

Recommendations

- 5.1 This chapter sets out the recommendations the Committee has made to assist with the development of Northern Australia. The recommendations are drawn from the material discussed in preceding chapters. Each recommendation is followed by a brief comment from the Committee.
- 5.2 The first section consists of priority recommendations for Government intervention in the economy, and through support of various projects.
- 5.3 Other recommendations are listed according to the chapters in which the topic is discussed, being opportunities, development proposals or remediating impediments.

Priority Recommendations 1 to 7

- 5.4 The Committee considers that the following seven recommendations are essential to assist with the development of Northern Australia.

Recommendation 1

- 5.5 **The Committee recommends that the Australian Government create a Department of Northern Australian Development, and that it be based in Northern Australia.**
- 5.6 The Committee has welcomed the decision to form the Northern Australia Strategic Partnership, which gives the development of Northern Australia its due status as an issue of the first order – under the direct oversight of the Prime Minister, Premiers of Queensland and Western Australia, and Chief Minister of the Northern Territory. The Committee believes that the development of Northern Australia should remain the responsibility of the first ministers of the respective jurisdictions. Within this context, the Committee is of the view that the complex and demanding task of

promoting the development of Northern Australia requires the dedicated attention of a Minister with their own department to co-ordinate and control government programs relating to northern development across a range of portfolios – in effect a ‘one-stop-shop’.

Recommendation 2

- 5.7 **The Committee recommends that the Australian Government identify key roads and commit to funding their upgrade as a matter of priority, subject to relative benefit assessment by Infrastructure Australia. Projects to consider would include:**
- **Continued upgrade of National Highways, including the Bruce and Stuart Highways**
 - **Hann Highway**
 - **Peninsula Development Road (to the tip of Cape York)**
 - **Tanami Road**
 - **Outback Way**
 - **Beef development roads such as the Barkly Stock Route.**
- 5.8 The Committee regards the development of road infrastructure as critical to the economic and social development of Northern Australia, and has identified these roads as particularly important to the development of the region. Sealing and flood-proofing these roads along their entire length would allow year round access for industry, tourists and residents, significantly reduce travel times and facilitate economic opportunities.
- 5.9 The national highway system is the vital network of roads connecting the main urban centres with each other and the regions. The maintenance and ongoing upgrade of these roads is essential to the development of Northern Australia. The Bruce Highway is the most important road connecting North and South Queensland. The Committee acknowledges the ongoing commitment of the Australian Government to the upgrade of the Bruce Highway. The current pace of the highway’s upgrading should be maintained into the future because it is essential to the development of Northern Australia. The Stuart Highway is the main link between Darwin and the rest of Australia and is vital to the movement of people and goods throughout the Northern Territory.
- 5.10 The completion of the Hann Highway provides a shorter route between North Queensland and Sydney and Melbourne, taking at least 15 hours off current travel time between Cairns and Melbourne. It will divert heavy traffic from the Bruce Highway and will be less prone to weather events, improving safety, reliability, productivity and enhancing investment. It

will allow road trains to travel from the north all the way through to New South Wales. It will also promote the development of the Atherton Tablelands.

- 5.11 The upgrade of the Peninsula Development Road to Seisia would significantly improve access to and from Cape York Peninsula with benefits to primary producers and Aboriginal and Torres Strait Islander communities. Currently, the road is regularly cut during the wet season, with significant funds being spent on repair work. The current condition of sections of the road is also a disincentive to tourism. The upgrade of the road along its full length would also improve access to the Torres Strait Islands, reducing freight costs and decreasing isolation. All goods could be transported by road. It would provide opportunities to increase fuel and cold storage at Seisia wharf, reducing the costs of fuel and goods into the Torres Strait Islands and other islands. Barge costs are about three times greater than road costs. Reduced freight costs would see a reduction in the price of food and fuel.
- 5.12 The upgrade of the Tanami Road would significantly improve access to the Kimberley, reducing costs to primary producers and the resources sector, create better access to southern markets, and open a new avenue for tourism. It would create a direct freight corridor between the Kimberley and South Australia, shorten the journey by some 1100 kilometres and 17 hours between the south-east and the north-west, give greater access to the national rail network through Alice Springs, and enable more rapid resupply or reinforcement of the north-west for defence purposes, along a secure inland route.
- 5.13 The Outback Way will improve east-west connectivity across the centre of Australia. It will enhance regional productivity, improve market access in remote communities, and establish a route for adventure tourism.
- 5.14 Beef development roads, such as the Buntine Road, Barkly Stock Route, Duncan Highway and Buchanan Highway are the core arterial routes for Northern Australian beef producers. These roads were built fifty years ago to accommodate smaller vehicles than are used today. The seal needs to be strengthened and the roads widened to take account of the new types of transport available today and into the future. This will allow year-round transport of cattle and reduce travel times with benefits for animal welfare and driver well-being. They are also critically important to local communities.
- 5.15 While recognising that the completion of these roads will take some years, the Committee believes that the early commitment of funding for the work will of itself provide a significant incentive for private sector investment in these regions.

Recommendation 3

- 5.16 **The Committee recommends that the Australian Government, in conjunction with the Queensland and Northern Territory Governments, should fund a cost-benefit analysis of the following projects :**
- **a rail line linking Mount Isa and Tennant Creek; and**
 - **passing lanes on the Darwin to Alice Springs railway.**
- 5.17 The Committee believes that the construction of a rail line between Mount Isa and Tennant Creek, effectively making a direct rail link between Darwin and the east coast may be of enormous benefit to the immediate region and the nation as a whole. It would facilitate the export of commodities through Darwin, promote the development of Mount Isa and Tennant Creek and the country in between, and allow for increased container trade through the Port of Darwin bound for the east coast. The initial phase of construction could allow for the building of a standard gauge line between Mount Isa and Tennant Creek, with transfer facilities in Mount Isa, with the construction of a dual gauge or standard gauge track through to Townsville to be completed at a later date.
- 5.18 The construction of passing lanes on the Darwin to Alice Springs railway would improve the speed and efficiency of freight movement on the line and allow for a greater number of trains to travel in both directions.

Recommendation 4

- 5.19 **The Committee recommends that the Australian Government give priority to the development and funding of water resource proposals that have been scientifically identified as being sustainable and with the strongest cost-benefit case, and consistent with National Water Policy. Projects to be considered could include:**
- **Use of groundwater for expanding horticulture;**
 - **Flinders River Weir/O'Connell Creek Water Storage Project;**
 - **Urannah Dam;**
 - **Elliot Main Channel;**
 - **Nullinga Dam;**
 - **Eden Bann and Rookwood Weirs on the Fitzroy River; and**
 - **Cloncurry Dam, Cave Hill.**

The Committee further recommends that the government proceed with its election proposal to set up the Water Project Development Fund which could be used to assess and plan – and possibly provide seed

funding for water management proposals for Northern Australia.

- 5.20 The Committee believes that the development of water resources in Northern Australia is essential to the growth of industries and communities. These proposals have enormous potential to create urban and industrial growth in a relatively short period of time. For example, the sustainable use of groundwater has great potential for the expansion of horticulture in Northern Australia using mosaic irrigation.
- 5.21 The Flinders River Weir/O’Connell Creek Water Storage Project would allow for the expansion of agriculture on the black soil plains at Richmond with the potential for the growth of a variety of high value crops and associated processing industries. Up to 20 000 hectares of irrigated land could be brought into production, substantially increasing the amount of land under irrigation in the region. Irrigation can also facilitate dry-land cropping in adjacent areas, allowing dry-land farmers to take advantage of infrastructure such as improved transport and processing facilities. It also provides economies of scale for farming equipment contractors.
- 5.22 The Urannah Dam proposal has the capacity to provide water for the expansion of mining in the Bowen and Galilee Basins as well as for further irrigation in the Bowen region – a rich horticultural area. Around 20 000 hectares of land could be opened for irrigation, substantially increasing the agricultural productivity of the region. The dam could also provide water to the Collinsville power station site.
- 5.23 The Elliot Main Channel is linked to the Burdekin system and could also potentially be supplied by the Urannah Dam. The Channel would provide water for the Abbot Point industrial area and potentially 30 000 hectares of irrigated land south of Bowen region. In conjunction with Urannah Dam, it represents an opportunity to substantially increase agricultural and industrial production in Northern Australia.
- 5.24 The Nullinga Dam proposal has the capacity to supply water for the Cairns urban water supply, provide water for agriculture and provide hydro-electric power. This would allow for the expansion of the city of Cairns and the Mareeba-Dimbulah Irrigation Area.
- 5.25 The proposal to raise the dam wall at Eden Bann Weir and build a new weir at Rookwood, near Rockhampton, has the potential to allow large scale development of horticultural crops for export to Asia.
- 5.26 The Cloncurry Dam at Cave Hill would provide an increased supply of town water, potential development for a feed lot and abattoir, and expansion of the mining industry.

Recommendation 5

- 5.27 **The Committee recommends that the Australian Government conducts a full investigation of the potential and practicality of special economic zones in Northern Australia.**
- 5.28 The Committee acknowledges the constitutional issues surrounding the creation of special economic zones, and the possible distortions in investment decisions caused by creating different legal regimes within the same polity. Nonetheless the Committee considers that limited use of special economic zones will provide a mechanism for promoting growth and development across Northern Australia.

Recommendation 6

- 5.29 **The Committee recommends that the Australian Government take measures to reduce insurance premiums back to an affordable level, which could include increasing competition in the insurance market in Northern Australia. The Australian Government has particular responsibility for the Indian Ocean Territories, but should also conduct negotiations with the governments of the Northern Territory, Western Australia and Queensland, with a view to allowing the Territory Insurance Office to extend its coverage across Northern Australia including the Torres Strait Islands.**
- 5.30 The cost and availability of insurance is a significant impediment to development in Northern Australia. The Committee notes the extraordinary disparity in insurance costs between the north and south of Australia, and between the Northern Territory and the northern portions of Queensland and Western Australia, and the parlous state of insurance on Christmas Island, the Cocos (Keeling) Islands and the Torres Strait Islands. The risk factors applying in the north – chiefly cyclones – do not fully explain this disparity. The Committee welcomes the initiatives by the Australian Government to encourage competition in the provision of insurance in North Queensland, and the current initiatives by some insurers to ease the burden on strata title holders. The Committee believes that more needs to be done. The Territory Insurance Office (TIO) in the Northern Territory is a government owned statutory insurance provider that has provided affordable insurance to citizens of the Territory since 1979. It provides a potential model for the creation of an insurance office covering Northern Australia.

Recommendation 7

- 5.31 **The Committee recommends that the Australian Government, in conjunction with State and Territory Governments, continue to fund the Great Artesian Basin Sustainability Initiative with a view to completing the capping and piping of all uncapped bores identified under the Great Artesian Basin Coordinating Committee Strategic Management Plan.**
- 5.32 The Committee is of the view that the success so far achieved in conserving water and restoring pressure in the Great Artesian Basin under the Great Artesian Basin Sustainability Initiative (GABSI) needs to be sustained by continuing the program through to completion. Given the importance of the resource, it is vital that every effort be made to ensure its long-term viability and limit the loss of water wherever possible. Access to aquifers will be absolutely critical for the development of future agricultural projects in Northern Australia. Moreover, unrestricted water flows can create a focus for feral animals, such as camels, with consequent environmental damage.
- 5.33 The Committee notes the decision of the Minister for the Environment to approve the Carmichael Mine, in the Galilee Basin, on the basis that the proponent returns a minimum of 730 megalitres of water to the Great Artesian Basin each year for five years, effectively extending the GABSI program.¹ Nonetheless, the Committee feels that more needs to be done to effect the completion of the capping program.

Recommendations Addressing Opportunities

- 5.34 The following recommendations pertain to the issues set out in Chapter 2 of the report dealing with economic and social opportunities for the development of Northern Australia.

1 Hon. Greg Hunt MP < Minister for the Environment, Media Release 28 July 2014, 'Strictest Conditions on Carmichael Coal Mine Project', <www.environment.gov.au/minister/hunt/2014/pubs/mr20140728.pdf> July 2014.

Climate Change

Recommendation 8

- 5.35 **That the impacts of the ongoing change in climate are included in all planning processes, and that the planning process includes the development of adaptation and mitigation policies and strategies for northern Australia.**
- 5.36 The impacts of the changing climate will pose challenges for northern Australia. These impacts include changing rainfall patterns, increasing temperatures and extreme climatic events such as cyclones and higher intensity wildfires. Salt water intrusion into wetlands from sea level rise, changing fire and burning patterns, and increased spread of pests and weeds are likely to have adverse impacts. The impacts will effect infrastructure development, water resources, establishment of horticulture and agriculture, and liveability.
- 5.37 Any long term planning for Northern Australia must take into account the impact of the changing climate. Mitigation and adaption policies and strategies are crucial to ensure sustainable economic and community growth in Northern Australia.

Resources Sector

Recommendation 9

- 5.38 **The Committee recommends to the Australian Government that it is necessary that where socially significant community centres are placed at risk due to the finite nature of mining activities, consideration be given to appropriate actions to extend mine or like operations and opportunities consistent with best environmental practices and the interests of the region.**
- 5.39 The Committee considers that, in light of the curtailment of the bauxite refinery at Gove, the Australian Government, Northern Territory Government, Aboriginal people, local community and Rio Tinto must work collaboratively with Aboriginal people and other residents of the region to formulate, fund and implement strategies in North East Arnhem Land, including at Nhulunbuy, for the development of alternative sustainable business and employment opportunities. This is fundamental to ensuring the continuation of opportunity and amenity in the region including in the areas of health, housing, education and other services. These actions are necessary to mitigate the distress, social dislocation, and

- the loss of business and employment opportunities that have been the direct consequence of the curtailment of the refinery and related activities.
- 5.40 With the current copper mining operations at Mount Isa approaching their end of life, avenues are being explored to find ways to extend the life of the mine by extending open cut operations into sections of the lease currently holding mine and infrastructure and smelters. This would ensure that the mine – and the town – remain viable for another half-century. There are cost barriers and regulatory hurdles to be overcome, but these are not insurmountable. There is also the possibility that sections of the town itself may have to be moved. The Committee believes that all reasonable measures should be considered to extend the life of the mine and maintain the existence of the town.
- 5.41 The development of the Bertiehaugh Road at Weipa is critical to the future diversification of the town. It would significantly improve access to and from the town to northern Cape York. For relatively little cost – the road would be graded not sealed – it would provide important economic stimulus to the local tourism industry and promote the economic diversification of Weipa, thereby improving viability post-mining. It is important that the Queensland Government and Rio Tinto support this development for the benefit of the local community.

Industry

Recommendation 10

- 5.42 **The Committee recommends that the Australian Government, in conjunction with the Queensland Government, investigate the construction of an abattoir in North Queensland with a view to facilitating private sector investment at the earliest possible date.**
- 5.43 The Committee is aware that the lack of meat processing facilities in North Queensland has limited the opportunities for the development of the beef industry in the north, restricting graziers to the export of cattle from the region either for processing further south or for live export. The presence of an abattoir would significantly reduce transport costs and stress on animals, allow year round production, the culling of older animals, herd improvements and improvements to the land with the removal of excess animals. Poorer seasons have produced overstocking and there is a need to reduce the number of animals. This will reduce pressure on the land, improve the herd and allow pastoralists to receive more value for their animals. The development of the Hann Highway will increase the viability of a possible abattoir by giving year round access to markets.

- 5.44 The construction of abattoirs in the Kimberley and Darwin demonstrate the advantages of having access to local meat processing facilities to provide a market for animals not suitable for live export and opens up alternatives to live export.

Tourism

Recommendation 11

- 5.45 **The Committee recommends that the Australian Government, in conjunction with the Northern Australia Strategic Partnership, develop a tourism strategy for promoting Northern Australia domestically and internationally, highlighting natural assets and Aboriginal and Torres Strait Islander culture.**

Recommendation 12

- 5.46 **The Committee recommends that the Australian Government seek to build upon significant cultural and artistic events, and programs including the promotion of Aboriginal and Torres Strait Islander arts, to increase participation in, and the public profile of, artistic and cultural activities in Northern Australia.**
- 5.47 The Committee considers the arts and culture scene in Northern Australia to be a significant, if somewhat underrated, asset. With world-class events, such as the Festival of Chamber Music in Townsville and the Cairns Indigenous Arts festival, as well as local and Aboriginal and Torres Strait Islander performers and artists, there is considerable capacity to grow the arts and culture in Northern Australia for the benefit of local communities and as a drawcard for tourism.

Recommendation 13

- 5.48 **The Committee recommends that the Australian Government commit to facilitating the approval process to enable the reopening of the Christmas Island casino.**
- 5.49 The Committee believes that the reopening of the Christmas Island Casino is vital to the economic future of the Island. Neither mining nor immigration related activities will sustain the Island's economy indefinitely, and the casino has the potential to play a major role in transitioning the Christmas Island economy away from its traditional

mainstays towards a future centred on tourism. In addition, it has the potential to be a major source of employment for the local community. The Committee notes that a similar recommendation was made by the Joint Standing Committee on the National Capital and External Territories in its report on the Indian Ocean Territories in June 2013.²

Research and Education

Recommendation 14

5.50 **The Committee recommends that the Australian Government support the creation of a Co-operative Research Centre for Northern Agriculture. All three universities substantially based in Northern Australia should be involved in the CRC.**

5.51 The Committee is of the view that a CRC for Northern Agriculture would provide a focus point for the research necessary to exploit the enormous potential for agricultural development that exists in Australia's north, facilitating research on crops, soils, water, climate and potential innovation – whether in new industries or in promoting new varieties and practices in existing industries. The CRC would focus on products for export to the growing Asian market, promote coherent agricultural development across the North, and support the development of Aboriginal and Torres Strait Islander communities, allowing them to develop their land resources for economic gain. The Committee believes that all three universities substantially based in Northern Australia should be included in the CRC

Recommendation 15

5.52 **The Committee recommends that the Australian Government support the development of a national institute for tropical sports and sports medicine in Northern Australia.**

5.53 With the growing affluence of countries in the tropical zone, the importance of organised and elite sports in countries in the region is being increasingly recognised. Tropical sport acclimatisation training centres have been developed in several cities in the Asian region. With the presence of world class health and sporting facilities and a strong tradition in sports medicine, Australia is well placed to take advantage of this trend.

2 Joint Standing Committee on the National Capital and External Territories, *Report on the Visit to the Indian Ocean Territories 21–25 October 2012*, Parliament of Australia, June 2013, p. 34.

Cairns, Darwin or Townsville could conceivably host an institute for tropical sports and medicine, each having strengths in terms of their capacity to host the institute, either in terms of existing sporting and research facilities, and/or their capacity to meet the demands of the likely increase in sports tourism. The Committee strongly urges the Government to assess the prospects for such an institute in one of these locations and pursue its implementation at the earliest opportunity. It will create a new industry and position Australia as the fourth tropical sports conditioning centre in the world alongside Hong Kong, Kuala Lumpur and Singapore. The infrastructure would also be available in the off-season for use in sports tourism.

Recommendation 16

- 5.54 **The Committee recommends that the Australian Government allow graduates to have some or all of their Higher Education Loan Program debt written-off in return for living and working in locations deemed remote for a significant period of time, such as five years.**
- 5.55 The Committee considers that a useful way to encourage graduates to live and work in remote areas is to provide financial incentives through the Higher Education Loan Program (HELP), which provides for the graduated repayment of loans to cover higher education fees. The Committee notes, for example that early childhood education teachers working regional and remote areas are eligible for assistance in reducing HELP debts and repayments. This support could be extended to other graduates living and working in remote locations.

Public Service

Recommendation 17

- 5.56 **The Committee recommends that the Australian Government give consideration to locating relevant departmental functions within the Australian Public Service to Northern Australia, particularly where new organisations or departments or positions are being created which have no historical connection to other parts of Australia.**
- 5.57 The Committee considers that the location of sections of the public service to Northern Australia would have benefits for the public service and regional economies. A number of government departments have responsibilities with a Northern Australia focus. Locating elements of those departments in Northern Australia would give them greater knowledge of the region, a better understanding of how their

responsibilities might be undertaken, and improve response times for the implementation of policy. The location of these elements in the North would also provide a boost for regional economies, providing a critical mass of employment around which other sectors can develop.

- 5.58 The evidence received by the Committee suggests that elements of the Departments of Immigration and Border Protection (including Customs), Defence, Agriculture, Environment, Industry, Indigenous Affairs, and Foreign Affairs and Trade could effectively be relocated to the North.

Defence

Recommendation 18

- 5.59 **The Committee recommends that the Department of Defence give preference to local firms in Northern Australia for the repair and maintenance of material and infrastructure, where it is financially sound.**
- 5.60 Supporting the capacity of local firms in Northern Australia to undertake repair and maintenance work for the Australian Defence Force (ADF) will boost the local economy, have a significant multiplier effect on local employment, and ensure that the capacity to undertake this work is available to the ADF and the armed forces of Australia's regional neighbours. This is not to say that local firms be engaged at any cost, but rather that they be preferred if they match or better tenders from southern-based suppliers.

Recommendation 19

- 5.61 **The Committee recommends that the Australian Government consider relocating additional defence assets to Northern Australia in accordance with the recommendations of the Defence White Paper.**
- 5.62 The evidence received by the Committee indicates that there is considerable scope to significantly increase the Defence presence in Northern Australia. Naval assets in particular could be better located in Northern Australia closer to the locations where they might be required to promote national security or provide humanitarian aid. For example, the Committee notes the location of, and existing and potential capabilities of, Exmouth as a base for air and sea operations. The Committee believes that a long-term northern focus for the defence force is both appropriate to national defence and beneficial for northern development.

Communications

Recommendation 20

- 5.63 **The Committee recommends that the Australian Government improve access to, speed and reliability of high speed broadband in order to support the development of uses of digital communication technologies in Northern Australia, such as:**
- **tele-health;**
 - **e-learning; and**
 - **projects to improve social amenity.**
- 5.64 The Committee has discussed some uses of digital communication technologies in Chapter 2, and considers such innovations should be encouraged. In particular, the Committee was impressed by the proposals of Broadband for the Tropics, which would improve liveability in tropical communities and thereby contribute to population growth. The potential benefits of tele-health and e-learning to regional and remote communities in Northern Australia cannot be overstated – they are crucial to the future development of the North.

Recommendation 21

- 5.65 **The Committee recommends that the Australian Government develop a telecommunications and digital technology strategy specifically for Northern Australia.**
- 5.66 In a global economy and digitally connected world, the development and provision of affordable, fast and reliable digital technologies is particularly important in regions where distance and access are real challenges. New digital technologies are vital for the growth of businesses and jobs, essential for the expansion of educational opportunities. They will enable research and development, and provide the capacity to improve health care in regional and remote communities. The digital revolution has the capacity to end the tyranny of distance, but only if effective investment in communications infrastructure and digital services is made by governments, industries and communities.

Aboriginal and Torres Strait Islander Engagement

Recommendation 22

- 5.67 **The Committee recommends that the Australian Government support the development of Aboriginal and Torres Strait Islander employment and businesses through the use of successful public and private sector models of employment and enterprise.**
- 5.68 The Committee is very much aware of the significant untapped latent potential in the Aboriginal and Torres Strait Islander population of Northern Australia. Aboriginal and Torres Strait Islander people make up thirty per cent of the Northern Territory's population; sixty per cent of the population of Cape York; and fifty per cent of the Kimberley's population. The Committee has received evidence that by 2050, at current rates of growth, there will be more Aboriginal and Torres Strait Islander people living in Northern Australia than non-Aboriginal and Torres Strait Islander people.
- 5.69 Employment rates are currently low amongst Aboriginal and Torres Strait Islander people, particularly in remote communities. This means there is a significant and growing section of the population in Northern Australia with potential for greater economic participation. The Committee believes that engaging, training, encouraging and connecting Aboriginal and Torres Strait Islander people to employment, and accessing this untapped labour resource, should be a priority for all governments and potential employers.
- 5.70 There are a number of successful models for developing Aboriginal and Torres Strait Islander employment and enterprise. Within the private sector, the success of Rusca Brothers in the Northern Territory and Northern Project Contracting in north-west Queensland demonstrate the achievements of Aboriginal and Torres Strait Islander business enterprises in promoting Aboriginal and Torres Strait Islander employment. Both are focussed not only on providing employment but on developing skills and experience that can be utilised by other communities. This will increase the labour pool and skills base for the resources and construction sectors, reducing demand for transient employees.
- 5.71 Equally the importance of Aboriginal and Torres Strait Islander organisations to providing employment and training options for Aboriginal and Torres Strait Islander people must not be overlooked or under estimated. The largest employers of Aboriginal and Torres Strait Islander people are these organisations. Aboriginal community controlled health services in particular employ significant numbers of Aboriginal people across northern Australia and

provide good career options and education and training pathways for Aboriginal and Torres Strait Islander people. Likewise land Councils and other community based and controlled organisations, including resource agencies set up solely for the provision of services for and to Aboriginal and Torres Strait Islander Communities, provide similar pathways and opportunities. All of these organisations should be recognised for the contributions they make in the provision of career opportunities and long term sustainable employment options for Aboriginal and Torres Strait Islander people.

- 5.72 There is also considerable scope for the further development of community based employment and enterprises, such as tourism, arts and crafts, land management initiatives such as carbon farming and the services sector. Western Arnhem Land carbon farming is an outstanding example in this regard.

Environmental Sustainability

Recommendation 23

- 5.73 **The Committee recommends that large scale extraction of water from river systems and aquifers in Northern Australia, which may impact on the environment and the fisheries industry and other activities, should be preceded by thorough scientific investigation.**

- 5.74 The use of water in large agricultural projects has the potential to significantly contribute to the regional economy of Northern Australia. In particular the Integrated Food and Energy Developments (IFED) proposal has the potential to revitalise Georgetown. However, concerns have been raised about potential adverse impacts on other potential irrigation projects in the Gilbert River catchment and on the ecology of the south-east Carpentaria Gulf and on the prawn industry.

- 5.75 There needs to be thorough scientific evaluation of the IFED proposal and other similar projects, before approval is granted.

Recommendation 24

- 5.76 **The Committee recommends that the numbers of Australian Quarantine and Inspection Service officers be significantly increased in Northern Australia.**

- 5.77 As the agricultural and pastoral industries increase it is vital to ensure that they are not thwarted through biosecurity shortfalls.

- 5.78 North-west Australia is often the gateway for wind borne pathogens, and the Torres Strait Islands and Cape York Peninsula provide another avenue

for pest and disease introduction. Development of Northern Australia will increase movements of people and products into and across the region and will also increase biosecurity risks.

- 5.79 Increasing the numbers of Australian Quarantine and Inspection Service (AQIS) officers in Northern Australia will increase the chances of early detection of pest and disease incursions, and reduce the time taken to identify specific pests and diseases and put in place remedial action.

Regional Affairs

Recommendation 25

- 5.80 **The Committee recommends that the Australian Government encourage ongoing bilateral exchange between the northern regions of Australia and neighbouring countries and communities in the Asia-Pacific and Indian Ocean regions.**
- 5.81 The Committee considers it of great importance to promote relations between Northern Australia and the neighbouring countries in the region. By promoting regular talks at local, regional and national levels, the Government can maximise partnership opportunities and gain valuable insights from our regional neighbours.

Recommendations Addressing Development Proposals

- 5.82 The following recommendations pertain to the issues set out in Chapter 3 of the report dealing with development proposals for Northern Australia. There is general recommendation covering the creation of a strategy for the development of capital infrastructure in Northern Australia, as well as several recommendations concerning specific projects related to roads, water and power. There is also a general recommendation covering the creation of a strategy for the potential development of a range of agricultural schemes. Separate recommendations covering priority roads, rail and water developments appear in the section dealing with priority recommendations.

Capital Infrastructure

Recommendation 26

- 5.83 **The Committee recommends that the Australia Government in conjunction with the Northern Australia Strategic Partnership, design and implement a 20 year strategy for the staged development of capital infrastructure in Northern Australia, including:**
- **the upgrade of major arterial roads with a view to provide year-round access to most areas in Australia’s North;**
 - **increasing the capacity of ports and airports to facilitate an increase in volumes of traffic and trade; and**
 - **the development of water infrastructure to cater for urban and industrial development, particularly in agriculture and the resources sector.**
- 5.84 The evidence presented to the Committee has identified a number of capital infrastructure proposals with the potential to enhance the development Northern Australia (see Chapter 3). The Committee acknowledges constraints on government funding, and that any development must necessarily proceed in stages according to available funding and resources. The Committee is of the view, however, that the planned development of a number of these projects would significantly increase the range of options available for the economic and social advancement of Northern Australia and the economic sustainability of regional and remote communities.
- 5.85 Chapter 3 highlights a number of secondary roads which if developed would complement the national highway in facilitating road transport for the development of trade and tourism, while improving communications and liveability in regional and remote communities. These roads also have the potential to facilitate east-west communications across Northern Australia, an essential component of its future development. The development of a network of all-weather roads will significantly improve the productivity and amenity of the North.
- 5.86 There are significant opportunities to upgrade existing port and airport facilities with a view to increasing access to international markets for Australian commodities and international tourism. The upgrade of regional airports to facilitate international links would allow increased export of horticultural and aquaculture products direct to Asia, while facilitating an increase in tourism from Asia. Port developments, with associated transport infrastructure, have the potential to increase the export of resources and agricultural commodities, while the development

of additional deep-water capacity at several ports will facilitate the entry of large cruise ships, providing a significant new avenue for international tourism.

- 5.87 The development of water infrastructure, particularly water storage, is critical to the development of Northern Australia. The expansion of cities and towns, increased agricultural production and the development of the resources sector all require water. The development of a number of the water infrastructure proposals identified in the evidence presented to the Committee would stimulate a major expansion in population and production across the North.
- 5.88 The Committee has also been interested in some of the more visionary proposals for the development of water infrastructure. Several have focussed in the transfer of water from the North to the Murray-Darling Basin or other parts of the inland. The Water Project has focussed on using water from the Ord for high value uses in the Pilbara resources sector based on a comprehensive system of water rights, making the project effectively self-funding.

Ports

Recommendation 27

- 5.89 **The Committee recommends that the Australian Government identify key ports and commit to funding their upgrade, subject to relative benefit assessment by Infrastructure Australia. Projects to consider may include:**
- Darwin;
 - Karumba; and
 - Wyndham.
- 5.90 There is scope and a need for the upgrade of Darwin Port including the expansion of facilities at East Arm Wharf, and new port facilities at Middle Arm and Glyde Point. These upgrades would support growth in the oil, gas and mining industries and facilitate freight movements to Asia.
- 5.91 The upgrade of facilities at Karumba Port would support high volume trade between Queensland's Gulf region and Asia. The upgrade of onshore refuelling, watering and loading facilities would also assist the development of the commercial fishing industry.
- 5.92 The Port of Wyndham is the principal port for the Ord and East Kimberley. The upgrade of the port would allow for the docking of larger

ships and bring immediate benefits to the community. It is a cost-effective alternative to establishing a deep-water port at a different location.

Roads

Recommendation 28

- 5.93 **The Committee recommends that the Australian Government, in consultation with the cattle industry, investigate standover/transfer facilities to accommodate the movement of cattle across Australia.**
- 5.94 Standovers and transfer facilities along major roads used to transport cattle over long distances allow for the rest and watering of cattle in transit, the safe transfer of cattle between vehicles, and rest stops for drivers to prevent fatigue. A regular network of standovers would be of great benefit in promoting animal welfare and preventing driver fatigue at little cost. Regarding driver safety issues, the Committee notes the recent death of a road train driver while cross-loading cattle at Gracemere near Rockhampton, Queensland.³

Horticultural and Agricultural Development Schemes

Recommendation 29

- 5.95 **The Committee recommends that the Australian Government in conjunction with the Northern Australia Strategic Partnership, design and implement a 20 year strategy for the staged development of horticulture and agriculture in Northern Australia, including:**
- **funding scientific studies on the available water and soil resources on a catchment scale, as well as the environmental implications of horticultural and agricultural developments in each catchment;**
 - **identifying infrastructure requirements for horticultural and agricultural development in each region; and**
 - **identifying regulatory impediments to horticultural and agricultural development and the best way to overcome these (e.g. land tenure issues and approvals processes).**

3 *Queensland Country Life*, 27 August 2014, *Gracemere's cross loading tragedy*, <www.queenslandcountrylife.com.au/news/agriculture/general/news/gracemeres-cross-loading-tragedy/2709862.aspx#> September 2014.

- 5.96 A number of significant proposals for the development of horticulture and agriculture in Northern Australia have been presented to the Committee (see Chapter 3). Some, such as Ord Stage 3, are expansions of existing schemes; others, such as the Etheridge Integrated Agricultural Project (EIAP), are greenfield projects designed to take advantage of the growing understanding of the possibilities inherent in the land and water resources of Northern Australia. All point to the enormous potential for horticultural and agricultural development in Australia's North. In this context the Committee recognises the need for market and economic driven cropping systems.
- 5.97 Projects such as these are facilitated by public investment in scientific research on water availability, soil types, and crop suitability and improvements. They benefit from a regulatory regime focussed on sustainable development and reducing red tape. They also benefit from investment in transport, power and water infrastructure. In turn, they provide income and opportunities for rural communities, generate potential for innovation and value-adding, and boost Australian exports.

Recommendation 30

- 5.98 **The Committee recommends that the Australian Government facilitate the creation of a rural investment fund to provide opportunities for investors to participate in rural infrastructure development projects.**
- 5.99 The Committee is aware of the recent announcement of the Rural Infrastructure Opportunity Fund in the United States, which is designed to enhance access to capital for rural infrastructure projects and speed up the process of rural infrastructure improvements. The fund will allow a wide variety of investors to access markets to invest in rural development. The Committee believes that a similar funding arrangement would be of great benefit for rural industries in Northern Australia, connecting institutional funds with infrastructure needs.

Power

Recommendation 31

- 5.100 **The Committee recommends that the Australian Government, as a matter of urgency, engage the Queensland and Western Australian Governments to improve power grids in Northern Queensland and in the Pilbara respectively.**
- 5.101 Much of the electricity used in North Queensland is generated in Central Queensland. The long transmission distances mean a substantial loss of power in transit, at high cost to industry and the taxpayer (domestic supplies in North Queensland are subsidised). It is widely recognised that the only real solution to this situation is the development of a base load power generation capacity in North Queensland. This would reduce transmission losses and electricity prices and remove the need for subsidies. The Committee is of the view that construction of a base load power station in North Queensland should be a matter of high priority.
- 5.102 A host of studies show greater investment in energy infrastructure in the Pilbara is required to meet the significant domestic and small industry growth. This growth is necessary to allow the economy to diversify. The development of a fully interconnected grid in the Pilbara will unleash a significant amount of under-utilised and standby generation, would facilitate large scale renewables and would deliver much greater network resilience in the event of severe weather events.

Recommendation 32

- 5.103 **The Committee recommends that the Australian Government promote the use of renewable energy sources as a solution to the remoteness and isolation from the grid of many homesteads and communities in Northern Australia.**
- 5.104 The Committee is conscious that one of the answers to the remoteness and distance from the power grid for isolated areas is the use of renewable energy sources. For example, the proposed wind farm in the Newcastle Range at Forsayth, the creation of a solar farm to feed into the power supply at Cooktown, and proposals for the development of renewable energy in the Torres Strait Islands, are just some examples of where renewable energy is providing sustainable solutions to energy problems in Northern Australia. The Committee is also of the view that solar power is an ideal energy sources for many remote communities. Solar power reduces reliance upon the use of diesel fuel. There is already extensive use

of solar power in Northern Australia, as evidenced by work in remote communities such as the Mackerel Islands off Western Australia and Hermannsburg in the Northern Territory.

Recommendations Addressing Impediments

5.105 The following conclusions and recommendations pertain to the issues set out in Chapter 4 of the report dealing with impediments to the development of Northern Australia.

Population

5.106 The importance of population growth to economic and social development cannot be overstated. Ways have to be found to significantly increase the population of Northern Australia so that the full range of opportunities for economic, social and cultural development can be fulfilled. In order to do that, we must encourage people to move north and then retain them. This will require investment in economic and social infrastructure, a focus on liveability and policies which make the North an attractive place to live and work. Most of the recommendations in this chapter are focussed on addressing these issues, thereby making Northern Australia a more prosperous and amenable place to live.

Absence of Capital Infrastructure

5.107 The Committee believes that the development of physical infrastructure is critical to the overall development of Northern Australia. The absence of economic infrastructure, particularly water, power and transport, impedes opportunities for economic development and liveability, as does poor access to telecommunications and global digital technologies.

5.108 Realising these opportunities requires overcoming impediments to economic growth and social infrastructure. Transport infrastructure and access to water and power are critical to the future development of the resources and agriculture sectors. Increased road and rail access to expanded port facilities and air freight options are vital to the growth of the economy. Likewise, growth in tourism requires better transport access, particularly air and road access. Many of the earlier recommendations in this chapter have focussed on the development of capital infrastructure.

Absence of social infrastructure

Recommendation 33

- 5.109 **The Committee recommends that the Australian Government, in conjunction with the Northern Australia Strategic Partnership, develop a strategy to promote liveability in Northern Australia using the ‘hub-and-spoke’ model to deliver services and promote amenity in regional and remote communities, including in the areas of:**
- health;
 - education;
 - social/community services;
 - sports; and
 - arts/culture.
- 5.110 The failure of governments to effectively recognise and mitigate lack of access to services experienced by Australians who reside in Northern Australia is a significant constraint upon social and economic development. If people, especially families, are to live and work in the region, there is a reasonable expectation that they will have access to similar services to those enjoyed by other Australians living in the south. This does not mean that every small town will have a teaching hospital or a university campus, but rather that such services will be accessible within reasonable time frames and at a reasonable cost. That accessibility and affordability will largely be determined by transport and communications infrastructure.
- 5.111 Liveability – access to health services, social and community services, education, sports, culture and lifestyle – is not a luxury. It is a major determinant in where people choose to live and work and do business. It affects access to qualified staff in regional and remote communities. It also affects the ability of communities to retain the critical mass of population needed to sustain a range of services. Providing affordable and accessible social infrastructure is essential to the development of Northern Australia.
- 5.112 The Committee is of the view that the ‘hub-and-spoke’⁴ model is the best means of delivering services and amenity to regional and remote communities. This model allows the concentration of services in existing

4 The ‘hub-and-spoke’ model is a system for the distribution of goods and services which allows their concentration in regional centres with a critical mass of population (the hub), while allowing access to surrounding populations along transport or communication corridors (the spokes).

centres while ensuring a reasonable level of access to all residents. The Committee is also aware that access to telecommunications and global digital technologies will be critical to the delivery of services in remote communities.

Recommendation 34

- 5.113 **The Committee recommends that the Australian Government, in conjunction with State and Territory Governments, work to normalise the local government arrangements in mining communities, such as Weipa and Nhulunbuy, to allow these communities to pursue development opportunities free from the control of mining companies. Strategies need to be developed to complete the normalisation process in a number of Pilbara towns where mining companies' retention of monopoly ownership of utilities and land is hampering growth and economic diversification.**
- 5.114 The Committee is of the view that local councils in mining centres need to be fully independent of big mining companies. There needs to be a full normalisation⁵ of local government arrangements, with local councils having control over land, housing and utilities, free of corporate interference. In addition, mining companies need to work with governments to ensure the long-term viability of communities post-mining.

Regulatory Environment

Aquaculture

Recommendation 35

- 5.115 **The Committee recommends that the Australian Government facilitate the development of the aquaculture industry in Northern Australia by improving the regulatory framework.**
- 5.116 In the evidence presented to the Committee, it was argued that there was a serious problem in the regulation of prawn aquaculture. Despite massive

5 Normalisation is the process in which a community governed by a private entity is transformed into a publicly owned community entity, governed by a democratic structure consistent with local government structures elsewhere in Australia. Normalisation involves the transfer of publicly accessible services (land, housing, utilities, community assets and services) from private ownership (e.g. a mining company) to public ownership by State or local governments.

investment in science by governments to prove the economic viability and environmental sustainability of prawn aquaculture, and commensurate investment by the industry to comply with strict environmental guidelines, the industry is stalled in the approvals process on the cusp of a major expansion. The result is that it is easier to import prawns from overseas countries that have benefited from access to Australian research than it is to grow the prawns here.

- 5.117 The Committee notes that a lot of money has been spent on the science of farming prawns, especially regulating nutrient levels in the water, and that Australia has developed best practice for the management of farming tiger prawns. Australia's high level of expertise in this area, however, has largely been exploited for the benefit of foreign growers.

Fisheries

Recommendation 36

- 5.118 **The Committee recommends that the Australian Government review fisheries laws to harmonise regulations between jurisdictions, promote the sustainable development of existing commercial, recreational and sporting fisheries and the creation of new fisheries, and provide a secure long-term future for the fishing industry in Northern Australia.**
- 5.119 Governments in Australia need to recognise the value of commercial recreational and sporting fisheries in Australia. Regulation of the industry needs to be based on science and focussed on sustainability. There must be security of tenure for fishing licences and licences need to be based on the sustainability of wild fisheries. Security for the industry will enable access to funds to promote development and provide pathways for young people to enter the industry.
- 5.120 The CSIRO has noted that some fisheries are under threat, but this should not prevent the Government from investigating any future opportunities for expansion. For example, the Queensland tuna fishery sustained between eight and ten licences – that is now down to one licence and four boats.

Taxation

Recommendation 37

- 5.121 **The Committee recommends that the Australian Government explore reforms to the taxation system to better promote investment and development in Northern Australia.**
- 5.122 The evidence received by the Committee indicates that there are a range of potential taxation measures which could be used to promote investment and development in Northern Australia. Measures targeting the resources sector and agriculture have been highlighted. Such measures could be considered in conjunction with the establishment of special economic zones.

Recommendation 38

- 5.123 **The Committee recommends that the Australian Government investigate the equity of the current application of the Zone Tax Offset arrangements so that:**
- **the Zones reflect the current distribution of population and rebates are increased to reflect the current cost of living in regional and remote areas; and**
 - **the Zone Tax Offset applies only to persons whose principle place of residence is within a zone.**
- 5.124 The cost of living and the cost of doing business is a serious impediment to economic development in Northern Australia. Development costs are high, largely as a result of remoteness and the need to import most inputs. The need to mitigate weather risks can add to the cost of development, particularly the cost of construction. There is also a high cost of service delivery to small and dispersed populations. Much of this is regrettably the inevitable cost of isolation. This can in part be addressed by better transport infrastructure, reducing transport costs, and more and better targeted investment in power generation. It could also be mitigated through the tax regime, with better recognition of the cost to individuals of living outside major centres.
- 5.125 The Committee considers that the Zone Tax Offset should be reviewed to make it more relevant to current circumstances. The Zones should reflect the current distribution of population and the rebates increased to reflect the current cost of living in regional and remote areas. The Committee believes that this should be done, not only out of fairness to the current residents of these communities, but in a deliberate attempt to provide

incentives for people to move to and establish themselves within regional and remote communities in Northern Australia. The purpose of the Offset should be to promote development.

- 5.126 The Committee further observes that a number of centres where the Zone Tax Offset apply are now major urban centres whose economic development will be largely self-sustaining, and whose residents have a high degree of access to services and amenities.
- 5.127 The Committee supports the recommendation of the report of the House of Representatives Standing Committee on Regional Australia, *Cancer of the Bush or Salvation for Our Cities?*, that the Government review the Zone Tax Offset to ensure:
- that it provides reasonable acknowledgement of the cost of living in remote Australia;
 - that the zones are based on a contemporary measure of remoteness;
 - that the zones are based on up-to-date census figures;
 - that it includes a mechanism for regular review to ensure that the offset reflects accurate population figures; and
 - that the Zone Tax Offset is claimable only by permanent residents of a zone or special area.

Recommendation 39

- 5.128 **The Committee recommends that the Australian Government review the taxation treatment of FIFO work arrangements to ensure that they are consistent with the goal of promoting the development of regional and remote communities in Northern Australia, including:**
- **implementing Recommendations 12 and 13 of the House of Representatives Standing Committee on Regional Australia report *Cancer of the Bush or Salvation for Our Cities?* relating to changes to the *Fringe Benefits Tax Assessment Act 1986*; and**
 - **reviewing the taxation laws to encourage the construction of permanent dwellings rather than temporary work camps by:**
 - ⇒ **capital depreciation for residential housing developed by mining companies on the same basis as transient worker accommodation; and**
 - ⇒ **the exclusion of transient worker accommodation from within a sixty kilometre radius of existing settlements.**
- 5.129 FIFO is perhaps the most controversial aspect of the development of Northern Australia. On the one hand, it allows the rapid development of

major resources projects in remote locations without committing government or industry to the development of infrastructure or communities that do not have a viable long-term future. FIFO is both flexible and efficient.

- 5.130 On the other hand, the use of FIFO workers undermines the growth and development of existing regional communities and places a drain on resources such as airports, roads and utilities without adequate return.
- 5.131 To the extent that FIFO is the product of a taxation regime which seems to privilege a transient workforce over more permanent forms of settlement, the Committee believes that the taxation regime needs to be adjusted. There are three elements to the taxation treatment of FIFO which give it an advantage over the employment of resident workers:
- the up-front deductibility of expenses, including travel and accommodation, related to employment;
 - the faster rate of depreciation of temporary accommodation structures compared with houses; and
 - the access to Fringe Benefits Tax exemptions for FIFO work arrangements.
- 5.132 The Committee endorses Recommendations 12 and 13 of the House of Representatives House Standing Committee on Regional Australia report into the use of FIFO workforce practices in regional Australia. These requested that:
- The Government review the *Fringe Benefits Tax Assessment Act 1986* to examine the:
 - ⇒ removal of impediments to the provision of residential housing in regional communities;
 - ⇒ removal of the exempt status of fly-in, fly out/ drive-in, drive-out work camps that are co-located with regional towns; and
 - ⇒ removal of the exempt status of travel to and from the workplace for operational phases of regional mining projects.
 - The Government review the *Fringe Benefits Tax Assessment Act 1986* to:
 - ⇒ remove the general exemption for fly-in, fly-out/ drive-in, drive out workers from the 12-month limit of payment of the living away from home allowance;
 - ⇒ enable specific exemptions for construction projects that have a demonstrated limited lifespan; and
 - ⇒ enable specific exemptions for projects in remote areas where the fly-in, fly-out/ drive-in, drive out work practice is unavoidable.

- 5.133 The Committee also believes that putting residential housing on a level playing field with transient worker accommodation in terms of depreciation will allow the choice between the two to be less one-sided. The Committee believes that the construction of permanent dwellings should be as financially attractive as the construction of work camps in the vicinity of existing settlements. Work camps should only be regarded as preferable to more permanent accommodation when they are genuinely remote from existing townships. Discouraging transient worker accommodation within a 60 km radius of existing settlements seems a reasonable measure to the Committee.

Land Tenure

Recommendation 40

- 5.134 **The Committee recommends that the Australian Government pursue, through the Northern Australia Strategic Partnership, the harmonisation and simplification of land tenure arrangements in the jurisdictions across Northern Australia. The Committee acknowledges the unique nature of the statutory inalienable freehold title under the *Aboriginal Land Rights (Northern Territory) Act 1976* and that it is particular to the Northern Territory. The Committee also acknowledges the limited range of rights in land that are derived from the *Native Title Act 1993*. The Committee recommends that Governments and business work constructively with Aboriginal and Torres Strait Islander people and organisations such as land councils and native title representative bodies or prescribed bodies corporate to maximise the economic development and employment opportunities on Aboriginal land and/or land over which there is native title.**
- 5.135 The Committee believes that simplifying and harmonising land tenure arrangements across jurisdictions is critical to the development of Northern Australia and to promoting economic opportunities for Aboriginal and Torres Strait Islander communities. The current arrangements are the accretions of history and require a systematic overhaul to allow individuals and enterprises to make more productive and innovative use of land. In particular, the various systems of pastoral leasehold need to be reviewed and harmonised to allow greater security of investment. The Committee welcomes the commitment of the State and Territory Governments to review the current land tenure arrangements and encourages the various jurisdictions to work in concert with each other.

- 5.136 The Committee is also aware of the difficulties of obtaining land tenure for residential or commercial purposes under the Aboriginal Land Rights Act and the Native Title Act. This is having a significant impact on the ability of Aboriginal and Torres Strait Islander communities to pursue economic development.

Air Services

Recommendation 41

- 5.137 **The Committee recommends that the Australian Government review the cost and administration of customs, quarantine and immigration services to provide the most cost-effective way of delivering those services, including:**
- **providing customs, quarantine and immigration services at selected regional airports;**
 - **reducing visa charges for overseas visitors to encourage inbound tourism; and**
 - **reducing the passenger movement charge to reflect the actual cost of providing customs, quarantine and immigration services.**
- 5.138 The importance of air services to regional and remote communities cannot be overstated. They are often the principal means of travel for residents, transient workers and service providers alike. Moreover, an effective and affordable network of air services across Northern Australia would increase access for tourism and improve liveability for residents. The Australian Government should look at ways to improve the accessibility and affordability of air services to and within Northern Australia.
- 5.139 In particular, the Australian Government should consider measures to improve international access to the North by examining overheads on travel costs such as the passenger movement charge and visa costs. These may significantly increase travel costs for potential visitors and discourage tourism from our nearest neighbours.
- 5.140 The Government should also consider more cost effective ways of providing immigration, customs and quarantine services to allow more regional airports to upgrade to international status, with increased access to tourism and trade.

Standardisation

Recommendation 42

5.141 **The Committee recommends that the Australian Government pursue, through the Northern Australia Strategic Partnership, the harmonisation of governance and regulation in the jurisdictions across Northern Australia, including in the areas of, but not exclusive to:**

- **environmental management;**
- **provision of health services and health industry qualifications;**
- **transport regulations, especially those dealing with heavy vehicle capacity and driver fatigue;**
- **water management; and**
- **Aboriginal and Torres Strait Islander affairs.**

5.142 Harmonising governance and regulation across Northern Australia is essential to its future development. The Committee recommends that one of the principal objectives of the Partnership should be the harmonisation of laws and governance arrangements across Northern Australia.

5.143 The Committee notes in particular the problems associated with loading requirements and driver fatigue in the heavy transport industry. Different jurisdictions have different regulations governing the carrying capacity of trucks and driver fatigue.

This leads to livestock often having to be offloaded to meet the different loading rules in the different jurisdictions across Northern Australia. There is also the issue of different driver fatigue regulations as well as drivers suffering greater fatigue from travelling long distances at lower speeds on dirt roads than on sealed roads.

Hon Warren Entsch MP
Chair

1 September 2014