



Housing and Infrastructure

The 2007-08 Northern Territory Budget demonstrates continued ongoing commitment to the housing and construction industries through another record infrastructure program and a comprehensive range of initiatives to maintain momentum in residential construction.

The Territory's significant infrastructure program in 2007-08 builds on capital investment made in recent years and spreads investment throughout the Territory on large and medium sized projects as part of the Government's \$645 million investment in 2007-08. This brings the Government's commitment to developing the Territory's infrastructure to \$3.3 billion since 2001. Emphasis in the Budget on housing initiatives will boost home ownership and demand for dwellings construction and investment.

Stimulating Housing Construction

Comprehensive housing initiatives include a substantial increase in the first home owner stamp duty concession, a revamped HomeNorth Xtra scheme to provide more assistance for families, the release of additional residential land (including for first home owners) and a range of Indigenous and remote housing initiatives.

Increased First Home Owner Concession

The Territory Government is increasing the first home owner stamp duty concession from 1 May 2007 from \$225 000 to \$350 000, an increase of \$125 000, which is greater than the \$110 000 growth in the median house price. An estimated 85 per cent of all first home buyers will pay no stamp duty. By offsetting the strong housing prices growth of recent years, this initiative, along with the first home owner grant, ensures housing for first home owners remains within their means. The Territory has the second most affordable housing of all the jurisdictions. Encouraging first home

owners to buy in the Territory will boost the skills base and the local labour pool available to business by encouraging people to settle and stay in the Territory.

HomeNorth Xtra

HomeNorth Xtra is a new release of the HomeNorth scheme, which aims to assist public housing tenants and other low and middle income households who are unable to access private sector finance to achieve home ownership.

Updated thresholds, including higher allowances for families with dependants and increased equity share, will ensure that HomeNorth Xtra reflects current market conditions and provides opportunities for a greater number of households to purchase their own homes. Clients will benefit from the greater choice of properties that will become available under the scheme.

Purchasing a First Home	Before May 2007	From May 2007
Threshold before stamp duty is payable	\$225 000	\$350 000
First home owner grant	\$7 000	\$7 000
Savings on stamp duty	\$8 016	\$15 312
Total savings	\$15 016	\$22 312

For other home purchases, the Government provides a principal place of residence rebate of \$2500.

The changes are:

- making the scheme more accessible for families with dependants. The upper income limit to access the scheme will be \$961 a week for single people, \$1154 for couples and \$1346 for households with dependants;
- increasing the Government's maximum equity share to \$70 000;
- regional price caps, to be reset annually, of 85 per cent of the Real Estate Institute of the Northern Territory's average median house price. Price caps will reflect differing property prices in regions. Levels set will allow choice of properties but will limit any flow-on effect to property prices. There will be no price cap for public housing tenants who want to buy the house they have lived in for five years or more and who have met all other criteria; and
- an assets test for all new applicants.

Land Releases

Land servicing work in Palmerston at Bellamack (\$7 million) will be brought forward in line with increased demand, and work will continue on the Mount Johns Valley subdivision in Alice Springs. In addition to the Government's program, work continues at the Lyons subdivision in Darwin, with \$70 million to be spent in 2007-08, and private works at Ragonesi and Stegar Roads will develop rural lots in Alice Springs.

Housing Infrastructure Program

The Government's 2007-08 housing construction budget includes:

- \$55.6 million for Indigenous housing grants;
- \$15 million for new, replacement and upgraded government employee housing in remote areas;
- \$14.5 million for repairs and maintenance;
- \$8.7 million to complete works in progress;
- \$7.7 million for smaller projects (under \$0.3 million each);
- \$6.9 million for new and upgraded public housing in urban areas; and
- \$5 million to service land in remote communities

Indigenous Housing

In addition to the \$55.6 million program for Indigenous community housing and related essential services in 2007-08, the Government has committed an extra \$100 million over five years for housing in remote areas of the Territory. Part of the Government's program includes \$5 million in land servicing in preparation for the \$100 million program due to begin in 2007-08.

Through Indigenous Essential Services arrangements, power, water and sewerage facilities to the value of \$24.9 million will be constructed, repaired and maintained in selected communities in 2007-08.

Other HomeNorth Benefits

- » 2 per cent deposit
- » \$10 000 interest-free loan over 15 years
- » first home owner grant and stamp duty concession
- » encourages early entry to home ownership
- » enables credit history to be established

Government Employee Housing

The Government's commitment to attracting and retaining staff in remote areas involves a significant government employee housing program of \$15 million, throughout the Territory. It will present many opportunities for local contractors and suppliers in regional centres.

2007-08 Program	\$M
Extra housing	5
Replace housing	2
Upgrade housing	7
Serviced land	1
Total	15





Connecting Neighbours

The Territory Government continues to work with the Australian Government to provide more and better housing in Alice Springs town camps, to upgrade electricity, water and sewerage services, and to introduce regular town council-type services for camp residents. Upgrades to telecommunications infrastructure, roads and storm water systems are also under consideration. The agreements are expected to be signed soon to enable work to begin in 2007-08.

Economic Infrastructure

As well as generating opportunities for business as they are delivered, 2007-08 capital projects will add to the Territory's economic infrastructure, furthering the capacity to do business.

Investment in the Road Network

A critical element of the Territory's economic infrastructure is the 35 000 km network of national highways, major, urban and regional arterials and remote roads to provide important links for mining, pastoral, agriculture and tourism businesses, as well as access to regional centres and services for communities. In 2007-08, the Territory Government will invest \$57.2 million on repairing and maintaining the road network, including an extra \$35 million over four years, and in programming a total of \$122.8 million for new and continuing road construction projects.

- Victoria Highway, linking the Victoria River and Katherine region with main freight industries and transport routes to Asian and southern markets, and other regional centres: \$45.9 million to improve road strength and access across the flood plain including bridges over the Victoria River and over Joe, Lost, Sandy, Big Horse and Little Horse creeks.
- Red Centre Way – \$10.5 million to continue upgrading Namatjira Drive as part of the important tourist loop through the West MacDonnell Ranges, linking Alice Springs with Kings Canyon and Uluru. Work also continues on another key tourist loop – Litchfield Park Road, valued at \$4.5 million in 2007-08.
- Tiger Brennan Drive – \$10 million to expand access to East Arm Wharf and the Business Park by duplicating along Berrimah Road, and \$3.5 million to upgrade the intersection with McMinn Street to cater for Darwin Waterfront tourist and commercial traffic (stage 5).
- Port Keats Road – \$12.3 million to continue to improve flood immunity and increase access to the region, particularly through the wet season.
- Rural arterials and other major rural links – a series of new and continuing projects across the Territory to better service



Power and Water Corporation's 2007-08 Infrastructure Budget

In response to the growing demand for power, water and sewerage services by industry and households, the Power and Water Corporation will invest \$143M in new work in 2007-08 and spend \$47M to repair and maintain existing facilities. Major projects include:

- » \$43.5M for the new Weddell power station
- » \$8.9M to start upgrading the Brewer Estate to Alice Springs transmission line
- » \$8.4M to underground overhead powerlines in Darwin suburbs
- » \$6.3M for the Archer zone substation to augment capacity for Palmerston
- » \$6.2M for a new power station in Alice Springs at Brewer Estate
- » \$5M to commence a reticulated sewerage system for Borroloola
- » \$4.9M for network augmentation associated with the Weddell power station
- » \$4M for the Howard East borefield to meet growing water supply needs of Darwin, Palmerston and the Darwin rural area
- » \$3M to commence the East Arm wastewater treatment plant
- » \$2.5M to upgrade the Hudson Creek system control centre
- » \$2M to upgrade the Katherine wastewater treatment plant
- » \$2.1M to reline sewers to reduce blockages and improve reliability
- » \$1.5M to upgrade the Bennett Street switch station to improve reliability
- » \$1.2M for a new Marrakai zone substation to cater for growing demand in the area
- » \$0.8M for new bores at Roe Creek to meet Alice Springs water supply needs

Power and Water tariffs will increase in line with inflation, considerably lower than increases in the states.

pastoral, mining, tourist and service industries, including \$1.2 million for Buntine and Arnhem highways, \$1.4 million for Maryvale Road, \$0.8 million for the Sandover Highway, \$2 million for the Tanami Road and \$2 million for the Outback Way (Plenty Highway).

- National highways (Stuart, Victoria and Barkly) – \$5.4 million in new and continuing work to widen and strengthen various sections.
- Roads to Recovery (local roads in remote areas) – a total of \$8.7 million for improvements, plus \$0.7 million to improve known black spots and reduce the road toll.

Health and Education Projects

Other significant infrastructure investment in 2007-08 is designed to boost education and health standards across the Territory, building skills and capability in the Territory's workforce.

Middle Years Schooling

- \$12.4 million for Darwin High School;
- \$8.4 million for Palmerston High School;
- \$4.3 million for Taminmin High School;
- \$1.0 million for Katherine High School; and
- \$0.7 million for Nhulunbuy High School.

Desert People's Centre

- \$1.5 million for the central administration building;
- \$1.5 million for the Wellbeing and Human Services block;
- \$3.1 million for the Education block;
- \$1.7 million for the Livelihood and Economic Futures block; and
- \$6.4 million for the Information and Technology block.

Borroloola

- \$5.0 million for major upgrade and expansion of the education centre facilities to cater for both primary and secondary students.

Alice Springs Hospital

- \$4.4 million for fire protection and airconditioning works;
- \$1.0 million to upgrade the kitchen;
- \$6.0 million for Emergency Department expansion;
- \$3.0 million for emergency power and electrical upgrade; and
- \$1.9 million for renal facilities expansion.

Other Health Facilities

New and expanded health facilities totalling \$8.7 million, including minor projects worth another \$5.9 million.