

TENNANT CREEK 'THE CENTREPIECE OF NORTHERN AUSTRALIA'

TENNANT CREEK

The township of Tennant Creek is situated on the Stuart Highway approximately 1,000 kilometres south of Darwin and 500 kilometres north of Alice Springs. Approximately 660 kilometres to the east of Tennant Creek is Queensland's town of Mt Isa. Although not easily accessible by road, the Western Australia town of Kununurra is (by straight line) about 720km to the north west of Tennant Creek.

Aboriginal people have lived in the Barkly region for over 40,000 years. The Barkly region is steeped in the ancient traditions and beliefs of its traditional custodians and around nine Aboriginal groups call the area home, including the Warumungu, Warlpiri, Kaytetye and Alyawarra people. Tennant Creek is an important social, cultural and business centre for many Aboriginal people of various language groups.

Tennant Creek has a warm continental climate. Between April and September the area experiences mostly warm, dry days and mild to cool nights with no frost. In summer the temperature climbs to between 24C to 38C with the odd 40C plus, however humidity is usually comparatively low. Occasionally throughout the year prevailing winds from the east and southeast blow very cold and gusty to very hot and gusty and bring with them great red clouds of dust. In association with the monsoonal influence affecting the Top End of the Territory, Tennant Creek experiences most of its rainfall during the summer months, sometimes leading to temporary flooding. Nevertheless the town experiences a distinct summer and winter season.

Cattle production and mining have long been the backbone of the region's economy, with mining undergoing a cyclical downturn at the present time.

Tennant Creek was once the third largest gold producer in Australia with over 210 tonnes of gold having been mined in the area. The Bootu Mine to the north of town exports manganese to China. Major mining companies are continuing to explore for bauxite, lead-zinc-silver, gold and copper in and around Tennant Creek.

Large phosphate deposits exist at Wonarah, 250 kilometres to the east of Tennant Creek and also in the Ammaroo region 250 kilometres south east of Tennant Creek (or 80 to 180 kilometres east of Barrow Creek).

Tennant Creek is also the centre of the rich pastoral industry for the Barkly region, with vast cattle properties stocked with herds of Santa Gertrudis and Brahman cattle. The region is the Territory's major producer of cattle.

PROPOSAL

To advance the government's plan to enhance trade, create jobs and attract investment, it is recommended that the Australian Government and Northern Territory Government coordinate a 'whole of government' approach towards establishing a 'Regional Transport Hub' in Tennant Creek.

The proposal includes establishing a rail corridor, including a gas pipeline and possibly a connection to the national electricity grid between Tennant Creek and Mt Isa and a railway line between Tennant Creek and Kununurra.

This is an opportunity to connect the Ord River Agricultural Project with the southern and eastern states of Australia. It will attract mining investments in the region, open up new opportunities for tourism, and provide a centralised hub for transporting produce, products and commodities to many parts of Australia and through Darwin and Wyndham into Asia.

The creation of a 'Regional Transport Hub' in Tennant Creek connecting the eastern states to the Northern Territory will only enhance Darwin's position as the main gateway to Asia.

Other opportunities exist in Tennant Creek for the development of tourism, increasing Australia's defence capability and supporting the local economy by relocating government departments, particularly those responsible for 'back office' duties into the region.

To promote rapid growth and economic development, consideration must be given to piloting Tennant Creek and the Barkly Region as a 'Special Economic Zone' with an 'Accelerated Depreciation Tax Scheme'.

TENNANT CREEK REGIONAL TRANSPORT HUB

Tennant Creek is perfectly positioned for the development of a 'Regional Transport Hub' including an 'Inland Port' facility in the Northern Territory. In fact, a large parcel of crown land adjacent to the Adelaide to Darwin railway and the Warrego Road has already been identified as a suitable site for this very purpose.

By completing a railway line from Kununurra to Tennant Creek and from Tennant Creek to Mt Isa, Tennant Creek would become the centerpiece of Australia connecting Queensland (and the other eastern States), the Northern Territory and Western Australia allowing mining companies, freight companies, tourists and the defence force greater and more efficient access to the market.

Tennant Creek has been accessible by train since the completion of the Adelaide to Darwin railway north from Alice Springs in 2004 but for many years there has always been suggestion of a rail link between Tennant Creek and Mount Isa. The debate was re-ignited by Minemakers in 2009 citing the need for the railway to assist with transporting phosphate ore from the Wonarah deposit.

Completion of the rail link between Tennant Creek and Mt Isa would allow mining companies based in Queensland and the Northern Territory to gain access to both the Adelaide to Darwin and the Townsville to Mount Isa rail lines.

The missing rail link would also provide rail passengers with direct rail access to Darwin from the east coast of Australia. The Australian Defence Force may also use the link to provide rail access for moving personnel, equipment, vehicles and supplies between Darwin and Townsville.

The Ord River Agricultural Project has the potential to provide substantial benefits to all Australians however this will only be realised by getting the food and produce to market. A rail link from Kununurra to Tennant Creek will allow food to be distributed to markets in South Australia and Victoria and into the eastern states of New South Wales via Queensland. Similarly, completion of the rail link provides an efficient means and an alternative route for corporations to export produce, products and commodities from the eastern states of Australia through the Darwin or Wyndham Ports into Asia.

It is recognised that there must be strong cooperation between the Australian Government and the Northern Territory, Western Australian and Queensland Governments to construct

this critical rail infrastructure. However, the potential impact and growth opportunities for Tennant Creek and ultimately the Northern Territory are enormous.

With a vast number of gold, copper and phosphate deposits spread throughout the region, there is a strong possibility that the mining industry is about to resurrect itself but it will need assistance with the development of critical rail infrastructure and access to gas.

The flow on effect of having a 'Regional Transport Hub' based in Tennant Creek along with a 'Special Economic Zone' and an 'Accelerated Depreciation Tax Scheme' will boost capital investment in the region. Small, medium and large corporations may be persuaded to establish a range of businesses, including:

- a phosphate processing plant
- gold / copper processing plants
- an abattoirs
- food / drink processing plants
- manufacturing plants
- a dry and fresh food distribution centre for the region

Development of a project of this status will create significant opportunities for training, education and employment for Aboriginal people and has potential to attract further investment, increased tourism and economic development in the region.

TENNANT CREEK – OTHER INFRASTRUCTURE AND ECONOMIC OPPORTUNITIES

As previously mentioned, other opportunities exist in Tennant Creek for the development of tourism, increasing Australia's defence capability and supporting the local economy by relocating government departments, particularly those responsible for 'back office' duties into the region.

Defence Staging Post and Permanent Training Ground

- Development of permanent ADF base in the Barkly utilising the airport, town and surrounding land
- Suitable desert terrain and climate for low and high temperature and humidity operations exists in the region
- There is limited competition for land use
- Good road and rail links North South and East (road only)
- A rail line between Tennant Creek and Mt Isa will enhance links to the eastern states
- Rail and road access to USA defence facility in Alice Springs and other defence facilities across Northern Australia

Relocation of a non-client focused Australian Government department

- Suggestions include ATO, ASIC, CSIRO, ABS or other "back office" agencies
- Land is available for office space and accommodation.
- Stimulus for Tennant Creek and NT construction industry
- Expansion of economic base in the region
- Existing fibre optic cable and access to NBN
- There is a possibility of establishing an AQIS office to service the regional transport hub / inland port

Australian Mining Centre of Excellence

- Construction of a national attraction similar to the Stockman's Hall of Fame with a focus on mining
- The facility may include a world-class vocational training school for mining with access to open and underground mines in the immediate vicinity
- Tennant Creek will become a tourist destination not just an overnight stopover
- The Mining Centre for Excellence will form part of a "national attractions" loop with other destinations such as Longreach, Winton and Central Australia
- A Centre of Excellence could also be a multi-purpose facility encompassing opportunities for leadership and professional development

SUMMARY

Tennant Creek is perfectly positioned for the development of a 'Regional Transport Hub' including an 'Inland Port' facility in the Northern Territory.

Constructing critical infrastructure such as a rail corridor, including a gas pipeline and an electricity connection between Tennant Creek and Mt Isa and a railway line between Tennant Creek and Kununurra will position Tennant Creek as a 'Regional Transport Hub'. The town of Tennant Creek will become the centerpiece of Australia connecting Queensland (and the other eastern States), the Northern Territory and Western Australia allowing mining companies, freight companies, tourists and the defence force greater and more efficient access to the market.

To promote rapid growth and economic development across Northern Australia, consideration must be given to piloting Tennant Creek and the Barkly Region as a 'Special Economic Zone' with an 'Accelerated Depreciation Tax Scheme'.

The benefits and opportunities for economic growth, creation of jobs, increased tourism and further investment in Tennant Creek and Northern Australia will finally become a reality.

Tennant Creek Regional Economic Development Committee

13 February 2014