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Member: Mr HATTON

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Mr HATTON (Chief Minister): Mr Speaker, I rise to add further remarks to the motion I moved this morning.

Mr Speaker, 'strong, stable and independent', those were the words put before the Northern Territory electorate prior to the election of a CLP government. Territorians elected a government which laid before them carefully worked out plans for the future. They elected a government which had the demonstrated ability to operate without the constraint of policies imposed from outside its borders and a government fully committed to the social and economic advancement of the Territory. The detailed set of plans put before the electorate formed part of our strategy to steer the Territory through the current economic climate toward the year 2000.

The economic problems of Australia, and the challenges now confronting the Northern Territory, are very different from those which existed when we achieved self-government in 1978. Across the nation, massive balance of payments deficits, increasing levels of public sector expenditure and huge government deficits, combined with high inflation and unemployment, have seen the collapse of the Australian dollar, frighteningly high interest rates and a reduction in domestic consumption. Obviously, Territorians and Territory businesses have not escaped the chill winds of this recession. At the EPAC meeting, which I attended last week, the federal Treasurer, Mr Keating, spoke of the challenge facing the nation. We must counteract our current account deficits and expenditure in Australia. The pressure on loan markets to finance those external and internal deficits is threatening the Australian dollar and forcing up interest rates, all of which is fuelling inflation and unemployment. The need to reduce interest rates is unarguable. To do this,

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Australia needs to develop export or import-replacing industries. In particular, there is a need to boost Australia's trade in services - that is, tourism, transport, education and professional consultancies. The Northern Territory government fully supports those objectives.

Governments must adjust to operating with a reduced level of funding, given the clear and unequivocal signs of how incentive is being destroyed by the ever-increasing tax base. Already, over the last 2 financial years, the Territory government has been asked to make do with less. The Commonwealth has seen fit to reduce its financial commitment to the Territory, despite our special needs, despite previous agreements between the Commonwealth and Territory governments and despite the fact that we have never deficit budgeted; that is, we have not been fuelling the interest rate spiral.
Territorians work hard for Australia; in per capita terms our export-earning figure is 4 times greater than the Australian average. Many withstand isolation, separation from family or other disadvantages to live and work in the Territory. Those people comprise that less than 1% of all Australians who are prepared to undertake a task that 99% of our fellow Australians choose not to do - that is, to settle, develop and establish Australia's far north. Territorians are, therefore, doing their bit for Australia, and the Australian government should reciprocate less grudgingly. I will attend the Premiers Conference ready to contest any unreasonable or discriminatory treatment of the Territory.

There can be no doubt, however, that the Territory government and, indeed, governments around Australia must be prepared to operate with more efficiency and less resources at their disposal. The plans which we have developed establish the groundwork for more effective and efficient government, and for the regeneration of investment and growth for the private sector rather than through government spending. My government realises that we must depend on private enterprise to power the economy. It is investment, industrial expansion and resource development which create jobs and security, and which create prosperity.

The new administrative arrangements announced on 19 March have put in place the mechanisms needed to face these tough economic times. They answer the need for spending restraint by government yet are geared towards promoting the economic objectives confronting the Northern Territory. These new arrangements will mean a more cost-efficient and effective delivery of government services. They will not only reduce the cost and size of government, but will also allow a refocusing of direction. In the next few years, the key to success will be diversification in services, in industry and in opportunity. Four principles underline my government's philosophy and will guide this government in its period of office: commitment to small government; a private enterprise approach to growth; a commitment to decentralised decision-making; and a government working in partnership with the community. These principles will operate across the entire spectrum of government administration.

Where it can be demonstrated that private enterprise or non-government organisations can provide equal or better services at less or equal cost, then that is our preferred option. Particularly in the area of community health and services, the government will look increasingly to community and voluntary groups to undertake welfare functions where possible and, where necessary, with government assistance. Such bodies are often able to deliver services which only more responsive to the needs of the community but which are far more cost-efficient. It is our aim to recreate a sense of community involvement in community care. We are determined to inject choice into health, educational and community services, diversifying the options available to Territorians.

This government recognises that it is private enterprise which generates the basic wealth in our community. We are adopting measures to strengthen the private enterprise base and to regenerate economic momentum. The first of these is to streamline the dealings of business with government. His Honour has mentioned the need for clear legislation and regulation which protect the public interest while avoiding unnecessary intrusion into the individual's affairs. This
government is committed to minimum commercial regulation of Territory enterprise. I have directed all government departments to review all regulatory procedures and to remove unjustified red tape. Where regulation is required for reasons of safety, consumer protection or public interest, emphasis will be on self-regulation. Government support for industry will focus on those areas which can contribute to Territory growth without the need for ongoing assistance or subsidy from taxpayers. Every effort will be made to ensure that government spending strengthens the local economy and stimulates new investment and employment.

His Honour emphasised the need for a partnership between the Territory’s government and its people. This partnership has been and will be a feature of this government’s administration. In the industry area, the peak council is the Northern Territory Development Council of which I am the Chairman. The council includes people of wide experience in industry, commerce, mining, agriculture, the unions and the land councils. Advisory councils for individual areas of industry, business and commerce will continue to provide government with guidance and expertise. Similar advisory groups have been or will be formed in the non-industry activities of government.

The Territory is now moving into a second stage of development. This new cycle involves the diversification of our industrial base and the expansion of development east and west of the Stuart Highway. The next vital step for the Territory is to develop secondary industries which will enable down-stream processing of our primary products. In this way, we will produce value-added exports and generate more jobs for Territorians.

New opportunities in agriculture, energy, fishing and other industries have been targeted by this government. A major project, which could be of great importance to the Territory’s agricultural diversification, is the proposed production and milling of kenaf. Preliminary feasibility studies have already been completed and we will now progress with more detailed research and development towards the attainment of a viable agricultural and manufacturing project. Prospects also exist for the canning of fruit and vegetables and for the further processing of meat. The Norgaard Report has already identified the opportunities for shore-based processing of the Territory’s seafood. The grouping together under the new ministry of Industries and Development of all primary industries with secondary and tertiary industry, business promotion and the Trade Development Zone will give a focused and coordinated approach to industrial diversification.

Similarly, the grouping of mining, oil, gas and electricity will enable us to maintain a comprehensive attack on our energy costs and to promote the continued expansion of our vital mining industries. By drawing together all water functions into a single unit, for the first time we can adopt a coordinated approach to this vital resource. Meanwhile, the gas pipeline is transforming the Territory into Australia’s first gas-powered economy. Impending construction of Darwin’s new $15m gas plant, which will produce liquid petroleum gas and liquified natural gas, is a key example of my government’s intention to develop secondary industries which use and enhance our natural resources. Negotiations have started for the extraction of helium at this plant and this has the potential to supply the entire Australian market and to create an export base. The expanded utilisation of gas is crucial to the stabilisation of power costs. Keeping the lid on power costs is vital to Territory industry. Our target is for 90% of the Territory’s power requirements to be met by gas in the next 4 years. Further exploration and exploitation of our mineral and energy resources are crucial to the Territory’s economic future.

This year, mining production is expected to exceed $1000m for the first time. Gold production alone is expected to be worth $180m, almost twice last year’s value.
I turn now to tourism. Our investment in tourism is paying handsome dividends. Tourism numbers will top 700,000 this year and those tourists will spend at least $350m while they are here. Already tourism employs 5000 people in the Northern Territory. By 1991, the Territory will be attracting more than 1.1 million visitors per year. To cater for this boom, more than 60 private projects worth $300m are in the pipeline. The recent drawing together of tourism, conservation, and lands and housing under 1 minister is facilitating the streamlined development of our tourism strategy.

While motels are being built in Kakadu, Darwin and Katherine, new destinations are also being planned. A $12m wilderness lodge will be constructed at Kings Canyon, and Cobourg Peninsula will be opened up to tourism with the establishment of a wilderness lodge, safari camp sites, boat moorings, shopping and convention facilities, helipads and an airstrip. This is being done through the Gurig Park Board. In other moves that will push development east and west of the Stuart Highway, the government will begin work on a loop road to Litchfield Park and an access road to Gregory Park. Our marketing of tourism is being stepped up to capitalise on the Territory's international popularity and to target the domestic marketing opportunities offered by the sealing of the south road.

Transport infrastructure is of vital importance in the Territory. Responsibility for roads, shipping services, air transport and the railway has been brought together under 1 minister. This will enable a comprehensive development of transport policy and systems for the Territory.

I assure the Assembly that this government will continue to fight at the national level to overcome those obstacles to tourism which we have been saddled with, in particular the inadequacy of our airports. It is crucial that we increase the number of international flights into the Territory. The new Darwin air terminal must be built. Alice Springs airport must gain port-of-entry status for international visitors and be upgraded accordingly. We will press the federal government to give the go-ahead for the private enterprise development of these airports since the Commonwealth has clearly abrogated its responsibilities in this area. We will also press the federal government to liberalise Australia's aviation policy to facilitate more frequent services directly into the Territory from overseas.

The Darwin to Alice Springs railway is one venture on which the hopes of Territorians have long rested. During the last Assembly, I reported twice on developments towards a private enterprise line. Recent talks held in Japan indicate a high level of interest by Japanese industry leaders in this development. Growing interest and support is also coming from Australian industry leaders. As a result, a Japan-Australia study group has been set up to foster the development of the railway and associated projects. The government will not rest until we see the Maluka arrive in Darwin from Alice Springs.

His Honour drew attention to the continuing need for the provision of government services in the area of health, education, housing and community development. During the course of these sittings, my colleagues will be announcing details of our plans for further projects in these areas. In this context, I will deal briefly with my ministerial responsibility for police.

His Honour spoke of this government's intention to continue the development of a community police force. The government's view is that, where people's behaviour impinges on the rights of others, they should suffer the full consequences of the law. Recent criminal proceedings have highlighted the need for some revision of police powers, particularly as they affect the ability of police to investigate a crime before bringing a suspect before a magistrate.
This government will ensure that the police force has both the numbers and adequate and reasonable powers, in line with many of the recommendations of the Lucas Report. We are determined to enable police to investigate effectively and to prevent crime. The new moves will give police clear powers to set up roadblocks and to evacuate buildings and clear streets during emergencies. The move will also give police clear powers to conduct post-arrest investigations.

The link with the national fingerprint computer system has been introduced and moves are under way to employ an extra 53 police officers to strengthen the force on the ground. The school-based community policing program will be expanded to all secondary schools by 1988. Our emphasis will be on local recruitment for the NT Police Force and the development of higher entrance standards. As part of this drive, a further 36 Junior Police Rangers will be recruited in June this year.

His Honour has stated that the term of this government will be one in which the Territory will need to rely even more on both its own resources and on the resourcefulness of its people. It is equally true that Territorians must be given the freedom to develop their resources and to exercise their initiative. It is a sad fact that, in too many areas many of our plans are thwarted by the negative influence of the federal government. The railway, airports, mining ventures, tourism development, land rights and uranium all rely on the policies of the Commonwealth. Whilst we have the potential for growth, these issues have the capacity to stifle our development. We must campaign vigorously at the national level to remove the discriminatory treatment accorded to the Northern Territory.

However, if we are to gain real control of our own lives, we must achieve constitutional equality. I will continue to lobby and promote this cause at the national level on both sides of the political spectrum. I urge members of the opposition to assist us in this vital task, particularly on its side of politics, because in this task, at least, the opposition can make a significant contribution to the future well-being of the Northern Territory. Statehood is the linchpin needed at this stage in our history for the Territory to realise its full potential. Without statehood the gains we have made so far may be lost and our plans for the future may come to nought. Gaining constitutional equality with other Australians is not only a desirable end in itself but also a means by which our social and economic progress will be greatly stimulated and - even more significantly - protected.

All members of this Assembly have a vital role. So far the bipartisanship displayed on the constitutional issue has been excellent. I am sure that the same spirit will continue in future. The Select Committee on Constitutional Development, today reconstituted, will have a pivotal function. Building upon the foundations established in the last Assembly, the committee will proceed with the exacting responsibility of preparing a new state constitution. To enable it to meet its obligations, my government will provide it with all the necessary facilities and, as chairman of that committee, I undertake that it will deal with its task expeditiously and with proper dedication.

Mr Speaker, I have outlined the strategy which this government will pursue during its term in office. Our direction and focus are already established. We have not been sitting on our hands since the election but have moved resolutely and expeditiously to implement necessary adjustments to government to achieve our objectives. Already, the benefits of this new direction and focus are becoming evident with the resurgence of activity in the Territory. With less resources than ever before and with more complex problems confronting us, this government is working to achieve real economic growth. The government is committed to carry out the plans we have placed before Territorians. These plans will bring about diversification in services, in industry and in opportunity. Our strategy will regenerate momentum, build the tax base by
increasing our population, and promote an improved quality of life through greater choice in health, educational and community services.

Mr SMITH (Opposition Leader): Mr Speaker, I second the motion and reserve my right to speak at a later hour.

Debate adjourned.

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