions of combinations at the moment are dangerous for us, no matter whether the federal government is Labor or Liberal and no matter whether there is local representation that is Labor or Liberal—sadly, I do not think it will be Greens in either instance, Member for Nightcliff. No matter which version of those four permutations you have, all versions of them could be problematic and challenging for the Northern Territory and its economy going forward.

We would do a whole lot better with the feds if we had a consistent and united position on wanting to get more of our fair share, because the only time they really take any of those arguments seriously—at least dignify them—is in relation to Indigenous disadvantage and closing the gap, and so they should, but there are other issues to be addressed. They are not addressed because we cannot consistently put up a unified front to the federal government to say, 'This is what we need'.

Cast your minds back to when we did the 50th anniversary motion. Think about those people who pioneered putting together this Legislative Assembly and about the causes they fought for together. It was their unified front on self-determination for the people of the Northern Territory that resulted in some of that coming together.

Frankly speaking, I fully maintain that we are in the crux of an economic crisis up here. Social and economic collapse is not an impossibility. I genuinely believe that unless we come together, start talking about economic ideas, agreeing on some of them and lobbying for them collectively, we will be a managed economy. We almost are at this point, and we are creeping ever closer towards that, by the day.

The federal budget from last night did little to address productivity, aged care or the housing accord and did nothing on migration. That is a problem in a place that needs unique and bespoke arrangements for migration, as with north Queensland and north-west Australia. It behoves us to work in cooperation with those jurisdictions that have much more political clout than us but face similar problems. We need to band together and ask for a new compact on migration for the north of Australia because that is the only way we will be able to find the sustainable workforce to supply people for all these industrial sectors that we have a desire to improve economically.

What was clear, though, from last night's reveal of the budget was that there is no more money for us for infrastructure. Here we are back at today's topic.

The fact is that after years of Territory Labor mismanaging our money—most recently over eight years, but probably a bit before that as well—the Commonwealth simply does not trust us to use its money. It ties it up

in equity rather than giving us cash. If we want more pocket money, we need to start making a more compelling case for not just why, but what we did with the last lot. We failed to do that for a time. 'I'm sorry. I don't know what we did with the pocket money you gave us.' 'What do you mean? You don't even know what you spent it on?' 'No, I just lost it'. That has been our situation for a while. We are, essentially, in a managed income situation. Think about that: we are basically operating using the equivalent of a Commonwealth BasicsCard. The Member for Gwoja was slightly off; it is not 70%.

Mr BROWN: A point of order, Madam Speaker! Pursuant to Standing Order 43, I move that an extension of time be granted to the member.

Motion agreed to.

Dr RAHMAN: Thank you, sir. I looked around at the rest of them and asked myself whether someone would do me a solid. As I said, it is a wonderful day for bipartisanship and a great day to talk about infrastructure and the economy for our mutual benefit.

We are now essentially in a managed income situation. Everyone is starting to get wise to that and the fact that there is some method to the manner of the deputy leader, who is pointing out that unless we start making money in new ways we will be hamstrung. I maintain that I am pro-sustainable resource development; whether it is mining or gas, I just want things to add up economically. We need to ensure that we have viable industries that are viable economic propositions which work in harmony with our society and our natural and built environments. Going forward our shared aspiration should be to build things that provide a return on investment that do good and provide us all with greater options, particularly for future generations.

Last night's budget revealed that we could use more money for infrastructure. That is true, but after years of us mismanaging our money, and particularly egregious mismanagement over the last eight years, I am sad to say that we are just not trusted. This government is seeking to rebuild some trust and confidence by demonstrating greater fiscal responsibility and discipline. That is required at this point.

We sometimes talk about the private sector, saying that unless we provide it with greater signals to market that we are a responsible jurisdiction people will not be interested in coming to park money here. Here is a hot tip: our number one ticketholder, our sugar daddy, is the Commonwealth. Unless we are in a position to demonstrate to the Commonwealth that we know what we are doing with our money, good luck getting more of it. We are working on exactly that.

This is why the Treasurer is systematically reviewing the Infrastructure portfolio, which was a catalogue of *Utopia*-esque nonsense, and is now trying to make good on that and turn it into something that we can deliver on. I fully expect, and demand, that when the Treasurer puts out a list of projects that we will invest in, they are infrastructure projects that will be costed, sensibly funded and ultimately delivered. That should be the aspiration.

We have spoken about the national scale. I will not speak about what happens at the Territory-wide level, because that is the purview of the Treasurer, and he will no doubt deal with that systematically over the coming months in the lead-up to the budget. The other important scale for us to talk about in regard to infrastructure is the local.

I see it in my electorate. I see Stuart Park, Winnellie shops and the state of disarray and decay at suburban shops across every electorate, frankly. Drive around Darwin—to say nothing of Alice Springs—to see where we have dropped the ball on investing in infrastructure that is less sexy, but in many ways is far more important because it provides the building blocks for sustainable growth. You look after a suburban shopping centre and it looks after the local community. There is a multiplier effect. There is a symbiosis when you invest in stuff at the local level properly. Infrastructure deficits exist in those areas across the Territory because of the preoccupation with ventures of vanity, focusing on things that were a bit more razzle-dazzle, but, frankly, did not have the return on investment that we need.

The thing with enabling and essential infrastructure—which we are all starting to talk about more in here, which is great—is that it comes in lots of different forms. My problem with the shadeless shade structure is not sunburn—I do not have a sunburn problem so that is not the issue—but that there is a necessity to invest in infrastructure, in particular, with a better return on investment. What would we get back from that development? Just think about it as a thought experiment at this point. Sure, it might have beautified the area and made it a bit shadier. Would it increase footfall and traffic in that area and make it easier to cross to and from? Would there be any significant economic multiplier effect from that project? No, it was largely somebody's thought bubble, 'I reckon we could put up a thing with some vines and make it look prettier in

the CBD'. 'Great, let us do that'. It was never a seriously well-thought-out project and, clearly, it was not well executed.

The challenge when we have limited money is that we need to invest in infrastructure with a better return on investment. In saying that, not all investment needs a high return. I have no problem whatsoever with art galleries. I will have it out with anyone who wants to take a pot shot at the art galleries. My problem is that the art gallery infrastructure projects were poorly and disingenuously costed and had no reasonable chance of being delivered on time or on budget. There is a social good that comes from investing in infrastructure of the type of art galleries.

One of the best bets on the local scale for an enabling and essential piece of infrastructure with a high potential for return on investment is the Stuart Park high street. I keep coming back to it because not only is it in my patch—of course I am championing it because it is in my patch—but also it is the neck that supports the head of the CBD on the body of the Northern Territory. That corridor, that strip of land, starting roughly where Ozanam House is down to the Daly Street Bridge, is an area ripe for gentrification. On one side is The Gardens and on the other is Stuart Park. There is high-density living, shops, cafes, restaurants and street frontage. That is the kind of area where Labor should have targeted its money. It had the capacity to do so; the planning scheme was in its favour and it had the money. Up and down that strip are some of the most important landholders and businesses rooted deeply in the Territory. That is the kind of area where we get an extremely high return on investment when we invest in infrastructure.

What would it take to improve that area? Not much because a lot of the work is already done for us. It is about traffic management in the first instance and making sure we fix the nine lanes of wasted traffic and instead have free-flowing traffic. Once you have free-flowing traffic in that area you can create wider shopfronts. There is a wealth of potential in that project. As I said, it is one of the best bets. It is not the only one, but it is the one that I will bang on about repeatedly. Unlike shadeless shade structures or a series of other things that are so big and far away that you will see no return on investment, if you were to tackle the Stuart Park high street you would find a much sooner than expected return on investment because the preconditions are already there for us to succeed in that space. We need to be smarter about what we do with infrastructure spend, which we clearly have not been for a long period.

Nobody is talking down the Territory. On this side of the House we are facing reality. Labor's delusional optimism and denialism beggars belief. The opposition—I say this advisedly—is out of its depth on the economy. I do not think that is necessarily the fault of the current opposition members; quite frankly, they probably had very little to do with setting the economic agenda of the last eight years and the last two administrations. However, now is the time to own the fact that you were led down the garden path by people who did not know what they were doing in economic management, distance yourself from it and start finding common ground with us on how to move forward. We are all in this boat together and we will go down together unless we work together.

I can only hope that the opposition will come back with a more credible analysis and more credible arguments before the May budget sittings; otherwise, this will be painful for all of us and we will all just be slinging mud in silly ways when we have limited money, limited time and an economic crisis. Now is the time for us to collectively band together and do something about it. Do we need more money for infrastructure? Yes, 100%. Should we spend it more prudently and wisely on things that will provide a better economic and social return on investment? Absolutely. I implore all of us to think about trying to do that collectively.

Today's motion is that we acknowledge the outstanding work done by the private sector in developing a portfolio of projects valued at over \$57bn, spanning critical sectors such as minerals and resources, digital innovation, renewable energy and agribusiness. Yes, partially we can. Looking at the second part, do we commend the 2024–25 infrastructure program for its significant contributions to building a better Territory, fostering economic development and improving the quality of life for all Territorians? I am afraid not. I am sorry; no. We have not achieved that, but we could. I want us to achieve that. I believe that we will achieve that if we can work together.

K McNAMARA (Nightcliff): Madam Speaker, I would have continued the bipartisan Zen and given the member another extension if I could, but, sorry, I might kill the bipartisan Zen now because I will talk about gas.

The struggles of the Territory and the global economy more broadly are getting worse. If done correctly, however, the private sector, regulated such that people are put before profit and with unions at the table so that workers are represented, can transform our local economy to the benefit of all Territorians. Recently in Australia this has rarely been the case. Economic benefit has gone to the very wealthy and the very few. In