

# Northern Territory Defence and National Security Strategy 2018





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## CHIEF MINISTER'S FOREWORD

The Northern Territory makes an important contribution to the security of Australia. The imperative to guarantee the sovereignty of Australia's maritime borders, especially in the north, and to protect significant onshore and offshore critical infrastructure is a national priority. It requires a collaborative approach between the Northern Territory Government and the Australian Government.

Defence is a significant stakeholder in the development of Northern Australia with a long history in the Northern Territory. The Northern Territory enjoys a strong relationship with the Australian Defence Force, national security agencies and our international allies.

In recognition of the opportunities emerging from the significant Australian Government investment in defence facilities, assets and equipment in the Northern Territory, the Northern Territory's Economic Development Framework identifies Defence and defence support industries as one of five growth sectors. As the regional hub for defence and national security activity in the north, the Northern Territory is committed to supporting the Australian Government in fulfilling its national security objectives.

The Northern Territory Government continues to invest in the critical transport and maintenance infrastructure supporting defence activity, including investing \$100 million in the Darwin Ship Lift and Marine Industry Park.

We recognise the need to work in partnership with industry to continue to grow a competitive local defence and national security industry and a skilled workforce to meet the demands of the future.

How the Australian Government invests and procures to meet Australia's defence and national security needs can also deliver broader socioeconomic outcomes in support of other national priorities including Closing the Gap in Aboriginal disadvantage and in developing Northern Australia.

Defence and national security personnel and their families are a part of the Northern Territory community and enjoy our Territory lifestyle. We are working with the community to make the Northern Territory a posting of choice; a place where serving and ex-serving personnel and their families want to live and work.

With the appointment of the first Northern Territory Defence and National Security Advocate and by expanding the Strategic Defence Advisory Board, the Northern Territory is strengthening its partnership with Defence, national security agencies, industry, the Australian Government and state and territory governments.

HON MICHAEL GUNNER MLA

Chief Minister



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# STRATEGY AT A GLANCE

## Our Vision

The Northern Territory is a key defence and national security hub and the primary centre for maintenance and sustainment of facilities and assets deployed to the region.

## Our Goal

A strong defence and national security presence in the Northern Territory integrated with the community and effectively supported by a competitive and skilled Northern Territory industry.

## Our Objectives

1. Enhance the capacity and capability in Northern Australia for defence and security co-operation in the Indo-Pacific region.
2. Maximise the socioeconomic benefit from Defence and national security opportunities in the Northern Territory.
3. Grow the use of local industry in the supply chain for defence and national security platforms and projects.
4. Continue to grow the Northern Territory's workforce to meet the ongoing needs of the Defence and national security industry.
5. Establish the Northern Territory as a posting of choice for Defence and national security personnel.
6. Attract Defence and national security industry corporations to establish their national and regional headquarters in Darwin.

## Our Approach

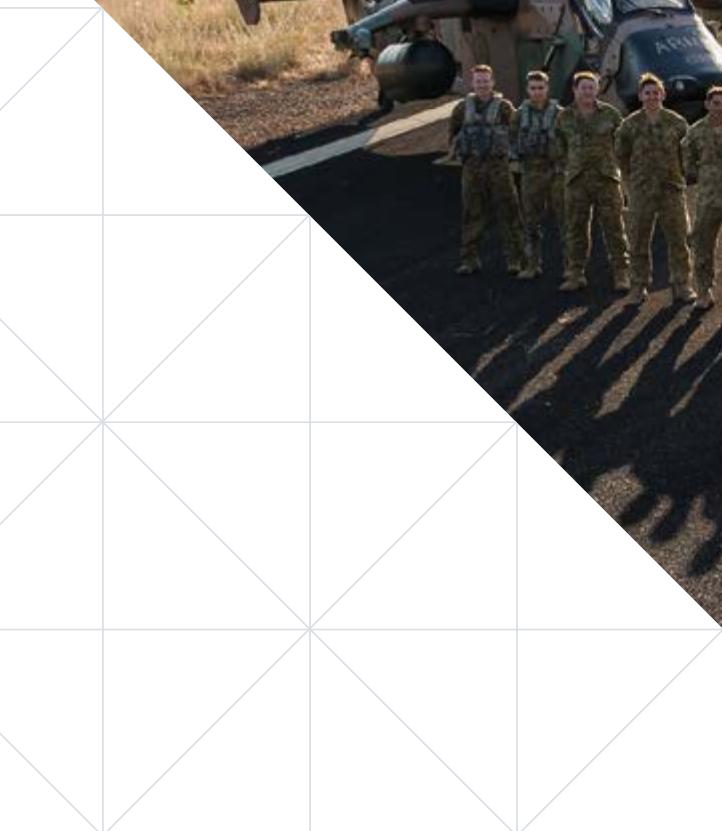
- Advocacy for a growing defence and national security presence in the Northern Territory and local implementation of the Defence Industry Policy Statement.
- Support for a competitive, innovative local defence and national security industry and a skilled workforce.
- Facilitation of support for the defence and national security community in the Northern Territory.

## Why is this important?

- As the geo-political dynamics in the region change, the Northern Territory continues to have an important role in the safety and security of Australia into the 21st century.
- A strong defence capability in the north is best served by a competitive and sustainable local industrial and technological base. Critical to this is a defence industry policy that supports local industry development.
- The Northern Territory's Economic Development Framework identifies Defence and defence support industries as a growth sector, in recognition of the opportunities from the Australian Government investment in defence in the Northern Territory and the Territory's role as a regional hub.
- Defence spending in the Northern Territory reached approximately \$1.9 billion in 2016–17 or 7.3 per cent of gross state product. This is expected to increase to an average of \$2.5 billion per annum with the planned defence capital investments.
- \$20 billion in defence infrastructure investment is planned for the Northern Territory over the next 20 years. \$2 billion of this investment will be shared by Australia and the United States as part of the joint Australia-US Force Posture Initiative.

# STRATEGIC FOCUS AREAS

AREA	OUTCOMES
<b>1</b> <b>Strategic Engagement and Communication</b>	<ol style="list-style-type: none"> <li>1. National policies, decisions and investments reflect the importance of the Northern Territory to Defence and national security.</li> <li>2. More opportunities for Northern Territory industry to compete for defence and national security work, including trade in defence-related services and supplies.</li> <li>3. Increased engagement with regional neighbours and international allies, including through training.</li> </ol>
<b>2</b> <b>Business Capability</b>	<ol style="list-style-type: none"> <li>1. Northern Territory businesses continue to have the capability and capacity to compete for defence and national security work.</li> <li>2. More Northern Territory businesses qualify to tender for defence and national security work, and to participate in national and global supply chains.</li> <li>3. Defence, national security agencies, prime contractors and major subcontractors choose Northern Territory businesses for their service and supply needs.</li> </ol>
<b>3</b> <b>Workforce Capacity</b>	<ol style="list-style-type: none"> <li>1. Northern Territory businesses continue to have access to a flexible and skilled workforce that meets the current and future requirements of Defence, national security agencies, prime contractors and major subcontractors in the Northern Territory.</li> <li>2. Higher level skills and education training relevant to the workforce supporting Defence and national security are delivered from the Northern Territory.</li> </ol>
<b>4</b> <b>Defence Community</b>	<ol style="list-style-type: none"> <li>1. The Northern Territory is a posting of choice for Australian Defence Force and national security personnel and their families.</li> <li>2. Ex-serving Australian Defence Force and national security personnel and their families choose to live and work in the Northern Territory.</li> </ol>
<b>5</b> <b>Innovation, Research and Partnerships</b>	<ol style="list-style-type: none"> <li>1. Northern Territory businesses increasingly commercialise research and innovation related to Defence and national security.</li> <li>2. New specialised research and training activities are led from the Northern Territory.</li> </ol>
<b>6</b> <b>Strategic Infrastructure</b>	<ol style="list-style-type: none"> <li>1. Infrastructure in the Northern Territory supports the ongoing and future needs of Defence, national security agencies, local industry and the community, including the capacity to meet surge demand.</li> </ol>



## INTRODUCTION

As a maritime nation, the ability of Defence and national security agencies to sustain operations in Australia and the Indo-Pacific region is critical for trade, security, protection of our sovereign borders and for humanitarian support. This requires more than a mere presence. This requires infrastructure and industrial capability to be in place and be well versed in supporting these operations.

The Australian Government's investment in defence in the Northern Territory and the Territory's role as a regional hub makes the defence and national security industry an important growth sector. The Northern Territory Defence and National Security Strategy 2018 establishes the vision of the Northern Territory Government, industry and the community

for the Northern Territory as a key defence and national security hub and the primary centre for maintenance and sustainment of facilities and assets deployed to the region.

The Strategy and the Northern Territory Defence and National Security Action Plan set out how we will approach the task of supporting a strong defence and national security presence in the Northern Territory through a competitive and skilled Northern Territory industry, a supportive community and a committed and responsive Northern Territory Government.

The Northern Territory Government is supporting Defence, national security agencies, prime contractors and major subcontractors operating



in the Territory. The relationships between the Northern Territory Government, local industry and other key defence and national security stakeholders are well established. The importance of the defence and national security presence from an economic, security, social and historical perspective is widely recognised by the local community.

With a once in a generation opportunity from the defence renewal programme and the increasingly important Indo-Pacific market at its doorstep, now is the opportune time to invest and set up in the Northern Territory defence and national security industry.

# DEFENCE AND NATIONAL SECURITY OF AUSTRALIA

Long term shifts in the balance of economic and military powers, increasing competition between nation states and the emergence of powerful non state actors are resetting the strategic relationship between Australia and Asia. Australia's security is now inextricably linked to Asia.

The Northern Territory's proximity to Asia makes it a focal point for Australia's national security, including: energy, resources, maritime, biosecurity, economic and trade, immigration, and border control.

## Australia is positioned within an important economic and strategic part of the Indo-Pacific.

- The region is a driver of the global economy with the world's busiest international sea lanes and nine of the ten largest ports in the world.
- The region is a resource rich area that includes multibillion-dollar oil and gas infrastructure supplying the energy needs of Australia and its allies.
- The Northern Territory is a regional hub and is rapidly growing as a centre for marine services and supply supporting the operations of the Australian Defence Force, allied forces, the Australian Border Force, the offshore oil and gas industry and the general maritime industry.

**The Australian Government is investing \$200 billion in Defence over 10 years, an unprecedented level of investment in infrastructure, capabilities and assets across all domains: air, sea, land, cyber and space.**

- The 2016 Defence White Paper and the 2016 Integrated Investment Program identify infrastructure investment in Northern Australia, in particular defence sites in Darwin and in the Katherine region, as a high priority.

- The Australian Government recognises industry as a fundamental input into capability and that it will use its investment to grow Australian industry capability and capacity. It is imperative that investments in Defence are carefully planned and coordinated to realise the benefits for local industry including in through life support.

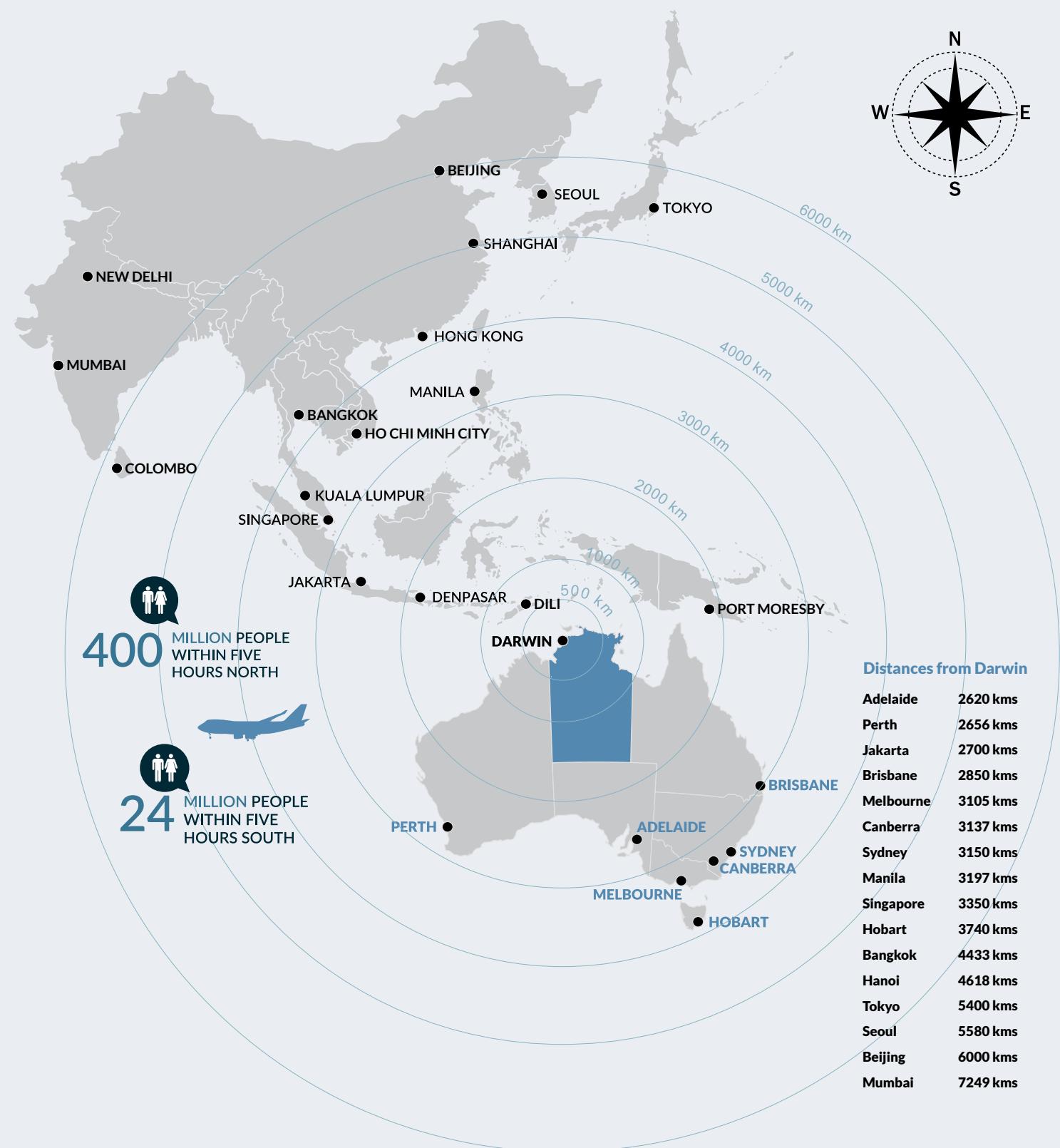
**The Northern Territory has a critical role in supporting Australia's defence and national security objectives.**

- The Northern Territory is best-positioned for the mounting of military, national security, border protection and humanitarian operations to Australia's north and northwest. It is also a significant training hub for the region.
- The status of RAAF Base Darwin, from where many military and humanitarian operations have been mounted, has been upgraded from a Forwarding Operating Base to a Main Operating Base.
- Darwin as the only capital city in Northern Australia, is the regional hub for Australia's international engagement in the Indo-Pacific region.
- The Northern Territory's proximity to the equator offers the potential for the Territory to support sovereign space launch facilities and Australia's participation in space development and research.

The Northern Territory is important to a more prosperous and secure Australia. Investment confidence, ongoing maritime trade access and Australia's way of life rely on a stable geopolitical environment. This requires strategic and operational alignment in key policies, actions and investments with regards to the Northern Territory, and its role in the security of Australia and the Indo-Pacific region.

## The Northern Territory's proximity to Asia

A number of factors highlight the unique strategic location and circumstances of the Northern Territory: the US re-emphasis on the Indo-Pacific region, the maturing engagement of Australia and the Northern Territory with Asia, the increasing significance of border surveillance and protection and the Australian Government's intention to develop Australia's north.



# DEFENCE AND NATIONAL SECURITY PRESENCE IN THE NORTHERN TERRITORY

The strategic value of the Northern Territory's location to the defence and national security interests of Australia is evident. The defence and national security presence in the north provides a significant impetus to the sustainable development of Northern Australia and has a transformative impact on an economy such as the Northern Territory. In turn, there are efficiency benefits to Defence and national security as local industrial capacity and capability expands.

**A growing number of defence and national security platforms are either based in or operate from the Northern Territory, many of which will be replaced as part of the major acquisition program currently underway.**

- Current platforms in the Northern Territory such as the F-18 Hornet, Armidale Class Patrol Boat and Cape Class Patrol Boat will be replaced with new platforms, such as the F-35A Joint Strike Fighter and the Offshore Patrol Vessel.
- The Northern Territory has also been identified as a likely Forward Operating Base for the future MQ-4C Triton unmanned aerial vehicles.

**Defence has a significant footprint in the Northern Territory with major defence sites and approximately 8.1 per cent of permanent Australian Defence Force personnel posted to the Northern Territory.**

- There are 13 major defence sites and training areas across the Northern Territory supporting the land, air and sea domains. Planned capital investment for these sites will ensure they continue to meet the operational requirements of Defence and the new platforms that will be based here.
- 1st Brigade is based and headquartered in Darwin at Robertson Barracks with 7th Battalion, Royal Australian Regiment, along with supporting sub-units based at RAAF Base Edinburgh. 1st Brigade soldiers are at the forefront of Australia's operational commitments around the world, including deployments to Timor-Leste (East Timor), Iraq and Afghanistan.
- The Northern Territory is home to Headquarters Regional Force Surveillance Group and the North West Mobile Force (NORFORCE).

NORFORCE is an operational Army reserve unit with ties to the Northern Territory dating back to 1939. Approximately 45 per cent of NORFORCE's personnel are Aboriginal, making it Australia's largest employer of Aboriginal military personnel.

**The Northern Territory is a training hub hosting three major land, air and sea biennial training exercises with Australian and international defence forces.**

- The Northern Territory has some of the largest exercise and training ranges in the world with free airspace, open waters and no restrictions from urban development. The Territory has space to expand with potential for new uses such as state of the art equipment proving grounds and for continued specialised range and training area development.
- Exercise Pitch Black, Exercise Kakadu and Exercise Talisman Sabre and a number of smaller exercises involve a large number of defence forces drawn from regional, coalition and allied nations.

**The Northern Territory plays an ongoing role supporting Australian Border Force operations.**

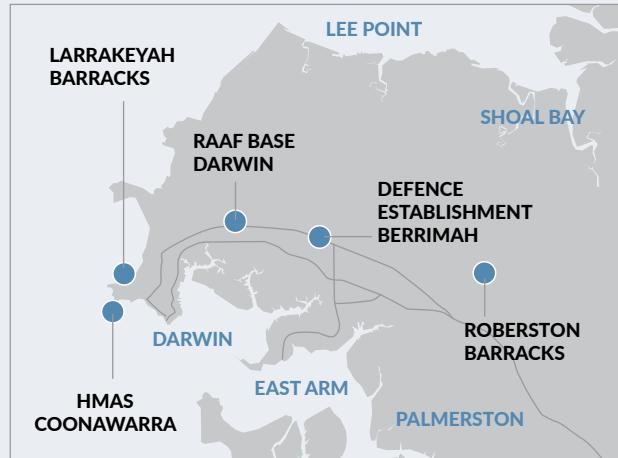
- Operation Resolute and Operation Sovereign Borders protect Australia's borders and offshore oil and gas installations from maritime security threats including people smuggling, illegal fishing and piracy.

**The Northern Territory is central to the implementation of the Joint Australia-US Force Posture Initiative.**

- Through the Australia-US Force Posture Initiative, the Northern Territory supports US engagement in the Indo-Pacific region to promote regional security and stability.
- The Northern Territory hosts an increasing US Marine troop rotation, combined training and exercises and the deepening tri-service interoperability of US and Australian armed forces.
- The Northern Territory will be home to new defence infrastructure under the joint Australia-US Force Posture Initiative.

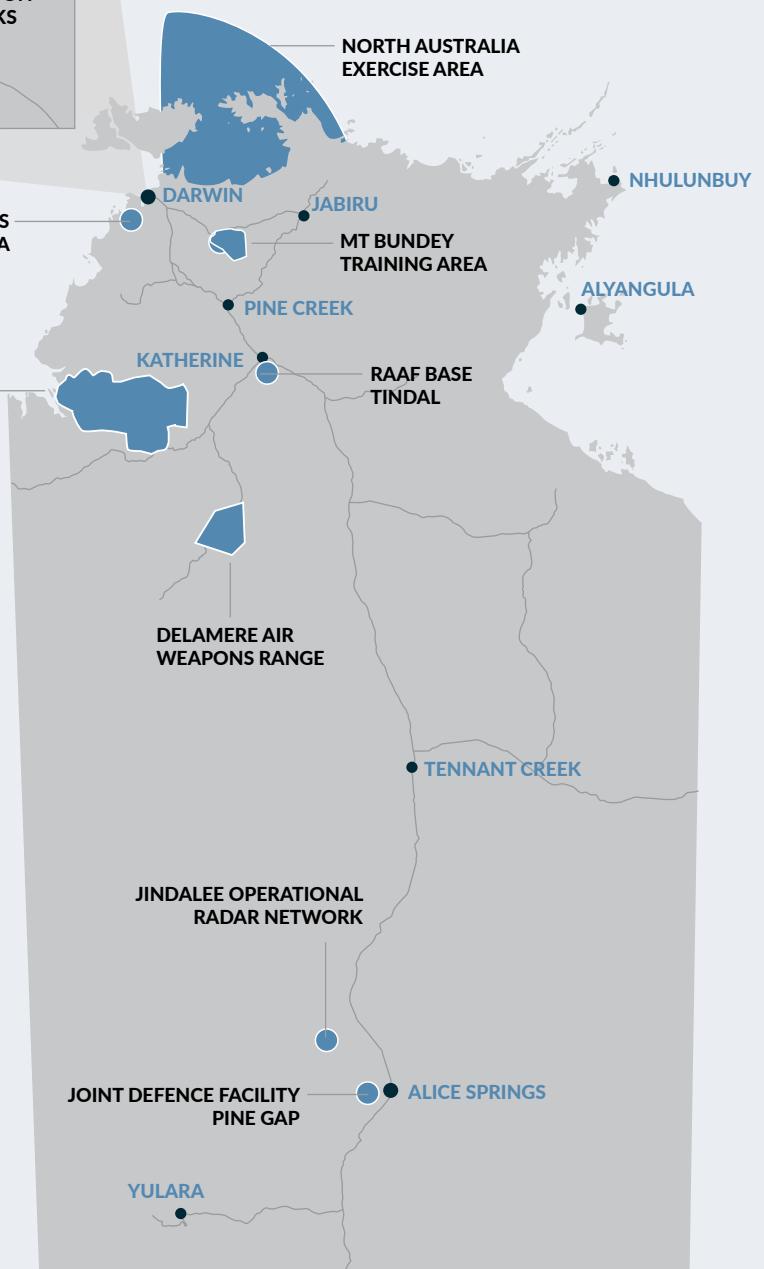
## Strategically located

A strong tri-service presence in the Northern Territory

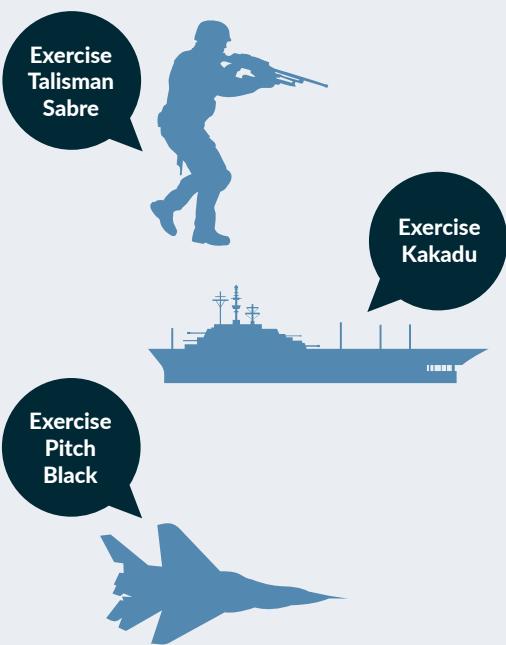


Inset showing Darwin and Palmerston

**WITH A TOTAL LAND MASS OF  
1,348,199 SQ KM**  
THE NORTHERN TERRITORY IS HOME  
TO ONE OF THE LARGEST TRAINING  
AREAS IN THE WORLD.



The Northern Territory hosts  
three major biennial exercises:



This map is not to scale and is to be used as a guide only

# THE DEFENCE ECONOMY

The Northern Territory economy has grown rapidly over the past 10 years on the back of a stream of major projects. Between 2006–07 and 2016–17:

- Gross State Product has grown over 40 per cent from \$18.1 billion to \$25.4 billion.
- The population has increased 15 per cent to more than 246 000 people.
- The workforce has expanded by 33 800 to over 138 000 workers.

**Defence spending in the Northern Territory reached \$1.9 billion in 2016–17, or 7.3 per cent of the Territory's Gross State Product. With the planned Defence capital investments, total expenditure is expected to increase to an average of \$2.5 billion per annum.**

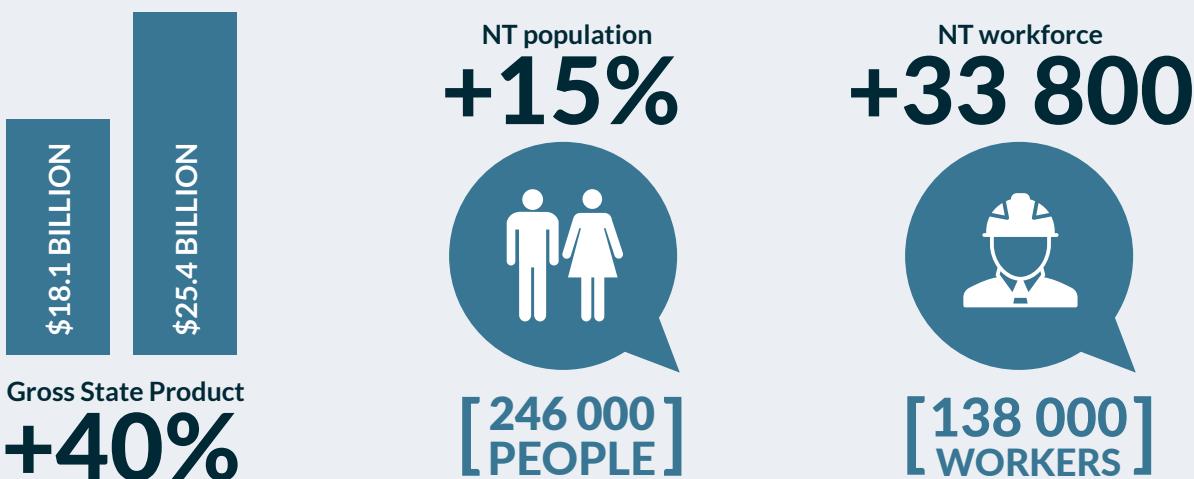
- Defence is a significant contributor to the Northern Territory economy. It supports business activity, capabilities and workforce skills development. It generates direct and indirect employment and creates critical mass for the strategic infrastructure that is essential to industrial expansion.
- The defence economy covers military operational and training activities, manufacturing and sustainment, supply and support for those activities and the expenditure of Defence personnel and their families living in and visiting the Northern Territory.

- The Northern Territory is home to around 4700 permanent Army, Navy and Air Force personnel or 8.1% of the total permanent Australian Defence Force as of June 2017. Along with their families, they make up approximately 5 per cent of the Northern Territory's population or approximately 12 000 people. This percentage is greater in Katherine, where Royal Australian Air Force families account for some 25 per cent of the population.
- As part of the joint Australia US Force Posture Initiative the number of US Marines arriving in the Northern Territory has grown from 250 in 2012 to 1250 in 2017. Under the initiative the number of US Marines on rotation is expected to increase in the coming years.

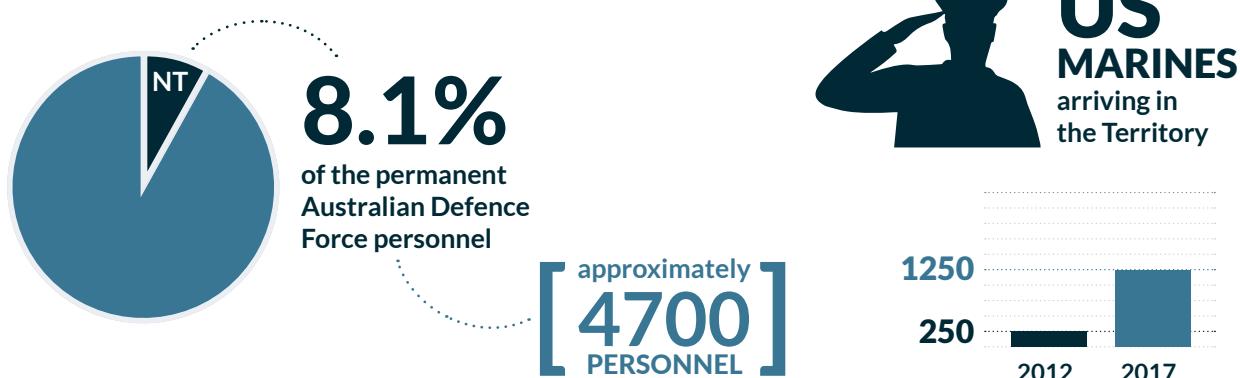
**The 2016 Defence White Paper and the 2016 Integrated Investment Program identify infrastructure investment in Northern Australia, particularly in Darwin and RAAF Base Tindal in Katherine, as a high priority.**

- \$20 billion in defence infrastructure investment is planned for the Northern Territory over the next 20 years under the Major Capital Facilities Program. Defence will spend approximately \$8 billion in the next 10 years and \$12 billion in the following 10 years.
- Approximately \$2 billion of the investment in the Northern Territory will be shared by Australia and the United States as part of the joint Australia-US Force Posture Initiative.

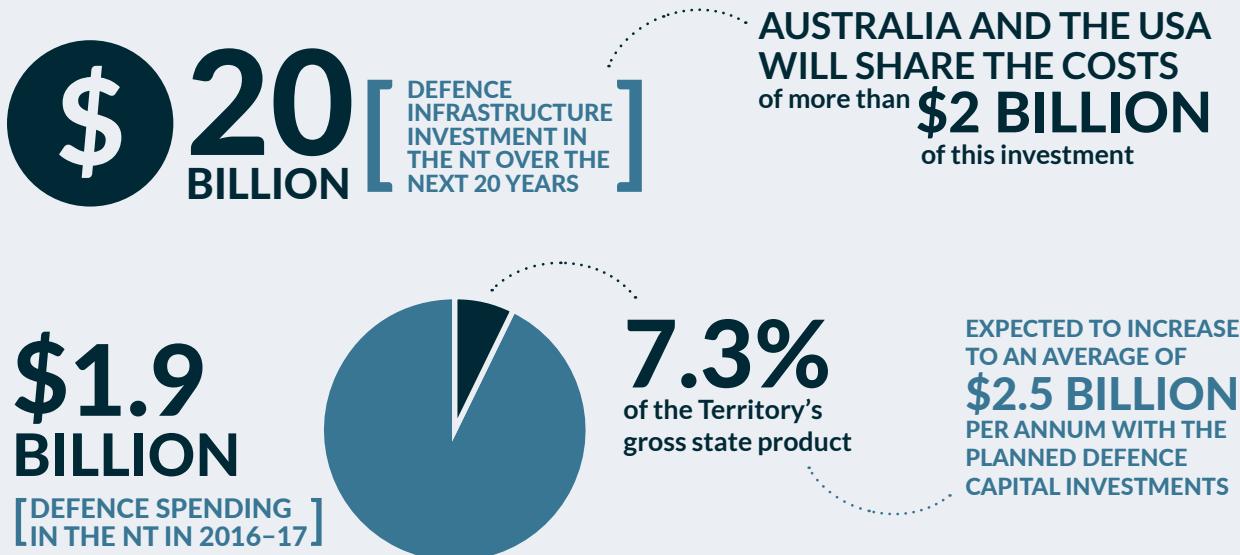
## OVER THE PAST 10 YEARS\*



## NT'S DEFENCE POPULATION\*



## NT DEFENCE SPENDING\*



\* as of June 2017



## OBJECTIVES OF THE STRATEGY

The Northern Territory's Economic Development Framework identifies Defence and defence support industries as one of our five key growth sectors. This is in recognition of the opportunities emerging from the significant defence investment in the Northern Territory and the Northern Territory's role as a regional hub.

The objectives of the Northern Territory Defence and National Security Strategy 2018 are to:

1. Enhance the capacity and capability in Northern Australia for defence and security co-operation in the Indo-Pacific region.
2. Maximise the socioeconomic benefit from Defence and national security opportunities in the Northern Territory.
3. Grow the use of local industry in the supply chain for defence and national security platforms and projects.
4. Continue to grow the Northern Territory's workforce to meet the ongoing needs of the Defence and national security industry.
5. Establish the Northern Territory as a posting of choice for Defence and national security personnel.
6. Attract Defence and national security industry corporations to establish their national and regional headquarters in Darwin.

To achieve these objectives, the Strategy sets out six focus areas and will be implemented through the Northern Territory Defence and National Security Action Plan.

# STRATEGIC FOCUS AREAS

To achieve the objectives of the Strategy, there is a need for strong collaboration with the Australian Government, Defence, national security agencies, international allies, state and territory governments and industry.

Northern Territory businesses supporting defence and national security agencies need to win work and secure their position in an increasing number of national and global supply chains.

Defence, government and industry need to invest in the strategic infrastructure that supports the defence and the national security presence.

The objectives of the Strategy will be pursued through national advocacy, support for local industry and workforce skills development, and community engagement across the six strategic focus areas:

1. Strategic Engagement and Communication
2. Business Capability
3. Workforce Capacity
4. Defence Community
5. Innovation, Research and Partnership
6. Strategic Infrastructure.



# STRATEGIC ENGAGEMENT AND COMMUNICATION

## 1

The Northern Territory is pursuing a plan to support the Australian Government achieve its defence and national security objectives in parallel with the Territory's economic development objectives.

Ongoing engagement with Defence and the Australian Government ensures consideration for the Northern Territory context in national decisions. Collaboration with states and territories allows for a national approach to industry capability and capacity building.

The Northern Territory is uniquely positioned to become an important regional player as countries to the north build their defence capabilities and increasingly seek industry partners. Engagement with international governments and defence-related agencies and bodies enable the Northern Territory to potentially tap into a market beyond Australia.

### Strategic Outcomes:

1. National policies, decisions and investments reflect the importance of the Northern Territory to Defence and national security.
2. More opportunities for Northern Territory industry to compete for defence and national security work, including trade in defence-related services and supplies.
3. Increased engagement with regional neighbours and international allies, including through training.

**The Northern Territory actively engages with the Australian, state and territory governments and the defence and national security industry.**

- The Northern Territory Government participates in national working groups including the State and Territory Industry Engagement Forum and its associated working group.
- Through the Defence and Northern Territory Consultative Forum and its associated working group, the Northern Territory jointly coordinates with Defence strategic and operational matters of mutual importance.

**The Northern Territory is strengthening its engagement with Defence and national security decision makers, state and territory governments and industry to enhance information exchange and collaboration at a strategic level.**

- The Northern Territory Government appointed Air Vice Marshal (Retd) Margaret Staib AM CSC as the Northern Territory Defence and National Security Advocate. Ms Staib is the Chair of the Northern Territory Strategic Defence Advisory Board.
- The Northern Territory Strategic Defence Advisory Board is assisting the Northern Territory step up its engagement with defence and national security agencies.
- The Northern Territory Strategic Defence and Advisory Board comprises leading Defence and industry experts.
  - > Air Vice Marshal (Retd)  
Margaret Staib AM CSC
  - > Rear Admiral (Retd) Mark Purcell
  - > Lieutenant General (Retd)  
Mark Evans AO DSC
  - > Air Marshal (Retd) Eris Heryanto
  - > Ms Karen Green, NT Industry Representative
  - > Ms Carmel McGregor PSM
  - > Dr Alan Dupont

**The Northern Territory has adopted a joined-up approach to industry engagement.**

- The 'Team NT' approach delivers a coordinated, joined-up engagement with Defence, national security agencies, prime contractors and major subcontractors.
- To implement the 'Team NT' approach key stakeholders from government, industry and academia will deliver the projects and initiatives in the Northern Territory Defence and National Security Action Plan.



# BUSINESS CAPABILITY

2

The 2016 Defence Industry Policy underpins Northern Territory industry development. Defence capability needs in the Northern Territory are best served by a competitive and sustainable local industrial and technological base.

Businesses need a secure and financially stable base to underpin investments in defence-related business capabilities, workforce skills, capacity expansion, research and development activities and market development. There are clear benefits to drawing support from local contractors and suppliers, where there is available capacity and capability.

**The Northern Territory has a strong industrial capability built on supporting a range of sectors including the defence and resources sectors.**

- Large scale heavy industry in the Northern Territory has undergone wholesale transformation. Quality and safety systems have matured. Complex and specialised heavy industrial and electrical engineering skills and capability, including logistics networks have established to world class standards.

## Strategic Outcomes:

1. Northern Territory businesses continue to have the capability and capacity to compete for defence and national security work.
2. More Northern Territory businesses qualify to tender for defence and national security work, and to participate in national and global supply chains.
3. Defence, national security agencies, prime contractors and major subcontractors choose Northern Territory businesses for their service and supply needs.

- Many national and international companies now operate in the Northern Territory and locally owned companies are expanding into new areas as opportunities emerge. This enables the Northern Territory to provide a more sophisticated and comprehensive support to defence and national security operations.
- Local industry is now better positioned for the sustainment and maintenance of large, sophisticated platforms arriving into the defence inventory for training, deployment and operations in the region.
- The Northern Territory has a mature construction industry capable of delivering the significant re-investment in defence facilities. The industry has been delivering projects for a wide range of industries such as defence, oil and gas, mineral and petroleum, large commercial projects and public infrastructure.

**The Australian Government's 2016 Integrated Investment Program provides a unique opportunity to further lift Northern Territory industry capability, competitiveness and growth.**

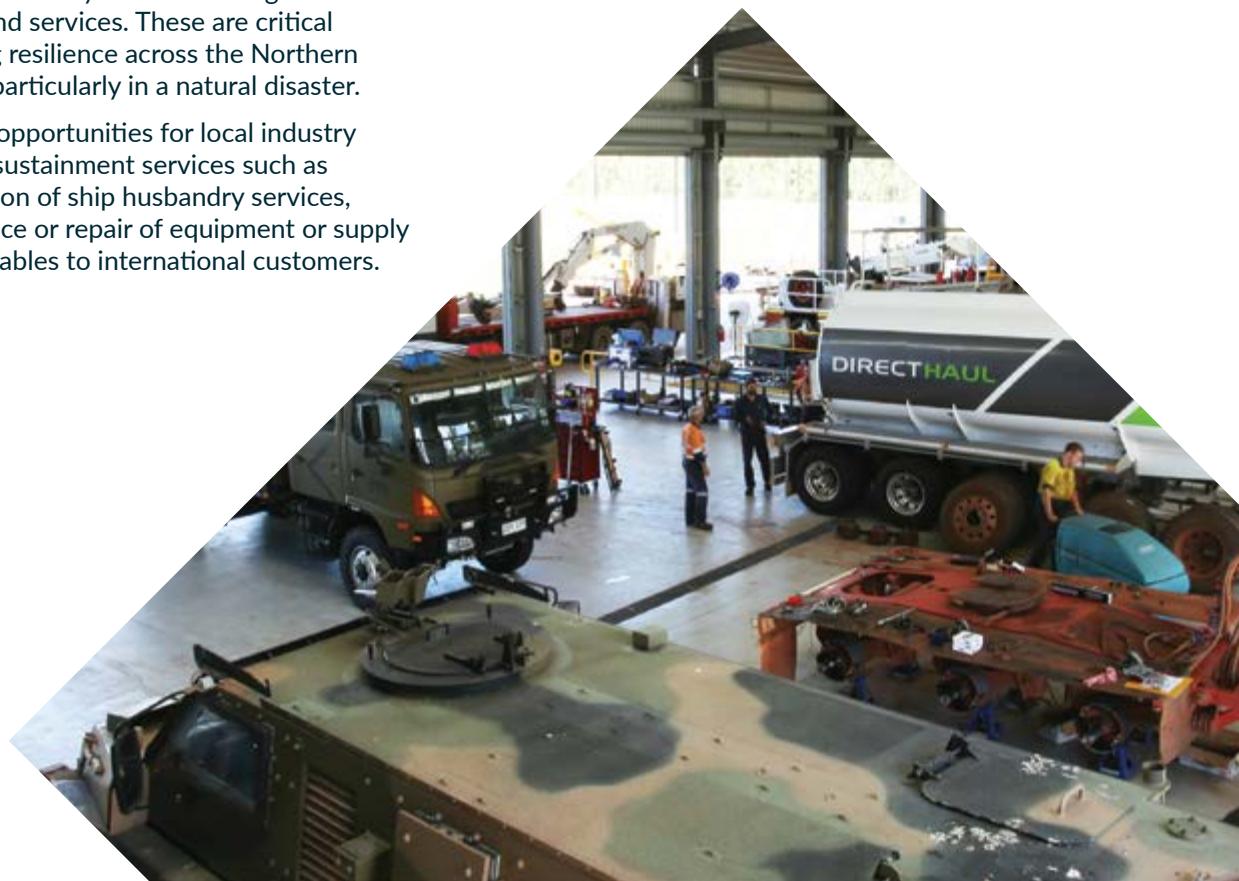
- The Northern Territory is the primary centre for maintenance and sustainment of facilities and assets in the north.
- There are significant cost-saving opportunities and real potential to extend over-life capability of major platforms that are maintained and sustained from the Northern Territory. This also ensures the retention of critical local industrial skills and capabilities for the longer term.
- The arrival of high tech platforms into the Northern Territory provides local businesses with opportunities to develop and display new technical capabilities and to become part of national and global supply chains.

**Defence training operations enhances Northern Territory logistics capabilities.**

- Increasing frequency of defence training exercises enhances logistics capability and the availability of a broad range of supplies and services. These are critical to building resilience across the Northern Territory, particularly in a natural disaster.
- There are opportunities for local industry to export sustainment services such as the provision of ship husbandry services, maintenance or repair of equipment or supply of consumables to international customers.

**Australian Government procurement policies and practices can influence the decisions of local industry to compete for defence and national security work.**

- The Australian Government has recognised the role of Australian industry to support the delivery of the capability programs to protect our national interest.
- Procurement policies and practices will need to take a broader view beyond dealing with prime contractors to enable the emergence and growth of second and third tier contractors, including the full service and supply base below them.
- Larger Northern Territory businesses are highly experienced in dealing with the local subcontractor and supplier base, Aboriginal businesses and the Aboriginal workforce, spreading growth to other sectors of the local economy.
- With a large Aboriginal population, the Northern Territory has the second largest number of businesses and total value of contracts awarded in 2016–17 under the Australian Government's Indigenous Procurement Policy.



# WORKFORCE CAPACITY

# 3

New investments in defence infrastructure, facilities, platforms and equipment across Australia will significantly increase national demand for a diverse workforce and generate strong competition for highly skilled workers.

Defence and industry are competing for a limited pool of workers with the skills and experience, including the technical and professional qualifications required for new and increasingly complex defence and national security platforms and equipment.

The Northern Territory recognises that growing and skilling the local workforce is essential to fully capitalise on the opportunities from the defence investment and presence in the Territory.

## The Northern Territory has a young and mobile workforce.

- The Northern Territory has a small moderately distributed population accounting for 1 per cent of the Australian resident population. As of June 2017 the Territory has approximately 246 000 residents. More than half of the population resides in the Greater Darwin Region, the main hub of economic activity.

### Strategic Outcomes:

1. Northern Territory businesses continue to have access to a flexible and skilled workforce that meets the current and future requirements of Defence, national security agencies, prime contractors and major subcontractors in the Northern Territory.
2. Higher level skills and education training relevant to the workforce supporting Defence and national security are delivered from the Northern Territory.

- The total resident working age population as of June 2017 is approximately 187 700 excluding non-resident labour (fly-in-fly-out workers) and defence personnel.
- Northern Territory industry manages business fluctuations by accessing a national and international skilled workforce pool to augment the local workforce.

### The Northern Territory workforce is becoming increasingly sophisticated and highly skilled.

- Exposure to the high standards and requirements of multinational resource companies operating in the Territory has generated a local workforce that is increasingly skilled and sophisticated.
- The resources sector in the Northern Territory brings skills that are directly transferrable to the defence and national security industry, including the local maritime and aviation sectors. This generates diverse and increasingly capable local industries.
- Working closely with government and industry, the Northern Territory education sector including the vocational and tertiary sectors have been responding to the changing workforce skills demands as the local economy diversifies.

**The Northern Territory is committed to closing the gap in Indigenous disadvantage and actively supports the development of the Aboriginal workforce.**

- Approximately 26 per cent of the Northern Territory's working population identify as Aboriginal, who primarily reside in regional and remote areas.
- The Northern Territory Government, local industry groups and Aboriginal organisations work closely with local employers, defence contractors and Defence to identify how their workforce requirements can be met through targeted training and upskilling programs for Aboriginal people.
- The Northern Territory is leveraging employment outcomes and business participation for Aboriginal Territorians through government and major project procurement activities.
- The Australian Army is collaborating with the Northern Territory's Batchelor Institute of Indigenous Tertiary Education to increase representation of Aboriginal and Torres Strait Islanders in the Australian Defence Force through the Army Indigenous Development Program.

**Investment in workforce skills and the retention of skills in the Northern Territory rely on business stability and certainty.**

- The Northern Territory's workforce is mobile, and average trend unemployment rate is generally low. Skills retention is important to business continuity and growth.
- With industry dominated by micro and small businesses, long term contracts give local businesses the certainty to invest in upgrading the skills of their workforce and maintaining their workforce in the Northern Territory. A locally based sustainment industry enables defence and national security agencies, prime contractors and major subcontractors to access competent and competitive support and services from the Territory.



# DEFENCE COMMUNITY

# 4

The Northern Territory has and will always be a defence location. The defence and national security community is an integral part of the Northern Territory community. Historical ties are evident in the monuments and landmarks across Darwin and Katherine. Defence commemorative events bring the entire community together.

Ensuring Australian Defence Force and national security personnel and their families are well settled in a supportive environment is important to overall defence and national security capability in the north.

## Strategic Outcomes:

1. The Northern Territory is a posting of choice for Australian Defence Force and national security personnel and their families.
2. Ex-serving Australian Defence Force and national security personnel and their families choose to live and work in the Northern Territory.

**The defence and national security community are a significant part of the Northern Territory's population.**

- Australian Defence Force personnel and their families make up approximately 5 per cent of the Northern Territory's total population. Consequently Defence's presence has an impact on the local economy, industry, workforce availability and the range of health, education and other social and lifestyle services available to all Territorians.
- Active reservists comprise just under 10 per cent of the Australian Defence Force personnel presence in the Northern Territory. The majority are employed by local businesses and the public sector making them an important component of the local workforce.
- Families of Australian Defence Force and national security personnel have skills, knowledge and experience that contribute to the local workforce pool. As a jurisdiction with a highly mobile population, certainty around the defence posting cycle provides local industry with a stable source of skilled staff.

- The Australian Defence Force and US Marine Corps deliver outreach programs and educational tours of defence facilities. The Australian Defence Force also runs employment programs that include vocational and training opportunities and provides support for medical and clinical programs in remote areas.
- Under the 2016 Defence White Paper, the permanent Australian Defence Force workforce will grow to around 62 400 over the next decade. This provides opportunities to increase the defence presence in the Northern Territory.

**Services and support for the defence and national security community in the Northern Territory continues to grow.**

- The Northern Territory has always demonstrated strong support for all defence and national security personnel and their families. The Northern Territory Government recently increased dedicated resources to work closely with the defence community, defence support agencies and other organisations.

**The Northern Territory offers a rich posting experience.**

- The Northern Territory offers quality early learning centres, health care and education services, nationally accredited sports and recreation facilities and national chain and boutique retail outlets.
- National and multinational companies operating in the Northern Territory provide diverse career opportunities.
- Light traffic density and short commute times allow balance between work and home, especially for families with children.
- The Northern Territory offers unique outdoor and wildlife experiences and a multicultural lifestyle not found anywhere else in Australia. Its proximity to Asia and major international airline hubs make travelling to overseas holiday destinations more accessible.



# INNOVATION, RESEARCH AND PARTNERSHIPS

# 5

The ability to adopt and develop innovative and emerging technologies is critical to maintaining the capability edge of the Australian Defence Force. The shifting global landscape has led to the rise of the private sector in driving the rapid pace of technological change.

The Northern Territory is looking to harness private sector entrepreneurship and ingenuity by strengthening the links between government, the Centre for Defence Industry Capability, local industry, prime contractors and academic and research institutions. Success will depend on building a culture of innovation and collaboration.

## Strategic Outcomes:

1. Northern Territory businesses increasingly commercialise research and innovation related to Defence and national security.
2. New specialised research and training activities are led from the Northern Territory.

## The Northern Territory economy has been undergoing significant transformation.

- Industrial transformation from an expanding resource industry and a growing Asia has placed innovation, research and development at the forefront of the Northern Territory's agenda. Attracting new investments requires a local industrial base that is globally competitive, sustainable, innovative and diverse.
- The Northern Territory is supporting the investment environment through industry-driven research, the delivery of future industry workforce skills and qualifications and by introducing fit-for-purpose regulation.

## Businesses are presented with opportunities to innovate when they engage in defence and national security work.

- Multi-billion dollar projects such as the Ichthys LNG and Shell Prelude projects have exposed Northern Territory businesses to specialised technologies and international operating standards.
- Adapting military platforms and equipment to unique climatic conditions such as that in the Northern Territory can stimulate business innovation.

**Increasingly complex and highly technical equipment for defence and border force operations is creating opportunities for the Northern Territory to engage in targeted research and development activities.**

- The Northern Territory's Charles Darwin University (CDU) has established itself as a research intensive university with a focus on Northern Australia and the Indo-Pacific.
- The Northern Territory recognises the importance of developing and sustaining education and research for scientists and engineers at CDU that are linked to defence capabilities.
- CDU is actively involved in the delivery of training, education and research programs targeted at the current and emerging needs of key growth industries for the Northern Territory.
- CDU has entered into a partnership with the Defence Science and Technology Group (DSTG) to work with defence and national security agencies on collaborative research projects. With support from the Northern

Territory Government, CDU is enhancing its ability to carry out research, improve its capacity to provide advice to government and local businesses and improve the cyber security skill base in the Northern Territory.

- The Defence Innovation Hub and DSTG's Next Generation Technologies Fund present another avenue for research and development in emerging and future technologies such as space technology.
- The Northern Territory's open spaces and extreme wet and dry climatic conditions are ideal for specialised military research and training such as wet weather skills development, equipment testing and military vehicle trials. Other opportunities can involve the operation of unmanned aerial systems and studies on human performance in remote desert and tropical environments.



# STRATEGIC INFRASTRUCTURE

## 6

The Northern Territory is planning infrastructure growth in a way that balances the needs of Defence, the local population and industry. Ongoing investments by the Northern Territory Government, the Australian Government and the private sector in critical port, airport, road, rail, water, telecommunications and energy infrastructure support defence and national security activity.

With extensive open areas and moderately populated major centres, existing facilities can easily expand to accommodate new platforms and the growing training needs of Defence and international allies.

Investments in joint-user infrastructure have the potential to generate synergies across industries allowing for the cross utilisation of capability, capacity and skills.

**Carefully planned and coordinated infrastructure investment by the Northern Territory Government and the Australian Government can attract private sector investment and grow local industry in a sustainable way.**

- The Northern Territory Government will work closely with the Australian Government to develop priority infrastructure projects for inclusion in its investment plans. This includes ensuring that the Northern Territory's critical infrastructure is resilient to support the health, safety and prosperity of Territorians while meeting the surge demand of Defence.

### Strategic Outcome:

1. Infrastructure in the Northern Territory supports the ongoing and future needs of Defence, national security agencies, local industry and the community, including the capacity to meet surge demand.

- By aligning infrastructure spending, governments can make considerable savings and maintain local industry, employment and productivity. These benefits extend to the delivery of outcomes in other national policy and development priorities, such as the White Paper on Developing Northern Australia and the Indigenous Advancement Strategy.
- It is imperative that the procurement approach for infrastructure is tailored to match the capability and capacity of the region with a view to enhancing industry competitiveness.
- The Northern Territory Government has released its 10-year Infrastructure Plan providing a sector based assessment of prioritised infrastructure investment including planned and proposed infrastructure projects.
- Private sector involvement in infrastructure remains an important element of the Northern Territory's infrastructure investment strategy. As a small jurisdiction, commercial risks can be mitigated by government use to encourage private sector investment.



**The Northern Territory Government is making strategic infrastructure investments to support future industrial expansion.**

- The Northern Territory Government is investing \$100 million to develop a common user Ship Lift Facility in Darwin Harbour. The facility will meet the current and projected growth in demand for marine maintenance and repairs of Defence, Australian Border Force and commercial users in Darwin Harbour from 2021.
- The Land Development Corporation is developing a 150 hectare Marine Industry Park at Darwin's East Arm Logistics Precinct. This integrated marine services precinct will create competitive capabilities in marine maintenance, logistics, engineering and fabrication, and support services for the oil and gas, defence and marine related industries.
- The Northern Territory Government and Defence jointly funded the Multi-User Barge Ramp Facility within the Marine Industry Park. This ramp provides dual use for defence and commercial activity designed to meet the needs of the new Canberra Class Amphibious Assault Ship. The ramp links new and existing hardstands and other government and commercial infrastructure developments to support the maritime sector.
- The Defence Support Hub located adjacent to Robertson Barracks enables prime contractors and smaller businesses to establish industry clusters that support defence platforms and the Joint Logistics Unit North.

**The Northern Territory Government will partner with other governments and the private sector to invest in joint user infrastructure including pre-emptive investments.**

- Demands for new infrastructure to support defence, national security agencies and the US Force Posture Initiative will create opportunities to develop joint use infrastructure that can benefit the Northern Territory economy and community.
- Government infrastructure financing initiatives such as the Northern Territory Government Infrastructure Development Fund and the Australian Government Northern Australia Infrastructure Facility provide opportunities to accelerate infrastructure development.

## GOVERNANCE AND REPORTING

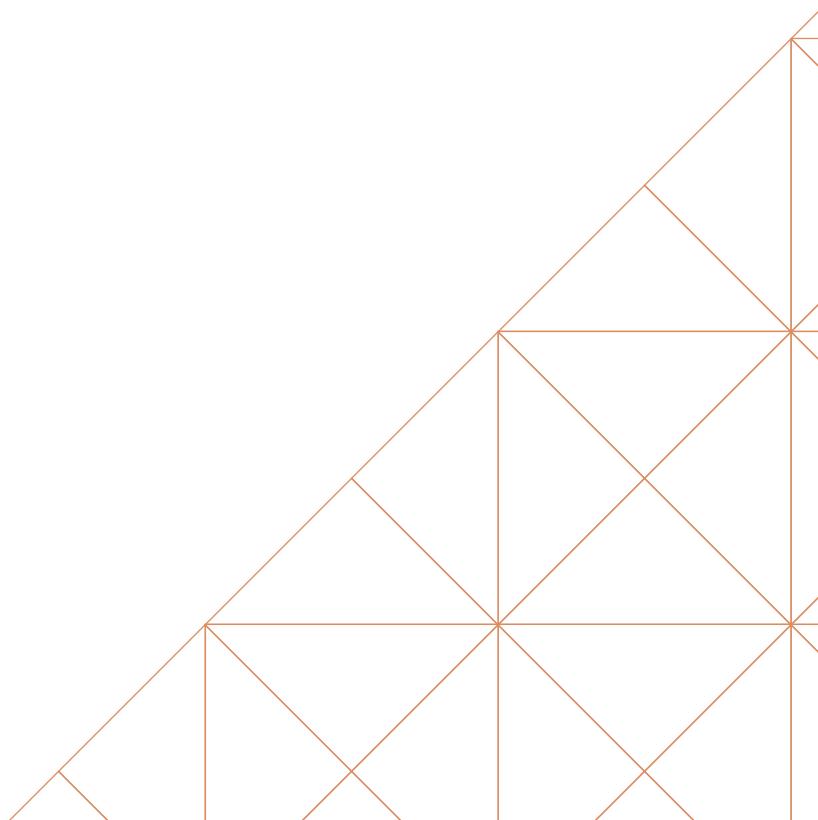
By working together, government, industry, land owners and other organisations will deliver on the Strategy including through the actions identified in the Northern Territory Defence and National Security Action Plan.

Within the Northern Territory Government the Chief Executive Officer of the Department of Trade, Business and Innovation through DefenceNT, will drive delivery of the government's commitments. The CEO of the Department of Trade, Business and Innovation will report through the Jobs Standing Committee of COORD to the Jobs Sub-Committee of Cabinet and Cabinet itself.

DefenceNT will work with partner organisations to achieve the objectives of the Strategy. This will include leading government's engagement with the private sector, industry associations, traditional owners, land councils, landholders, the Australian Government, other state and territory governments, the Australian Defence Force and the Australian Border Force to achieve intended outcomes.

We will formally come together with our partners every six months to discuss progress on actions and resolve issues and learn from each other.

The Action Plan will be reviewed annually and a report on progress published. The review will also include consideration of emerging issues and refine or add new actions as needed.





Images on cover (F35 aircraft,  
army weapon trial) and pages 2,  
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