Darwin Major Business Group Submission #494

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9 October 2017

Email: fracking.inquiry@nt.gov.au Justice Rachel Pepper Chair - Scientific Inquiry into Hydraulic Fracturing in the Northern Territory GPO Box 4396 Darwin, NT 0801, Australia

Dear Justice Pepper,

Re: On Shore Gas – Northern Territory

The Darwin Major Business Group (DMBG) comprising the following businesses:

Airnorth Crocosaurus Cove Darwin Convention Centre Darwin International Airport Genessee and Wyoming GPT Casuarina Halikos Group Hannon Group Landbridge Group The Dixon Group Margetic and Sitzler Paspaley Pearls Group SKYCITY Darwin Trepang Services

As non-resource, private sector businesses, we write in support of the onshore gas industry in the Northern Territory.

The Territory is currently facing very real economic challenges and it is the view of the DMBG, the onshore gas industry will deliver significant long term benefits and opportunities to businesses and regional communities right across the Territory.

The DMBG supports the environmentally responsible and sustainable development of the onshore gas industry as new major projects are now needed to support the NT economy, as INPEX's Ichthys liquefied natural gas project transitions from construction to production.

The success of the onshore oil and gas industry in the US has completely turned around the fortunes of domestic manufacturing through providing a long term lower cost supply of fuel. Success in the NT could be a major catalyst to bringing significant manufacturing industry to the NT.

The DMBG believe developing the NT's abundant onshore gas resources can deliver much needed new jobs especially in regional and remote areas, and will also bring investment in roads and regional infrastructure.

DMBG support developments of this nature, provided strict balance between economic development and environmental protection is delivered together with the interests of the indigenous land owners and pastoralists being carefully considered. We are confident this balance can be struck and all Territorians can benefit from the development of our natural resources.

The DMBG would welcome the opportunity to address the Fracking Inquiry panel if appropriate.

Yours sincerely Ian Key

Chair - Darwin Major Business Group



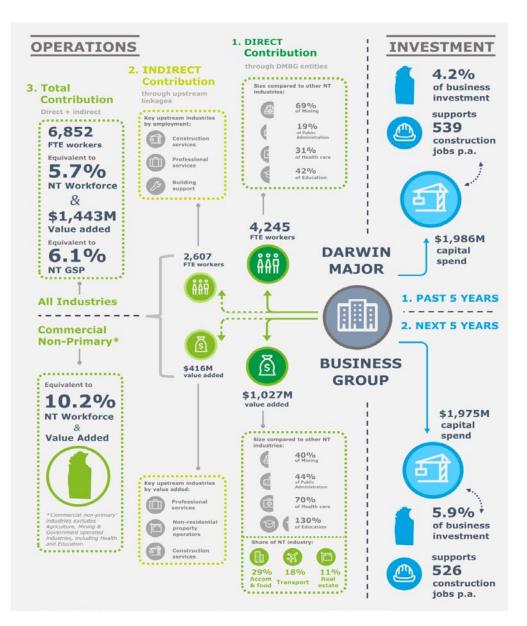
DARWIN MAJOR BUSINESS GROUP

Government policies and decisions have a significant impact on business especially in a developing economy environment like the Northern Territory.

The Darwin Major Business Group was formed by 14 major businesses in January 2017. It was established for major business to have a strong coordinated voice to inform and influence Government and to share information among member businesses.

Darwin Major Business Group members have a record of investment and their future success is strongly linked to the performance of the Darwin and Top End economies. The Darwin Major Business Group has invested \$2B in the Darwin economy in the 5 years to 2017 and has similar investment plans for the next 5 years. It has a combined employment of over 4,000.

The collective Northern Territory economic impact of the businesses comprising the Darwin Major Business Group as calculated by Deloitte Access Economics is outlined below.





The Group' members are Ian Kew (NT Airports), Daniel Bowden (Airnorth), Mardi Ashkine (GPT Casuarina Square), Janet Hamilton (Darwin Convention Centre), Michael Hughes (Landbridge Group), Shane Dignan (Halikos Group), Steve Margetic and Michael Sitzler (Sitzler & Margetic), Mick Burns (Mick Burns Group of Companies), Foxy Robinson (Trepang Services), David Christian (SKYCITY Darwin), Michael Hannon Snr and Mick Hannon Jnr (Hannon Group), James Paspaley (Paspaley Group), Natasha Jensen (Genesee and Wyoming) Michael Bridge (CGH Group) and Brett Dixon.

Members





Daniel Bowden & Michael Bridge

Established in 1978 and with its hub based in Darwin, Airnorth is the second oldest airline in Australia and operates the youngest regional jet fleet. It is the premier airline based in Northern Australia operating over 200 scheduled departures weekly, serving 17 destinations in the Northern Territory, Western Australia, Queensland and Timor-Leste. Airnorth is a full service carrier operating regional jets Airnorth is now the major aviation operator in Northern Australia. The company operates over 300 scheduled RPT and charter departures weekly, servicing over 20 destinations across four countries. Including Darwin, and remote areas of the Northern Territory, Airnorth carries in excess of 300,000 passengers annually. In addition to scheduled departures, Airnorth operates contract and ad-hoc charter services for a wide variety of companies undertaking mining, defence and government activity. Airnorth directly employs more than 200 staff in Darwin and provides indirect employment through the contracting of ground service operations across all its destinations. Airnorth has formed a corporate alliance with Qantas Airways which includes the hosting of all flights in the Amadeus global distribution system, inclusion in the Qantas Frequent Flyer program, electronic ticketing and baggage checks as well as joint marketing activities.





Janet Hamilton

The Darwin Convention Centre (DCC) is the centre piece of the Darwin Waterfront, with the aim to drive local, national and international visitation to Darwin and generate economic benefit to Darwin and the Northern Territory. The Centre is a public-private partnership between the Northern Territory Government, AMP Investments (investment partner), Honeywell (facilities manager) and AEG Ogden (venue manager). Employing 40 full-time staff and up to 300 casuals in the peak event season, the DCC is capable of handling national and international conferences and meetings, exhibitions, gala dinners, award ceremonies, seminars, concerts and special events. Since opening in 2008, the DCC has established a reputation as a modern, multi-award winning centre that has welcomed over 558,000 visitors and generated \$367 million in delegate expenditure to Darwin and the NT.







Mardi Ashkine

GPT is a property group with broad access to capital invested in quality assets which, through proactive management, creates great customer experiences and superior returns. Listed on the Australian Securities Exchange since 1971 the GPT Group is today one of Australia's largest diversified listed property groups. The Group has a substantial investor base, with more than 36,000 investors, is one of the top 50 stocks by market capitalisation and has \$19 billion of assets under management.

Casuarina Square is Darwin's premier shopping destination, located in the northern suburbs of Darwin, a 15 minute drive from Darwin's CBD and 20 minutes from the town of Palmerston. The centre includes two discount department stores, two supermarkets, a variety of specialty stores and a cinema entertainment offer. The centre is also complimented by a 303 bed student accommodation facility operated by Unilodge. Casuarina Square is also home to Australia's largest solar rooftop system master installation of the 1.25MW (megawatt) system in 2015. A new entertainment and leisure precinct named 'The Quarter' was successfully launched in July 2016. The project saw the introduction of 12 new dining tenancies and a Timezone Entertainment Centre.





Shane Dignan

The Halikos Group is a Territory born success story. Established in 1987, sound management has seen the original contract and roofing business prosper into one of the Territory's largest and most dynamic local group of companies. Halikos now specialises in development, construction, hospitality, manufacturing, property management and retail focusing on the Northern Territory. John Halikos and Shane Dignan serve as Directors of the Halikos Group. Together John and Shane built a strong Management team and have now transformed the small local company into Darwin's leading family owned business. Halikos' philosophy to employ locally, buy locally and reinvest profits back into the Northern Territory economy has been the key to their success.



Hannon BBBBB

Michael Hannon Snr & Jnr

Operating since 1945, Hannon Group has been involved in, and has vast experience in a broad range of businesses and industries in the Territory, currently employing over 1000 people Australia Wide. Hannon Group's has a major interest in Bus Transport. Buslink NT started operating in 1988 with 3 buses. Buslink Australia how holds contracts with Governments to supply public transport bus services throughout 4 states - school and urban - and is the 7th largest operator in Australia. Buslink Vivo started operating in 2012 and won a major contract on Inpex's Ichthys project with almost 7000 passenger movements per day.

Hosepower - the Territory's largest integrated hydraulic and industrial fluid equipment supplier, and recently opened a branch in SE Queensland; and ongoing property development. In building up these business, Hannon Group has invested tens of millions of dollars in the local economy, providing ongoing benefits and stimulus to the wider Territory economy.







Mike Hughes & Mark Hunt

In 2015, Landbridge Group commenced a long term partnership to lease the Port of Darwin, specifically East Arm Wharf (including the Darwin Marine Supply Base and Vopak site) and Fort Hill Wharf. Landbridge Group is a large private company with businesses based in China and Australia, with a focus on ports and logistics, real estate and tourism, trade and manufacturing, and oil and gas/petrochemicals.

Landbridge plans to grow Darwin Port by developing the infrastructure to meet future customer needs. In addition, Landbridge brings an opportunity to increase trade with Asia through Landbridge's business and extensive networks in the region.





Michael Sitzler Steve Margetic

Sitzler Pty Ltd have been involved in the delivery of the majority of the major infrastructure projects delivered under PPP's with the NTG and Federal Govt over the past decade amounting to in excess of \$1.5Bn of work. Margetic & Sitzler play a significant role in growing and supporting smaller Territory businesses on these projects. The economic impact is reasonably large given the 6 to 7 times multiplier of every dollar spent through local business in our industry.

Sitzler Pty Ltd is one of the largest privately owned and operated construction companies in Northern Australia. Established in 1976 we have a proven track record of delivering successful projects from Darwin through to Adelaide. Using project management, design and construction, construction management and property development expertise to deliver a number of landmark projects such as the Darwin Convention and Exhibition Centre, Darwin Football Stadium, Chinatown multistorey car park, Ayers Rock Resort, Tiwi Aged Care Facility and the Darwin Waterfront Wave Pool.





Mick Burns

Mick Burns has been involved in a wide range of industries, businesses and developments. He has has built his business empire over the last four decades, successfully owned and operated hotels since 1985, operating at various times landmark hotels and turning them into the "it spot". In 2000, with Discovery up and running and his first Darwin Cup winner under his belt — Star Bullet, owned with business partner Brooke David. Mick constructed Crocosaurus Cove in 2009 and operates the Darwin Crocodile 70,000 crocodiles. Farm, housing approximately saltwater Hotel properties include Monsoons, The Tap Bar, Discovery Nighclub and The Cavenagh Hotel. In 2012 he took majority ownership with Porosus Pty Ltd, his flagship entity. He has been the President (NT) and national board member of the Australian Hotels Association (AHA) for over 10 years, and is a life member in the NT and nationally. He is also Chairman of the Tiwi Bombers football club.







Ian Kew (Chair)

NT Airports directly employ over 80 full-time employees and contract many other personnel to provide key airport services. Together with airline customers, NT Airports handled over 2.4 million arriving, departing and transit passengers. The combination of all on airport and off-airport businesses that support them contribute over 1.5% directly of the Gross State Product of the Northern Territory and employs over 1800 people when including our airline customers. Darwin International Airport makes a significant contribution to the Darwin and Northern Territory economies. Besides being the key first point of contact to the Northern Territory is making significant contribution to growth of Darwin and its own business with significant Property Development of land owned in the Darwin Airport precinct. The vicinity is becoming a key exciting commercial alternative for several key businesses and national franchises.



PASPALEY

James Paspaley

The Paspaley Company was founded in 1935 with the collection of mother-of-pearl shells for the button trade. In the years that followed, cultivation of Australian South Sea pearls became the company's primary focus and revolutionised the South Sea Pearling Industry. The Paspaley Group is an Australian family-owned and run company with a heritage of over 80 years and three generations. Recognised as pioneers of the Australian South Sea pearling industry, today the company has a diverse portfolio. They currently have a portfolio of 9 boutiques stocked with jewellery from the highest quality of pearls produced. Paspaley is heavily involved in Australian Agriculture with 6 rural properties producing high quality mixed cropping, wine grapes, prime lamb and cattle and wool ranging from pearling to retail, aviation to agriculture and property development. The Group also own and operate a large portfolio of commercial properties in Australia and Internationally, many town transforming. Most recently winning NTG tender for 9000 m2 of government office space and subsequently building the impressive Charles Darwin Centre in Darwin Mall, where its Head Office, is now located.





David Christian

SKYCITY Darwin is the ultimate entertainment destination in the Northern Territory. Boasting over 700 electronic gaming machines, more than 30 exciting table games, 5 restaurants, 7 bars, Darwin's only five star beachfront resort with 154 luxury rooms, VIP Super Villas with Gaming Suites, a Day Spa and a myriad of unique function, conference spaces. Nestled on 30 acres of tropical gardens alongside the Arafura Sea, SKYCITY's bustling casino is teamed with amazing accommodation and dining options, and conference and event facilities. SKYCITY is home to Darwin's only five star beachfront resort, complete with a private white-sand beach and an eight room tropical spa. The new tropical resort and upgraded facilities have redefined comfort and style and we provide a level of service beyond compare.







John (Foxy) Robinson

John Robinson (also known as Foxy) has been in the Darwin accommodation industry for 35 years. Originating from humble beginnings John Foxy Robinson has built a formidable company and is one of the Territory's wealthiest and dynamic entrepreneurs. 'Foxy' ventured into the tourism industry buying and selling struggling hotels, motel and caravan parks. His accommodation ventures include two 4.5 star hotels, Darwin Airport Resort and Darwin Airport Inn with a total of 317 rooms (sold 2011); 1500 accommodation rooms to house workers associated with the oil & gas sector. He owns two 5 star luxury hotels in Broome and Kununurra, Western Australia. In 2015 he completed a 200 room 4.5 star hotel in Palmerston on the outskirts of Darwin which is under management to Rydges Hotels Australia. He has various interests and investments outside of accommodation including mining and other industry.





Natasha Jensen

A safety leader in the freight industry in Australia, with 60+ daily train starts across South Australia, the Northern Territory, New South Wales and Victoria. GWA has more than 600 employees, 3,500+ km of owned track, 120 locomotives and 1850 active wagons which are utilised in long-term contracts that support customer projects. GWA seeks to form partnerships with customers providing a particular emphasis on safety and reliability through the acquisition of locomotives and equipment to ensure existing and new start projects meet their transport targets. GWA operates the Tarcoola-to-Darwin rail line that links the Port of Darwin with the Australian interstate rail network in South Australia – a 2200km railway that forms a sizable part of GWA's 3500km of track in South Australia and the Northern Territory. GWA provides its customers on the Tarcoola-to-Darwin corridor with service to bulk ports in Darwin, as well as serving intermodal terminals in Adelaide, Alice Springs, Katherine and Darwin. GWA is a major employer in the Northern Territory which extends to a multitude of sub-contractors across Infrastructure, Equipment, Suppliers and Services to ensure the smooth operation of the Intermodal services.







Brett Dixon

Brett Dixon is a family man, a father of 3 and has been in Darwin for more than 30 years. He is a passionate member of the local community who believes "Darwin has always been and still is, the land of opportunity for young people that want to work hard and get ahead"

In the early 80's Brett started a small concreting business that successfully evolved over the years that gave him a platform to diversify into many other businesses and ventures that he still owns and operates today.

In more recent years he has started Joint Venture companies in Asia and been involved in land and commercial developments in Darwin. Through his construction company "Jaytex Constructions" he has built and part owns numerous property's in the Berrimah Business Park with the flagship being "The Darwin Corporate Park"

Outside of work, Brett's passion is horse racing and has been heavily involved in the NT Racing Industry for more than 16 years. Brett is a TRNT Board member and Chairman of the "Darwin Turf Club" which plays a very important part in Darwin's Economic and Social Environment.





Chris Bigg - Secretariat

Twenty years private sector experience in the airline industry, privatised airports and transport consultancy. Twenty-four years with the Northern Territory Government including heading Transport, heading Lands and Planning and central agency deputy. Sound board and governance experience. Post-graduate training in transport economics.