Mr BURKE (Chief Minister): Mr Speaker, I take great pleasure in reporting to this parliament on the recent historic developments in our quest to complete the AustralAsia Railway.

On 28 October 1999, following on from a meeting with the Premier of South Australia and myself, the Prime Minister announced the agreed additional financial contribution from the governments that would permit the railway project to proceed. A total of $480m in government financial contributions will be made to the project. The total financing task is $1230m, leaving $750m to be provided by the private sector. That is, just under 40% will be government funded, with the private sector to provide the balance of just over 60%. The federal government will match the Territory’s contribution of $165m, and the South Australian government will provide $150m.

One announcement, 140 years in the making. A project built on the hope, ambition and passion of thousands of people. And now, Territorians who have long hoped for the railway can take heart that construction will commence next year, with the first train running into Darwin in 2003. We have a project that is bankable, that is achievable, that is going to happen.

The financial advisors of both the AustralAsia Railway Corporation and the AsiaPacific Transport Consortium have confirmed that. The foundations supporting this project are strong. The contract documentation is being negotiated and completed as I speak, and financial close is targeted for April next year.

Mr Speaker, as you know, the Northern Territory government has invested a great deal in this project. But what a deal we have: a $1200m project for a $165m investment. We have, of course, also built the East Arm Port, an important part of the railway strategy, but it also has wider benefits and uses. So why do this? Why spend so much on a Greenfield Project? There is a very simple answer. This project represents the future for the Northern Territory. A successful trans-shipment operation between the railway and the port will ensure economic growth. But like any business, it will take time to show a profit.

In the beginning - in 2003 - the railway will carry an estimated 1.2 million tones of domestic freight per annum. However, the overall goal for the railway is the development of a new and alternative trade route linking the Melbourne to Adelaide rail axis with key north Asian ports, including Pusan in Korea, Tokyo, Kao-hsiung in Taiwan and Hong Kong. We expect this landbridge trade to reach 50 000 containers within five years of operations, and increase to about 100 000 containers by the first 10 years of operations. This is significant for Darwin but modest on a national scale when considering the total Australian trade is around 2.5 million containers per annum.

In essence we are looking to the development of a niche market - those high value and time-sensitive commodities such as chilled meat and other fresh food, and motor vehicle parts. As this trade grows, Stage 2 of the port will be progressively developed. A program and a timetable for this is being negotiated between the consortium and the government. At the completion of Stage 2, the port will have the capacity to handle 250 000 containers annually, or 10% of the current Australian total of 2.5 million.

The construction phase of the project will have a huge impact in the Territory, particularly in Tennant Creek and Katherine. The AsiaPacific Transport Consortium has indicated that construction of the
railway will proceed from both Katherine and Tennant Creek beginning in the dry season next year. The actual place of construction will change to take wet season activity into account. But Katherine and Tennant will be the two construction bases, and concrete sleeper and rail welding plants will be established in both towns. However, goods and services will be needed from all over the Territory and Alice Springs will become an important logistics and distribution centre for the construction bases.

Tracklaying is scheduled to start in 2001 with tracklaying machines operating from the supply depots in both Katherine and Tennant Creek. Construction of items such as bridges will start early in order for them to be completed prior to the tracklaying. There will be six mobile construction camps in operation at any time, with a total of 16 actual camp locations. The idea is to keep travelling distance from camp to point of construction to a maximum of 50 km. This means the camps will be relocated approximately every 8 weeks. That's the exciting scale of activity we are facing during the next three years.

It is not hard to imagine what services will be needed, nor what this all means to the construction and transport sectors, as well as businesses that then service these sectors. Alice Springs will gain significant benefit from the project with the truck industry and associated businesses contracted to trans-ship construction material such as rail and cement from the railhead to the construction sites. Alice Springs will become the prime supply and distribution centre for materials during construction. Smaller towns along the Stuart Highway will also benefit as the construction crews pass by. There will be side benefits for industries, such as tourism, with the 1000 people working directly on the railway during the three-year construction phase needing recreation time and places to enjoy their downtime.

Once it is completed, the impact on the Territory will be enormous. Quite simply, it will change the economic face of the Territory. As a 50-year project, business may not change overnight but sustained economic growth will bring with it considerable opportunities.

So what can we expect in the first 5 to 10 years of operation? In the first place a completed railway will act as a stimulus for the agricultural and mining industries, and therefore provide significant benefits to the Territory. Of course there will be an impact on the road transport industry with railways ideal for moving large quantities of freight at low cost, and for moving other freight competitively over long distances.

In the Territory we have relied for a long time on an efficient and competitive road transport industry to carry all our freight. Now the industry will need to adjust to a competitor on the long haul routes. However, road transport will still have the market for smaller freight amounts, and small haul distances. The road transport industry has asked me whether the NT government will be subsidising the railway operations. The government will not do this. Our approach has always been to facilitate the project with financial and other assistance, but to leave the construction and operational risk to the private sector. There will be no operating subsidy. The intention is to maintain a strong, innovative and competitive road transport industry. It is an industry that has served the Territory very well and will continue to do so.

The railway will add to the competitive environment, and this can only be to the benefit of the Territory economy as a whole. Reduced transport costs for agriculture will enable Territory producers to be more competitive in the southern markets. But it will also mean items such as fertiliser will cost less, enabling Territory producers to increase productivity and quality. It will also increase the range of commodities that may be grown commercially in the Territory.

For mining, the railway should lower production costs. There could be a lowering of the 'cut off' grade for mineral deposits and therefore an increase in the recoverable reserves. It may mean a reduction in the size of the mineral deposit needed to support mine development and therefore increase mineral exploration along the route of the railway.

With regard to tourism, I was pleased to read the recent press reports that the AsiaPacific Transport Corporation intends to negotiate passenger train access with the operators of the Ghan. With a passenger train service from Sydney through Melbourne and Adelaide, up to Alice Springs and on to Darwin, this will surely become one of the great train journeys of the world. The proposal promises a boost to the number of tourists to the Territory. It will attract potential tourists who cannot or are reluctant to travel long distance by car or coach and those romantics the world over who are in love
with trains. At present the Ghan operates two services per week to Alice Springs and in 1998/99 carried 46,000 passengers to the Alice at an average 210 per train. Extending the service to Darwin should boost Territory tourist numbers for all regional centres. For Katherine and Tennant Creek, the opportunities are there to become trans-shipment centres for goods from Western Australia and particularly the Ord River Scheme for Katherine, and goods to and from Queensland.

For some businesses, the operation of the railway will bring a change in the focus of their operations, or cause them to move into new areas. An operational railway will lead to a reduction in freight trans-shipment activity at the Alice Springs railhead. There will also be a reduction in road freight activity along the Stuart Highway. Neither will cease, but long and/or large amounts of haul goods will likely be transported by the railway. Nevertheless, the future over the next three years for road transport out of Alice Springs will be very buoyant, providing time for future plans for the new competitive era to be put in place. A survey of businesses in Alice Springs showed that approximately 70 jobs may be at risk - this is less than 1% of the Alice Springs workforce. However, this is partially offset by an initial increase of about 20 jobs in rail operational and associated jobs. As the train services grow, this number should also rise, and in the longer term additional jobs should be generated by new and expanded business opportunities. For the smaller businesses and townships along the Stuart Highway, many can expect increased business as construction crews are located nearby.

Mr Speaker, let me turn now to the group that is about to make the long-held dream of Territorians come true. The strength and depth of the AsiaPacific Transport Consortium is a crucial factor in all of this. Let me tell you a little about those involved.

I speak first of Brown & Root/Kinhill. Brown & Root Construction and Engineering and Kinhill (purchased by Brown & Root in 1997) are subsidiaries of Halliburton. Halliburton is a Fortune 500 company, a world leader in engineering and construction, with particular interests in the infrastructure and resources sectors. Through Brown & Root and Kinhill, it provides railway and port design and engineering expertise. Halliburton merged with Dresser Industries in late 1998 and created the world's largest oilfield services company. I expect that Halliburton involvement in the rail project will have spin off benefits for the Territory economy, encouraging that global company to invest in offshore supply services to the Timor Sea oil and gas province. It has a workforce of 120,000 employed in 120 countries worldwide.

Genesee & Wyoming are a major regional US rail operator. Its Australian operations are based in Adelaide and they have extensive experience in operating and maintaining regional railways. They acquired mainland freight-related assets and contracts of Australian National Railways in November 1997, operating 1200km of railway within South Australia with 90 locomotives and 1200 freight wagons.

Barclay Mowlem is a major engineering and construction company who has experience in delivering railways and rail manufacturing projects and it is known for its commitment to developing mutually beneficial, long lasting relationships with its clients.

Macmahon Holdings is one of Australia's leading civil engineering and construction groups. They have significant experience in civil engineering and bulk earthworks in Australia's remote areas.

John Holland Group is an Australian civil engineering and construction company that has substantial international operations and expertise in rail infrastructure and maintenance.

MPG Logistics came about as a result of this year's merger between PGA Logistics and the contract logistics business of Mayne Nickless. It has forged a company that is the largest provider of outsourced logistics in Australia providing sea, road and rail forwarding services, regional distribution, warehousing and logistics planning. MPG has interests in Australia, Malaysia, Thailand and Southern China and they see strong opportunities here.

Hutchinson Port Holdings also has an association with the consortium. This international company has a 58% share of the port of Rotterdam. They own all three London Ports, and are in the process of taking over the operations of the Panama Canal. They currently handle about 10% of the global container traffic.
Barclay Mowlem, John Holland and Macmahon will be involved in building the railway. Rail is a key part of their business and all have experience in the remote areas of the Territory. Genesee and Wyoming and MPG Logistics will provide the framework for a successful domestic freight handling and freight forwarding business. The association with Hutchison will provide the opportunity to go beyond the domestic market and develop the international link based on landbridging.

This project is not one for the short term, although the benefits to the Territory and South Australia from the construction phase will provide a considerable boost to our economies over this period. It is over the long run, as shippers, exporters, and importers come on board that the project will show its benefits. So what can we expect? We’ve heard the figures, but let me go through them once again. They are based on work by Access Economics and include conservative assumptions in relation to landbridge trade.

During the three year construction phase, National GDP will increase by $660m, and Territory GSP will increase by $200m. Employment during the construction phase will increase by at least 7100 nationally. During a 20 year operational phase from 2003/04 to 2024/25, the National GDP will increase by $4500m the Territory GSP will increase by approximately $3000m, and South Australia’s GSP will increase by approximately $3000m. These forecasts highlight a shift in economic activity from the eastern seaboard to the central regions of Australia. The consortium itself estimates Territory employment will increase by up to 2000 jobs during construction. As reported by Booz Allen & Hamilton, the benefit/cost ratio for the rail project was 1.88, confirming its economic viability.

But for Territorians the railway has always been about more than figures or lines on a graph. To Territorians, the project represents the completion of a link missing for over a century. We have had many false starts, and hopes over the years. I was shown a postcard from the early 1980s the other day, showing a set of rails heading across a desert with the words ‘Territorians have a one track mind’ emblazoned on the bottom. What the railway signifies to the rest of Australia is the importance of rural Australia, the importance of the Australia outside the large eastern seaboard cities. It represents a shift in focus, leading the development of regional and rural Australia at the commencement of the 21st Century.

This government is making sure Territory businesses get every opportunity to make the most of the construction of the railway. The consortium was required, as part of the bidding process, to lodge a local industry participation plan. This plan will be included in the concession deed the governments and the consortium will be entering into. The plan provides for 70% of the value of construction to be spent in the Territory and South Australia. This represents about $350m to Territory businesses. That's the opportunity, but Territory businesses will have to work hard to provide quality and value for money. To help, the government has made sure the plan includes provision for monthly reporting of tenders let, and a three month forward plan of the consortium's requirements, leaving plenty of time for the preparation of tenders by local industry. We will encourage joint ventures between NT and SA companies where this will provide value for money. In addition, the NT Industry Search and Opportunities Office will be part of the procurement team, offering advice and assistance to the consortium.

There remains some months of work before contractual arrangements can be finalised. Nevertheless much has been achieved to date. The Territory and Territorians everywhere have waited a long time for this project. Within a few days of the historic announcement by the Prime Minister, I received a letter from a Mr Bryan Smyth of Eltham in Victoria. Born and bred in the Territory, Mr Smyth enclosed a cheque for $500 as a deposit for four first class sleeper tickets on the first train. But his letter was much more than just a booking application. He explained that his father came to the Territory in 1919 to take up a position as mounted constable at Alice Springs. But I will let Mr Smyth tell the story in his own words. Speaking of his father, he wrote:

_His family, including the writer, endured his interminable fulminations on the subject of the rail over many years. I am fulfilling a commitment to him to make every endeavour to be on the first train when (if) it should eventuate. The first of my several journeys on the Ghan was in early 1941 and I also travelled from Birdum to Larrimah under steam during the war, before Leaping Lena met her demise. As a Territorian, born and bred, and with family in Darwin, may I wish every success to this venture that we have talked and smiled about, and hoped for, for so many years._

Mr Speaker, I will be doing all I can to ensure Mr Smyth and his family are on that first train. I am
confident that all Territorians, whether they are born and bred, whether they are long-term or recent arrivals, whether they spent some years here and have now moved on, or even if they just wished they were here, share some of Mr Smyth's feelings for the railway.

I don't care about the nitpicking that some have indulged in. I don't care about those who say they support the railway, but then trot out the whinges and criticisms. I am just so happy to be one of the lucky ones. I am just happy to be a Territorian when the dream comes true.

Mr Speaker, I happily move that the Assembly take note of the statement.

Mr STIRLING (Nhulunbuy): Mr Speaker, this side of the House welcomes this statement on the rail. I note that there is further legislation to pass all stages of these sittings that will further facilitate the project. I will be seeking a briefing to get across the detail of that legislation during the week before it comes into the House.

The Chief Minister stands in a privileged position on this matter because to him befalls the honour and the glory of announcing the last successful stage of the rail, although of course, much of the hard work has been done by others. The statement stands as testimony to the efforts of one, the former member for Blain, who totally committed himself, and his career in many ways, to this project and brought it to a conclusion after it had sat around on the shelf for quite some years with a minimum effort from government and ministers to push it along. It was his single-minded commitment and determination and effort on a quite wide range of different aspects of the project, including the difficult but successful negotiation of the rail corridor, that sees the Chief Minister standing here today delivering this statement.

The Chief Minister has outlined again the respective governments' contributions, $165m from the federal government and the Northern Territory government, and $150m from South Australia towards the $1230m project. But he has not mentioned in his statement today any taxation implications in the funding arrangements, so we can only assume, on this side of the House at least, that these arguments are behind us. Previously we know that the Australian Taxation Office was looking to draw back a significant proportion of the funding that was on the table in order to satisfy taxation requirements. I would still like to hear clarification from the Chief Minister on that matter so that it is clear to one and all that there are no taxation implications stemming from the 2 lots of $165m and the $150m. I wish to hear that all of those taxation requirements have been overcome, and how they have been overcome, because it did seem to be a real difficulty for Treasurer Costello and the ATO over the last 12 or 18 months.

Over the last few weeks it has become clear that the construction will emanate from Tennant Creek and Katherine. There have been concerns from Alice Springs over the impact of the railway on jobs, the physical impact on the town itself, and the number of jobs that people in the Alice might expect to see from the project. Mayor Andy McNeill was at the forefront of these concerns discussed on ABC Radio quite recently. There is an outstanding concern in Alice that there is an urgent need for a full socioeconomic impact study on the town. It is considered that many jobs will be lost to Alice over the longer term once the rail actually starts. The Chief Minister rightly points to expected job growth in other areas in Alice Springs which would cushion this impact. But I don't blame the people of Alice Springs for their concerns and a study would seem the best way to alleviate the concerns of all of the people.

The Chief Minister has not mentioned Territorians throughout the statement at all. When he talks about the 1000 people working directly on the line during construction, there is no mention as to how many of those jobs will be won by Territorians. There is no mention of any job strategy or plan to maximise jobs for Territorians. There is no mention of the work required to identify how many Territorians may directly win jobs because of their own skill, or how many Territorians could win jobs with the right preparation for job readiness and work skills identification. This is an unprecedented opportunity for Territorians and it must be fully maximised. The Territory will not have such an opportunity again. How many Katherine people, how many Tennant Creek people will be employed? What effort has gone into a strategy to ensure locals get a fair go for jobs? The Chief Minister talked about forums for local industry this morning in Question Time, and even briefly mentioned jobs for Aboriginals, and moved right along. Why didn't he give us more information in his statement on jobs for Territorians or
jobs for Aboriginals? Based on his answer in Question Time, he obviously has some information on these issues but he doesn't want Territorians to share in the knowledge at this time. There will be a number of unskilled and semi-skilled positions for Territorians. We want to see a job strategy outline that will maximise the total number of jobs possible for Territorians.

Much was said in Question Time this morning about the opposition not supporting the rail. It's simply not true. We've consistently commended the former member for Blain for the tremendous job he did in getting this project up, and we've consistently supported the project itself. However, as soon as the Leader of the Opposition asked about jobs for Territorians, and rightly so, the opposition is slammed for criticising the project. We believe in the project, we totally support it, but we have a responsibility, both to our constituents and to all Territorians, to ensure that as many jobs as possible do come home to Territorians. It's an exciting project for all Territorians, indeed for all Australians. It will be tremendously exciting to watch it develop kilometre by kilometre north and south.

I can recall sitting outside my tin hut at Tindal in 1969-70 watching the train crawl northwards past the base in the early evening. I can also recall driving between Katherine and Darwin and remembering to look out carefully for the trains and track maintenance crews at the level crossings. There are certainly a couple of quite dangerous ones. There is one in the Hayes Creek vicinity where you had to come around a quite sharp bend on a downhill stretch of road. I came across a little track maintenance crew half way across the road. The new rail will only cross the Stuart Highway once to link up with the port. We will not need to look out for level crossings other than that one and within the towns where subsidiary roads will, undoubtably, cross the track.

I, too, am particularly interested in a report that the AsiaPacific Transport Corporation intends to negotiate passenger train access with the operators of the Ghan. The previous minister for the rail had a strong aversion to rail carrying people, which always disappointed me. I'm pleased that it may yet be possible for a passenger service right through to Darwin. It's bound to be an expensive exercise, but one which really would be something to see. I support the minister's statement.

**Mr REED (Treasurer):** Mr Speaker, this is a very significant statement from the point of view of what it means to Territorians and the tangible benefits that will flow to the Territory. It is an extremely significant day in relation to the opportunities that will flow from it.

I find it extraordinary that the Leader of the Opposition should not have led the Labor response in relation to this matter. It is also extraordinary that the contribution by the Deputy Leader of the Opposition lasted 6 minutes - a $1200m project. It will be the sixth largest construction project in the world. It will generate 2000 jobs in the Northern Territory and the first Labor contributor to this debate devotes 6 minutes to it.

**Ms Martin:** Oh, rubbish!

**Mr REED:** I'll come to the Leader of the Opposition's contribution to the railway debate in a minute. It's not a pretty scene in terms of the way that she has tried publicly to put the project down and has scratched around everywhere ...

**Ms Martin:** I hear you're retiring next election.

**Mr REED:** You wish, you wish, oh, you would wish.

Let's look at what this will mean to the Territory. We have a strongly performing economy at the moment. We are seeing, however, a tapering off in defence infrastructure being constructed in the Northern Territory. Given the significant contribution that has made to the Territory economy, it is very timely that, as the defence activity decreases, this $1200m project will start to wind up in the middle of next year. Construction will last for 3 years and significant benefits will be provided to the economy. I would expect that during the course of the construction of the railway we will see the commencement of development on the oil and gas resources in the Timor Sea, and then the flow-on benefits that will derive from that activity.

This statement signals 10 years of very positive and strong economic growth and enormous opportunities for Territorians. And what do we find? We find that the Labor Party can't even get
excited about this. They can't even recognise the scope of it. I can understand it, because they're a fairly feeble lot. The Deputy Leader of the Opposition raises concerns. He says they have a responsibility to ask how many jobs have been created - or at least the Leader of the Opposition did. Well, fair enough, you may have that responsibility. But why did the Leader of the Opposition have to embark on that process in a way that was negative, in a way that put the project down, and cast doubts in the minds of people, particularly in Alice Springs?

It is nothing but mischief making, nothing but pure politics and endeavouring to try to get a few political points scored for the Labor Party in raising concerns, unnecessarily in Alice Springs in particular, that there might not be opportunities. And if that wasn't enough, of course, the Leader of the Opposition when the announcement was first made, in a deathly grasp of something negative, had to raise the spectre of how much per capita are we putting in and can we afford it, and why are we putting in more per capita? What a dreadful performance! What a negative Jane she is. She has no ability to get excited.

I have been excited about this project and committed to it for years. In fact, in the lead up to the last Territory election I wrote to all of my constituents. I will table a copy of the letter. My confidence was such that it said the train was coming to Katherine, let's get together and build it, and that is the letter that I sent out to my constituents in the last election.

It is not too late for the Leader of the Opposition to get excited about this project, to be committed to it, and to give it her full and committed support. I table a copy of that letter because it demonstrates the commitment of members on this side of the House to the project and how, in a positive presentation of it to Territorians, we have been able to make this project come to pass, to make it a success - and that has to be recognised.

I take the point the honourable member from Nhulunbuy made in relation to the former member for Blair and his contribution to this project. It was enormous; it was most significant and instrumental in being able to get the project to where it is today. But I also remind the honourable member, he had a bit of a memory lapse, that just as the Leader of the Opposition has tried to scratch around and find something negative to try and put forward an anti-government sentiment, or the government-has-not-done-it-right-attitude, and develop that in the community, that you did the same with the university. You opposed that when we wanted to build the university. You opposed the mooring basin.

Ms Martin: What?

Mr REED: You were not here then or you were off in journalism. But when the government wanted to build the mooring basin, you opposed that. You opposed Palmerston when it was promoted as a new initiative of government. You went out and asked people to vote 'no' for statehood. With the greatest lifestyle pursuit in the Northern Territory, you did not want an improvement in recreational fishing by the closing of rivers to commercial fishing so we could all go and catch a barramundi. You were mean spirited enough to oppose that. That's completely consistent with what you've done with the railway. You've been negative. You've scratched round for something to be able to criticise it. Sadly, we have come to expect it of you.

There will be enormous opportunities for people to take advantage of this project, but it's not going to come easy. People will have to get out there and sharpen their pencils. They will have to work hard to make sure that they are a part of it, but that is part of the commercial world today. The opportunity is there and that can't be denied, although it isn't recognised by the Leader of the Opposition.

The other point that I should make is that from the point of view of those opportunities there are programs in place by the consortia, and government will be pursuing others I would expect, to ensure that they are maximised. There are programs, for example, to provide employment opportunities for Aboriginal people across the Northern Territory. There are enormous amounts of earthworks to be undertaken. There is 155 000 tonnes of steel to be handled before it gets to the rail construction site and eventually laid.

Do you not think that the transport of goods through Alice Springs as the current rail head will be instrumental in providing activity and opportunities for people. Rather than just being bland about pulling out little issues - 'what about employment opportunities in Alice Springs' - just look at the scope
of works that will have to be done. Are you not practical enough in your approach to this project to be able to assess just what all this means? 155,000 tonnes of steel rail. 15 km of concrete culvert pipe. 2.2 cubic metres of ballast. 240,000 cubic metres of prestressed concrete. 15 cubic metres of earthworks. Do you know what that means in terms of bulldozers, scrapers, dump trucks and people who have to service them, to drive them, to operate them, to be able to keep this enormous project on the go across 1400 km of construction site?

Can't you perceive in your mind that this is going to be an ant bed of activity. You know those big round ant beds? You get there and scribble a stick across them and there are millions of ants in frenetic activity. Why am I talking to them about frenetic activity? They cannot even perceive it. I waste my time, but nonetheless I will try and get the message across.

2.3 million sleepers, with sleeper manufacturing sites in Tennant Creek and Katherine. The construction will include 113 new bridges. Do you know what that means in terms of work out there and activity? 1412 new culverts. Buildings and workshops costing $26m.

This is a very exciting project. It is a world class project and it has been completely overlooked by the members opposite in terms of the benefits that will flow to Territorians. They do not have the capacity to speak on it. Their first speaker could not contribute more than 6 minutes to this enormous project. The biggest project to be undertaken in the Northern Territory and they do not even have the capacity to stand up and be enthusiastic about it and to present it to Territorians in terms...

Mr Toyne interjecting.

Mr REED: I would not expect you to know too much, doctor. This has the capacity to create jobs. In Question Time this morning I gave some details of the Access Economics assessment of what benefits will flow to the economy from the railway project. That in itself is a very exciting story, as is the opportunities that will flow to the tourism industry.

The passenger services that currently operate between Sydney through South Australia to Alice Springs have proven to be successful beyond all expectations to the extent that the trains are now full, by and large, when they leave Sydney. Throughout the peak of the tourist season passengers were no longer picked up in South Australia because the train could be filled from Sydney. As a result the seats and the returns were maximised all the way. I understand, and they've made some public statements in relation to this, that those companies are keen to extend that service through to Darwin when the railway line is complete. That will provide an opportunity for the tourism industry in the Northern Territory to benefit from this and, yes, while the consortia constructing and operating the railway has indicated that they're not interested in passenger services, those who specialise in providing those services appear to be very keen to do so. That will expand the opportunities that will be available to the tourism industry in terms of the transport mix train to Darwin, the cruise ship link back into Darwin, and back to the southern ports by air. It is similar with those people who might come into Darwin on a cruise ship, and who will be able to experience a train trip down to the southern ports. There will be opportunities there.

I'm very pleased to hear that the operators, Great Southern Rail and others, are keen to hold discussions with the rail consortia to be able to commence passenger train services into Darwin, and that again is something that the opposition should be excited about. That is a tangible example of this type of infrastructure being constructed and the benefits that will flow from it.

For example, once we have a rail head in Katherine and an interface between road transport and rail transport, there will be opportunities for road transport to service the Ord region and other parts of Western Australia. We will be able to key into the railway network and either send goods north to Darwin for export or south to domestic markets. The transport of produce from the Top End of Western Australia will no longer depend, as it does at the moment, on a 2000 km plus road link down to Perth. That, too, will provide opportunities. Why can't the Leader of the Opposition imagine the opportunities that will flow to the transport industry and to Territorians from this project? Don't be so negative. I would ask her ...

Mr Toyne interjecting.

Mr REED: I wouldn't expect you to be able to think about something so practical.
The project financing will total $1230m, of which $480m will be provided by the public sector, $165m by the Territory and Commonwealth governments each, $150m by the South Australian government and $750m by the consortium, as indicated by the Chief Minister.

In terms of the taxation issue raised by the member for Nhulunbuy, I understand that the contribution, the $480m public sector contribution, will be in the form of capital works directed to the project and as a consequence will not attract a taxation payment. Although the Australian Taxation Office is yet to sign off on that arrangement, negotiations continue, so we should see a full commitment. At the moment we expect to achieve a full commitment of the $480m directly to the project and the previous concerns that taxation might be payable on that amount are now not those that previously existed, although it's yet to be signed off.

Much hard work has been done in relation to the taxation measures and they seem to have been overcome. Although the official sign-off has not occurred, hopefully that isn't far away and that will maximise the public sector contribution to the project in terms of its overall useful application.

Honourable members would appreciate the importance of those taxation arrangements and not see a decrease in the application of those funds because of a taxation impost. Again, that looks like being a positive outcome in terms of the project.

I pay tribute to the railway group of the Northern Territory government. It's hard to explain how much effort people like Paul Tyrrell, Larry Bannister and others - and perhaps one shouldn't name people because you always run the risk of not naming others who have contributed so much - who have put in hours and days burning the midnight oil trying to get this project together, and having their doubtful moments. There were many doubts in the lead up to the final arrangements being put in place in terms of what the federal government commitment should be. The Chief Minister pursued that with the Prime Minister and got a positive outcome. It has taken a lot of time and toll on people's private time, and kept them from their families and other things they would have been pursuing. It's been an enormous contribution on their behalf to this project. Territorians will never know how much they have contributed in terms of personal effort. I take this opportunity to commend all of the members of the Northern Territory railway group for the commitment that they have demonstrated to ensure that this project has got to the stage where in this House today we can talk about it positively.

We can now see clearly the benefits that will flow to Territorians, not only in terms of the 2000 jobs in the construction phase, but the 200 long-term jobs and the opportunities that will be generated from this line once it is operational. There will be growth in the transport industry and others and the provision of, perhaps, passenger transport, as has happened elsewhere in the world where major railway lines or similar infrastructure has been put in place. Other activity has been generated because of the presence of that infrastructure.

I ask the Labor Party to get excited about this project. It's huge not only in national terms. It's huge in international terms. See the benefits that are going to flow from it. Don't be negative, don't sit there nodding no, like the Leader of the Opposition currently is. You can't deny that you were whingeing about the cost per capita when the announcement was first made. You can't deny that you created mischief in trying to generate doubt in the minds of Alice Springs people that they weren't going to benefit from this. This is a massive project. I support the Chief Minister's statement as far as anyone possibly could.

**Ms MARTIN (Opposition Leader):** Mr Speaker, I am pleased that the Deputy Chief Minister managed to fill his 20 minutes. But I think that the Deputy Chief Minister should consider that quantity is not always quality. The Deputy Chief Minister has certainly demonstrated that fact over the last 20 minutes.

It's very interesting that, when we do have a wonderful project like the railway coming to fruition, the best this Country Liberal Party government, who have been in power for 25 years, can do is bag the opposition. I find it extraordinary. Here you have a major infrastructure project, a project for the future of the Territory with the potential to create jobs, skills development for Territorians, and prosperity for businesses, and all this mob can do is bag the opposition. What a pathetic, lack-of-imagination mob
you are! Twenty-five years and going downhill faster than anyone can keep track of.

As the Deputy Opposition Leader said, this project has had bipartisan support. Luckily, we had a previous railway minister who kept us fully across what was happening in the railway project and did this constantly, for which we were very grateful. I'm certain that the former member for Blain would state quite clearly the support he has had from this side of the House about the railway project, and what great support he has had. The fact that we get to this stage and the best the Deputy Chief Minister can do is say, 'Come on, opposition - get excited', is a sad indictment of that man himself.

We do know, every time it comes towards the last session of the year, what gets the member for Katherine excited...

Mr Burke: Pardon? Say again.

Mr SPEAKER: Order!

Mr BURKE: A point of order, Mr Speaker! There's an inference there which I would like the member to explain or withdraw.

Mr SPEAKER: I don't think that there is a point of order. In fact, there was nothing that I could rule a point of order on. But I ask the member to get on with her comment with regard to the railway.

Ms MARTIN: If the Chief Minister would like me to explain myself, do you remember 2 years ago in this House?

Mr SPEAKER: Order!

Ms MARTIN: Okay. It's not relevant to this debate.

Mr SPEAKER: That's correct. It's not relevant. Would you get on with the debate.

Ms MARTIN: When the session is finished, we'll take the Chief Minister aside and explain.

Let's just track through what has happened since the project was announced. The Chief Minister goes down to Canberra and we get the details. Yes, the project is going to go ahead. Quite properly, I take a look at the per capita breakdown of the funds that the Territory will contribute, that South Australia will contribute, and what the Commonwealth will contribute. I criticise John Howard, the Prime Minister. I am sure that our Chief Minister would have done the same if he had had any spirit in standing up for Territorians, because we are paying a very high price. Now, I didn't say that we shouldn't be doing it. I said these are the figures and this Chief Minister has failed to put an adequate case to a Prime Minister who doesn't know about infrastructure projects and has no real feelings for them, and doesn't have a feeling for the Northern Territory.

When you break down those figures, we are paying a very heavy per capita cost. The Northern Territory's contribution in rail funding, purely that funding, is $862 per head. South Australia's is $101, and the national contribution is $9 per capita. Weren't you aware of that, Chief Minister? Had you no idea? Did the Treasurer not tell you? He was having trouble with his calculator, probably.

We also look at the per capita contribution when it comes to the other infrastructure that has already been put in place, such as the port and the rail corridor clearing. That comes to $627. So we have a per capita contribution of $1488.

This lot don't even want to hear that. They call that knocking the project. I call that putting the heat up on the Chief Minister and the Prime Minister for not doing the best deal for the Territory. We know the former railway minister said we needed $300m from the federal government. Kim Beazley for Labor promised up to $300m. And what do we get from this measly Prime Minister, John Howard, who just sold the republic down the drain? We couldn't even get a financial contribution. At this time when there is the federation fund and funds are available to celebrate the millennium, this Chief Minister couldn't even persuade the Prime Minister that this was a true millennium project - this was a project for the future of Australia.
I stand by my analysis. I know you lot can't manage the analysis and the Treasurer is still struggling with his calculator, but I'm happy to stand by that.

And now we get further criticism. I'm not allowed to ask where are the jobs for Territorians from this railway. We have references from this government. Various ministers who speak make pages full of references about jobs for Territorians, about what skills are needed for Territorians. What are the specific jobs? Where will they be? What skills and training are needed for Territorians to be able to be up to speed to get those jobs when they come on line?

I thought the Chief Minister would be interested. I thought he would show just a glimmer of interest. All he can do is make a mantra on this: 'We'll have jobs'. What about the detail, Chief Minister? In this case, the devil is in the detail. The devil is in the planning for this. Otherwise there will not be jobs for Territorians - particularly Territorians living outside Darwin and Alice Springs.

Mr Burke: You're a whinger.

Ms MARTIN: This is extraordinary! You're a whinger if you talk about jobs for Territorians! This man is a fly-by-nighter; he has no understanding. What about young Territorians leaving school?

Mr Reed interjecting.

Ms MARTIN: Member for Katherine, off you go. Terrific!

What about young Territorians leaving school, perhaps in the next month? What skills do they need to be able to take advantage of a project that I'm hoping, and every Territorian is hoping, will start next year? What kind of opportunities can parents hope that their children who are leaving school, their young people, will have to get into the project?

Mr Reed interjecting.

Ms MARTIN: I know it's a great leap for the member for Katherine. He can't quite come at this concept because he hasn't done any work on it, and neither has the Chief Minister. These are important issues for Territorians. The Chief Minister says there will be 1000 jobs. He waves his hand and says: 'Yes, they'll come to the Territory'. But how will those jobs come to the Territory? We have not seen any of the detail. What about Territorians living in remote areas? What skills audit has been done of those Territorians? What practical skills do they have to enable them to get a job in some aspect of this railway project? What training do they need, if they have some of those skills, to get them into a position where they will be able to get the jobs, rather than hope that they may get the jobs, hope that there might be training, hope that somebody might notice, and then have the jobs pass them by?

This is an important and very significant opportunity for the Territory to be able to build jobs for Territorians. Two major projects are coming off-line in the middle of next year - a Gold Coast motorway and the Sydney Olympics project. There will be skills available when those projects are finished. But if we don't have training and opportunities in place for Territorians, the skills for the jobs that are needed will be there. There will be a rush to the Territory and Territorians will miss out unless we look now at what needs to be done for Territorians.

That is why I have called on the Chief Minister to set up a taskforce to identify the training needed for what jobs.

Mr Burke interjecting.

Ms MARTIN: This man is sitting on his hands yet again. I hope he is not doing anything personal.

A taskforce would include the training providers - NTETA, NTU and others. It would include the land councils. It would include the TCA and the Chamber of Commerce. It would include the Building and Construction Industry Training and Advisory Board, the ISO, the Local Government Association, the area consultative committees and ATSIC, who of course have control of the CDEP. We called together all of those involved in this area and talked about the concerns that they have.
Mrs Braham interjecting.

Ms MARTIN: I look forward to the member for Braitling making a contribution to this debate, because she is so thoroughly important. And I do look forward, if you say you have the detail, to your actually spelling it out.

The forum talked about what needs to be done in terms of skills audits, training, and identifying what the jobs are and whether the training is matching those jobs. Is the training available or, if it is not available, where can it be put in place? Where are the funds to support the training? All of that detail is absolutely critical for Territorians getting jobs in the rail project. And do you know what? Virtually none of these training providers and the kind of people who I indicated would be part of a taskforce has had anything to do with what has happened. These are the Territory's training providers, the people who are associated with job creation, and they had not been spoken to as of earlier this month.

The Chief Minister, the Deputy Chief Minister and every other member of Cabinet sit there and nod or shake their heads as the mood takes them. But unless our training providers can be part of this process, we will not have young Territorians with the skills to be able to be part of the rail project. Even when it comes down to the estimates of jobs ...

Mr Reed interjecting.

Ms MARTIN: I am talking about some of the things that we talked about in the forum, and I would just like a tad of courtesy, thank you, because I am talking about an important thing for Territorians. If you are imbecilic enough not to realise that, then it is not my fault.

We don't know what number of jobs there will be in the Territory. The Chief Minister announced something like 7000 jobs, and there are some assessments that 1100 jobs may be created in the Territory. The TCA thinks maybe it is 960 jobs. Then you can find other assessments that take it up to 2000 jobs. At this stage we don't have any assessment of how many of those 7000 jobs will be for Territorians.

The range of jobs that will be there over the entire process of the construction have not been identified. They range through a wide area. We are looking at jobs in civil construction, we are looking at plant operators. There are aspects like catering. There's quarrying, there's fencing, there's site rehabilitation, there's specialised welding, just to start. What is the correlation between the training that we currently have offered here and the funding for that and the Territorians we can get skilled up as quickly as possible to take part in the kind of opportunities that are identified, even by that small analysis of what jobs will be available? And, of course, there are a range of downstream jobs. You're looking at, say in the Darwin port area, skills needed in construction of refrigerated warehousing and railway maintenance workshops.

My concern is that, as I've said before, a number of large construction projects in the other parts of Australia will be finishing in the middle of next year. There will be skills available nationally. What confidence can Territorians have that at least a reasonable number of those skills will be able to be developed here rather than seeing a rush to take those jobs by people whose work has finished interstate and have the skills and will just walk into those jobs?

The forum's concern was that, rather than having short-term employment for those interstaters, work needed to commence now to ensure jobs were filled by Territorians with long-term employment opportunities emerging from the skills acquired during the construction phase. The forum was very concerned that the plans at this stage have not been put to the training providers. The training providers are not being asked whether they have the capacity to deliver the skills now, and what changes have to be made if we want to get the programs under way at the beginning of next year. The training providers ...

Mr Lugg interjecting.

Ms MARTIN: I look forward to the member for Nelson's contribution to this debate.

The training providers were genuinely confident that training needs could be met. They felt that there
were suitable courses available and genuine mechanisms in place. However, the big problem was funding. Commonwealth funding for training through NTETA was available to the Territory, but only if the trainee employment was available locally. With apprenticeships where practical, on-the-job training was needed, it was difficult to get that training before a project commenced.

So we have problems. We have the need to think creatively about how we can get training up and running before some of the criteria that are currently established need to be met. There is a lot of lateral thinking needed here. There's a lot of working with the Commonwealth and with funding providers to make sure that the existing structures that are around training can be flexible enough so that training packages can be put together. Maybe they will have to be, in part, outside the existing structures. This needs to be done now.

Nobody has approached the training providers. Nobody has approached local government. Nobody has approached a whole raft of providers here, and those interested, to ask how we can work now. That is why we need a taskforce - to identify the elements of creating jobs for Territorians. There are many suggestions about what can be done now, not to mention enterprise and regional development. There are opportunities now for communities from Darwin down to Alice Springs to get those enterprises up and running. But it's not going to happen at the last minute. We need to be planning now. We need to have such a taskforce that can identify those and work through it.

Yet this is called 'negative' by the Chief Minister - talking about job training for Territorians, about building a skills base here! How often have we heard in here and heard in the community that we don't have an adequate skills base in the Territory? This is the project for building that skills base, for projects in the future like the down streaming from LNG. This is our opportunity for Territorians who currently don't have jobs, who are involved in CDEP, to be able to get the skills to build the Territory, to build our prosperity. And this is called, by the Chief Minister and his deputy dog, Deadly, 'negativity'.

Well, jobs for Territorians is something that the CLP will be hearing about loudly and strongly from this side of the House. This is just the start. But we welcome very much this railway project.

Mr BALDWIN (Industries and Business): It gives me great pride to rise in support of the Chief Minister's statement on the railway today. As he has said, the rail project is undoubtedly the most significant capital expenditure program ever undertaken in the Northern Territory, and the Deputy Chief Minister in his statement has outlined the logistics of this world class project. There are enormous quantities of materials to be shifted and there is an enormous construction program that will be undertaken in building not only the railway line but ancillary facilities like sheds and bridges and so on.

The role of the government today is to ensure that the needs of Territorians, the consortium, and the expectations of federal government and that of the South Australian government are met in a timely fashion.

Further, we owe it to our industry and business operators and to Territory taxpayers to ensure that the maximum benefit for their participation is undertaken in this historic project.

During the finalising of a preferred consortium, that consortium was required to submit a plan to outline maximisation of local industry participation. As the Chief Minister has already outlined, the local industry participation plan states that 70% of the value of construction will be local employment and goods sourced from local industry. Local industry in this context is taken to mean the Northern Territory and South Australian in the first instance, and of course the rest of Australia.

When it is taken into account that the construction phase of the project is worth around about $1000m, this local content clause is extremely important to both the Northern Territory and certainly to South Australia as well. Detailed discussions were held with the preferred consortium as late as last week to further develop its commitment to local industry participation. Key outcomes of those discussions were a reaffirmation of the 70% local content target during the construction phase; agreement that the Territory would be the first choice for sourcing labour for the project; and up to 2000 jobs during that construction phase. It has been shown many, many times that as well as the jobs that will be sourced out of the Northern Territory, there will be new jobs available, too. It has been shown that of the people
who come to the Northern Territory following work, at least 50% of those people stay here in the Northern Territory and make their home in the Northern Territory. That will be a great boost to our economy and our population basis for many, many years to come.

Also in those discussions there was agreement that the construction headquarters, including the purchasing office, will be located in Darwin and that officers from the NT Industry Search and Opportunities Office will be based in the purchasing office to help in the sourcing of local goods and services. That's a great outcome, maximising the potential for local content and participation.

As the Deputy Chief Minister has said, the consortium will also seek to provide opportunities for Aboriginal employment and contracting by establishing contractual arrangements, and that includes joint venture opportunities with Aboriginal organisations. It was also agreed that the consortium would participate in a series of local industry briefing sessions being scheduled for all major Territory centres along the corridor in early December. It is here that my Department of Industries and Business is playing a key role.

I have instructed my department to liaise with the railway corporation and the consortium, also the NT Industry Search and Opportunities Office, the regional Chamber of Commerce and Industry, their officers, and other industry bodies such as the TCA. The bringing together of all of those stakeholders is about maximising opportunities for Northern Territory and South Australian businesses and industry, and the respective governments and, obviously, the taxpayers of both of those jurisdictions.

As the minister for DIB, I can say that local industry is encouraged to tender for construction work. To facilitate this the government, through the AustralAsia Railway Corporation, has arranged for representation on the procurement teams for the Northern Territory and South Australian Industry Search and Opportunities Office. ISOO will have no part in the decision of which company wins a tender, but it is there to offer support to the consortium and advice on industry and business capabilities, and where they might source all of those needs for the building and construction and operation of the railway.

Businesses interested in tendering for work with the railway are advised to contact the Asia Pacific Transport consortium directly and also to register with the NT Industry Search and Opportunities Office.

A key element in ensuring that local firms can submit competitive tenders is the provision of monthly reporting to the community. This information will include which contracts have been let and to whom, which are ready for tendering, and a 3 month forward tenders' plan. This will be widely distributed through industry representative bodies. There is likely to be a very significant role for local training and employment agencies in assisting in the recruitment and training process. I am sure the minister responsible for training might take up on that.

For local industry to benefit they will need to ensure their tenders are competitive, as always, and meet all the requirements for quality and value. Joint ventures with South Australian companies are encouraged where this would add value and competitiveness.

The details of local industry participation are being negotiated between the AustralAsia Railway Corporation and the preferred consortium. To assist businesses to plan for the construction phase due to start mid next year, the NT government is coordinating workshops in Alice Springs, Tennant Creek, Katherine and Darwin. I am pleased to advise that the arrangements for these workshops are being made in conjunction with officers from the AustralAsia Railway Corporation and industry associations.

It has not been possible to run workshops to date due to the sensitive nature of the negotiations between the preferred consortium, AsiaPacific Transport consortium and the railway corporation. However, those negotiations, as we know, have developed to a stage where it is now opportune to provide industry with an up-to-date project brief. Whilst we are working on the final arrangements, it is proposed that the first of the workshops will be held in Alice Springs early next month and there will be plenty of news and advertising about that. The workshops are intended to provide an overview of the railway project to the Alice Springs business community in order that they gain an understanding of how this project will impact on the Alice Springs business environment and also on their own businesses in particular. As the Deputy Chief Minister has outlined, there will be enormous
opportunities for all businesses in the Northern Territory to become involved in this project.

The type of information that should become available towards the end of the first quarter next year will be the subject of further sets of workshops so there will be ongoing information briefs provided to industry. The ones being conducted in December will be the first of them, and I understand that the Chief Minister will be opening and attending the Alice Springs workshop. His opening remarks will be followed by Mr Bob Cush, Director of Barclay Mowlem Construction Ltd. The company is a key member of the preferred consortium. I believe Mr Cush will be providing an overview of the project including information on methods of construction, the program for construction, and some of the issues that will need to be worked through before construction can commence. Importantly, he will also field questions following his presentation. I'm very confident that, at the conclusion of the workshop, business people in Alice Springs will be better informed and certainly better understand the positive influences that this project will have on the Alice Springs economy, and they will be followed up throughout other regional centres.

I'm pleased to add that there will be representatives from the Territory Construction Association, the NT Chamber of Commerce and Industry, and the Industry Search and Opportunities Office at those workshops to provide information to business people to assist them to understand how to best position their businesses to maximise the opportunities of gaining work out of this massive project.

It is also intended to run similar workshops. I believe the dates that have been forecast are Alice Springs on 6 December, Tennant Creek on Tuesday 7 December, Katherine on Wednesday 8 December, and in Darwin on Monday 13 December.

The workshops, as I said, will be heavily promoted throughout the business community. I encourage all businesses and business people to set time aside and get along to those. I am sure they will find the briefings very, very informative and provide a guide to the potential business opportunities that the rail project brings to the Territory.

Another important phase of the Alice Springs to Darwin rail project, which I had some involvement in, was the securing of the land corridor. I only took up the end of those negotiations, the tidying up bits. The important work was done by the former member for Blain, Barry Coulter, who did an enormous amount of work on the total securing of the corridor, and a great job done there.

I go firstly to the Tarcoola to Alice Springs corridor. The Commonwealth government is committed to the provision of a long term lease at peppercorn rental over the existing Tarcoola to Alice Springs rail line and negotiations for a grant of this lease are continuing with the Australian Rail Track Corporation. All the major terms of the lease have been agreed. Matters such as liability for pre existing contamination and an extension of the lease if necessary during the build, own, operate and transfer period are still being negotiated.

On the Alice Springs to Darwin corridor, acquisition of the non-Aboriginal interest in the land for the corridor between Alice Springs and Darwin is all but complete and, in the majority of the cases, the Territory has been able to acquire the land it required for the corridor through agreement with land owners. In a couple of cases compulsory acquisition action has been necessary.

A comprehensive agreement concerning Aboriginal interests in the corridor, including Aboriginal land granted under the Aboriginal Land Rights Act and land which may be subject to native title, was reached between the Northern and Central Land Councils and various native title partners in September last year. The arrangements provide for the grant of a 99-year lease with a 99-year option over the Aboriginal land and a Crown lease for 198 years over the balance of the area contained within the corridor. In each case, the leases provide for the non-extinguishment of native title. Native title will have no effect during the term of the leases and a compensation package has been worked out which includes an extensive capital works program and provision of physical works required in that acquisition.

It is anticipated that any outstanding matters in relation to the corridor will be resolved very shortly, leading to the grant of a title over the corridor between Alice Springs and Darwin before the end of this year. I commend the Chief Minister's work on fulfilling the government's financial obligation to the project. The way that he has gone and spoken to the Prime Minister personally has been a great benefit.
We have a fantastic project that will bring about an economic boost for many years, not just in the construction phase but for many years to come after that. I look forward to the involvement of many Territorians in the construction, the operation, and finally in the ownership of this great project for the Northern Territory that will bring benefits to all for years to come.

Mr TOYNE (Stuart): Mr Speaker, my contribution will focus on the impact on Alice Springs, which, as earlier speakers have said, has already become a matter of public interest.

I'm perfectly happy to accept that during the construction phase of the railway there will be numerous opportunities both for our business community, and with proper preparation and planning, of the type that our leader outlined in her speech. There are also quite obvious possibilities for employment during the construction phase.

What I will be talking about is, not the construction phase, but the phase of living with the railway once it's an operational rail service. The Chief Minister's speech started to get into the area that I want to talk about when he started to talk about Alice Springs existing currently as a railhead. Unfortunately he didn't extend the argument and say what it will exist as once the railway is established. It will then exist as a stopover. It is one point on the travel by those trains from Adelaide to Darwin - fairly obvious stuff. It's this phase of the railway, when it's actually operating, and where it's competing with the trucking industry for the carriage of freight and with the - presumably, if there is a passenger service, with the bus services and air services for the carriage of people - that I focus my attention on in terms of trying to assess the impact on Alice Springs and central Australia.

In order to put my arguments, I'd like to present this as a case study. I've been around and seen a number of the transport firms operating the long haul services out of Alice Springs, both up to Darwin and down to Adelaide and beyond. I take as an example a medium sized firm that operates currently out of Alice Springs, one that is performing a contract for Woolworths, and that firm every year spends $1m on parts for its trucks.

Mr TOYNE: It is spent in Alice Springs, by and large, according to the proprietor. $2.5m per year is spent on fuel out of Sadadeen. $20 000 to $50 000 per month is spent on tyres. The drivers that drive for this firm, 60 of them, each earn $1200 a week in gross earnings, which equates to roughly $2.5m of annual disposable income. Those drivers live with their families in the town of Alice Springs, so they are injecting, just purely from their own earnings, that sort of money into the town economy. Naturally, each of those drivers and their families require housing and so they occupy a significant number of homes within the town. If you multiply that as a medium size firm across the whole transport industry within Alice Springs, you are looking at a very significant part of the Alice Springs local economy. It is very important that we get an idea of the impact of the railway on that sector of business in Alice Springs if we are to assess any kind of long term effects of the railway.

The impact on transport arrangements is very complex. It can only really be assessed when you go to a case-by-case level, and the only way you'll get that is through actual contacts with these long haul companies and also their clients. That would require detailed interviews with firms and clients operating in Alice Springs itself, and also people they deal with in Adelaide through to Darwin.

The basic arithmetic of it is that 20 tonnes of freight going by rail, such as would fit into a 40 ft container, would cost $897 to travel up from Alice Springs up to Darwin. Trucks carrying the same amount of freight, 20 tonnes, charge $2100. On that arithmetic, you'd expect that a vast amount of freight would be transferred from trucks to rail. It should be very easy to look at the amount of goods coming up in trucks, and that is what the railway will carry - and we can all go home. But it's not as simple as that.

I know from discussions with a number of people that there are many issues affecting decisions on which way you're going to carry freight. For example, in the several fuel depots operating in Alice Springs the main constraint on the decision on when and how to carry fuel up to Alice Springs is not the mode of transport or the cost of that transport. It's their fuel storage capacity. It's far more important for them that a certain volume of fuel is delivered on a certain day of the week than fuel costs. People in those fuel companies have assured me that their margins allow for either one of those freight costs to
be absorbed within the cost of the transporting the fuel up there. They still make a margin on the retail sale of that fuel.

The margins on products make the decision on which type of transport to use more or less flexible. If you have a tight margin, the cost of transport becomes a highly prominent factor in the things that you think about when you're deciding which way to carry your freight. If you have a big margin, as reported by the fuel companies, then it's less important. Although it will still be a factor - if people can do things cheaper they generally will - it's not the overriding factor. The overriding factor can be something else.

Another thing that surprised me was the physical damage that's done through motion. Trains, because of the nature of rail and the way that trains are set up, do create a rolling, side-to-side motion. Trucks don't have that particular characteristic. So for products that are easily subject to damage - for example, fresh fruit, eggs - you're less likely to put those on a train than on a truck. That's what a lot of the retailers have said to me. The physical damage through motion is another item that will go into these decisions.

The last major item is the cost of re-handling freight as you go along. Supermarkets prefer to have their consignments delivered ramp to ramp. They come out of one of their national distribution centres straight through to whatever store they're being delivered to. They far prefer to handle that freight only twice - once at each end, where they have full control over the environment. If the product has to be taken to a rail yard and reloaded onto another form of transport for a short haul delivery service, they consider that to be a real disincentive to the use of rail. It may well be that transport services specialising in running freight for supermarket-type chains will stay with trucks. We really don't know for sure.

Because of these complexities and the uncertainties that are involved, the Mayor of Alice Springs, Andy McNeill, and I have been calling for a detailed economic impact study to be made of life after the railway becomes established. That would allow, because of the construction time of the railway, enough time to have a look at the potential impact on the town's economy, the potential impact on the town's job base, and the potential impact through the spin-on effects of any losses in the transport industry, to try to get some counterbalancing initiatives going within the central Australian economy.

These remarks, and the remarks I've made earlier in public, are in no way a criticism of the railway per se. It's simply a challenge to this government to provide sound planning and sound support behind the major initiative that they're taking. If you want to deride the comments, I can assure you there is broad concern about this within sectors of the business community in Alice Springs. Certainly, these are not issues that I'm raising flippantly. These are issues that have been raised by the people who are affected most by the railway. They're people whose jobs - current jobs - depend on assessing this impact ...

**Dr Lim:** What do you recommend?

**Mr TOYNE:** ... and giving them enough time to adjust to it.

I've already said what I recommend. I recommend a detailed economic impact study to be made particularly on the transport industry and the effect that the railway operation will have on it. We need to assess that impact. We need to quantify it. We need to look at other counterbalancing initiatives that could be applied to both Alice Springs and its region, to countermand the negative impact that this railway will make on the job base in Central Australia.

The estimates that I have from 5 different sources within the transport industry all fell within the range of 100-150 jobs in the long term out of Alice Springs, not just the long haul work itself but also other, associated jobs. The multiplier effect that goes out into the economy through things like tyre depots, spare parts operations, fuel suppliers. There will be a secondary effect on those as well. Overall, it could lead right through if there is a significant drop in the number of workers housing their families in the town. Given that the town isn't overall in an expansive mood and hasn't been for some time, it would potentially impact on real estate values.

What we're calling for here is prudence. Many people are saying that there will be a significant impact on the Alice Springs economy. We have several years to respond to a detailed assessment of that
impact. There are things that we can do to build other areas of the Central Australian economy. We have talked about it in here before; there are things like the horticultural development. I was talking to...

Mr Elferink interjecting.

Mr TOYNE: Thanks, member for MacDonnell. You are always helpful.

I was talking to Tony Alicastro the other day. He is saying he has this value-added facility in town. It depends on the development of something like 50 hectares of produce, tomatoes, capsicum, those sort of things, that in his estimation would create 200 jobs in terms of the producing and the processing of that primary produce. That is an example of, if that was to happen in the next few years, the effect on the town being neutralised. It is not gloom and doom at all, it is not critical, it is just simply saying that if we are going to do something let's plan for it properly, let's go through a proper planning process for each of the regions that are affected by it. Let's do something to protect the stake that many of these transport workers have had in our town for a very long time. Let's get in there and see if we can use the next few years between now and when the railway is an operational entity to see if we can find some alternative workers. I believe that with good will and a bit of hard work we could probably neutralise the effect on central Australia and Alice Springs and then we can all celebrate the railway in a totally unqualified way.

Mrs BRAHAM (Local Government): Mr Speaker, that must be the most weird response I have ever heard to a $1200m project in the Territory. The member for Stuart stands up and says: 'Look, I am just going to completely ignore the construction phase, there is nothing good going to happen in that period to Alice Springs, so I'm just going to try to guess what will happen when the construction is over. I'm going into all these funny details about wobbly carriages and the effect on fruit in supermarkets.' The member for Stuart is weird; he's way off beam. Why don't you leave all the technical details to the experts and just concentrate a little bit on what you do know?

This member doesn't seem to understand that this is an international and national project. These people coming in to do this job are professional...

Mrs BRAHAM: But you go in the headlines and you say 'Rail work will not benefit town'. Alice Springs won't get anything out of the construction stage according to the member for Stuart.

Mr Toyne: I didn't say that; that was Irwin.

Mrs BRAHAM: You said it and it's here in writing - it was almost certain Alice Springs would not benefit from the construction phase.

Mr Stirling: They love you down there.

Mr SPEAKER: Order.

Mrs BRAHAM: Oh come on, you have to be joking. Even you must understand that something is going to happen. Come on, you know that during the construction phase ...

Mr Stirling: You are their greatest disappointment of all time.

Mr SPEAKER: Order, member for Nhulunbuy.

Mrs BRAHAM: You keep on carrying on about the transport industry when even they acknowledge there will be a load for them during construction. They acknowledge that. But you're trying to guess what happens when the project is over and the train is rolling. And you're saying: 'Goodness, gracious me, we're going to have this sudden big downturn in Alice Springs once the railway is there'. You have to have rocks in your head; you're not thinking straight.

There has been some concern expressed in Alice Springs but it's generated by the likes of the member
for Stuart who really doesn't know what he's talking about, gets his facts wrong, and wanders around the community creating unrest, uncertainty ...

Mr Stirling: I don't think Andy McNeill was talking for him.

Mrs BRAHAM: Well, Andy McNeill and the member for Stuart may be in collusion on this but I think the mayor has his feet a little bit more on the ground than what you would think.

Mr Stirling: Andy's never been on their side.

Mr SPEAKER: Order, order!

Mrs BRAHAM: We're still waiting for him to get it right.

The trouble is you are working on misinformation. You don't know what you're talking about. This is what we have tried to tell you. There will be vast opportunities for people in Alice Springs, businesses in Alice Springs, and, if you talk to the right ones, they are well on the way to establishing their credentials so they can be part of this action. You seem to think the contractors in Alice Springs don't know what they're letting themselves in for, but already we have large construction firms, large engineering firms, who just don't work in Alice Springs. They work throughout the Territory. They work in Darwin, they work down at Docker River, over at Lake Nash. You ask the contractors where they work. But you have this suddenly small idea that contractors and business people in Alice Springs will not jump on this train and take the opportunities that it will give them.

You heard the Minister for Industries and Business talking about the seminars that are being organised. Why don't you wait, go to one of these seminars, find out for yourself exactly how the project is to be managed? Perhaps 6 December. What are you doing, member for Stuart? If you are in Alice Springs, come along. We are going to have the rail consortium there to explain to people exactly how the project will be organised. They will have forms for the business people to register their interest. They will get information first hand from the horse's mouth. Businesses in Alice Springs, I am quite sure, would prefer to do that than listen to some of the nonsense, the hypotheticals, that you have been going on with in the last speech.

It is expected that during construction of the rail head there will be a large amount of transport needed to take the goods forward. It is also expected that the majority of freight will continue to Tennant Creek, Katherine and Darwin. The construction will act as a boost to the transport industry as supplies and materials are transported to the construction centres of Katherine and Tennant Creek. What amazes me is that we have not had one word from the opposition of the good news for Tennant Creek. If ever a town needed a boost to their economy, if ever a town has been hit hard by a downturn in mining, it's Tennant Creek. But where has the opposition come out and said, 'This is great for Tennant'? I admit Maggie Hickey, the member for Barkly, did write to the Chief Minister on 29 October congratulating him on a job well done. So at least she understands there is something ...

Mr Toyne: She's in England!

Mrs BRAHAM: But at least she understands ...

Mr Toyne: She's in Great Britain!

Mr SPEAKER: Order!

Mrs BRAHAM: Yes, she said, 'Great'. Also the Mayor of Tennant Creek has come out in the *Tennant and District Times* and said: 'This is going to be great for Tennant Creek'.

But you people seem to ignore the fact it's going to be a boost and a bonus for many people in the towns along the track. You don't seem to understand the concept of the whole magnitude of this project. I have to admit I can't get my head around some of the types of equipment, the amount of supplies, they will require. But I do know that our business people aren't as dumb as you make them out to be.
Members interjecting.

Mrs BRAHAM: Glad you're going.

Mr SPEAKER: Order! The Minister for Housing has the floor.

Mr Ah Kit interjecting.

Mr SPEAKER: Order!

Mrs BRAHAM: Mr Speaker, I thought there was a rule that you weren't supposed to talk when you were on your feet in this House, but it seems that the member for Nhulunbuy just walks out talking.

The Chief Minister mentioned in his speech today the survey done by Transport and Works earlier this year. Perhaps the member for Stuart should have listened more carefully, because that particular survey, which I might add is a little bit out of date at the moment, did indicate approximately 70 Alice Springs jobs related to the transport industry are expected to be lost. But this is fairly insignificant when you think it's only 1%. Offsetting those jobs, the consortium has stated the track maintenance facility will be situated in Alice Springs once operations begin. That maintenance facility for going north and south of the line is expected to employ approximately 20 to 30 people with numbers rising over the longer term.

What you haven't taken into account is the benefits that will flow onto other businesses. You don't seem to realise the potential. You talk briefly about value added products, but it's not just value added products for Alice Springs, it's value added products for Australia generally. You cannot be so small and just think we're concentrating on one part of the Territory - we're talking about Australia. Alice Springs is also expected to benefit from the economic conditions the railway operations will bring to the Territory.

There is huge potential in mining, in horticulture throughout central Australia. It is expected there will be even more emphasis on the east-west corridor, from the north-west Australia to Katherine, and along the Barkly Highway into Tennant. But, again, you've chosen to ignore the fact that Tennant Creek will benefit so greatly from this particular operation.

Alice Springs is said to become a supply and distribution centre due to its location. As we know, there will be a number of mobile camps along the track. There will be 6 mobile construction camps in operation at any one time with a total of 16 camp locations in all and a capacity of between 30 and 250 workers, and these camps will relocate as they get the job finished. This will occur approximately every 8 weeks ensuring travelling distance from camp to camp is kept to a minimum of 50 kilometres. I would imagine there's lots of opportunities there for Alice Springs business people to service those camps, to even be involved in provision of the camps.

Construction of the railway will require 50 million cubic metres of earthworks. We all know the number of engineering companies in the Territory that will be looking at this. The major activities include the provision of an access road along the alignment, clearing of the alignment, stripping of top soil, putting the foundations down and so on. There is a huge amount of work offered there for those companies that we already know are active in the Territory.

There will be a large number of bridges constructed, particularly in the Top End. Obviously the construction of the railway seems to be less difficult from Tennant Creek to Alice because of the terrain, but certainly it will be quite an engineering feat when you are talking about going from Katherine to Darwin. It will require a huge amount of concrete. All that pre-stressed steel will have to come from the south and be delivered to Tennant Creek and Katherine where they will have the sleeper factories. These sleeper factories that will be established at each depot will manufacture about 12 500 sleepers per week in Katherine and 16 000 sleepers per week in Tennant Creek. We are talking about a huge amount of construction and industry going on at any one time. Camps, bridges, laying of the foundations for the line construction in Tennant Creek and Katherine, delivery of material. It is going to be a smorgasbord of opportunities for businesses in the Territory.

I know there was a little bit of concern in Alice Springs about sand and ballast and where that was
going to come from. I have been told that 4 strategic ballast sites have been identified by the government which are close to the rail corridor, offer good quality material, and avoid sacred sites. The location of these sites is approximately 70kms and 285kms north of Alice Springs, 15kms north of Tennant Creek and 35kms north of Katherine. The consortium may also choose to use other sites as well in other regional centres. All in all, 2.2 million cubic metres of ballast will be required. That is why I say quite often that I cannot get my head around the magnitude of this project. I am quite sure after hearing the member for Stuart speak he hasn’t even begun to think about it.

In general, the construction of the railway is expected to bring significant benefits to the Alice Springs community as a service centre, employment centre, rest and recreational area, and transport centre. There will be some population growth that comes with the construction period. Once the railway is operating, it is expected that there will be some loss of jobs in the road transport industry as freight previously hauled along the north-south corridor by road switches to rail haulage, but it is not expected that all freight will switch to the rail. The jobs are expected to be offset by those going through the rail maintenance yard. Even now, not all rail freight goes on the railway line to Alice Springs. There is still a number of road transport operators who prefer to use road trains. They believe it is faster and more efficient.

In addition, there will still be a need for road transport to interface with the rail operations. The focus may change from long road haulage to shorter operations, together with an increase in demand for long haul road transport east of Tennant Creek and west of Katherine. Both these markets are capable of being served by Alice Springs-based transport companies. It is hoped that the Northern Territory road transport industry, which will continue to serve the economic development of the Territory, will use the 3-year boom period of the railway construction phase to plan and compete and work with the railway for the benefit of Territorians and themselves.

The agreement with the preferred consortium ensures that there is no scope for operational subsidies to be paid to the consortium. As the Chief Minister mentioned, the risks associated with the construction and operations of the railway remain the responsibility of the consortium. Let's not forget for one minute that for our $165m we are getting a $1200m project. That's not a bad deal in anyone's terms.

The member for Stuart has also been on the public record talking about the number of trains that will go through Alice Springs and how that will affect the town. Goodness gracious me! All the doom and gloom again. There are already a number of trains going into Alice Springs. We have 6 freight trains and 2 passenger trains per week.

I live on the western side of the railway line. If you ask me how often I get held up at the railway crossing or how often I have sleepless nights because I get disturbed by a goods train as it comes in, let me say that it does not happen at all. You can plan your work, your travel around it. If you know exactly when the Ghan is leaving you do not get caught up. There are other ways you can get around the railway line. You can go in other directions, if you need to. But even if you are delayed, it is not for very long at all. In fact, it has always been a bit of a sport in Alice Springs to stand and wave to the people on the Ghan to make them feel welcome as they come into the town.

During the first decade it is anticipated that there will be no discernibly greater numbers passing through Alice Springs. We expect that there will be approximately one train per day in the early years of operation, perhaps increasing to 10 trains per week some 15 years later. But all that has occurred at the moment is speculation and guessing. We have to realise that Alice Springs has had a regular rail service into the town for 70 years. The environment will not change markedly for some time to come.

There has been talk of a bypass but it is anticipated that that would cost something like $35m and bring no discernible change in the train frequencies. It is hard to justify a cost like that. I just do not believe it would happen. I know there were comments by - I am not sure whether it was the member for Stuart or the Mayor - that the train should be relocated west of Alice Springs. In fact, I get no complaints about the trains coming into Alice Springs. The line comes through a very short stretch of residential area, a long way from the houses on both sides, and then it goes into an industrial area. It has a very small effect on the people who live along the train line.

There is no doubt that a number of jobs will be created by this project, and this will obviously stimulate our economy. The member for Stuart talked about the employment area. I quote this from the article:
As far as extra employment to build the line, Alice Springs did not need it. The non-Aboriginal employment in town is pretty well chockers right now, anyway, so I can't see a lot of jobs being taken up by Alice Springs people. The employment problem is with Aboriginal people, and they would be the last people employed for the rail.

I don't know on what facts or grounds he makes that assumption. He again is being speculative, emotive, suggesting that there will not be any jobs for Aboriginal people. Where did you get that fact from, that juicy little tidbit? Perhaps the member for Stuart might like to listen to this - he might learn something:

A community and Aboriginal consultation team will begin work shortly after contractual negotiations conclude. Priority of the team will be the establishment of relations and communications with regional and local communities. The consortium will appoint a number of employee liaison officers to provide for ongoing consultations between Aboriginal communities and the consortium. Additionally, cross-cultural awareness training for the workforce will be provided.

It is intended that Aboriginal people be given every opportunity to participate in certain construction and maintenance works. The scope and nature of these works will be finalised during the above discussions. Aboriginal people will have some of the same opportunities as any other people in the Territory or in Australia. But as regards training, on-site training will be implemented and accessible to all employees. The aim for Aboriginal employment and training is to foster opportunities for Aboriginal people to seek meaningful employment while remaining within their own communities. Senior traditional people will be actively involved in matters relating to recruitment, promotion, training and work performance of Aboriginals on the project. The consortium will recruit Aboriginal people directly into its workforce subject to position, availability, and of course, capacity to do the job.

Perhaps that will lay to rest some of the comments by the opposition in regard to Aboriginal employment and training. Perhaps they will realise that things are moving along and that Aboriginal people in Alice Springs and elsewhere in the Territory will have opportunities for training and the opportunity for jobs if they want them.

This is a great opportunity for all of us to get behind this project. It is no good being all doom and gloom. It's going to be huge - as simple as that. There will be business opportunities. There will be potential for other industries to link in. People will be offered jobs. There will be other people coming from interstate to fill the jobs if we do not have sufficient people here. I just ask the opposition to stop being so negative about it. Get behind the government. Start encouraging businesses to register their interest in this particular project and keep encouraging them to work with the government. I support the Chief Minister's statement.

Mr ELFERINK (MacDonnell): Mr Speaker, I commend the Chief Minister on his statement today, and commend the Chief Minister and the CLP government on this most excellent project. Quite frankly, when I listen to what the members opposite have to say in relation to it, I am absolutely thunderstruck. I am not entirely sure after hearing some of the things I have heard today that we are talking about the same project.

It is worth remembering that, when we come into this Chamber and talk about these projects and talk about the Northern Territory, a whole world out there takes notice of what goes on. I dare say it takes a whole lot more notice of what goes on in this Chamber than some of the members in this Chamber from time to time. When they stand here and pour their derision over these projects, they are shaking the confidence of people to invest in the Northern Territory.
These guys put themselves up as the alternative government. They come in here and it is just one diatribe after another about how bad the Northern Territory is under the CLP regime and how dreadful the outcomes for the Northern Territory are. I can tell you that, having lived in the Northern Territory for 30 years and enjoyed the government of the CLP for 25 of those 30 years, the growth in the Northern Territory under the leadership of the CLP has been absolutely profound. Many of the members opposite have come to the Northern Territory to enjoy its lifestyle, have come here to enjoy the product of that CLP government. But still they want to pour their derision over the very lifestyle that the CLP government helped create.

This is a $1200m project in which we of the Northern Territory invest $165m. I can tell you right now that if I could get that sort of return for my investments on a personal level, I would be delighted. $165m, and we get $1200m out. Off the top of my head, that's about a 500% gain.

I heard the member for Fannie Bay, the Leader of the Opposition, come into this Chamber and pour her derision, saying the expenditure per head of population is much greater for Territorians. Well, it's a fact of life that this project is being built in the Northern Territory. Another fact of life is that Northern Territorians per head of population, as a result of the Commonwealth Grants Commission, receive as I recall about 500% on the Australian average. The income-earning capacity of Territorians under the Commonwealth grants review system means that we have much greater income.

I'll give an example. If I was to go out and purchase a house for $100 000 on $20 000 a year, I would be taking on a much greater burden than if I was going to go and pay the same amount of money for the same house and I earned $100 000 a year. It's okay to sit here and say on one hand that we proportionately represent the amount that each Territorian is taking on, but if you don't look at it next to income then you'll never get a true picture of what's occurring. And that's exactly what the Leader of the Opposition was arguing.

On top of this $1200m project, they're going to increase the size of the port. This port will become the northern terminus for much of the industrial base of south-eastern Australia. It's going to be increased in size, I think, to the tune of another $100m on top of that. So that's very good.

It reminds me of Emperor Claudius when he wanted to build a port 60 leagues, I think it was, away from Rome. People said, 'Oh, you can't do that!', even back then. The Senate was grumbling and grizzling about it. He had to force it through his own Senate. By the end of his reign, the port that he built turned out to be one of the best income-producing sources for the city of Rome and the empire. Why? Because it created a single point for the entire known world's trade to pour through.

As I've pointed out in this Chamber before, history is absolutely full of stories of areas of almost nothing becoming incredibly rich places, simply because they became focal points for trade. Take Hong Kong or Singapore. Singapore sits on mudflats, very similar to the mudflats we have around Darwin. Abu Dhabi sits on a desert peninsula that pokes into the Persian Gulf. There's nothing there except one great shining tower of glass next to another.

This railway that we're about to build will make Darwin another of those focal points for trade. We would be absolute mugs if we did not stand up and applaud this project for creating wealth in Darwin and ultimately for the whole of the Northern Territory. That's something I'd like to pass comment on a little later.

Some 1.2 million tonnes per annum, initially, will be passing through this port. In the greater scheme of things, that's a reasonable amount. It's going to be about 6 trains a week. That will go up to 50 000 containers in 5 years, 100 000 containers in 10 years. Stage 2 of the port when it is complete will be able to cater for 250 000 containers of goods and produce, exporting as well as importing.

I hope for Australia that we will be exporting more than we import. But by the same token, I will be quite happy to see the trade going in both directions through Darwin, and ultimately going though the rest of the ports along the railway line, including Alice Springs, which will be affected by the construction of this project. It is true, now that I am going to talk about regional issues, that Tennant Creek and Katherine will enjoy much of the work that flows from this simply because of their physical location and the desire of the corporation to start working in those places. Well, bully for those towns. That is a terrific result for those towns.
I hear people saying that Alice Springs misses out, and the trucking industry is going to be affected. I heard the member for Stuart talking about this and I'm astonished. I do not know, quite frankly, or off the top of my head, how many tonnes of steel will be required to build the railway line, but I imagine it will be a substantial amount. How is that steel going to go from Whyalla to Alice Springs, to Tennant Creek and Katherine? Let me think about it. Oh yes, of course it's going to fly. Of course not, it's going walk. No, it's not. Oh, I know what it's going to do, it's going to go on the back of trucks. The very trucking industry which is supposedly threatened by the ultimate completion of this railway will have to transport the steel, the concrete and everything else from the railhead at Alice Springs, all the way through to Tennant Creek and Katherine, because there will be no rail connection until the railway is completed. That will give the trucking industry 3 years of guaranteed work and then the ability to know that at the end of it they are going to have to make plans for the future.

I can tell you now that there are many businesses who would just absolutely love the chance to be in that position, to have guaranteed 3 years of contracts, knowing the outcomes of that contractual process and where they have to go from there. Those companies have 3 years to restructure, and we've heard from the Chief Minister today that some 70 jobs will ultimately be affected. Not during the construction phase, we'll have 2000 jobs as a result of that, but ultimately in the transport industry 70 jobs will be affected. Automatically at the completion, 20 of those 70 jobs will already be looked after by the railway workers shed which is going to exist in Alice Springs so we have now a shortfall of 50 jobs.

To argue that a project shouldn't go ahead because of its results on current industries has to be the silliest thing I've ever heard - and I'll tell you why. How many buggy whip factories still exist, how many chamber pot manufacturers still exist? The fact of life is that the world is a dynamic place; it is not a static place. We no longer use chamber pots because Thomas Crapper gave us a flush toilet. The world is a dynamic place, it changes and, as a result of that change, some industries will be affected. If we pursue the logic of you can't do this project by virtue of the fact that it's going to affect a current industry, what you're ultimately going to do is load yourself down with industries that are not competitive in the international community let alone the local community and, secondly, if you take that argument to it's logical extent we'd still be sitting around banging 2 rocks together.

It just doesn't make sense. It's the very nature of our world that it changes over time. The trick is to be right on the crest of that wave rather than allowing yourself to be drowned by it, and that, unfortunately, is inherent in the members opposite in terms of their economic planning. They believe that they can try and control the world, that the world will do what they ask it to do. The last 50 years is completely full of example after example of Labor governments, both here in Australia and overseas, trying to manipulate and control their economic environments with one disastrous result after another.

The Ord River scheme, which was built 30 years ago, has cost the taxpayers money to build under Whitlam's plan to open up the north, as well as the amount of money that it has taken to maintain in the meantime. It now only has a few places feeding off it because of these attempts to control the industrial nature of the economy. Allow the economy to decide those issues. Don't try and push the buttons, don't try and make things happen when they are not ready to occur because all you are going to end up doing is wasting money. Yet that is the exact threat of the arguments that we've heard here today. That we need control, we need to manipulate, we need to spend money on, as the member for Stuart said, a study to look at the economic impact.

But we know what the economic impacts are going to be, $1200m spent, 70% of it in the local economy. That's the economic impact. This is on a par with the Snowy River scheme. We're not talking about a cluster of houses somewhere. We are talking about one of the largest engineering projects in the history of this nation. Yet, they can't see it because they have a history of knocking this CLP government and they haven't been able to drag themselves away from that attitude within 20 years. That's why I wanted to call them the Tarago Party. But, quite frankly, the Tarago has 8 seats, they only have 7, and it is a whole lot more useful.

This imagination that just isn't there is demonstrated in the Centralian Advocate dated 16 November: 'Rail work will not benefit town - Toyne'. I quote from this particular article: 'We already know that the sleepers are going to be made in Tennant Creek and Katherine and there is not going to be much construction coming out of Alice Springs'. He said: 'And as far as extra employment to build the line,
Alice Springs does not need it. The non-Aboriginal employment in town is pretty well chockers right now, anyway, so I can't see a lot of jobs being taken up by Alice Springs people.' You have to be joking, right? Is that the picture of vision for Alice Springs? 'Oh no, there aren't enough people living in Alice Springs'. Well, perhaps Alice Springs will grow as a result of this project. Perhaps the town, which he says has no future, will grow as a result of people coming to Alice Springs and working on the railway and when the 50% of those people who come to Alice Springs, or come to the Northern Territory, choose to continue living there, they will continue using and consuming products and will look for jobs in other sectors.

I notice in this particular article on 16 November that we had a good photo of Murray McCluskey's hydroponic lettuce factory directly underneath it. Terrific photo! There are 3 people in there obviously happy to be employed, happy with their product, proud of the product. Into the far distance I see an increasingly large hydroponic lettuce factory growing on an annual basis. Now, let me think. Listening to what the member for Stuart had to say, it costs that particular grower $2000 to ship a container's worth of lettuce from Alice Springs to Darwin. Oh, my God! Think about this. If it goes on a train, it'll cost him $700. Perhaps it'll be a chance for him to expand. Perhaps it'll be a chance for this particular project to become an even more competitive project.

We hear from the member for Stuart day in, day out, droning in this Chamber, about Aboriginal employment. The date project in the Simpson Desert, which is being run by the CLC, the Utopia project which is looking at citrus or grape production, will employ Aboriginal people. Now, shock, horror, as a result of this railway project, those particular projects will become even more competitive in their marketplace. They're already considered to be financially viable, yet, as a direct result of this particular project, they will become more viable and more competitive. But the member for Stuart comes in here and says: 'Oh, no, it's going to have a negative impact on the town, but I really support the project'. Well, he's having a bet either way, and I think that's a bizarre position to take.

What we have heard today from the members opposite is knock, knock, knock. They thought the university was going to be a dreadful idea, and what we've found is that the university of the Northern Territory is one of the finest universities in this country. Cullen Bay was going to be a disaster. The sand bar out there was going to be a rape of nature, and yet it turns out that not only does it provide a lot of jobs, but people seem to be fairly happy living out there. I notice there are also many other people who go out there and enjoy the restaurants. Bayview Haven was going to be another disaster that the ALP predicted - hasn't proven to be so. The Woolner Road/City Valley area was going to be another place where they went knock, knock, knock, knock: 'Can't be done, can't do it'. The Duck Pond, the first marina that was built in town here, they said: 'Oh no, you can't build one of those, this town's not ready for that'. How many fishing fleets, prawn fleets, base themselves in that duck pond today? How many millions of dollars is that industry worth? It's here in Darwin because this government had the foresight to build the duck pond.

These people knock by habit. They don't want to see the CLP achieve anything because they don't like it. They envy the CLP's success rate in these projects - and they have had many successes. This is the very essence of their particular political style in the Northern Territory. Envy is the base format upon which their political philosophy is derived, and, typical of people who are envious, rather than see other people succeed and applauding that, they would rather take it off everybody so nobody could have it. That is an absolutely dreadful way to base a vision for the future. It's a bloody disaster, and I can tell you, Mr Speaker, that the Northern Territory voting population has seen it time and time again.

Vision for the future is what really matters in the Northern Territory. Vision - which has been provided by the Northern Territory government year in, year out. Vision that has provided us with a growth rate that is the envy of the world, 9.1% this year according to Access Economics. I congratulate the Northern Territory government on a visionary project and another light on the hill.

Mr MANZIE (Asian Relations and Trade): Mr Speaker, I rise today to speak in support of the Chief Minister's statement concerning the AustralAsia rail project. Territorians have been waiting a long time for this particular railway. I'm very proud that the Territory government has helped to bring it to this particular stage of development. The AustralAsia Railway will provide a new and faster route for trade between Australia and Asia - and that is pretty obvious. By completing the Adelaide to Darwin railway, linked to the new deep water port that is being constructed at Darwin, not only will international trade be enhanced but so too will economic development of northern Australia. That will benefit all
Territorians and also a large number of Australians who live out of the Territory. That rail port project will service world-scale resource, energy and agribusiness projects from the Kimberley to Carpentaria. It will be a major infrastructure initiative for Australia and the Asia-Pacific region. The railway will operate between Tarcoola, north-west of Adelaide in South Australia, right through Alice Springs in Central Australia to Darwin in the Northern Territory, connecting up to the new port.

It will enhance the development of Darwin as a supply, service and distribution centre for our region. A number of estimates have been provided in recent months regarding the employment benefits of the AustralAsia Railway project. I think it has already been mentioned, but in June 1999 an independent report by Access Economics on the impacts of that rail project was tabled in our Legislative Assembly. Access Economics had estimated that some 1300 additional jobs are likely to be created during the construction phase and after 25 years of operation the increase in total employment will be some 5200 jobs in the Territory. The preferred consortium has estimated up to 2000 jobs will be created in the Territory during the construction phase and around 1000 of those jobs will be on site during construction. Unlike some of the supply type jobs, the construction jobs will last for that complete 3-year construction period.

There is no doubt that a significant number of jobs will be created and that will further stimulate the Territory economy. It will provide an opportunity to attract further people to take up residence here. That's the point that the opposition seems to have missed. We had the Leader of the Opposition, over a number of weeks now, baying: 'Ah, but will it be jobs for Territorians?'. Where does she think Territorians have come from? Where does she think the rapid employment growth in the Territory has come from? Where does she think Palmerston has come from? It has come because jobs are being created in the Territory, people have moved to the Northern Territory to take up those jobs and they've become Territorians. This will grow the Territory because all of us know we have full employment in the Territory. You can't get people for jobs, people have to come from interstate and overseas to take up the jobs that are being created by this government in the Northern Territory. That's what this government is about. We are about creating growth and creating jobs to grow our population, which in turn creates more jobs. Everyone that takes up residence here has to have a house to live in, has to drive a motor car, has to buy a loaf of bread every day and a bottle of milk and a newspaper and clothing etc. Their children have to be educated, requiring schools to be built and teachers are required to teach them. It's pretty simple economics, but the Leader of the Opposition cannot grasp it. It stuns and amazes me to hear her saying: 'Oh, but those jobs won't go to Territorians'. Of course they will, because once they come here they will realise this is the place that they've been missing out on all their lives. That's why people stay in the Territory because it's the best place in Australia to live. We are creating the jobs and the atmosphere to grow the Territory. The Leader of the Opposition ought to be ashamed of herself.

In my electorate, most people come from outside the Territory because jobs have been created in the Territory. 90% of the people in Palmerston came from outside the Territory because jobs have been created here. They're going to be really interested to know that if the Labor party had been in power when we became self-governing, there would not have been any jobs created because the Leader of the Opposition and Labor are not interested in growing the Territory, in creating jobs to attract people here. Thank goodness the CLP is in government. We will continue to work to create jobs.

It doesn't take much of a mathematician to look at the number of students who graduate from the NTU and the number of students who leave school at the end of year 12, and then look at the number of jobs that are created in the Territory every year - you will find that there's a big gap. Many more jobs are being created than people leaving schools and tertiary institutions. In other words, there are more than enough jobs for all our school leavers, all our graduates, plus more, and there is nowhere else in Australia where that can be said. That is because this government is continually working to ensure that we create job growth and we will keep doing that.

This particular project, as the Treasurer has informed us, will require 155 000 tonnes of steel, 15 kms of concrete culvert pipe, 2.2 million cubic metres of ballast, 240 000 cubic metres of pre-stressed concrete, 15 million cubic metres of earth works, 2.3 million sleepers, 113 new bridges, 1412 new culverts, and buildings and workshops worth more than $25m. That sort of activity has to create wealth and opportunities for Territorians and it has to continue to grow the Territory. And all this argy-bargy about, 'This will be bad for Alice Springs, this will be bad for the Territory' - where have these fellows been? What do they base their economic concepts on? I tell you what they don't base it on - they do not
base it on creating wealth and opportunities for Territorians. They do not base it on the concept of creating jobs for young Territorians, for our children and our grandchildren. They do not base it on providing opportunities for other Australians to come into the Territory and to enjoy our unique lifestyles and to become Territorians. They do not base it on the fact that they want to attract people from overseas internationally to come to the greatest place on this planet to live and to prosper. They base it on the old fashioned: 'Leave things as they are, don't change anything'. They base it on the sort of policies that have brought Tasmania to the brink of disaster and other parts of this nation to the brink of disaster. It does not work. The socialist philosophy, the 'leave it alone, don't touch it, things are fine as they are' philosophy, doesn't work. Or it works if you want to live in poverty and if you do not want to have opportunities for your children, and you do not want to create an environment that is the most pleasing to live anywhere in Australia and the world. It is a shame to hear them.

As has been said, an agreement has already been reached with the preferred consortium that the Territory will be the first choice for seeking labour for the project. That is why we will attract people to the Territory, because they will come here to get the jobs that are going to be available. Also it has been stated that if particular skills cannot be found here in the Territory, we will see if we can train Territorians and give them opportunities to change the jobs that they are doing now and to move into other areas in relation to the railway. Or, as I said earlier, we will attract people from outside the Territory and grow the Territory.

Once that whole process is finalised, detailed work will commence on individual training strategies, based around the type of opportunities. There will be: networking of providers to ensure that the training infrastructure in the Territory can respond as best as possible, development of innovative training solutions, building of training strategies into the project delivery process and therefore into the tender process, and linking that training into a broader industry approach to training to extend the legacy of the project beyond the construction phase.

In other words, we will give maximum opportunities for Territorians to have the ability to work on this project. But again - and I stress - because of our enviable unemployment rate, it will be necessary for the consortium to seek labour from other parts of Australia. And that's what this is about! It's about creating growth and opportunities. The opportunities are very exciting. They're real, and they will certainly help cement the Territory's future economic growth.

With the Prime Minister's announcement on 28 October, agreement in principle has been reached on financing the project. We've all heard about the terms and the amounts of money involved. To encapsulate it, 40% of the total project financing will be provided by the public sector with the private sector funding just over 60%. And for $165m the Territory will get a $1200m capital works project, with outlays averaging around $400m a year, the majority of which will be spent in the Northern Territory. Those arrangements represent outstanding value for all Territorians.

Both the corporation's financial adviser, the Deutsche Bank, and the consortium's financial adviser, Macquarie Bank, have expressed confidence in the ability of the market to finance the project on the basis of the arrangements which have been put in place. Any claims to link the railway outlay with port expenditure is spurious. The port investment has been essential for the economic development of the Territory, and none of that is new to the Territory.

The facts are that a $100m stage 1 investment has been underway since 1994, some 5 years. Investment in the port is fundamental to the government strategy of making Darwin a transport and logistics hub as outlined in the hub strategy in 1996, some 3 years ago, and recently reinforced in the Foundations for Our Future statements which have been coordinated by the Chief Minister. Any additional work at the port related to rail demand will be staged to match demand with arrangements to be negotiated on commercial terms.

Mention has also been made of the government's outlays for acquisition of the rail corridor. Again, it's a matter which is not one that has recently come to the notice of most Territorians. It is information that has been in the public arena for a number of years. While land has been acquired on an opportunity basis for many years, acquisition commenced in earnest in 1996, over 3 years ago. Land acquisition by the public sector for major projects is an acceptable part of the now well-established risk management arrangements where public and private sector enter into arrangements for the provision of publicly accessible infrastructure.
The Territory is getting on with the job of making this project happen. Rather than deal in promises, the Territory has been instrumental in putting in place a major infrastructure project of more than $1000m, $1300m is the estimate, with much of the economic benefit flowing from this project to Territorians.

A number of people have worked very hard on this project and the former member for Blain is certainly right up at the top of the list for his outstanding efforts in following this through, and all Territorians owe him a debt of gratitude for his contribution.

The project is going ahead. It's a significant achievement in our life time. I'm looking forward to seeing the first train roll into our city and I commend the Chief Minister's statement.

Mr HATTON (Nightcliff): Mr Speaker, I rise to support the statement. It is an exceptionally singular pleasure to stand in this House and speak positively about a project that has been so near and dear to the hearts of almost all Territorians since 1911. Actually, 1897 is when the first proposed railway line to Darwin was publicised. I can remember the former member for Barkly Mr Ian Tuxworth, when I was first elected in 1983, wandering around with a great newspaper article from 1897 about this railway line going from Melbourne to Darwin. It was almost exactly the same route of this proposed other railway line from Melbourne to Darwin that they're talking about now - and maybe one day that will happen, too. Certainly with the Alice Springs to Darwin line and the central spine rail corridor being built in Australia, the potential for further development of a critically important infrastructure to open up Northern Australia is going into place.

Since 1911 we all have paid for this railway line having had our constitutional rights taken away from us for the price of a railway line. South Australia gave up all of their assets in the Northern Territory in 1911 and surrendered the Northern Territory to the Commonwealth. The just terms compensation for that was to be a railway line connecting Adelaide to Darwin to enable South Australian business to take advantage of development in the northern part of Australia - a constitutional obligation of the federal parliament, confirmed by the High Court in 1949. The only problem is that they didn't put a timeline on it. Typical of federal governments of all persuasions, if you don't dot the Is and cross the Ts, they will find someway to screw you. And didn't they screw us!

Thankfully, this government in the Northern Territory since 1974 has consistently fought to achieve this ambition, this goal, this critically important development for Australia - not just for the Northern Territory. In fact, we had achieved the standard gauging of railway lines coming up to Alice Springs in 1982-83. The Public Works Committee of the federal parliament had already completed their work for the 1983-84 budget with the first funding allocations for the continuation of that gang building the line through to Darwin.

Sadly, Malcolm Fraser decided to jump and run for an election in early 1983. Some of us still have vivid memories of Bob Hawke on television in a blank room, sitting on a stool and with the sincerest look on his face saying: 'You can only trust a Labor government to build the railway line'. And in the 1984 election campaign, the Country Liberal Party sought to remind him of his election promise. In fact, we were running those ads as CLP ads in the 1984 election and the Labor Party got a court injunction against us showing their ads. That is how embarrassed they were by the whole event.

We have been very fortunate in the Northern Territory in that we had a member of this parliament called Barry Coulter who took up this cause, took the bit between his teeth in 1986, and worked and strove for it. Yes, there have been quite a few embarrassments and hiccups on the way through. I was speaking to Barry today and I reminded him of our interesting experience when we were trying to get EIE and Kumagai Gumi involved to build the railway line in 1986. Following a visit to Japan, a gentleman came across, highly recommended, called Bungo Ishizaki, and that led to the most embarrassing press conference I have ever participated in.

Barry still persisted and persisted and persisted, despite the fact that the man trying to save the North Sydney Bears at the moment, David Hill, had to write his report 3 times to show the railway wasn't economic. Many international studies were carried out by the Northern Territory government proving it was viable, but it took the election of a Coalition government in Canberra before some movement became acceptable. The word in the Canberra public service was there was a ministerial direction: 'That file is never to be opened'. They would not do anything to promote the railway line. That's how much you can trust a Labor government to do any serious infrastructure development.
But it has finally happened. Yes, we’ve put money up, and we’ve heard the opposition asking why we had to pay so much for it. Just think briefly about the railway line. It’s not just a railway line. The Chief Minister in his statement and other speakers today have outlined well many of the advantages - most of them relatively short-term or short-to-medium-term advantages - that will come from this railway line. But understand, the railway line is not an end in itself. It is an infrastructure facility that opens up potential for the economic growth and development of the Northern Territory and the deepening of that growth.

Why is it called the AustralAsia Railway project? It comes by transporting goods from the southern parts of Australia along that railway line, through our ports and into the Asian nations to our north. It is not only there. There will be goods from our north going through the port of Darwin and on to that railway line south into the major capitals of Australia. There will be volumes of freight through the Port of Darwin. And what’s the potential then? I will tell you exactly what it is. With those volumes coming past our front door, the potential then is to persuade manufacturers to relocate their operations here to shorten their logistical supply lines.

That can be a major step towards achieving what must be achieved in the overall development of the Northern Territory. The one area of our gross state product where we are low is in manufactured products. We do not have the domestic market to support it. We have put in a lot of work through the Trade Development Zone and other activities, trying to create the volumes to justify manufacturing here and fill that hole in our economy. It's the big hole that still remains in our economy. This railway line opens the potential to build manufacturing here.

I hope I’m not regarded as doing a Barry Coulter on this, but I remind everybody that Singapore, the biggest manufacturing base in South-East Asia, became that by first being a trading port. It did not manufacture, but it moved goods in and out through there. And then the manufacturing came in behind that volume going past their front door. That is the real potential for the Northern Territory arising from this railway line.

The real potential for Australia is, as Darwin develops and gets the infrastructure and facilities in place here, to have a major, self-sustaining city on its north coast - the only major city on its north coast. That shrinks the sense of isolation right across the north of Australia. It means that the supply lines to the Kimberley’s shrink. Development of this part of Australia goes beyond a dream towards a reality. That's why it's an important national project. And this is what has kept our government fighting to achieve this ambition, not just for the Territory but for Australia as a whole.

We have had to fight many doubters, many small-minded, narrow-minded, personal-electorate politicians in Canberra who didn't give a damn about Australia. Sadly in Canberra there are too few Australian visionaries. We haven't got the people who built the Snowy Mountains scheme to open up agriculture in western New South Wales and Victoria. We haven't people like Charlie Court, who built a big dam up on the Ord and suffered 20 years of criticism for what has now become a major agricultural project, or the man who pushed for the Burdekin River project in Queensland. There aren't those sorts of visionaries around now. They are too busy trying to get an extra child-care centre in their own electorate rather than thinking of developing the whole of this nation and making federation mean something beyond pork-barrelling your own particular electorate.

This is a project for Australia that will start to open up the undeveloped part of this country where great wealth potential lies - our north and northwest. This railway line is far more than just a couple of strips of steel and a few jobs for a couple of years. It's about the long-term economic security and development of the whole of the Northern Territory and northern Australia and achieving the real potential of this nation.

It's fantastic to be here, still in this House, when this project is under way, to see it occur and to see the emergence of the potential that can flow from that development. I congratulate the government for its perseverance and dedication against ridicule over the 16 years of this project. And that includes from members opposite. I was talking to a teacher from Nightcliff Primary School only last weekend. She said she felt so sad, when they heard the railway was going ahead, that all the pro-Labor people in the staff room kept saying: 'I'll believe it when I see it'.
That has been the response far too often. Instead of getting behind something and having a go, it's: 'How can we nitpick at this? How can we win a few political cheap points? Our ambition is not to develop the Territory. Our only ambition is to cross over to the other side of the parliament'. It's sad day for Australia and for the Territory, this persistent attitude.

Earlier the member for MacDonnell was discussing the Frances Bay safe mooring facility. It's one of many examples. I had a little involvement in the development of that. I remember going to the 1984 general election. The candidate then, one John Reeves, now QC, of Reeves review fame or notoriety, was sitting there beside the construction site, looking down and saying: 'Another CLP white elephant!' Let's recall the King's Canyon white elephant, the Yulara white elephant, this Parliament House white elephant, the Marrara Sporting Complex white elephant, the Darwin International Airport white elephant - every major project in the Northern Territory. White elephants! Thank God, since 1974 we've had a CLP government, because God knows where we'd be if we didn't.

Dr LIM (Greatorex): Mr Speaker, I also rise to support the statement. We are hearing many comments which are all very, very real.

I was interested to hear the federal Leader of the Opposition promising, before the reality of the railway came about, that the Labor Party if it won government would put $300m into the railway. I share the member for Nightcliff's memory of Bob Hawke promising that he would build the railway if he won government back in 1983. And there you are. Where is it? He lied, didn't he? Yes, that's right - he lied! We got nothing out of it. Absolutely nothing.

Dr LIM: Thank you, Mr Speaker. We did not get our railway until now. It is about time that people started to appreciate that this is truly a nation-building, a Territory-building project. I am told it is going to be even bigger than the Snowy River project that we all so very strongly heralded, and which recently had its 50th year celebration. All the project employees came to jointly share in the memories of that development.

I am particularly concerned with the way the member for Stuart and also the Mayor for Alice Springs have continually bagged the project, continuing to scaremonger the people in Alice Springs. If the member for Stuart went around to all the transport operators and asked them what the impact on their business is going to be - is it going to be bad or worse - of course he is going to get a one-sided view of what the project will be about. If you went around the whole of Alice Springs you would get a very different opinion, and obviously the Mayor is doing the very same thing.

I share with many people in Alice Springs the view that there will be some downturn. We know that. We know that there will be jobs lost from the transport industry. But there are so very many positives that will very quickly overwhelm anything that might possibly happen to the transport industry. For the next 3 years the transport industry will be so busy they won't have time to scratch. I understand that only about 70 jobs or so will be lost from the transport industry once the rail is completed. By that time other businesses will have opened up. Current businesses would have expanded and are very likely to absorb all the 70 redundancies from the transport industries.
I was sitting here earlier this morning thinking of the service industries alone. We heard several ministers comment about a number of work camps that will be established along the route. Over 1000 people will be employed from the Territory working up and down the track. Where do they go for relaxation and rest? I suggest that Alice Springs would be one of the centres of choice. There is the casino, the cinemas, the restaurants, the nightclubs, and the shopping facilities. Would you believe that all these places will increase staff just to cater for the numbers of people who will be coming to town for their R&R? There would have to be. They would surely absorb the retrenchments or the sackings that may occur if the transport industry chooses to diminish those jobs.

Previously I have suggested that east and west of the railway there will be many, many opportunities for the road transport industry to capitalise on. Not only will there be linkages to Mt Isa in the east to Kununurra in the west, in the central region the bush communities would benefit also. The railway line will open up much land for projects from mining to horticulture. The current state of Ti Tree would surely be much enhanced by the passage of the railway through that area. Alice Springs itself could seriously look at expanding its horticulture industry. I would dearly love to see extension of the grape industry in Alice Springs so that the Territory will have an extended grape season from the time the harvest occurs in Ti Tree around this time of the year right through until January in Alice Springs. That will allow the Northern Territory grape industry to corner the market for a much greater extension of the season.

When we hear ministers describing the physical infrastructure that will be developed, such as getting ballast for the railway line, a couple of sites are within Alice Springs, or within cooee of Alice Springs. One is just 70 km north of Alice Springs, the other 285 km north. That is essentially an Alice Springs project. The transport industry within Alice Springs will be servicing those 2 sites getting the ballast for the railway line.

I hope that we do not look at a bypass for Alice Springs. God forbid that that should happen. Reading through some material previously, there were some studies conducted in the United States about railway lines bypassing regional centres. That can potentially cause a significant downturn in that centre because the railway line disappears, and industries that require the railway line will no longer wish to be there because there is no longer a railway line. So, let's hope that we do not look at that.

At present I understand that they are looking at one train per day. Now, even if the train was as long as 1.6 km, I am advised that it would take something like 11 minutes to pass any single road crossing in Alice Springs. That, to me, is not unduly difficult. I recall reading an article where the St John Ambulance people were quoted as saying that this is too long for them to wait if there were an emergency. I actually took time out to look at that particular issue. There are 3 road crossings in Alice Springs - one at Bradshaw Drive, the other in the middle of Bloomfield Street near Treager Avenue, and the third is at Larapinta Drive. The distance between the Bradshaw crossing and Larapinta Drive is over 2kms. So in other words, the 1.6km freight train would only cross over 2 rail crossings at any one time. In other words, an ambulance or anyone who chooses to drive around the train can get past without any difficulty, and if a St John's ambulance were to be caught at the Larapinta crossing, it could just as easily do a U-turn go around to the Bradshaw Drive crossing and get to the hospital without much loss of time. That is something that I posed to St John's ambulance officers. They advised me that they are going to try that themselves to find out how much time they would lose by doing that particular loop.

When the transport industry talks about loss of employment within their particular industry, I remind them that back around 1986, and probably 10 years before that, there was a significant change in the transport industry in Alice Springs. At that time it was more related to the airline industry rather than the road industry, but even so, if you recall, Connellan Airways was bought out by Ansett and there was a major restructure with huge loss of staff. Following the pilot dispute there was further rationalisation of airline staff. Then with the onset of direct flights into Yulara, direct flights from Adelaide through to Darwin bypassing at Alice Springs, there was again a significant downturn in the local airline transport employment numbers. But Alice Springs did not make much of a song and dance about it because it was very rapidly absorbed through increased employment in other areas. I suggest to you that this is likely to happen once the railway is completed.

Again, I say that during the construction phase the transport industry will be so busy they will not have
time to consider other issues. I trust that they will use this period of time between now and the
construction phase to reorganise their own businesses so that by the time the railway is completed
they have a new system ready to be implemented. Otherwise they will be much too late, much too far
behind others who will have had the foresight to develop such a program.

Alice Springs has been a major regional centre for many, many decades and, even with the completion
of the rail, Alice Springs will continue to be a major supply centre for much of central Australia. The
population has grown over the last 20 years and there's no reason it will not continue to do so, and then
continue to be a major regional centre of supply.

I am not going to address any of the physical things that have already been described. That has been
addressed by previous speakers. It would just be repeating the same things, but apart from horticulture
and the mining that's been talked about, some of the things that have not been mentioned are the
projects such as the Garnet Sands at Haasts Bluff; the mineral exploration that has been talked about,
and the vermiculite mining at Harts Range also. These are the things surely that many, many business
people in central Australia will be concentrating on in the future.

There are indeed many opportunities for many businesses in central Australia. I hope they will take this
time to prepare for the coming boom. I congratulate Tennant Creek and Katherine in being the main
focus of the development in that the start of the railway will be north and south of both of those towns.

I was calculating earlier the rate of track building. It was suggested that the track will be built at about
1.6 kilometres per day. If that were the case, the time taken for just a leg of the rail between Tennant
Creek and Alice Springs would be nearly a year. Now, if that is not a lot of transporting of steel rail
from Alice Springs to Tennant Creek by the transport industry, I don't know what would be.

The project will be a tremendous boon to the Northern Territory. It will give businesses in Alice
Springs and the Territory a huge amount of work that will leave them with a very, very strong financial
legacy. It will be definitely a Territory building project which will see us become the last developing
capital city in the whole of Australia.

I recently said to some people that all the capital cities in Australia, bar Darwin, has had between 150
to 200 years of development since the time of Captain Cook. Darwin, essentially the last capital city in
Australia, has only had about 25 years of development since Cyclone Tracy. So Darwin, as the last
capital city, has about 100 to 150 years of catching up to do. And with modern technology, that
catching up will be concentrated into the next 50 years or so.

If you compress 150 years of progress into 50 years, there is going to be a lot of development going on,
and the rail will be the impetus for all that to happen. We've heard about the port that's being developed
and more is being spent on it. The rail will make the port work, and the rail will make the Territory
work. And for that reason, we all have to share in this vision. This project will take the Northern
Territory well into the next 1000 years. I commend the statement and commend the project.

Mr ADAMSON (Tertiary Education and Training): Mr Speaker, I make a few comments in my
capacity as minister responsible for education and training. By anyone's definitions and standards, the
opportunities that we are faced with in the Northern Territory, both with the construction of the railway
and the long term operation of this particular massive infrastructure, is limited only by our imagination.
The opportunities up and down the track can be just as great in the short, medium and long term. When
we hear comments of some centres becoming nothing more than stop overs, I invite members to think
of those not as stop overs but as hubs. If everyone on this side of the House had followed through with
such a lack of vision, we would not have had the project that today places itself very firmly in our
sights.

Much has been said about employment, and what it will mean for the Northern Territory and for
Australia generally. Figures of 6000 to 7000 jobs have been bandied around and certainly at different
stages of construction they must definitely seem to be the best in terms of educated assessments and
projections. In terms of the physical construction of the railway itself - and of course most of that will
be happening here in the Northern Territory - we can expect in the order of about 1000 ongoing jobs.
These people will be working on not one particular location, but a number of locations up and down the
spine of the Northern Territory. Those particular jobs will be long term throughout the construction
phrase which, in many ways, has far greater ongoing benefits than some of the other jobs - particularly some of the interstate occupations that will exist for only a period of time during the construction.

It has been said that there is no strategy for training opportunities. That is not the case. It has been said that we will be missing out on opportunities because we don't have the workforce. Again that overlooks a lot of work that has been done by this government, not only in more recent times but over the last couple of years in working up this concept on this proposal.

The very nature of the bidding process took into account how training and jobs would be created. We have heard the figure said in this House that around about 70% must be local content. By 'local' we generally mean the Northern Territory or South Australia. Equally as important is the commitment by the consortium to put in place various training strategies to guarantee and maximise potential for people here in the Northern Territory. It's an issue that has been very conveniently overlooked by many on the opposite side of the Chamber. But it is a reality. It is a fact of life that not only has this government been working on how these training measures should best be addressed but the consortium themselves and in particular, of course, the preferred consortium has been working up its own set of training strategies.

When we talk about training, particularly in many of these jobs, we are talking about on-the-job training and it's that simple in many cases. I don't mean to over simplify the situation but there is a large number of these jobs where training will only come on the job. That is, in many ways, the very nature of a lot of this type of training in not only Australia but the world today. We are seeing time and time again employers saying that when they employ apprentices and trainees, and when they wish to upgrade some of their employees' skills, they wish to do that on site, on the job, and that is how the training structure has turned around.

Ms Martin interjecting.

Mr ADAMSON: I notice the Leader of the Opposition is quite happy to start throwing interjections. I remind the Leader of the Opposition when we are talking about training and the railway, think back to a debate that we had, when we were both running for the seat of Casuarina - and I thank the voters out there for their excellent choice - at the Northern Territory University one night when you called the railway a faded dream. Many people, quite frankly, could be forgiven for saying that the railway was a faded dream, because we had been fighting for decades and we got nowhere.

But there was one difference between the opposition candidate for Casuarina and people on this side of the House - vision. We never thought that the dream was faded. Maybe at times it looked like it was fading, but people on this side of the Chamber continued the fight and never gave up. We did not dismiss it and call it a faded dream. We got on with the job and Territorians will reap the result in the process. That vision has seen us put in place a number of strategies in terms of addressing training. Detailed discussions are continuing with the consortium. In recent times the consortium has once again assured us that they are developing project training plans outlining key objectives and targets in the area of training. It is not being ignored by this government, and it is not being ignored by the consortium involved. The very consortium has the potential to provide much of this training itself, much of this training which needs to be done on the job, and it can and will be done. It is not being ignored and those on the other side that claim it is are misrepresenting the facts.

Once this detailed plan is in place, and as we have said it is being worked up, individual training strategies based around the type of training proposed will then be developed and established. Networking of providers to ensure the Territory training infrastructure responds as much as possible, particularly and hopefully with one voice, will also happen, and is also currently being planned at the moment.

Developing training solutions - given the constraints of time, geography and culture, our small population base and very high level of employment, there is no doubt that some of these skills will have to be sourced outside the Northern Territory. That is a fact of life. It is in some ways a pleasant fact of life, when you do have a situation in the urban areas of the high employment that we do have. We will be building training strategies into the project delivery process and the tender process, and linking all the training into the broader industry approach to extend the legacy of the project, not only during the project, but beyond and into the actual operation of the railway itself. This isn't talk, this isn't
rhetoric, these are actions that are happening even as we speak.

The problem, as we said, with our very high employment rate means that jobs will have to be sourced from time to time outside of the Northern Territory. But even then, we have strategies and agreements in place with the consortium. Those particular jobs will still have as their entry and exit point the Northern Territory. So when these people, for instance, go on leave or have a break if they're working 10 days on and 10 days off, their homes more than likely will be here in the Northern Territory. We are trying to avoid, as much as possible, this fly-in, fly-out scenario, which has so hampered and so affected in a negative way communities world wide, as mining companies and construction companies have gone down that particular path. The consortium, with government, is working on strategies where we can maximise that employment potential here in the Northern Territory.

In terms of Aboriginal employment, there are challenges. The consortium plans to set up a number of employee liaison officers to provide ongoing consultation between Aboriginal communities and the consortium and, again, where possible, specific programs both in training and employment will be directed and targeted at local Aboriginal communities. That is a government getting on and doing things in partnership with the consortium. It is not waiting for something to happen, it is not sitting back and saying nothing is happening. We are putting in strategies to do the very things that the people on the other side of this Chamber are accusing us of not doing. They are real, they are concrete, and they are happening as we speak.

To meet the objectives to recruit and train local Aborigines, we'll be looking at short term strategies involving direct employment and training for trainees for a period of anything between 12 weeks and onwards. That short, intensive training period is all that will be required in many cases for some of the jobs that we're talking about. We are not talking about people that need to go to university for 4 years to obtain a degree. The jobs that we're talking about can be accommodated in the construction phase of the project and also the constraints of the consortium involved.

In conjunction with the training authority in the Northern Territory, the consortium will implement skills and training programs, particularly in the area of heavy earthmoving equipment, railway works and general labouring, and it's those areas where we will specifically see on-the-job training. It can be done by some of the other training providers that the opposition claims we haven't spoken to, but can also equally be done by the consortium itself. In fact, I think we will see a blending of both which is, in fact, what the training structure in the Northern Territory and Australia is all about. It is the structure that is endorsed nationally and has the support of industry, both locally and also around the country.

A mentor program will be adopted for new Aboriginal employees. Aboriginal people will undertake the same induction course as other employees, and an Aboriginal apprenticeship and trainee program will also be provided. Far from nothing happening, plenty is happening. These things have been put in place. They are happening in conjunction and consultation with the consortium and, quite frankly, many of these things couldn't have been done until we had arrived at the preferred bidder, and until we had the money generally on the table to say we have a project, we have a deal on the table, and let us take the next step.

We are doing that. We have the vision. We certainly don't think the railway is a faded dream. The actions of this particular government have proven that. The Leader of the Opposition claims that the cost per capita of the Northern Territory is higher. Well, so is the return, and that's a thing that is very conveniently overlooked. Yes, in some ways it could be argued that the per capita cost is high for the Northern Territory, but so are the returns.

Mr Burke: No it is not.

Mr ADAMSON: Per capita.

Mr Burke: No.

Mr ADAMSON: Well, there you go. The Chief Minister can pick me up on that, but I will tell you one thing that is definitely the case, the per capita return to the Northern Territory is most definitely higher than anywhere else. A point, very conveniently overlooked by the opposition.
The railway project is great. I can’t see how the railway will bruise the fruit, as the member for Stuart seems to think. If he wants to see Alice Springs as a stopover instead of a hub, that shares the lack of vision that his leader so liberally hands out to the rest of their colleagues on that side of the House. It is not a faded dream. The railway is a reality and so are the employment and training strategies that this government is working with the consortium to put in place.

Mr LUGG (Sport and Recreation): Mr Speaker, it was never a secret that additional financial contributions by the Commonwealth, Territory and South Australian governments would be required for the railway project to proceed. There was a degree of public speculation about the amount that was required. It is fair to say that the speculation was somewhat exaggerated and that the extra contributions agreed to by the 3 governments are relatively modest given the size of the project and the benefits of the project.

The Leader of the Opposition spent a fair bit of time talking about the per capita contributions. Let me put the per capita contribution, or the per capita argument, into context. For instance, she says we are paying more per capita. It is irrelevant.

We also have more sunshine per capita than any other state. We have more Labor opposition leaders per capita than any other state, we drink more per capita than any other state, etc, etc. We also weigh more per capita than any other state, or is that just the weight of opinion I hear.

Let me summarise today's position in two simple points. We now have an impressive consortium ready and willing to build, own and operate the railway. The project is scheduled to start in June next year. I hope and trust all honourable members understand just how important the railway project is to the Northern Territory and to Australia. An independent study of the economic impact of the railway was completed earlier this year by Access Economics, probably the foremost economic analysts in Australia today, and here are some the key findings by Access Economics.

Firstly, the national economic benefit. National GDP increases by $430m in 2000-2001, employment rises by 7000 in 2002-2003, annual imports increase by $300m. The net present value of private consumption Australia wide increases by about $700m.

Secondly, let's look at the economic impact on South Australia. SA capital expenditure increases by $300m, South Australian’s will make up a significant part of the construction workforce constructing and rolling the rails for instance at Whyalla, and gross state product in South Australia during the 4 construction years could increase by $370m, and in total by around $1100m over 25 years. Gross state product in employment during the operational phase will rise by around .15%.

Thirdly, but most importantly from our point of view, is the economic impact on the Northern Territory. Over the construction phase, the project contributes $850m to Territory final demand. Territory gross product rises by around $210m over that 4 year period and by $3 billion, that's $3000m for those economic illiterates, over 25 years. Costs across the board in the Territory fall by around .2%. Competitiveness for Territory suppliers is improved, exports increase, and there is also some increase in production for the local market. Net present value of private consumption increases by $1200m over 25 years, employment rises by 1100 jobs in 2001 increasing to an additional 5200 jobs 15 years later.

In 20 years time, expressed in 1996-97 dollars, Territory annual exports will be up by $100m. Our population will increase by about 6300, directly attributable to this one project. These are big figures; they are huge. They demonstrate just what this railway project means to the Territory, what it means to South Australia, and what it means to the nation.

The project began as a mention in the South Australian Colonial Parliament in 1858. In what is a significant similarity to today's project, the South Australian government received the proposal from private enterprise, an entrepreneur on behalf of a London syndicate, to build the railway. For most of the railway's history it was the intention for private enterprise to construct the line.

Since 1858, there have been numerous government inquiries, numerous private sector proposals, and a large number of election promises. Even the Americans offered to build the railway during World War II. None of these projects have proven as fruitful as the arrangements we have today. What has been there from the beginning is a belief in the railway as a trade link with Asia. It is a line that will herald
the growth of trade, rather than relying only on that which exists now. It is an adventurous project, vital to the Territory's future.

The NT government has been committed to completing the railway to Darwin since the inception of self-government. It has fought hard for its realisation. The Hill Inquiry in 1983 proved a dampener to our efforts. Reports after that time, commissioned by the NT government in an attempt to attract private-sector finance, indicated that the case for the railway was not nearly as bleak as that indicated by Hill. In fact, Mr Hill's future is the one that's proved to be bleak.

The NT government pledged $100m to the project and South Australia followed suit in 1994. However, it was the 1995 comments of the Committee on Darwin, or the Wran committee, that re-ignited substantial interest. Wran stated: 'The committee's final judgment on the rail is not if but when'.

On the basis of that report, further reports were commissioned based on the assumptions of the Wran Committee. They demonstrated that the triggers for positive freight indicators were present in the Territory and Australian economy already, and that the railway was economically viable. Its benefit to cost ratio is estimated at 1.27. That means that for every dollar invested the project would return around $1.27 to the Australian community.

In the mid-1990s the Daewoo Corporation represented a strong private enterprise interest that was rekindled in the project. Whilst no arrangement could be reached at that time, discussions during this time in the establishment of the NT Railway Executive Group acted as the precursor to the establishment of the AustralAsia Railway Corporation in the current project. It was also at this time that an inter-governmental agreement between the Northern Territory government and the South Australian government was negotiated confirming the $200m pledge to contribute to the construction of the railway. The AustralAsia Railway Corporation was formed in 1997 representing an independent body to manage the project on behalf of the NT and SA governments.

The Commonwealth was to provide $100m towards the project, and a nominal lease arrangement for the Tarcoola to Alice Springs line came with the corporation's foundation. Since that time the corporation has been busy managing the complex arrangements and negotiations that are required to ensure this project proceeds.

The first task for the corporation and stage 1 of the process was calling for expressions of interest from companies or consortia to take on the project as a build, own, operate and transfer back or boot arrangement. Those expressions of interest closed in December 1997. Over 30 expressions were received representing over 60 national and international companies. The corporation evaluated these and 3 consortia were short-listed in April 1998 to prepare detailed bids during stage 2. Commencement of stage 2 was dependent on confirmation of secure land tenure arrangements across Aboriginal land. Issues of land tenure in securing the rail corridor was one of the matters of greatest complexity to face the NT government, and it's appropriate at this point to mention the role of the former member for Blain and his hard work over many years in securing that commitment.

The majority of that 1410 km route was situated either on Aboriginal land or was of Aboriginal interest. Over 50 Aboriginal groups are represented along the route. Final agreement with the Northern and Central Land Councils as representatives of the Aboriginal interests involved a compensation package that included $3m for land compensation; $2.4m for the cost of rail impact; replacement housing; a community development package of $2.4m; and contributions to the land council costs of 0.5m. In addition, the agreement provides for 99 plus 99 year leases over Aboriginal land, withdrawal of Aboriginal land claims over the corridor, 198 year Crown leases over the balance of the corridor, non-extinguishment principle to apply in the case of native title; discussions between land councils and consortia over opportunities for regional communities; adoption of principles by consortia over matters such as Aboriginal employment and training; and tender opportunities for the provision of goods and services for the project.

On 12 December 1998, with agreement being reached between the NT government and the Northern and Central Land Councils, stage 2 of the submission process was given the all clear and the 3 short listed consortia began in earnest to compile their detailed submissions. The corporation worked closely with the 3 short listed consortia whilst adhering to strict probity protocols and supporting the growth of competitive attention.
Consortia were encouraged in their bidding by the commitment of the NT and SA governments to contribute to the losing bidders' costs. The availability of this funding provided comfort to consortia that they could provide the best bid possible whilst reducing their cost exposure.

Three submissions from the short listed consortia were received on 31 March 1999, and a detailed evaluation began immediately. All in all, more than 35 people have been involved in assisting the board of the corporation in the evaluation of the bids.

The evaluation process involved presentations and clarifications from the consortia and has been of high intensity. The board of the AustralAsia Railway Corporation presented its final report recommending a preferred consortium. Negotiations towards a final agreement were successfully concluded by the AustralAsia Railway Corporation, and the Chief Minister successfully concluded negotiations for extra contributions by the 3 governments.

Mr Speaker, we have a project and shortly it will begin. This is historically remarkable, because probably no other big project has ever been treated with such cynicism by Australians and even some Territorians, particularly those over there. But despite that cynicism the project is going ahead. We will have our railway. It is happening. Despite what the Leader of the Opposition says about training, it is clear that she is completely clueless in this area. Most of the training that involves big engineering projects does not come from training bodies. They are a part of the picture, sure, but they complement it; they don't kick start it. Contrary to what she may think, many ordinary Australians do not work in the ABC or as trade union executives, or in teaching bodies unions - they work in the real world. They train as they go, and they get by with what they do. They train on the job. They make it happen. They are making it happen now. And they don't rely on third parties to provide all that for them. They do it for themselves. Wake up and smell the coffee, Mary Sunshine! We will have our railway. It is happening. I applaud the Chief Minister's efforts here and if we only had you to rely on nothing would happen here - nothing. I applaud the statement.

Mr BURKE (Chief Minister): Mr Speaker, I thank the honourable members for their comments and the final contribution by the minister for corrections and member for Nelson with regards to explanations as to how some of the training will be delivered, but I will touch on that in my closing comments.

I did want to pick up a couple of comments from the Leader of the Opposition. She made much about my failure, the government's failure, and the failure of our present Prime Minister to deliver equitably on this project. In terms of the Commonwealth, our miserly Prime Minister should have chipped in more. I would remind members and the public generally of this simple fact. From 1983 until 1996 there was a Labor government in Australia and during all of that period the railway project did not occur, got no support from the Federal Labor government in any tangible way. In fact, the Federal Labor government commissioned 2 reports, the Hill report in 1983-84 and also the Wran report, which worked very strongly to sink the project on both occasions. It has only been the efforts of the Territory government through, primarily, the member for Blain and officers of Transport and Works initially, which have got this project up and running again. There was then the support of a whole range of people in South Australia and the Northern Territory to bring the project to completion. Let's not forget in all of this the simple fact that the present Prime Minister, John Howard, was Prime Minister for only 4 years and through his efforts he has delivered this project to Australia, South Australia and the Northern Territory. Let's not forget the 1983 to 1996 period. The Labor Party in the Northern Territory and the Australian Labor Party can crow as much as they like as to how much they have supported this railway project, but they never once delivered and never once really made any inroads to ensure that this project was delivered.

The other great lie was Kim Beazley promising $300m for this project. The simple facts need to be reminded. Kim Beazley in his 1998 election policy said that he would provide $100m and match that being provided by the Prime Minister John Howard. He then couched his words extremely carefully after that point. He said that after 2001-2002 Labor would provide additional funding of up to a total of $300m if such funding was required. He was saying to Territorians in 1998 that if he was elected he would match Prime Minister John Howard's $100m. Then in 3 years time if he was re-elected, he would look at giving another $200m but only if it was needed and, of course, only if he was re-elected to government. As I have said, there is no consortium that could depend on those kind of utterances or
assurances from the Leader of the Opposition, Mr Beazley. The simple fact of the matter is that they only ever promised $100m in opposition. In all of the time that they were in government they never once put their money where their mouths were. In fact, they did more than anything to sink this project. It has been the Prime Minister John Howard who has helped deliver this project for the Northern Territory and Australia, and he should be applauded for that particular effort after only 4 years in government.

I was going to say something about the statistics that the Leader of the Opposition runs. It's really a waste of time. You can do anything you like with statistics. It's a farcical argument to suggest that Territorians are paying $898 per head, or whatever the figure is, compared to Australians kicking in $9 per head - and therefore somehow we've been duded in this particular deal. You can spin that figure the other way, if you like. You can talk about the benefit on a per capita basis of the railway to the Northern Territory. Therefore a $1230m project on a per capita basis delivers something like 7.5 times the benefit of investment per capita to Territorians as opposed to 7 times the benefit to Australians generally. That is a stupid statistical line to run. But just as stupid is the argument that the Leader of the Opposition is trying to run. If you want to be even more farcical, add in the GSP over 25 years on a per capita basis to Territorians. The benefit to Territorians becomes even more strong than it is on those initial figures.

My point is that the issue of statistics is a poor argument. But, if you set out to simply be negative about this project, those are the sorts of spurious lines you will continue to run. The lie is that the Labor Party say out of the other side of their mouth that they support the project and have always supported the project. For $165m the Territory will get a $1230m capital works project with outlays averaging around $400m a year, the majority of which will be spent in the Territory, and this arrangement represents outstanding value for Territorians. Both the corporation's financial adviser, Deutsche Bank and the consortium's financial adviser, Macquarie Bank, have expressed confidence in the ability of the market to finance the project on the basis of these arrangements. The claims of linking the railway with the port expenditure are a bit spurious as well. The port investment has always been essential for the economic development of the Territory. None of this is new to Territorians and the simple fact is that the $100m stage 1 investment has been under way since 1994, some 5 years ago. Investment in the port is fundamental to the government's strategy of making Darwin a transport and logistics hub as outlined in the hub strategy in 1996, some 3 years ago. Any additional work at the port related to rail demand will be staged to match demand, with arrangements to be negotiated on commercial terms.

Mention has also been made of the government's acquisitions for the rail corridor. Once again, this matter is not one that has recently come to the notice of Territorians. That information has been in the public arena for a number of years now. While land has been acquired on an opportunity basis for many years, acquisition commenced in earnest in 1996 - over 3 years ago. Land acquisition by the public sector for major projects is an acceptable part of the now well-established risk management arrangements where the public and private sector invest or enter into arrangements for the provision of publicly accessible infrastructure. The Territory is getting on with the job of making the project happen. Rather than deal in promises the Territory has been instrumental in putting in place a major infrastructure project of more than $1000m, with much of the economic benefit flowing from this project to Territorians.

The distribution of jobs throughout the construction program will be as follows. Permanent camps for the 3 year construction period will be located in Katherine and Tennant Creek, each with just under 100 personnel. The northern-based camps north of Newcastle Waters will have about 300 personnel operating, as I said earlier, on a moving, rolling program. A southern-based camp south of Newcastle Waters will have just under 500 personnel and will operate on a moving, rolling program. Major job categories include: skilled and general plant operators - 250 personnel of which 80 to 100 will be engaged in training; skilled and general labour - 120 personnel of which up to half will be engaged in training; repairs and service skills - 70 personnel with 25 trainees. These include fitters, fitters' mates, mechanics etc. Flashback welding - 40 personnel all of which will be trained. Specialist rail track crews - 150 personnel of which most will undergo basic training for the local conditions, but many of these specialist personnel will clearly come from elsewhere. Bridge building and associated work - 100 personnel of which up to half will be engaged in training. The approach will be, wherever possible, to employ Territorians first and where these skills are not immediately available, then training and employment of Territorians will be our next order of priority.
If these avenues for employment are exhausted, employment of South Australians and other Australians will follow in order of priority. Importantly, point of commencement for work for those coming from outside the Territory for most categories of employment will be deemed to be Alice Springs or Darwin. Every opportunity will be made available for Territorians to gain employment and in the event that labour is drawn from outside the Territory, every effort will be made to retain those people in the Territory after project completion, adding to the strength and size of our society and our economy.

With regards to training, the employment benefits that will arise from the railway project are immense. The consortium has already recognised this in its bid preparation and held a number of discussions with Northern Territory industry and training bodies prior to submitting its bid in March this year. I am aware that there are some ITABs in NTU who feel as if they’re a little bit in the dark at the moment. That's understandable. Skills training programs will develop in concert with the way in which the project firms up how the industries involved will source their workforce, the time lines that will be involved, and how different parts of the workforce are brought on line for different aspects of the project. Other considerations will be what companies, as the member for Nelson said already, have a workforce in place (Territorians probably many of them), and what sort of skills training programs are already in place in those particular organisations.

Discussions have been held with the Northern Territory Employment and Training Authority, NTETA, the Construction Industry Training Advisory Board, Territory Construction Association, and the Northern Territory Chamber of Commerce and Industry. This consultation by the consortium has continued since it was appointed the preferred consortium in June 1999. Just last week further meetings were held between the consortium and a representative of the Territory Construction Agency and the Construction Agency Training Advisory Board to progress the development and refinement of the consortium's training plan for the project.

Consultations have also been held with the Jawoyn Association in Katherine, the Julalikari Council in Tennant Creek, and the Tangentyere Council in Alice Springs regarding specific training opportunities for indigenous people in these regions. It is understood that these discussions include the participation of the Jawoyn’s group training scheme and drawing off the Julalikari people's previous experience in construction projects.

In terms of the development of the consortium's training plan, a comprehensive training plan by necessity must be a staged process. The plan itself cannot be finalised until all the contract documentation has been ratified and the respective obligations of the parties involved have been settled.

The training plan being developed by the consortium in conjunction with local Northern Territory training bodies and industry associations must reflect that the project involves a 3 year construction program and that not all jobs and training will be fulfilled at the commencement date in mid 2000. Rather it is understood that there will be 3 tiers of training undertaken. Namely, site specific training such as safety and project understanding; skills advancement, where a person already has a certain skill level but will be trained in new skills; and training of people for the life of the project where they may have no immediate relevant skills but will exit the project with a qualification. Most of this training will be done on site rather than in the class room.

The consortium also needs to finalise its training delivery method; that is, will it deliver its training in house or via external training providers. These issues will be finalised in the coming months.

With regards to the GST question, the Deputy Chief Minister has said the project is expected to include a government capital works program component. This is the most tax-effective way of delivering the government financial contributions to the project.

With regards to Alice Springs, the project will be of great benefit to the local economy due to, amongst other things, the strategic location of Alice Springs. Alice Springs will be an important logistics and distribution centre for supplies during the construction phase of the project. During operations, Alice Springs will be a key location for track maintenance.

As regards the impact on some aspects of the road transport industry, initially the industry is expected
to be very busy during the construction phase. Nevertheless, there will be some impact on the industry beyond construction, and we will work with the relevant industry sectors to plan for whatever restructuring is required and to allow the affected industries to capitalise on alternative opportunities.

I thank all honourable members for their contribution to the debate. This is a great day for Territorians to be able to speak about how the actual project will be delivered. It is now a reality for Territorians. I would ask the Leader of the Opposition to bear in mind that right up until almost this point, we've been talking about getting this project. To criticise the government at this early stage for somehow not having some perfect plan as to how all the skills training will be delivered is really a bit much. It really is a matter of talking to industry bodies. You might like to talk to TCA, the major industry body that's been working with the consortium, as to how the skills training and development plan will be produced, how it will be staged, and how jobs and training will be delivered to Territorians throughout the project.

Motion agreed to.