

Major Projects



Industry Participation Plans

Industry Participation Plans are required for all development projects in excess of \$5 million. The plans encourage local participation and the development of Territory business capability.

An Industry Participation Plan is a statement of a project proponent's commitment to local participation and how the involvement of local business will be maximised. It addresses how full, fair and reasonable opportunity for local business, industry and labour will be enhanced.

More information is available at www.dbird.nt.gov.au

The Territory is moving ahead with the economy expected to expand significantly over the next decade. This includes the development of a number of major projects, including Timor Sea gas coming onshore, mining developments, opportunities associated with the railway, a recovery in tourism growth and further opportunities arising from the Defence presence. This will create a strong economy that will facilitate the growth of Territory businesses, particularly as the infrastructure required will result in a major phase of construction activity to support the broadening economy.

Darwin City Waterfront

Expressions of Interest (EOI) for the \$600 million Darwin City Waterfront redevelopment closed on 20 October 2003, attracting interest from developers from around Australia and Asia.

Three consortia were short-listed after 11 expressions of interest were received. Detailed proposals, including master plans, for the 25-hectare site were submitted on 12 May and are now being evaluated.

The Darwin City Waterfront redevelopment is expected to commence construction in 2005, and will include a Convention and Exhibition Centre, and recreation and accommodation facilities, with \$6 million allocated for site works and preparation in 2004-05.

AustralAsia Trade Route

Construction of the Alice Springs to Darwin leg of the rail link to Adelaide was completed in 2003, with the first train arriving at the Darwin freight terminal adjacent to the East Arm Port on 17 January 2004. The first Ghan passenger train arrived on 3 February 2004. Swires announced a regular shipping service to Singapore to take advantage of the new rail and port facilities and is making a valuable contribution to the establishment of the landbridge. The Chief Minister has undertaken investment missions to Hong Kong and China to promote further interest in shipping and freight opportunities.

The benefits of the railway will be most significant in Darwin, with its concentration of economic activity and population. Nonetheless, the anticipated development of rail freight facilities in Katherine and Tennant Creek is expected to attract freight from the Ord River and Gulf regions, while Tennant Creek could also benefit as a road-rail interchange for east-west freight traffic.

Industries will benefit from reduced freight costs, particularly mining, agriculture, construction, manufacturing, and wholesale and retail trade. Lower transport costs should also have a positive impact on the cost of consumer goods, and should improve the relative competitiveness of Territory businesses distributing products intrastate, interstate and internationally.

The Territory Government is developing the Darwin Business Park adjacent to the rail terminal. Stage one includes the development of 21 serviced blocks, eight of which have direct rail frontage. Foundation businesses for the Park are mainly in the transport and distribution industries.



Gas Onshore

The Territory is on the verge of a major development phase for gas reserves and gas-based manufacturing. Progress is being made towards the development of Timor Sea gas fields and Darwin and regional gas infrastructure.

Work is on schedule for the Wickham Point liquefied natural gas (LNG) plant and pipeline, with the delivery of gas onshore expected in early 2006 and first LNG deliveries to Japan not long afterwards. The Wickham Point project will be the largest project ever undertaken in the Northern Territory, with construction expenditure estimated at \$1.6 billion and a peak workforce of 1 200.

The progress towards gas onshore provides opportunities for Territory businesses, and diversification of Territory industry.

Gove Expansion

The proposed \$1.5 billion expansion by Alcan is expected to significantly increase alumina production at its Gove mine to 3.5 million tonnes from 2006-07, with an associated increase in bauxite production. The expansion is connected to the development of the Blacktip gas field in the southern Bonaparte Gulf and final approval of the project is expected by mid 2004.

The current proposal includes a \$1 billion pipeline from the Blacktip gas field to Wadeye and a \$500 million trans-Territory pipeline from Wadeye to Nhulunbuy. While these projects are not yet confirmed, if the Alcan expansion proceeds in 2005, high levels of engineering and construction activity will be maintained in the Territory in the medium term.

Defence

Defence is a major industry in the Northern Territory and presents considerable opportunity for Territory businesses. Significant projects include:

- location of 17 new Tiger helicopters as part of the 1st Aviation Regiment to be based at Robertson Barracks – 200 additional personnel with opportunities for training, electronics maintenance and engineering support;
- \$75 million expansion of Robertson Barracks to be completed by mid 2005;
- eight new Armidale Class patrol boats to be based at Darwin Naval Base – \$3 million new port services building to be completed by October 2005, with the opportunity for repair and maintenance contracts to be outsourced to Darwin companies from the current 60 per cent level, and relocation of defence project personnel and additional maintenance staff expected;
- further development of the Bradshaw Field Training Area – overall project value of \$65 million with work expected to commence during 2004-05; and
- main battle tank replacement program with 41 of the fleet to be based at Robertson Barracks. Work is progressing on opportunities for Territory businesses for 'through life support' of the tanks.



LNG Plant

International company Bechtel is building, under contract to ConocoPhillips, the liquefied natural gas (LNG) plant and pipeline near Darwin. The tank will be the world's largest above-ground tank of its kind, with a capacity of 188 000 cubic metres and an apex height of 50 metres. The 3 year long project includes:

- 700 000 cubic metres of earthmoving;
- 55 000 cubic metres of concrete;
- 4 500 tonnes of structural steel;
- 85 kilometres of piping;
- 650 kilometres of wire and cable;
- 1.4 kilometre jetty;
- peak employment of 1 100 to 1 200 people; and
- a construction camp near Palmerston, for up to 800 workers.

