Mr COULTER (Transport and Works): Mr Speaker, I present with pride and pleasure for the benefit of honourable members and the Territory community a comprehensive report entitled Darwin 2010 - The Multimodal Transport and Logistics Hub.

Before cynicism sets in, I hasten to put forward my considered personal view that this is an excellent report, deserving of the attention of all honourable members. It sets out, in the best form I can recall seeing in the Assembly in my 12-year career as a member, the way of the future for Darwin as an economic force in northern Australia and in our geographic region. If we are to be as important in our region as we think we ought to be, this is the way it will happen. This report is truly a blueprint for the years ahead.

The word 'hub' is a small one, but those 3 letters can mean a great deal. If members want to know the breadth and depth of its meaning in the terms we are examining today, I invite them to think about Singapore. That small island nation is a hub for South-East Asia and the world. Singapore would appear to have little reason to exist other than as a transport, commercial and financial hub, trafficking with the global community. Through the energy and dynamism of its citizens, Singapore has made of itself an economic powerhouse, based almost exclusively on trade with the outside world.

I do not imagine Darwin will ever rival Singapore as a hub for regional activity. I do not imagine we would ever want to because our historical, geographic and cultural circumstances, and the aspirations of Territorians, are vastly different. However, Darwin would do economic wonders for the Northern Territory and Australia by building on its promising beginnings and by creating our own flavour and our own more modest version of Singapore as a multimodal transport and logistics hub with considerable economic capacity. This report sets out the strategy and the directions for making that happen.

This document has not been prepared to gather dust on a shelf. Rather, it sets out the initiatives for developing and promoting the emerging Darwin hub. I will be presenting it to industry representatives at a function elsewhere in this building today. I am aware that there is keen interest in the findings and recommendations in it. Industry group representatives include those from shipping, aviation, tourism, trade, transport generally and indeed any industry in which transport performs a pivotal function. Work has already started to produce a condensed version of the report for use by government and industry in commercial and trade discussions. When we visit national and overseas companies and countries, it will be useful document to leave behind with our hosts. Likewise, it will give visitors to the Territory a clear indication of where we are going and how we aim to get there. Over the years, I have found Treasury's annual Budget Paper No 6 a most useful Territory publication to give to people interested in the Territory as a place with which to do business. I will now be able to add the Darwin transport hub report, or at least the condensed version, to the list of informative publications about the Territory's economic circumstances.

The report charts the growth of traffic and trade through Darwin, and records the many trade agreements reached with our northern neighbours. It examines the opportunities that have been built on in recent years, and looks at likely growth in these areas in the future and also at growth opportunities that have not been fully explored perhaps at this stage of the Territory's development. Trade figures for 1995-96 are interesting, to say the least. About 67% of the Territory's exports were sent to Asia in the
most recent financial year. China was the single largest destination, accounting for 22% of all exports. For the first 6 months of 1995-96, the Territory exported to China $148m-worth of manganese, bauxite and alumina. This was up from $90m in the corresponding period of the previous year.

The big growth for Territory product in ASEAN countries was in live cattle. Food and live animal exports increased to 14.2%, from 12.3% in the previous financial year. The market for live cattle continues to be strong, especially in Indonesia. In fact, Territory exports, including live cattle but excluding mineral fuels, to Brunei, Indonesia, Malaysia and the Philippines have grown at an average of 57% every year for the past 4 years. Those are impressive figures that prove the Territory's long-term trade initiatives in the region are bearing fruit.

Trade and transport obviously go hand in glove. It is not surprising that traffic through Darwin has been experiencing strong growth over the same period. For example, since 1993, the number of international airline services through Darwin has grown by 69%. The number of weekly domestic flights has grown by 49%, and the number of domestic seats available per week has grown by 48%. Darwin Airport currently handles 45 international flights per week, and all foreign carriers are of Asian origin. They include Singapore Airlines, Garuda Indonesia, Merpati Nusantara, Royal Brunei and Malaysia Airlines. National Jet Systems recently started a weekly service to Lombok and Jakarta, and a Qantas subsidiary, Airlink, is assessing a new flight to Timika to service the giant Freeport copper and gold mine. Good potential exists for new services to the Philippines and Papua New Guinea. It is a reasonable and achievable forecast that the growth in international and domestic airline services will continue at around 10% per annum.

In shipping, Darwin is emerging as a transshipment port of considerable potential, spearheaded by the remarkable growth in live cattle exports. In fact, 60% of Australia's live cattle trade to South-East Asia goes through the port of Darwin. In 1995-96, that amounted to 335,000 head. Container traffic shipped through Darwin looks certain to grow with the OzIndo line proposing to include Darwin as the southern turnaround point in a fortnightly service linking Surabaya, Bali, Kupang and Darwin.

Construction of the Alice Springs to Darwin railway obviously would increase enormously the volume of container traffic through Darwin and, as a part of an integrated operation, through our new port that is being specially built for the purpose. Stage 1 of the new port is due to open in late 1997, at a cost of $80.3m. Our latest estimates of just under 1.2 million tonnes of domestic freight that could be carried per year on the railway have been broadly received with approval. It is now accepted that the 1994 Wran report freight estimates were undervalued because the committee's consultants underestimated the Territory's economic growth.

Among the compelling reasons for a railway is the reduction in overall delivery times for international freight that would result in partnership with the port of Darwin. Transit time from Singapore to Adelaide, for example, would be cut by 3 days, from Singapore to Melbourne by 5 days, and from Singapore to Sydney by 2 days. Even without the railway, the new East Arm port has the potential to become an emerging container port in the region of northern Australia and South-East Asia. With the railway, that future is absolutely assured. Shipping times from Asia to Australia's southern and eastern seaboard can be reduced without a railway and with our existing road links if the modern loading and unloading facilities of the new port are fully employed. It is estimated that 4 to 5 days can be saved to some destinations by unloading containers at East Arm and moving the freight quickly by road to southern Australia and Queensland. Incidentally, stage 2 of the East Arm port development will be timed for completion in association with the completion of construction of the railway. Stage 2 is all about containers, container handling and multimodal transfer.

The report identifies strategies to be pursued to fully develop Darwin's potential as an important regional transport hub. They are:

(1) construction of the Alice Springs to Darwin railway;

(2) investment in port infrastructure and facilities;

(3) monitoring of growth and facilities at Darwin
Airport;

(4) expanded cruise ship facilities.

It is nice to see a large cruise ship moored at the wharf this morning. The growth in the cruise ship market has been phenomenal and is outlined in the report. The other strategies are:

(5) development of serviced land at and near East Arm for hub-related use;

(6) expanded shipping links;

(7) increased air links;

(8) increased air freight capacity, particularly for perishable goods;

(9) greater road transport efficiency, including additional axle loads and improved chiller van technology;

(10) better port efficiency through improved organisation and work practices;

(11) better logistics and physical distribution services; and

(12) use of information technology.

At this point, I congratulate the port on its efficiency in loading cattle. There was a time, probably as little as 3 years ago, when it would take 2 days to load a cattle boat. Today, they are loaded within 6 hours. Members of the union movement will be present at the presentation being held elsewhere in this building. I congratulate all concerned on the way that that facility has been marketed and the work experience that is provided there.

Members: Hear, hear!

Mr COULTER: Mr Speaker, to make these strategies work, the government proposes a number of initiatives and action plans. We will appoint an expert in trade and logistics to work on transport solutions, new markets and new freight through the port, and new uses for the port. For example, opportunities exist for port-related services and infrastructure associated with offshore oil and gas and mining activities in our region. It is my understanding that we can expect a supply base submission before the port opens late next year.

New freight opportunities appear to be plentiful. One such opportunity which stands out is the increased traffic of Australian perishable goods through Darwin to Asia. Likewise, there appears to be plenty of scope to increase the flow of manufactured goods from Asia through Darwin into Australia. We can grab a bigger share of these markets by demonstrating that we can cut existing shipment times between Australian and Asian markets by passing freight through a new and efficient port in Darwin, and by providing excellent facilities at or near the port - for example, specialist warehousing for specific goods, including modern chiller facilities for perishable produce. We will undertake research into the use of the port by high-speed vessels. Darwin is ideally placed, regionally and geographically, as a destination for these ships of the future, if and when they become commercially viable.

We will make a real impact on the cruise ship market by concentrating our efforts on the development of specific facilities at the Stokes Hill wharf as it takes on a new role as a cruise terminal port. This means expanding opportunities in the fly/cruise tourism market. Life obviously will be easier in this
respect when the new East Arm port opens. The opportunities for the rapid growth of Darwin as a
desirable port of call for cruise ships are extremely good, especially in relation to the growth of the
Arafura tourism zone which has the capacity to capture the attention of the world tourism market.

We aim to secure more international airline services by taking proposals, under bilateral agreements, to
many Asian airlines. I draw honourable members' attention to page 22 of the document in that regard. It is here that I believe the major breakthroughs will occur.
With the support of the Commonwealth government - obviously, the federal minister, Hon John Sharp,
supports this proposal - we may soon have a more conducive environment for bilateral air service
agreements. We will continue to work with Australian carriers in the development of new proposals. A
critical factor in the development of airline services is the likely sale of Darwin Airport within 2 years.
We will have to monitor that situation most carefully to ensure that its status as a major Territory
strategic asset is not compromised.

The key to our plans for a major transport hub is the selling of Darwin as a regional transshipment port
that will offer time savings in delivering goods into and out of Australia. This means selling our
capabilities to the world, particularly to successful hubs like Singapore. We will hold seminars here and
overseas for key industry players to tell them about Darwin hub opportunities. Our port will
complement the port of Singapore. We also intend to design and implement an electronic data
exchange system for the port of Darwin that is compatible

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with the port information system and acceptable to port users. Information technology should and must
play a vital role in producing port efficiency.

If we can successfully adopt and employ all these plans and strategies, the rewards are potentially
enormous. Forecasts stretching to the year 2010 indicate just how big those rewards can be. Annual
cargo movements through the port of Darwin are currently around
1 million tonnes. With our landbridging concepts in place, we estimate that the figure by the year 2010
could be as high as 4.5 million tonnes. Container traffic through Darwin could reach around 92 000 -
39 000 containers in and 53 000 out. Our international air freight is currently around 1.8 million
kilograms. In the year 2010, it could be around 2.8 million kilograms. Passengers passing annually
through Darwin Airport currently number around
620 000. By the year 2010, the figure should double to around 1.2 million. Cruise ship visits hit a high
in 1994-95 at 17. In 2010, the number of ships could grow to more than 50.

These are exciting forecasts, and they are far from outrageous. The estimates are based on conservative
economic forecasts and on a considerable body of freight forecasting work that has been done in
the development of the Alice Springs to Darwin railway project. The dream about Darwin's role as a
vital transport link between Australia and Asia is growing real before our eyes. The concept is
becoming a reality. This report provides the proof and the details. It shows how far we have come,
where we are and where we are going. Much remains to be accomplished however. To this end, the
Northern Territory is working in close cooperation with the Australian government to complete a
number of reforms, programs and projects that will bring dynamism to northern Australia's transport
movements. The paramount project is, of course, the Alice Springs to Darwin railway which could
complete a national rail network linking to Darwin's new port. This would cut substantially freight
delivery times between Asia and Australia's southern and eastern seaboards.

The north also needs special-case bilateral agreements to allow more international flights to touch
down at Darwin airport, fuel excise concessions to increase the attractions of Darwin as a regular port
of call for the increasing cruise ship market, and implementation of the Arafura tourism zone concept
to increase tourist traffic between northern Australia, Indonesia and Papua New Guinea. We want to
see an early completion of national workplace reforms to increase the productivity of the Darwin port,
and long-sought real Commonwealth recognition of Darwin's Trade Development Zone via duty and
taxation incentives to its pioneering investors. Also necessary is a reform of the restrictive national
cabotage system that places considerable hurdles in front of what should be a simple process - the
 carriage of freight on ships between Australian ports. The port of Darwin would benefit enormously if
foreign vessels carrying freight to and from Australian ports could load and unload in Darwin without
seeking virtually impossible to obtain Commonwealth bureaucratic special permits.
Darwin is certainly well on the way to fulfilling its destiny as a key regional transport hub. Decisions taken in the next few years will determine just how big is the frame around that destiny. Once honourable members have the chance to look at the report thoroughly, I am sure they will agree it is a valuable document that will have substantial impact on government policy in the next decade. I thank the report's authors and the members of the Darwin Hub Committee: Paul Tyrrell, Chris Bigg, Peter Caldwell, Neil Almond, Larry Bannister, Robin Flannery and John Butler. They are all honourable and worthy men. This morning, I phoned them to congratulate them on this report. For me, it completes the tricolour: the tourism masterplan, the parks and wildlife masterplan and now the transport masterplan that we have before us. It has indeed been an honour to be able to table those 3 documents.

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

Mrs HICKEY (Opposition Leader): Mr Speaker, Darwin 2010 - Multimodal Transport and Logistics Hub is a statement about jobs, but it is something like 10 years too late. In 1983, the Commonwealth government offered to fund the Australia-Asia trade link on a 60% Commonwealth, 40% Northern Territory formula. In today's terms, that amounts to a Commonwealth contribution of approximately $720m. If the Minister for the Railway were offered $720m in Commonwealth funding tomorrow, I have no doubt what the answer would be. Add to that the promise of a direct funding injection of a total of $200m from the Northern Territory and South Australia and the funding gap for private sector investors to secure the Australia-Asia trade link would be less than $300m. Instead, we are still struggling to obtain a commitment from the Commonwealth to give approved-project status to secure infrastructure bonds and tax advantages for the north-south rail link.

The Minister for the Railway has admitted that the decision to turn down the 60% funding offer in 1983 was a bad one. I do not think he is alone in that. I have a feeling that the former Chief Minister, Marshall Perron, also admitted that. Instead of having this statement today about how we can develop Darwin as a transport hub, we would have had a statement about the need to expand the Darwin freight hub capacity. The north-south rail link would have already been operating for something like 10 years. Based on the estimates provided by the Department of Transport and Works in this report, the landbridge freight alone being carried on the north-south rail link would be in the order of 3 million tonnes.

Instead of investing in the north-south rail link, the Country Liberal Party administration underwrote a number of 5-star hotels using taxpayers' money. As members have no doubt noticed from current building activity around the Territory, the private sector is more than capable of building tourist accommodation without taxpayer assistance. Instead of getting a railway and the development of a freight and logistics hub in Darwin, Territorians were saddled with the loss of hundreds of millions of dollars in the Sheraton debacle. Instead of getting the Australia-Asia trade link and the flow-on developments in the transport hub, Territorians were given the ERC of 1991 in which 1200 public sector jobs were axed, and massive tax hikes which have taken our taxation above the all-state average. Instead, we are still paying the debts. Former Chief Minister Perron admitted that the taxpayers' payment on the Yulara debt alone would exceed $20m per year when all the fixed-interest arrangements were finally unwound.

As I said earlier, this statement is all about jobs and development opportunities, but it is something that should have been happening over the last 10 years. However, accepting that the Country Liberal Party made a bad decision in 1983, we must move on. The Wran report indicated that completion of the north-south rail link would become viable early next decade, and that is not far off. At the time of the release of the Wran report, many commentators stated that it provided a realistic assessment of the viability of the rail proposal. Members will recall the damage that was done to the project's credibility by an earlier analysis by one private sector proponent. The Wran report moved the rail project from the `if' category to the `when' category.
The Northern Territory possesses many natural advantages. These natural advantages underpin our economic activity and economic development, and some lend themselves directly to the development of Darwin as a regional transport hub. The Northern Territory has significant natural advantages arising from its proximity to Asia although, for many years, people in other areas of Australia considered that Darwin was handicapped by its location. They saw it as remote from the sphere of economic activity in southern Australia. In recent times, that perception has started to change. Darwin's previously assumed disadvantage is now seen as a major advantage. Darwin is now right in the sphere of some of the fastest-growing economies in the world. What trading opportunities arise from this locational advantage? The port of Darwin has experienced a dramatic increase in the number of live cattle passing through, and this trade is forecast to continue to expand.

Mr Reed: You criticised that in its early stages, let us not forget.

Mrs HICKEY: I certainly did not.

Mr Reed: Your party did.

Mrs HICKEY: I certainly never criticised that. Indeed, I have been very vocal in my support for the live cattle market.

Income levels are rising throughout the immediate region and so is the demand for beef. The minister failed to make any mention of the opportunities that this provides for beef processing and value-adding in the Territory.

The Territory also possesses major advantages in natural resources. Petroleum and mineral products already constitute a major proportion of our exports to the Asian region. Large areas of the Territory continue to be taken up for exploration. This dispels the myth, promoted by some members opposite, that the Aboriginal Land Rights Act and the Native Title Act meant the end of exploration and mining in the Northern Territory. Today's NT News carries a report of the latest exploration deal agreed to between an Aboriginal corporation and a miner.

The statement also refers to the opportunities arising from the large gas and oil discoveries in the waters adjacent to the Northern Territory. A number of consortia are investigating the potential for LNG plants and an oil refinery to process these discoveries. This provides opportunities for the development of the technical and other services required to maintain these exploration and processing activities. Indeed, I think we will see a concentration of those activities in the Northern Territory. That dispels the other myth - that those activities, based on exploration in our waters, will be concentrated in Western Australia.

Inbound international tourism is another area in which the Northern Territory can develop its transport hub capabilities. Increasing international passenger services bring increasing belly space and capability to export high-value products by air. This would provide opportunities for further development of high-value niche markets for Territory horticultural products. On that point, it is interesting to note that some of our exporters have been impeded by low freight capability from the Northern Territory in the past, to the extent that they have to export their product from Sydney - a ridiculous situation that one hopes will be rectified.

The Indonesian national plan to develop infrastructure and other services for eastern Indonesia provides an opportunity right on our doorstep. Australia possesses in the Northern Territory excellent engineering capabilities that lend themselves ideally to servicing this region. Northern Territory operators are heavily involved already in mining operations in the near Asian region. Economic and social development also presents opportunities for providing and servicing sectors such as alternative energy supply and telecommunications.

Members will recall that I initiated a matter of public importance debate last week concerning the provision of telecommunication services to remote and rural Australians. This would provide a platform for the development of telecommunications installation and servicing capability in the
Northern Territory, a servicing capability that could then be exported. That initiative could return millions of dollars in revenue to the Northern Territory. Potentially, it is as exciting as the railway.

Yesterday, I had a quite extensive briefing from officers of the Department of Transport and Works. I thank the minister and those officers for the data that they provided and for an ongoing assurance that I can access, through the minister, further information as it comes forward. Things are moving very fast. Staff of the department are still having to put a great deal of effort into strategies such as this to develop Darwin as a transport hub. As I have pointed out, this department would now be working on plans to expand our transport hub capacity if the Country Liberal Party had accepted that 1983 offer to fund the Australia-Asia trade link on a 60:40 funding basis. Officers of the department pointed out to me yesterday that documents such as the recently tabled road network strategy are out of date almost as soon as they are tabled. Strategy documents are meant to be living documents. A strategy needs to develop in line with developments elsewhere in the economy. It also needs to develop in line with changes in technology. Chapter 6 of this document sets out the strategy. It reads like a corporate directions statement. Transport and Works is currently updating its annual corporate directions statement. This also should be done on an annual basis, although it should take account of longer-term strategies.

The opposition welcomes the minister's statement. However, I wonder about the need to spend so much money and time preparing a document that is out of date almost as soon as it is tabled. It is a nicely produced document that will be attractive to readers. I suppose that is one of the reasons for its multi-colour production - it grabs the eye. However, the date on this is November 1996. By December 1996, the data in it will be starting to be out of date. If the Commonwealth and the Country Liberal Party administration had commenced construction of the north-south rail link in 1983, there would be no need for this statement. There would have been a very different document, confidently looking to the future rather than looking backwards to missed opportunities.

Mr POOLE (Asian Relations, Trade and Industry): Mr Speaker, I rise in support of my colleague the Minister for Transport and Works and the document that he has tabled, entitled Darwin 2010 - Multimodal Transport and Logistics Hub. I pick up the comment by the Leader of the Opposition about the currency of the document. One of the disadvantages of doing things like this is that some of these documents have a limited lifespan. However, my department believes that this document will be invaluable in presentations and distribution when we are promoting the Territory's cause in the international marketplace. It is something that has been sadly lacking. I hope that the currency of the document is brief because some of the things that the report is talking about should happen within a relatively short time frame. If we are successful in our approaches to the region to promote Darwin as a transport and logistics hub, that may shorten the life of the document. If that is the reason, I expect we all will be grateful.

This government has long believed that Darwin is ideally positioned to play a prime role as a regional hub. As the minister said, the report sets out in the clearest terms the background to the view that Darwin will become a multimodal transport and logistics hub. I am pleased to say that officers of my department played an important role in working with Department of Transport and Works officials to put together the document. I congratulate the Department of Transport and Works on its professional job in compiling the information and particularly on the way it is presented.

While the report clearly lays out information about transport, and the obvious role it will play in the future development of Darwin, several other key issues in the region will also impact very much in our favour. Honourable members may have heard that the Australian government has signed an agreement with the Indonesian government to establish the Australia-Indonesia Development Area (AIDA). I intend to make a full statement on this later, but it is worth mentioning in this response. We hope that, should a secretariat be established to service AIDA, it will be based in Darwin. The group obviously will require efficient air transport between the capital cities of the 2 countries. This is an example of how an efficient transportation system can assist in ongoing economic development.

I am also pleased to be able to say that my own department has had some success in selling the concept of Darwin as a hub, not only to several transport operators but also to a growing number of business
people, both in Australia and overseas, who support our view. Officers of my department have worked closely with National Jet Systems in encouraging the company to establish its weekly Darwin-Lombok-Jakarta service. I am pleased to report that this service has been so successful that National Jet Systems has already applied for extension of the service to 2 flights per week. Establishment of the service took a great deal of hard work by a number of government officials, not only officers of my own department, but also officers of the Department of Transport and Works. The success of this route gives me some confidence of having additional routes into other parts of the East ASEAN Growth Area established in the short to medium term.

It is interesting that one of the key issues for National Jet Systems in establishing this link is the developing trade and future commercial opportunities between Australia and Indonesia, Malaysia and the Philippines. In a similar vein, for some time, Indonesian business interests, with support and encouragement from my department, have been investigating the establishment of a Darwin-Bali-Surabaya shipping link. Support was provided by Transport and Works and Port Authority officials to ensure that the proponents were assisted wherever possible. The proponents have carried out extensive market research into potential freight flows, both in and out of Darwin, and have identified a number of products that offer potential for the shipping service. Investors have recently refitted a 485 t deadweight vessel to provide the freight service. Initial sea trials have taken place, with the final refit now almost complete. I am pleased to say that a Northern Territory company, CSA Shipping, has been appointed as agent. The company advises that the Fajar Kanguru - which apparently means ‘Kangaroo Dawn’ - is due into the port of Darwin in mid-December. This is yet another example of Darwin being used as a hub for freight, both northbound and southbound.

I am pleased also to speak about some other developments in the air transport area that further confirm Darwin's role as a transport hub. At a recent round of negotiations with the Philippines and Papua New Guinea on bilateral air service agreements, the capacity of Darwin was separated from the rest of Australia. This means that the operation of flights into and out of Darwin does not cut into the capacity of the high-yielding Australian east coast air routes. This decision effectively allows Darwin to operate services between these 2 countries as a regional hub with connecting services into the Australian network. As a result, the federal Minister for Transport and Regional Development, Hon John Sharp, recently announced an agreement between Australia and Papua New Guinea to renew flights between Darwin and Port Moresby. In addition to those services into Papua New Guinea, flights between Darwin and Davao and Cebu in the Philippines can also commence without using capacity allocated to Australia. We also understand that other airlines that fly in the region are actively considering including Darwin in their regional links. The establishment of additional air links such as these will undoubtedly place Darwin in an excellent position to further develop trade links between the Northern Territory, the Philippines, Papua New Guinea and other regional centres. I should also point out at this point that we have been working closely with the Philippines towards developing counter-trade - that is, southbound trade out of the Philippines and into the Northern Territory - to balance the strong trade that is established already out of the Territory into the Philippines. This will obviously further support our trading links.

This report recognises the importance of trade to the development of Darwin as a multimodal transport and logistics hub. There is no doubt that Darwin cannot develop only as a hub for transport services. It must develop as a full, multimodal transport and logistics hub providing benefits for all Australians, not only Territorians. That is why we signed a memorandum of understanding with South Australia on 15 June last year. This MOU aims to develop strategies and action plans to work cooperatively to expand trade and investment opportunities in the Asia-Pacific region. In support of this, it also aims to develop transport linkages on the north-south freight corridor between Adelaide and Darwin.

The minister has demonstrated clearly in his statement that trade between the Northern Territory and the South-East Asian region is growing at an astounding rate. There is no reason to believe that this growth will not continue in the future. It is important, however, that we do not grow complacent. We cannot believe that the continuing growth in trade will happen without a great deal of hard work and planning. It is also important to appreciate how important our relationships in the region are, and will continue to be, in developing our trading position.
Apart from the matters that I have already mentioned, officers from my department are working on a number of other initiatives that are designed to provide the trade required to support Darwin as a hub. Several come to mind. The Northern Territory has made a submission to the federal government’s review on Australia’s aid program that is chaired by Mr Paul Simons who until recently was chairman of Woolworths. This submission recommends that the Australian government focus its aid program on Indonesia - more directly on eastern Indonesia. In conjunction with this, we also recommended that AusAid resources for the implementation of this development program be relocated to Darwin. Should these recommendations be accepted, there will obviously be a large impact on sea and air transport requirements between Darwin and eastern Indonesia.

I am also pleased to advise that an officer of my department has been accepted to sit on the secretariat advising the Indonesian presidential committee on the development of eastern Indonesia. In addition, we are now playing an important role in meetings of ministers and senior officials of the East ASEAN Growth Area and we are closely involved in the East ASEAN Business Council. Both of these activities give us a key role in strategic planning for the development of the region. They also place the Northern Territory in an ideal position to discuss with Australian businesses opportunities for infrastructure development and trade throughout the East ASEAN Growth Area, and those parts of the eastern Indonesian area which are not yet a part of EAGA.

The fast-growing capability of northern Australia to supply a range of food products into Asia will also have a profound effect on transport requirements. There is growing acceptance in Asia that the Territory's vast agricultural capability, combined with a clean environment, will lead us to become a key supplier of quality food for the region. This capability to grow food, along with an increasing awareness of the need to process the food close to its source, will undoubtedly put a great deal of pressure on our transport capabilities. Awareness of our agricultural expertise is developing now, based on current resources. Just imagine what will happen when the Ord River scheme expansion becomes a reality!

Another area of increasing importance is regional defence. Darwin is quickly becoming a centre of expertise in the maintenance and servicing of military equipment. As these skills grow, there will be increasing opportunities to be involved with regional defence forces and the maintenance of their equipment. As I am sure members are aware, the Northern Territory is also playing an increasingly important role in the training of all 3 services from around the region and the United States. This demand will place greater pressure on Darwin's facilities and its ability to perform adequately as a transport and logistics centre. I have called already on the federal government to consider an immediate expansion of Darwin Airport to cater for the new flights that will be inaugurated over the coming 12 months. The terminal is operating at full capacity already and is likely to face problems as a result of this increase. In this modern transport era, that is not good enough. Further expansion is needed.

What I have tried to demonstrate is the synergy between the work my department is doing in the region and the development of Darwin's potential as an important regional transport hub. We often speak of a chicken-and-egg situation. This Darwin transport and logistics hub report recognises that, and sets about clearly identifying the strategies that need to be pursued to provide the wherewithal and the means to realise the potential for greater trade between Australia and Asia, using Darwin as a hub. The report sets out a clear direction for the future and shows that the Northern Territory government is serious about playing an active role in the development of trade between Australia and South-East Asia.

The report also recognises the fact that business between Australia and the region will be done differently in the future, and that Darwin has an opportunity to be a key player in that change. A new railway, changes to international shipping, efficient ports - both sea and air - will mean that Darwin can truly become Australia's gateway with Asia. I am confident that the strategies set out in this document will lead to Darwin establishing itself as a regional hub by
the year 2010. I support the report and commend it to honourable members.

Mr BAILEY (Wanguri): Mr Speaker, members on this side support the statement by the Minister for Transport and Works on Darwin as a transport hub. The issue of developing Darwin as a multimodal transport hub is one that has been around for some time. I remember a major transport conference in Darwin a couple of years ago where the issue of multimodal transport and the potential for Darwin was one of the issues on the agenda. No longer should air links, sea links, rail links and road links be seen as individual entities. They should be seen as interdependent, with the controlling bodies having an integrated approach. It is only through that integrated approach that you can develop world best practice and efficiency standards that allow you to compete in what is increasingly becoming a highly competitive market.

As the Leader of the Opposition stated, this statement on Darwin as a multimodal transport and logistics hub is made at the end of 1996 - about 10 years later than it should have been. Back in 1983, the Commonwealth government offered to fund 60% of the rail connection between Darwin and Alice Springs. Basically for purely political reasons and as a bit of a stunt, the response was that the Commonwealth had offered in the past to build the railway and therefore, if it would offer only 60%, the Territory would not accept. The Minister for the Railway and the previous Chief Minister have been on the record in recent years saying that they were mugs for not accepting that offer in 1983. In fact, if they had agreed to that offer, and worked on the Territory's 40%, we would have the railway now and the Territory would probably be in a much better situation to be talking about multimodal transport. Unfortunately, this government chose to put its money into underwriting 5-star hotels, not merely to help them out with some seed capital but to the tune of many hundreds of millions of dollars of taxpayers' money that went basically into 3 hotels. At Yulara, there was some infrastructure and a few other things but, because of the way those projects were established, the taxpayers lost horrendously. They lost in that they do not have a railway line between Darwin and Alice Springs now.

The Minister for the Railway is very hopeful that construction of the railway will begin in the not-too-distant future. We have heard that story on many occasions. It is funny. Time after time, the government has told us that it is about to happen, and then it has discovered that its projections were not quite right.

Mr Reed: You live in fear of good news.

Mr BAILEY: I will pick up the interjection from the member for Katherine. It is not that we live in fear of good news, but that we become tired of the government crying 'railway!' like the boy who cried wolf. Finally, when the wolf came, everyone had become used to its not coming. We have been hearing cries of 'railway' and 'liquefied natural gas' for years. We may be getting the gas now, but the first announcements were made about 15 years ago. We had the announcement of the relocation of the fuel tank farm over and over again. Almost every time an election was about to occur, we were told all these things would happen. How many times will the government announce something before it needs to be brought to account for its not happening?

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Given that we have a very small population base, an almost non-existent manufacturing base and limited infrastructure, it is true that certain things will take time and there will be a number of false starts. While the government can take credit for some achievements, it also must accept that many developments have occurred naturally as the Territory's growth has progressed, or through fortuitous mineral finds that had nothing to do with the government. In a number of areas, such as mining, we have been hearing about Aboriginal land rights and native title. Its objection to these has been probably one of the factors that has held up mining in the Northern Territory more than anything else. Only in recent times has the government, ignored by miners and Aboriginals, seen the merit of outcomes such as the Mt Todd agreement. If the government had accepted much earlier that the best way to deal with these matters was not to object to every single land claim and oppose any notion of Aboriginal title, but to work with Aboriginal people and miners to facilitate development, that would have worked to the benefit of everybody.

We saw the government restrict the sale of natural gas when developers and explorers were saying
there was no point in their making any significant effort to find extra gas, whether in central Australia or in the Bonaparte Gulf, unless there was an ability to tap into the national grid. It would have made commercial sense for people who had limited discoveries in the Bonaparte Gulf to bring a line onshore to Darwin to connect with the central Australian gas pipeline to Darwin and virtually reverse the flow in that pipeline and pump into the national grid. However, the champions of free enterprise in the CLP administration said that could not be done: ‘We have a supply in central Australia, but we want to keep it all to ourselves. If we allow it to be sold elsewhere, it might run out’. Would the government tell the Mt Todd miners that the gold must be left in the ground because the Territory might need it at some time in the future? The basis of most mineral exploration is to allow the market to determine where the product goes. Interference with the market processes stifles exploration and development. There may be arguments for sustainable development in long-term environmental interests, but that was never the basis of the argument from government members. It was simply narrow-minded thinking.

Looking at the document that the minister has tabled, I wonder exactly whom it is for. It is well printed and impressively presented, but it does not give much in the way of significant hard facts. That may be because it is not targeting people who want that kind of information. I am not sure whether it is targeting high school students who want to do a project on the development of Darwin as a multimodal transport and logistics hub, or whether it is targeting the other extreme - multinational business executives - to demonstrate the potential of Darwin. I think that one of the difficulties when producing this sort of information is deciding who is the target audience. I have recently taken over the shadow portfolio of Asian relations, trade and industry. Over the last week or so, when I have requested briefings from the department, it has been very helpful.

Mrs Padgham-Purich: What is in the sample bag?

Mr BAILEY: I will come to the sample bag in a second.

I have been shown many publications and documents that the department has, and I also made a specific request. I was speaking a few weeks ago to someone involved with a significant multinational chemical company. We discussed Darwin as a business centre. I asked the department for information that I could send to this person to tell them a little more about Darwin. I could have chased around to find the odd publication, but I thought that DARTI would have something, and it does. I was given a number of ‘show bags’, and I have to say seriously that these are well-presented packages. I am in no way criticising them. The bag contains 2 videos - 1 on the Northern Territory and 1 on the Trade Development Zone - some economic indicators, Australia’s Northern Territory, a thick package of information on the Trade Development Zone, information on BIMP-EAGA and the Territory and how they fit in together, another significant brochure with a package of Territory Business magazines, and information on memorandums of understanding.

I am sure all of those are very useful to someone who is trying to obtain an overview. I am not sure where this one fits in. It seems to have bits and pieces from a number of other documents. It appears to be the result of an exercise that someone was set because the new term ‘multimodal transport and logistics hub’ had been coined. I hope the minister will explain exactly whom this is designed for. If he is able to define the market, that will make the document easier to assess. I do not think it provides the amount of detail that is required by people in business. If it is designed to provide general information that one might flick through before attending a conference, it is probably quite good.

However, I believe the focus is too narrow because it is largely concerned with the physical movement of goods - increased shipping, air freight capacity etc. Expansion of international transport does have significant potential, but we will always be in difficulty. The government's hopes are based on our having a railway. It is like a cargo cult. If we do not obtain a railway, the government will continue to say that is why things are not going very well. Shipping in itself is very much a low value-added exercise. It has reached the stage where everyone has to be so efficient and competitive that there are no huge margins of profit to be achieved. There will be competition from the eastern states and from Singapore. Business people with whom I have had discussions see Darwin, at an Australian level, as fairly expensive. Transport costs may be brought near to competitive levels, but it always will be difficult. In the end, you will be looking at a percentage point one way or the other.
I believe Darwin’s greatest potential, as the only significant English-speaking, Western city on the South-East Asian rim, is as a business centre for information technology and communications. Nearly all multinational companies have major offices in cities such as Hong Kong, Singapore, Manila and Bangkok. They may have them in several of those places or only in one and fly to the others. The person I was talking to said his company was spending $US14 000 a month to rent a 3-bedroom unit. He said that spouses and dependants did not like living in compounds in Asian cities. He said that those companies are also spending a fortune on office space. As we talked, what crystallised in our minds was that Darwin can offer something to multinational companies that no other place can. Americans, Australians, Britons and Europeans who need to work in Asia often complain about living in very crowded, expensive, non-English-speaking places, with pollution and traffic jams. I believe that Darwin can offer something that no other city in the region or in Australia can. We need to take the Fortune list of leading companies and write to them with information about our connections.

I pointed out at the briefing that, when you look through the document, it seems to focus too heavily on the BIMP-EAGA region. While it shows the number of flights between Darwin and that region, it does not even mention the number of flights to Singapore or Hong Kong. I would like to hear a statement from the minister on the possibilities of attracting multinational companies to Darwin. They have the potential to create a great future for the Territory, without having to rely on the new railway line as the be-all and end-all.

Mr MANZIE (Mines and Energy): Mr Speaker, sometimes I wonder where the member for Wanguri comes from. I have been listening to him ...

Mr Bailey: I come from England.

Mr MANZIE: That is right. I remember now. He is a newcomer to the Territory, and that is about the standard of contribution one would expect from a 10 pound migrant. He is hopeless. He has no connection with, and no faith in, the place. He is a passing-through Pommie visitor, whingeing and moaning. The first thing that he should have done was read the document. If he was not prepared to read it, he should not have spoken about it. He talks about establishing the Territory as an outpost for wives of businessmen who are working in Asia so that they do not have to put up with crowds and language difficulties. If he looked at the introduction to this document, he would see it set out:

Darwin is Australia’s gateway to South-East Asia ...
Darwin is well placed to serve as Australia’s gateway ... of reasonable significance ... to and from South-East Asia ... the only large population centre in an isolated area of coast from Cairns to Perth, strategically located on the apex of Australia, the nearest capital city to the still-developing areas of eastern Indonesia, eastern Malaysia and the southern Philippines ...

It goes on to talk about the set-up of Singapore and how Darwin should develop. It is all in there. The member for Wanguri has left the Chamber! That is the level of interest he has in it. His contribution was pathetic. He says Yulara is a failure whereas advice from independent accountants, in documents tabled in this House, indicates that the Yulara development was worth millions of dollars in excess of the expenditure. It has created thousands of jobs. He rubbishes the railway and maintains that the minister is continually beating it up. In fact, the minister has spent the last 18 months working non-stop on this project without courting publicity. He has been extremely circumspect. When that railway gets up, it will be entirely due to the hard work of the present Minister for Transport and Works.

The member for Wanguri also says we have fought against every land claim. What a load of rubbish! The record shows that is untrue, and it demonstrates how ignorant he is. There are land claims that we have supported. In fact, we have handed over many thousands of square kilometres of freehold land.
That type of statement does him no credit. It shows either that he does no research or that he deliberately likes to mislead people.

Mr Toyne interjecting.

Mr MANZIE: You can have a go later. You do not have to interrupt. You just walked in, so listen. If you want to object to these things, you need some facts. If you want to stand up and say that we have gone against all land claims, do so. However, I presume that you have done some research, and know that is not true. If you are informed, you will be able to contribute significantly.

The member for Wanguri observed that we had objected to selling gas by linking up with the south. At the time that he was talking about, we did object to Palm Valley gas sales to the south. Since that time, we have been vindicated. The reserves of Palm Valley gas have been found to be far less than was originally trumpeted. They are insufficient to meet Darwin's future power requirements. In fact, we recently entered into new contracts with Mereenie to add to Darwin's supply until offshore gas comes through the pipeline into Darwin. If we had followed the honourable member's advice in those days, we probably would not have any gas left. We would be running around with candles. He makes these comments without carrying out any research and he compounds - to our benefit - the public's view of his ignorance.

The member rubbished the information from DARTI. He said that it does not provide sufficient details for people to look at Darwin as a centre for operating into Asia. The comments he made were absolutely ridiculous, but typical of him. They were typical of a member of this House who has never contributed a suggestion about anything that may create employment for Territorians. They followed the anti-development, anti-job line that, with the help of his colleagues, he peddles continually in this House.

I support this statement by the Minister for Transport and Works. As he pointed out, there is a considerable history relating to this government's efforts to develop Darwin as a transport and infrastructure hub for the region. From the perspective of my Department of Mines and Energy, the relationship has been even longer. The development of natural resources has certainly been a key factor in the progress of the Territory since European settlement. Mineral development, particularly gold, has certainly been a vital factor in that progress.

Members may not be aware that the history of the Territory's mining sector dates back to 1623 when shipwrecked Portuguese were said to have found gold-studded quartz on the coast of Arnhem Land. As a result, they named the Arafura Sea the Mare Arafura which is Portuguese for 'Sea of Gold'. More than 200 years later, in 1838, after Port Essington was settled by the British, a Captain Watson purchased from Aboriginal people 3 oz to 4 oz of gold dust mixed with magnetic iron. It would be interesting to know what he paid for it. The following year, crew members from HMS Beagle, which gave its name to the Beagle Gulf, located a bituminous substance at the mouth of the Victoria River and reported the first evidence of hydrocarbons in Australia. They were seeking fresh water, but all they found was oil.

In the more than 150 years since, mineral production and energy resources have provided the Territory with much of its impetus for development. Regional centres such as Tennant Creek, Jabiru, Batchelor and Nhulunbuy owe their genesis to mining. It is also a matter of record that mineral development has contributed strongly to the Territory's development as a multicultural and multiracial society. Indeed, it could be argued that the mining sector has been the primary catalyst for the development of the Territory, although the agricultural sector may want to argue with that proposition.

Over the past 16 years, the mining sector has contributed an average of 20% a year to the Territory's gross state product. That is 4 times the national average. The figure would be even higher if the Australian Bureau of Statistics classified alumina production as mining rather than manufacturing. New
developments that are likely to continue this growth include exploitation of the Territory's offshore oil and gas reserves including, as we heard last week, the proposed LNG plant and possibly a small oil refinery. We are also seeing the introduction of new mining products such as diamonds, and an expanded output of minerals such as gold and lead/zinc/silver.

The point I am making is that the Territory has a very robust mineral and energy sector in its own right. What is also critical, in terms of Darwin as a regional transport and logistics hub, is that this situation is reflected in the performance of our northern neighbours. In this regard, I refer members to the various sections in the report dealing with minerals and energy, particularly section 4.5 on logistic support. At page 29 of the report, there is a map that touches on the extraordinary mineral and energy wealth of northern Australia and South-East Asia. In addition to the exciting oil and gas reserves to which I have referred already, there are world-class deposits of coal, nickel, copper and gold, to name just a few, in countries to our north.

The other point that is brought home by that map is Darwin's ideal location as the major port and transit point in Australia for this exceptional development activity. That is where the report's strategies for logistics supply become critical. I refer to Darwin's role as a logistical supply base for the offshore oil industry. The report suggests that a dedicated offshore logistics supply and service base in Darwin would include diesel fuel storage and a piped bunkering service, warehousing, office space, drilling production workshop, wharf frontage, tubular storage and preparation facilities, service company facilities and storage on level, compacted land.

Clearly, the development of the new port and the construction of the railway will play significant roles in the development of such a base. Planning for those initiatives is well in hand. Indeed, the new port is proceeding exceptionally well. Honourable members can see that by looking out of the windows of this building across to where the construction is occurring. I note the minister's commitment to appoint a specialist officer to work on transport solutions, new markets and new freights through the port, together with new uses for the port itself, including offshore oil, gas and mining opportunities in the region. I understand that a submission relating to an offshore supply base will be completed before the port opens next year. My department is strongly committed to supporting that work. I look forward to seeing new opportunities for industry to develop as our goals in this area are achieved.

This report meets an extremely high standard. I am sure that it will prove a very valuable asset to the Territory in future years, providing information to people who are interested in the Territory as a place to establish a business or who are interested in other options relating to the transport of product from any part of Australia. The South Australians are to the forefront in recognising the importance that Darwin will play in the future. I think they see the link between Darwin and Alice Springs as the unfinished part of the Adelaide to Singapore link. They know that will be of great importance to the future welfare of our country. I commend the minister on this well-presented report.

Mrs PADGHAM-PURICH (Nelson): Mr Speaker, I intend to give an independent's view of this report. I believe it is a good one, but I would not go as overboard as did the minister who spoke before me. I was puzzled when I saw that it was presented by the Minister for Transport and Works. Reading its contents, I thought it would be more fitting for the Minister for Asian Relations, Trade and Industry to have presented it. No doubt, Cabinet determined who would present this report. The lucky chap was the Minister for Transport and Works who is becoming Mr Feelgood as he presents all these nice reports to the Assembly.

One could read the minister's statement and the report and say: 'Ho-hum, yet another report that has to be read through rose-tinted spectacles'. Perhaps I am cynical. Then again, perhaps I have come to expect that the government will deliver the goods. It is a good report. I have to give the government that. One has to face the reality that governments are always enthusiastic about the least little bit of good work they do. If the ALP were in power, it would be just as enthusiastic and would blow its trumpet just as loudly as the current government does. I agree with the member for Wanguri that the government starts blowing its trumpet when a project is first thought of. It keeps blowing its trumpet until it is a fait accompli. I agree with him that we have been hearing about the railway for so long, and from so many government members, that we have become a little cynical about it. Many people in the community, although they are very keen to have a railway, will believe it when they see it.
This report and the statement are based partly on faits accompli and partly on enthusiasm for the future. That enthusiasm is expressed in facts and figures. We know that figures are more magical than words. If you are proficient in the use of figures, they can tell whatever story you wish. It is said that the pen is mightier than the sword, but I believe that figures are even mightier than that. They can tell any story you want them to tell. I am not saying that the figures in this report are false. I do not believe they would be, but you can present the figures so that they look good for a particular project.

The facts that this report is based on are known to everybody. It is true that the government has established very good trade, political and diplomatic links with Malaysia, Indonesia, the Philippines, Japan, China, Taiwan and Korea. Those are the main countries to our north. It has done that over a number of years and it has been very enthusiastic in its work. It is to be congratulated. It is a fact also that, due in part to the trade links that have been established, the live cattle export trade has burgeoned. As honourable members know, live cattle exports are probably keeping the cattle industry above the breadline at the moment. Prices all over Australia for cattle are not as good as cattle growers would like.

There has also been an exchange of information on production - the different breeds, pastures and slaughtering methods - and everything else connected with the cattle industry. The Northern Territory government has imported 2 breeds of cattle, not from our north but from Zimbabwe in Africa. They are the Boran and Tuli, which are tropical breeds. The government has also imported American riverine buffalo. Banteng cattle were brought to the Territory by the first settlers in about 1828 to 1830. I believe this government could be more assiduous in the exchange of information about other farm animals such as poultry, pigs and goats. I have a personal interest in the goat business. A fuller exchange of information with the relevant establishments to our north could yield a great deal of useful information about tropical breeds and others that have been adapted to conditions there.

When I was a student, we were told about the colonisation of Malaya by the British. The livestock they brought from a temperate climate included breeds of poultry known for their very high production - probably Leghorn, Light Sussex and similar breeds. The only problem was that these breeds needed extensive upkeep. They needed very expensive feed and housing and there were other matters to be considered before they would produce eggs at the rate expected in England. If the settlers had taken more notice of the native poultry, they would have seen the Malayan game fowl which is still kept around rural kampongs. The birds require little feeding. They do not have much meat on them and they do not lay many eggs, but whatever they yield is a bonus because so little is spent on their upkeep. In the breeding of an animal, that is well worth considering. When you are importing and farming any animal, you have to consider the cost of upkeep and relate that to what is obtained from that animal. If the animal costs a great deal to keep, the value of keeping it must be assessed.

The member for Wanguri spoke about the benefit to the Territory of mining development. He talked about Aboriginal interests and about the Northern Territory government being always opposed to land claims. I am afraid I have to agree with the honourable minister who spoke before me. I know for a fact - and if I know, everybody must know - that the Northern Territory government has not opposed every land claim. I also know of the situations with mining on black land and mining on white land, and there is an enormous difference between the two. If the miners want to go on land held by white people, they go on that land and that is the end of the story because the minerals under that land do not belong to the white owners. It is a different matter on black land. I believe that some people on the Labor side are not aware of this or, if they are, they do not talk about it.

As part of the fait accompli of what is going through the port of Darwin, thanks to the government's enthusiasm there has been an exchange of information that has led to increasing exports of horticultural products. We know that our mangoes and our rock melons are going to markets to the north. However, I would like to tell members about a little horticultural enterprise that has been developed by a very hard-working constituent. My office has a very close relationship with him and his wife because we supply them with shredded paper. He uses it to pack heliconias in for export to the southern states. Recently, he has established a little market for his heliconias in Amsterdam. I think that is a pretty good achievement because ...
Mr Coulter: The flower capital of the world!

Mrs PADGHAM-PURICH: You are quite right. He lives not far from you - up Virginia Road.

I believe one matter has always to be placed before the collective eyes of people in government. There are people who are willing to work hard and who may have a product that they would like to export overseas or interstate. They are able to grow and produce these things but, when it comes to the paperwork, they face a major hurdle. This is where the government can help, by exchanging protocols with other countries to reduce the red tape and paperwork producers have to deal with if they wish to export their produce.

The Northern Territory government has mining expertise and has established good markets for our mineral products in various overseas countries. The federal government needs to get off its collective backside, dispense with the 3-mine uranium policy and actively encourage uranium mining. If the Territory became a state, all the royalties from the uranium mines that would open would flow to this government and the Territory would have an increased export of mining products overseas.

I know there is an educational exchange between teachers in Indonesia and in Darwin. For example, Mr Chris Regan from Taminmin High School has been in Indonesia. He has worked with farming establishments and schools there. Taminmin has had students and teachers from Indonesia. Overseas students have also been studying at our university.

I agree that Darwin is perfectly placed to offer various services and to have various products going through its port. Care must be taken to ensure that Darwin does not become a bottleneck in the future. The government must be aware that we must establish trade links and other links not only through the port, but also through the airport. The minister said: 'With the support of the Commonwealth, we may soon have a more conducive environment for bilateral air service agreements'. It sounds good. However, he would make many more people happier if he could organise with the airlines somehow - hold them to ransom perhaps - to provide cheaper flights to the south. We pay through the nose to travel by air to the south. Compare how much it costs to travel to Kuala Lumpur or Singapore with how much it costs to travel to Melbourne. We also pay through the nose for air freight to the south. The airlines know they have us over a barrel. One is much the same as another. I say publicly that I will not travel with Ansett if I can avoid it. Unfortunately, sometimes I have had to. I had arguments with Ansett some years ago and I have not forgotten the treatment I received. I found out that Qantas is not quite as bad as Ansett, but I have had my problems with it too. Do not say that I attract problems. I am just an ordinary traveller, but ...

Mr Coulter: Not bad for a lady who came here in a Morris Oxford with a bootload of blue heellers.

Mrs PADGHAM-PURICH: The minister mentioned that he will appoint a person with trade logistics experience to work on transport solutions. Before he works on the solutions, what are the problems? That person is to work on new markets and new freight through the port and new uses for the port. He or she will be worn off at the knees if they do all that! With whom will this person work? I cannot see why he or she cannot work with the Minister for Asian Relations, Trade and Industry. I cannot see him or her working with the Department of Transport and Works. Or will they all work together?

Mr Coulter: He will work for the Port Authority primarily.

Mrs PADGHAM-PURICH: If he works for Transport and Works, he will end up erecting signs everywhere. That is about all it is good for. I should not say that. Some of the people there are not so bad.

The honourable minister said: "We will make a real impact on the cruise ship market by concentrating our efforts on the development of specific facilities at the Stokes Hill wharf." That is very good. Cruise ships have come here over the years. I always feel sorry for these people. They stick out like dummies in
a desert when you see them in the Mall. I do not know that there is much in the Mall to attract people on the cruise ships. Not only does the government need to develop specific facilities at the wharf, it also needs to ensure that, while

passengers are in Darwin, they are able to see other parts of the Top End. I went to the Mall at lunchtime. I have always thought its architecture left a lot to be desired. Its Christmas decorations are up now, and they do nothing. That Mall does not have much to recommend it.

No other speaker picked up this point. I ask the minister for more information about the likely sale of Darwin Airport within 2 years. I assume the RAAF base does not come into that. I assume it will remain in situ. It will not be sold and another airport built somewhere else. However, he does not say that. Perhaps the minister can comment. I know the likely sale is in keeping with proposals in the south for governments to get rid of airports. Judging from other projects that have been sold by governments, they always make money when private interests run them. I would like some information on that.

When Tiger Brennan was a member of the Legislative Council, he argued that, after World War II, Darwin should have been resettled at Berrimah. That would have meant that the TDZ area would have been developed sooner than it has been. He thought the redevelopment of Darwin after World War II was a retrograde step. With all the development at East Arm with the new port and perhaps the railway, the views of Tiger Brennan are coming to fruition.

I support the minister's statement. This is a very attractive report. It provides a great deal of information and it is probably a reference book that one could keep for some time.

Mr COULTER (Transport and Works): Mr Speaker, I thank honourable members for their contributions. First, I will address the issue which the Leader of the Opposition raised - the 60:40 funding. I had the opportunity to speak with the former Prime Minister, Bob Hawke, at a social outing. I told him that we were silly not to take up that offer. However, can I bring people back from the bright light of hindsight and remind them of what happened in 1984? It was not 1983, as the member for Barkly mentioned. In 1984, there was the television advertisement stating that a Hawke government could be trusted to build the railway. It was to be 100% funded by the Hawke government. An election was held in late 1984. In 1985, the Hawke government said that there would not be 100% funding by the federal government, but it offered 60:40 funding.

There was outrage over that. Territorians of both political persuasions felt betrayed by the Hawke government at that time and nobody wanted to swallow their pride. People said that he was supposed to be a man of his word. He said that he would build the railway and we wanted him to build it. For him to come back with a 60:40 deal was totally unacceptable. Chief Minister Everingham said on television that no other government in Australia had been asked to fund infrastructure of that type to that degree. The feeling of Territorians in relation to the deal went across party lines. In the bright light of hindsight, some 12 years on, we can see that that was the best deal we could ever have obtained. I have told Bob Hawke that. We should have accepted the deal. Had we been able to swallow our pride, the railway would have been built by now. As Territorians, and I was one of them, we all said: 'No way in the world - your word is your bond. You said you were the only ones we could trust to build the railway. You were re-elected and you are now offering us a 60:40 deal'. That was the way we felt. There was no way in the world we would accept that deal.

Altered bilateral air service agreements, which were mentioned by the Minister for Asian Relations, Trade and Industry, are vital to what we are talking about. I draw honourable members' attention to page 22 of this document. We are very fortunate. The federal shadow minister for transport from 1989 through to March 1996 was John Sharp who is a very staunch advocate for changes to the bilateral agreements. The member for Nelson should be aware that what he is saying here is that, if any airline wants to land at Darwin, that landing should not be taken to interfere with anything to do with travel on to other ports, as is now the case.
Mrs Padgham-Purich: What do you mean?

Mr COULTER: What do I mean? It is a very complicated situation. Normally, you could not just land at Darwin and take off from Darwin and go back to where you came from. Let us take Royal Brunei for example. It cannot land at Darwin and go back. It has to go on to Brisbane or other ports. It has to fulfil international or national obligations to be entitled to the landing rights that it enjoys.

Mrs Padgham-Purich: Why?

Mr COULTER: Because it is an international agreement. It is called 'the fifth freedom' whereby people are allowed certain access to certain markets. It is like the registration of ships that can only sail under certain flags with crews of certain nationalities. These are international laws that have been around since piracy was with us and people tried to take over certain routes and markets that were more lucrative than others. That is the way life is. If the honourable member is not aware of those rights, I suggest she address herself to them. They are what international tourism, travel and freight markets are based on.

The minister is saying that Darwin should be an isolated case. Anybody should be able to land here and take off from here and not be penalised by the fact that they do not fly on to other ports or fulfil other obligations as part of their agreement. That would be a major breakthrough for Darwin. I can tell the member for Nelson that the federal minister is most supportive in this regard. It is well explained at page 22 of the document. The Minister for Asian Relations, Trade and Industry has been heavily involved in trying to reach these agreements. They would be of particular relevance to the Arafura tourism zone that we are trying to develop, and what that would mean for eastern Indonesia. We look forward to seeing what comes out of those efforts. I hope the matter will be resolved in the first quarter of 1997. If it is resolved satisfactorily, our aviation industry will do very well.

There has been a 69% increase in international flights in the last 3 years, a 49% increase in domestic flights and a 48% increase in seating capacity on those domestic flights. That is fantastic growth in Northern Territory aviation. This paper tells us that, projecting such growth to 2010, we are looking at 1.2 million people travelling through our airports. The first tranche of airport privatisation this financial year involves Melbourne, Brisbane and Perth. A number of people have come out of the woodwork. We hear that Crown Casinos is interested in buying Melbourne Airport. I understand that the city of Birmingham is one of the big tenderers for Perth Airport. The Northern Territory government is interested in the terms and conditions and criteria for the sale of Darwin Airport, and what it means to the RAAF. Will the RAAF ever leave Darwin Airport? Will it continue to be operated 24 hours a day? I certainly hope so. I hope all this nonsense about noise abatement at either end of the airport is forgotten. I do not see it moving. I do not see it going out to Noonamah or any other areas that ...

Mr Bailey: Middle Arm, isn't it?

Mr COULTER: Middle Arm or anywhere else - I do not see that happening - ever. We can have planning criteria that enable it to remain within the centre of the city, virtually like Singapore or Hong Kong. That will be of great benefit to the Northern Territory. I see the airport staying where it is, as a great asset to this city because people will be able to reach hotels by short taxi rides or even on foot. It will be fantastic. I am not a supporter of its moving out of town. I do not know what the opposition thinks about it, nor do I know what the independent member thinks about it ...

Mrs Padgham-Purich: I agree.

Mr Bailey: You could have an airport out at Palmerston.

Mr COULTER: Because of the poor quality of bus services from Palmerston to Darwin, I have no argument with a shuttle coming from Palmerston to Darwin. There is no problem there. Other than that ...
Mr Bailey interjecting.

Mr COULTER: I do not know where the opposition stands on this, but I believe it would be crazy to move Darwin Airport anywhere else. We should develop it as a great asset of this city. If you live in Coconut Grove or Berrimah, you might have a problem with that, but it should be there. Come election time, we will hear what the opposition believes. It is interesting to hear the member for Nelson state that she agrees with me that it should stay where it is today.

The second tranche for possible privatisation includes Darwin and all others. That will be before the end of 1997, but certainly not in this financial year. It was interesting to hear the Minister for Asian Relations, Trade and Industry state that he has written already to the federal government calling for the airport to be upgraded to cater for additional flights. One of the great things about our airport is that you do not have to go from a domestic to an international airport. In some cases, flights are from the same air bridge - you simply walk up an alleyway and down and you are away internationally. There are not many airports in the world - certainly not in Australia - where that capability exists. I see the member for Wanguri shaking his head.

Mr Bailey: You still have to go through Customs.

Mr COULTER: So what? You are still in the same complex. Remember Cairns in the old days? You had to drag your bags across to the other side. What about Sydney? No taxi will take you because it is only a $6 fare. They will not run you around to the international airport.

Mr Bailey: In Kupang, you can go between the international and domestic airports.

Mr COULTER: I think I have won my argument. There is no airport in Australia that offers the same facilities. Even at the new Brisbane Airport, you have to go for miles. It is the same at Perth. We really have a winner here. We should not shift it, despite all the nonsense that we read in editorials in the NT News and the other outcries that we hear from time to time.

The member for Wanguri also talked about the 60:40 deal and the Northern Territory's rejection of that. He said we were mugs for not accepting it. He speaks in the bright light of hindsight. He was not here at the time. He does not understand the feelings of Territorians and how we felt we were rejected because there is no other capital city in Australia that is not linked by the steel rail. We believed that it was a Commonwealth responsibility and that Territorians would not accept a 60:40 deal.

He got stuck into me a little on the railway and likened me to the boy who cried wolf. I have told anybody who wants to listen that nobody will believe the railway is a reality until the Alice Springs express leaves platform 5 at Darwin Central. I cannot be any more honest than that. I have been working on this since April 1986. No other minister has dedicated as much to a project as I have to this. We have done as much as we can within our legislative powers. In fact, this parliament, within a few hours, will pass the AustralAsia Railway Corporation Bill. That is only one step in the process of providing us with the reality of a railway existing between Alice Springs and Darwin, and between Darwin and the rest of Australia.

An intergovernmental agreement has been signed between South Australia and the Northern Territory, setting out quite clearly the terms and conditions under which we are prepared to grant money to private consortia. The AustralAsia Railway Corporation will be the statutory vehicle for the project and will accept consortium proposals from around the world. We have a project brief that is virtually the tender document. Everything that can possibly be done within the Northern Territory - the environmental impact statement, the environmental management plan, the land use objectives, the land acquisition, sacred sites clearances, archaeological clearances, geological and geotechnical and hydrological work - has been done. We have gone as far as we can in that 10-year period to make this project a reality. I do not know about the boy who cried wolf. I have been crying wolf for a long time. If the rail link does not become a reality, it will not be because of lack of effort on my part.

Mr Bailey: We hope the wolf finally comes and takes you away.
Mr COULTER: It may do that.

Mrs Padgham-Purich: As long as you meet Red Riding Hood before you go.

Mr COULTER: That is an interesting concept that needs some explanation as well. I was a little concerned when the member for Nelson was talking about the mining industry. The former Leader of the Opposition, Bob Collins, said in one of his one-liners that the member for Nelson was in bed with the mining industry. When she started talking about flower exports and the Dutch connection, I really became a little suspicious. Only a few people in this Chamber would recognise the significance of those lines. However, I digress.

The member for Sanderson referred to the member for Wanguri aptly as a whingeing Pom who should have read the report.

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Mr Bailey: I have read the report.

Mr COULTER: It is an excellent report, isn't it? Say it! Watch my lips. It is an excellent report.

Mr Bailey: I asked who it is for.

Mr COULTER: Let me tell you about that.

Mr Bailey: It is neither highly technical ... 

Mr SPEAKER: Order!

Mr COULTER: Let me explain. I have just hosted a function for about 80 people. There were international representatives there such as Jim Godlove of Phillips Petroleum, the company that is interested in building the LNG plant in Darwin. He is interested in supplying LNG as fuel for the trains. The saving on fuel costs, using LNG instead of diesel, has been estimated by the South Australian Economic Development Council at $20m to $30m a year. We also had members of the Port Authority and members of live cattle organisations throughout the Northern Territory at that meeting. They were extremely interested in the report - so much so that we ran out of copies. They all took 2 or 3 copies away with them. In fact, 240 copies of this 'inane' report that is so 'simplistic', that is 'meaningless', were taken away by people such as Singapore Airlines representatives and other logistics people who were preparing reports of their own. They praised this report. That is who it is for. Those were the kind of people at the meeting that I hosted in the strangers lounge. I will have been here, along with some colleagues, for 13 years on 3 December, and I believe this is the best report I have ever seen tabled in this Assembly. I say that knowing of other reports that I hold in almost equal regard, such as the tourism masterplan and the parks and wildlife masterplan.

A member: The road strategy?

Mr COULTER: It is a little higher than that. When Budget Paper No 6 was first introduced into this Assembly, I tabled it as Treasurer and I thought it was the document to end all documents. However, this one is better than Budget Paper No 6, or at least on a par with it.

I thank the members of the Darwin transport hub task force of which Paul Tyrrell is the chairman. They have done an excellent job. It is a fantastic report and I thank them for their contributions to the Northern Territory's economic future.

Motion agreed to.

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