Distinguished Guests, Ladies and Gentlemen, I would like to extend a personal thank you to Mimura san and Sir Rod Eddington for inviting me, and giving me the great honour of addressing you today.

I had the pleasure of meeting Mimura san in Tokyo in July, where we discussed a number of issues including the need to finalise the Australia Japan free trade agreement. I have also discussed this important matter with Australia’s new Foreign Minister. I have had very good follow-up discussions with both Sir Rod and Mimura san over the last two days.

Let me also acknowledge the presence of our high level Government and industry delegation from the Northern Territory, including my Ministerial colleagues, the Honourable Matt Conlan (Minister for Tourism) and the Hon Peter Chandler (Minister for Education).

I would also like to acknowledge the presence of Mrs Julie Ross (President of the Northern Territory Chamber of Commerce), Mr Greg Bicknell (Chief Executive – Chamber of Commerce), along with the Chairman of our International Business Council (Mr Sean Mahoney), The Chairman of our Manufacturer’s Council (Mr Stuart Kenny), and the Chief Executive of our Industry Capability Network (Mr Kevin Peters).

I speak to you just weeks after the election of a new Australian Government led by Prime Minister Tony Abbott. The Northern Territory Government welcomes this result.

During the election campaign, I was pleased to hear both parties, talking about the development of Northern Australia, and the need for Australia to become more integrated into the Asian region.

Pleasingly, Prime Minister Abbott’s Government will now develop a White Paper on Northern Australia, and this presents a strategic opportunity for Federal, State and Territory governments, to develop a cohesive approach to realising the full potential of Northern Australia and its integration into the wider Asian economy.

In regards to Northern Australia and its capital Darwin, we have often heard the phrase “not if, but when”. Ladies and Gentlemen, I am here today to say that the answer to when is now. Now is the time for Northern Australia to be recognised, as the key player in the energy security of the Asian Region. Now is the time for Northern Australia to be developed, to help address the growing issue of food security in the region.

Now is the time for Northern Australia to play a pivotal role in the geo-political security within our region. And now is the time for investment and growth across Northern Australia to advance the Economic Security of Australia.

The Northern Territory is open for business and ready to step-up to this new role.
Northern Australia continues to play an increasing role in Australia’s energy and resource industry development. This is highlighted by the large coal seam methane developments occurring in Queensland (especially around Gladstone); The growing offshore gas industry off the Northern Territory coast, and subsequent onshore LNG developments in the Darwin region; and the further development of floating LNG facilities off the Northern-Western coast.

Importantly, these new gas resources have the potential to deliver even greater energy security to the Asian Region including Japan.

We have all heard about the industrial rise of China - how it will overtake the United States as the world’s largest economy by 2020. That 500 million people have already been lifted from rural poverty to relative urban affluence. But China is not even half the story.

India is projected to overtake China as the world’s largest economy by 2050, with a larger and younger population. Add the convergence of developed and developing countries, from Japan and South Korea to Malaysia, Vietnam and Indonesia, and you can see why it’s no exaggeration to call this century The Asian Century. All of this growth will require the secure supply of energy to meet the growing demands of a mega middle class in the Asian region.

Japan, is a classic example of a country with limited natural energy resources that requires trusted partners to provide a secure source of energy. There is no doubt that both the new Ichthys LNG project, and the existing Darwin LNG projects, fit squarely into this equation. Between them, these two projects will supply more than 10% of Japan’s current LNG demand.

Darwin has the capacity for these projects to expand and to triple this supply to Japan. Let me take this opportunity to congratulate the Japanese Company INPEX, and their joint venture partners including a number of Japanese Corporates, on their decision to develop the $34 Billion Ichthys LNG project.

In particular, I would like to extend my personal thanks to Chairman Kuroda and to publicly acknowledge his companies as the role model for excellent corporate citizenship in the Northern Territory.

This flagship Ichthys LNG project combines offshore and onshore production and processing facilities connected by an 890 kilometre sub-sea pipeline. Ichthys is set to break records in terms of size, complexity, financing and scale. At the height of construction, Ichthys will require between 4,000 and 6,000 workers, in Darwin. Activity at the Darwin onshore construction site is impressive.

In late 2016, I look forward to joining INPEX’s celebration for the production of the first gas and commemorating the first LNG export shipment to Japan. This enormous project speaks to the strong and growing relationship between our two jurisdictions and our continued friendship between the Northern Territory Government and Inpex.
The new Ichthys LNG plant will complement the existing ConocoPhillips’ Darwin LNG plant at Wickham Point. Conoco continues to operate a world class facility. This quality facility fully justifies the investment made by Conoco and its Partners, including INPEX, Tokyo Electric Power Company (TEPCO), and Tokyo Gas.

I would also like to take the opportunity to acknowledge the long involvement of SANTOS in the Northern Territory. SANTOS not only produced the first commercial gas in the Territory, they continue to invest in both onshore and offshore oil and gas projects to this day.

The Northern Territory prides itself on our ability to develop and foster long term relationships.

As mentioned we have senior representatives from the Northern Territory Chamber of Commerce business community here with us today. They and the Northern Territory Government have been very active, in assisting our local industry to identify and capture as much business as it can from these various resource projects, and developing Darwin as the logical supply and service base for the region.

So far we have lobbied for and secured more than $8 million worth of early contracts for our local manufacturing sector as part of the Ichthys LNG Project, with more early contracts just announced today. And we have also ensured construction of the purpose-built Marine Supply Base at East Arm Port to service the growing offshore oil and gas industry.

The Supply Base, along with the availability of suitable industrial harbour-front land, and an established local industrial base and capability, were all pivotal in Shell’s decision to establish its operations and maintenance base in Darwin for its new Prelude Floating LNG Project.

Gas for these enormous projects currently comes from offshore fields for processing in Darwin. But the Northern Territory also has huge potential as an onshore gas source. As with the United States, shale gas has the potential to be a game changer in Australia, cutting emissions and boosting the economy.

The Northern Territory’s potential reserves of unconventional gas total approximately 240 trillion cubic feet spread across 6 Basins.

I am firmly convinced that the future development of the Australian energy sector will require the provision of connecting gas pipelines, from these emerging Northern Territory onshore resources to Australia’s existing national energy grid. I have been actively building support for the construction of this infrastructure in Australia.

Like Japan, Australia also has a growing demand for energy. Some have suggested that the introduction of a gas reservation policy, similar to that employed by the State of Western Australia, is a potential solution to these domestic demand issues. I disagree.

A blanket gas reservation policy, would only stifle business, and make the Northern Territory a less desirable place to invest and explore.
Unlike Western Australia’s more mature gas sector, our gas industry is young, and we want to encourage global investment, not drive it away.

Another key to encouraging gas development is our ‘use it or lose it’ policy. There has been a substantial increase in the number of exploration leases and the Territory Government is very supportive of such exploration. However, these leases are not to be issued for purely speculative purposes, where companies land bank them without undertaking the requisite exploration work.

For this reason, our Department of Mines and Energy is currently finalising a “use it or lose it” policy, to ensure that the exploration imperative is pursued within a reasonable commercial framework.

Legislative changes will allow for a more strategic release of vacant land, giving companies more time to consider applying for that vacant land and to submit more detailed application documentation. The legislative changes will also allow my Government to accept multiple applications over the same areas.

Guidelines are being developed, and have already been distributed for comment, to all active oil and gas companies in the Northern Territory. These will form a more competitive assessment procedure to select the best application on merit, to a grant over that land. The main areas of assessment will be an aggressive work program, over the five year grant period, with significantly tighter auditing of the progress of the work programs. Such an approach is already employed by the Federal Government, when it issues offshore exploration leases.

Let me be very clear, I and my colleagues want our onshore gas reserves to be developed. And I believe there is an emerging or imminent opportunity for Japanese or other companies to invest and develop onshore Northern Territory gas either for Australian domestic use or for off-shore energy security demands.

We also need to give due consideration to Northern Australia’s agricultural and horticultural sector, and the role it can play in food security for the Asian region. Northern Australia offers strong potential, for both agricultural, horticultural and gas expansion. From a policy perspective, these sectors must co-exist, especially in our regional areas.

The global statistics around rising population and food demand are staggering, and the Territory has a huge potential role to play. Let me quote some statistics provided by Donald McGauchie, the Chairman of the Australian Agricultural Company (AAco), who I understand may also be at this Conference:

By 2050, projections are that the world population will have grown by 40 per cent. Much of the expansion will be in Asia and the sub-continent. In that same period food demand will rise by 70 per cent and incomes by more than 200 per cent. In 2009, Asia’s middle class totalled 500 million people. By 2030 this will increase sixfold, up to more than 3.2 billion people. That is five times the total population of Europe and the United States combined.
This rising middle class in Asia is now demanding to eat more and better food, with a more protein-rich diet. These middle-class families are demanding a better diet, not just for taste or status, but because they recognize the part it plays in helping their children’s development at an early age.

Northern Australia is perfectly placed to be the provider of much of that food. We certainly have opportunities to further develop our beef industry, including both live cattle and boxed beef exports. However, we need government policy at the federal, state and Territory levels to be firmly supportive of the sustainable development of this industry.

At all costs, we need to avoid a repeat of the knee jerk ‘policy on the run’ decision to ban live cattle exports that the previous Australian Government announced. This move jeopardised our trade with our largest export market, Indonesia. We need to recognise that countries such as Indonesia, Singapore, and Japan want and deserve ‘Food Security’ for their own development and growth.

Northern Australia is relatively underdeveloped but it offers strong potential for agricultural expansion, including the supply of various horticulture products and cropping products such as sugar and food-grade sorghum.

The Ord River Scheme presents enormous potential for agricultural development in the North of Australia. Stage 2 of the scheme is currently benefitting from $700 million of new foreign investment. Stage 3 offers the potential for another 14-thousand hectares of irrigated agricultural land extending across the Western Australia border into the Northern Territory.

Many see the Northern Territory, Northern Australia and remote Australia as relatively dry and arid.... a barren desert. This could not be further from the truth. We have water aplenty, above and/or below ground. We have good soil qualities, and we have available land. What we are waiting for is ingenuity and investors to turn opportunity into reality.

Clearly Northern Australia’s long term future is intrinsically linked with the growth of Asia. Right now, we should be focussing our attention on the opportunities that will follow the creation of Asia’s mega middle class.

This includes a boom in demand for discretionary goods and services, the duration of which will be measured in decades, rather than years. This long boom will shape the 21st century.

Once again, quoting Donald McGauchie - It will redefine the world politically. It will redefine the world economically. It will redefine the world environmentally.

For Australia and Northern Australia to benefit from this boom, we need to maintain an attractive investment climate, especially for foreign investment. Part of that climate will involve us being part of a stable and secure region for investment. This also includes demonstrating stability and security, in a volatile global environment.
Recent developments, such as the decision by the United States to increase their military presence in this all-important Asian region, have the potential to deliver long term security and will also enhance the Northern Territory’s capacity in providing humanitarian assistance to the region.

Initially, the Northern Territory hosted a deployment of 250 Marines. This will increase to 1,100 next year which represents an economic injection of $5.1 million into the Northern Territory economy. The US Marine deployment will increase to 2,500 Marines in 2015.

This increased US military deployment will provide greater regional security. However, it also represents a number of logistical challenges and opportunities for the Northern Territory government and our industry partners. Housing and accommodation investments will need to be made. Transport and logistical solutions will need to be implemented for both personnel and equipment movements.

It is critical that these are resolved so that we can ensure the success of these US troop deployments. Furthermore the Territory expects to play host to an increasing number of regional military exercises involving forces from Indonesia, Singapore and Japan to name a few.

Ladies and gentlemen, the development of Northern Australia is critical to the future economic security of Australia. However, to achieve this we need to have a strong commitment from all levels of government to the development of the north; we need to provide critical infrastructure; we will have to grow our local industry base; and ensure we have a very attractive global investment framework.

To achieve this investment framework, my government is committed to a no gas reservation policy so that we maintain our investment attractiveness.

We plan to seek investment in a second port, to support our all-important export mining sector. We have planning already underway to allocate more land for strategic industrial development, including future downstream processing opportunities from the resources sector.

We have an economic development strategy that covers short, medium and long term infrastructure needs, including port, rail, energy, water and communications infrastructure.

This also includes the concept of linking the gas pipeline network between the Northern Territory and the east coast of Australia. When built, this will create a truly national gas grid network, linking supply to markets that will underpin Australia’s energy security.

We are committed to developing the whole of the Territory, including our regional areas. And most importantly, we are dedicated to helping our local business sector, fully participate in the economic growth of the Territory.
Ladies and Gentlemen, the relationship between the Northern Territory and Japan is strong and growing, both at the business and people-to-people levels. This relationship is building a valuable and mutually beneficial partnership based upon the important values of mutual trust and respect.

Later today, the Northern Territory Education Minister Peter Chandler and myself, joined by Inpex Chairman Kuroda San, will be pleased to announce a further $3million investment in Northern Territory Open Education Centre to enhance the delivery of education services across the Northern Territory. This was made possible by direct sponsorship from INPEX - thank you.

Yesterday we announced the establishment of an Apprenticeship Information Technology Hub in Darwin by the Japanese company NEC. The Essington School in Darwin has also announced an extension of its student exchange program with the Tamagawa School and University here in Tokyo.... A fantastic partnership dedicated to supporting Japanese nationals living and or working the Northern Territory, and a fantastic opportunity for Northern Territory students to learn more about Japanese culture. This will enable even stronger relationships between Japan and the Northern Territory in the future.

Tomorrow, I have the pleasure of opening a dedicated Northern Territory Mining Investment Forum at the Imperial Hotel This impressive forum will detail a list of some of the immediate investment opportunities within the Northern Territory and include future projects such as TNG’s vanadium and titanium deposit and Arafura’s Rare Earth deposit in central Australia.

Finally, I am very proud to say that Darwin has been selected as the host city for next year’s Australia-Japan Joint Business Conference, scheduled for October 12-14, 2014. I extend a personal invitation to each and every one of you to join me in Darwin to get a first-hand appreciation of the bright future that lies ahead for Northern Australia, and our strong engagement with our friends in the Asian region.

I also encourage you to bring your partners, as this is a unique opportunity for everyone to experience this spectacular part of Australia. Aside from the conference, we will be preparing schedules for visitation to view the Northern Territory’s most famous tourist icon, Uluru (Ayers Rock), see wild crocodiles, or catch your very own barramundi.

Thank you and I look forward to seeing you all in Darwin next year.