



# Australian Government

Australian Government response to the  
Joint Select Committee on Northern Australia Inquiry:

Northern Australia Workforce Development – First and Final Reports

APRIL 2026

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**List of abbreviations used**

AHNT	Aboriginal Housing NT
ABF	Australian Border Force
ALG	Central Australia Plan Aboriginal Leadership Group
CDP	Community Development Program
DAFF	Department of Agriculture, Fisheries and Forestry
DAMA	Designated Area Migration Agreements
DITRDCSA	Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts
FFR	Federal Financial Relations
FFA	Federation Funding Agreement
HHMC	Housing and Homelessness Ministerial Council
HCA	Housing Construction Apprenticeship
HPP	Housing Policy Partnership
HSSP	Housing Sector Strengthening Plan
JSA	Jobs and Skills Australia
KAP	Key Apprenticeship Program
MMC	Modern Methods of Construction
NCI	National Careers Institute
NIAA	National Indigenous Australian Agency
NEA	New Energy Apprenticeship
NAIF	Northern Australia Infrastructure Facility
NAMF	Northern Australia Ministerial Forum
ONA	Office of Northern Australia
PTM	Property and Tenancy Management
RCP	Regional Connectivity Program
RTTRC	Regional Telecommunications Independent Review Committee
RAES	Remote Australia Employment Service
RJED	Remote Jobs and Economic Development
SRS	Schooling Resource Standard
VET	Vocational Education and Training

## Overview

### Background

Following a referral on 12 October 2022 from the Minister for Northern Australia, the Hon Madeleine King MP, the Joint Select Committee on Northern Australia (the committee) inquired into and reported on Northern Australia's workforce development. The committee has published an issues paper and a first report (published in November 2023) and final report (published in November 2024) for its inquiry.

The two reports examined the key issues raised in public hearings that the committee heard are affecting workforce development in Northern Australia, with the first report focusing particularly on housing. In 2024, the committee held targeted hearings throughout Northern Australia to identify solutions to issues raised related to social infrastructure, health, childcare, education, and Aboriginal and Torres Strait Islander workforce participation. The final report focused on these key areas affecting workforce development in Northern Australia.

### Key findings of first report

Despite Australia's dependence on Northern Australia for natural resources, exports and tourism, Northern Australia faces many social and economic challenges.

Many inquiries looking into the development of Northern Australia acknowledge the importance of a skilled and available workforce in the region.

The committee received extensive evidence to suggest that housing is the number one issue affecting workforce development across Northern Australia. A lack of appropriate, affordable housing is leading to younger people and families leaving Northern Australia, people from outside the region turning down job offers, and issues with attracting migrants to fill skills shortages. The housing that does exist in many parts of Northern Australia is not sufficient for existing residents, let alone the additional workforce needed to fill skills shortages. Severe overcrowding is affecting the ability of Aboriginal and Torres Strait Islander peoples to engage in employment opportunities and education.

### Key findings of final report

The final report uses the lens of lived experience in Northern Australia to discuss initiatives that support workforce development. The report recognises that social, economic and infrastructural benefits are imperative to attract and retain a skilled workforce and explores practical solutions to improve these issues. While the report acknowledges the difficulties that exists, it seeks to build on programs and policies which align workforce needs with individualised results. Specifically, the report reaffirmed the Australian Government's dedication to the region with the release of the *Northern Australian Action Plan 2024–2029*.

The first and final reports can be found at

[https://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Northern\\_Australia/WorkforceDevelopment](https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Northern_Australia/WorkforceDevelopment).

The government tabled this response on 16/04/2026.

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First Report

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**Recommendation 1**

The committee recommends the Australian Government establish a review into the distribution formula of the Federal Assistance Grants. The review should consider:

- the effectiveness of the current system of distribution;
- whether current distributions are equitable across local government areas, with a focus on remote and very remote areas;
- the effect of the relative decline in the value of the Grants on the service delivery capacity of local governments; and
- whether the program is meeting its intended purpose.

The Australian Government **notes** this recommendation.

While the Commonwealth provides support to the states and territories for local governments through the Financial Assistance Grant program, the provision of adequate funding for local government services remains the exclusive responsibility of states and territories under the constitution.

The Financial Assistance Grants general purpose component is provided to states and territories on a per capita basis, and the local road component is distributed according to fixed historical shares.

The Government is committed to investing in Australia's regions to create jobs, build opportunities, and unlock economic growth and productivity, with councils also eligible to receive Commonwealth funding through allocated programs like Roads to Recovery or apply for competitive grants such as the Growing Regions program.

**Recommendation 2**

The committee recommends the Australian Government establish a review into current tax incentives to encourage people to live in Northern Australia. The review should consider:

- the effectiveness of current incentives;
- changes needed to make an incentive-based scheme more equitable and based on current definitions of remoteness; and
- opportunities to improve the current system to encourage more people to live and work in remote and very remote parts of Northern Australia.

The Australian Government **notes** this recommendation.

The Productivity Commission undertook a comprehensive study into remote area concessions and payments, with the final report released in 2020. The study found that there are more effective policies and programs that address regional and remote needs such as funding of public services including education and health, provision of infrastructure and natural disaster recovery funding. These policies and programs are funded by all levels of government.

### Recommendation 3

The committee recommends the Australian Government, in conjunction with the state and territory governments for Northern Australia, consider ways to provide incentives for appropriate modular homes to be built to address the immediate housing crisis in Northern Australia.

The Australian Government **agrees in principle** with this recommendation.

Workforce and housing are interconnected and were the most significant issues that emerged during the workforce inquiry consultations. Addressing the lack of housing stock is a priority and central to delivering the government’s vision in the north. This includes overcrowding, which, as well as contributing to adverse health outcomes, is having a detrimental effect on the ability for Aboriginal and Torres Strait Islander peoples to engage in the workforce.

The Australian Government continues to work with states and territories through several ministerial councils, including the Housing and Homelessness Ministerial Council (HHMC) and Council of Federal Financial Relations (CFFR), to monitor the progress of the delivery of the 1.2 million homes target under the National Housing Accord. This includes exploring opportunities to collaborate on initiatives to improve housing supply across Australia, such as through modern methods of construction (MMC), including modular and prefabricated construction. Benefits of MMC can include practicality for remote locations, accelerated timelines, cost efficiencies for scalable projects, reduced environmental impacts due to less material waste, and addressing labour shortages and improved safety due to requiring less labour-intensive construction methods. This may assist in meeting Closing the Gap Target 9a<sup>1</sup> through increased supply of housing. MMC may unlock new business and economic opportunities for First Nations people through Aboriginal economic partnerships. At the 17 December 2024 HHMC meeting, Ministers reaffirmed their collective commitment to close collaboration on programs that will expedite the delivery of additional housing.

The Australian Government is committed to unlocking the potential of MMC to address Australia’s housing challenges with speed and efficiency. This includes:

- working with the Australian Building Codes Board to publish a handbook on using MMC safely, sustainably and in compliance with the National Construction Code;
- investing \$4.7 million to develop a voluntary national certification scheme for prefabricated and modular housing manufacturers;
- supporting state and territory governments through a \$49.3 million investment to accelerate the uptake of modern housing construction methods;
- incentivising state and territory governments through \$120 million from the National Productivity Fund to ensure MMC methods are regulated consistently with conventional construction; and
- addressing barriers to financing MMC by bringing together some of the nation’s largest banks, superannuation funds and other institutional investors at the Treasurer’s Investors Roundtable in November 2024, where it was agreed to work together with industry to address barriers to financing MMC at scale. Following the investor roundtable, the first ‘prefab

<sup>1</sup> Closing the Gap, [Closing the Gap Targets and Outcomes](#), Australian Government, n.d.

finance' product was launched in 2025 which made build loans available during offsite construction.

For Northern Australia more broadly:

- The Northern Australia Action Plan 2024–2029<sup>2</sup> area of continued focus 7 further commits the Australian Government to raising awareness of the specific circumstances and needs of Northern Australia in policy initiatives and investments in housing.
- The Northern Australia Ministerial Forum (NAMF), comprising the Minister for Northern Australia, the Minister for Indigenous Australians and Ministers from Queensland, Western Australia and Northern Territory governments with responsibility for regional development, identified housing affordability and availability in Northern Australia as a high priority. The NAMF established a senior-officials working group to investigate policy, capability or other impediments to the progress of housing development in the north. The Northern Australia Housing Working Group reported its findings to the NAMF at October 2025 meeting.
- In 2025, the Government agreed to extend the Northern Australia Infrastructure Facility (NAIF) investment period by a further 10 years to 30 June 2036.
- In 2024, the NAIF supported its first community housing project in the Cairns suburb of Woree. The NAIF, ANZ and Housing Australia are working with the Queensland Government to support the delivery of 490 homes with all homes prefabricated and made in Australia. The complex will include 245 social, 223 affordable and 22 specialist disability apartments; construction is scheduled to be completed by the end of 2026. NAIF and Housing Australia provided long term concessional loans, and Queensland Government's Housing Infrastructure Fund provided a 20-year operating subsidy that guarantees a portion of revenues.

The number one issue constraining Australian builders is a shortage of skilled trades. Recommendations relating to enabling modular homes and strategy development are important to address the intersecting attraction and retention challenges, while developing a local workforce presents an opportunity to train, develop, and maintain a building and construction workforce. This process needs to be done in consultation with local communities to ensure that projects are tailored to local conditions.

To address the workforce issues in the construction sector, the government has announced several initiatives to grow Australia's construction workforce and boost housing supply. In response to the Strategic Review of the Australian Apprenticeship Incentive System, the government introduced the Key Apprenticeship Program (KAP), which provides up to \$10,000 in financial support to eligible apprentices in housing construction occupations. From 1 January 2026 – 31 December 2026, employers of KAP apprentices are eligible for up to \$5,000 in financial support under the KAP Employer Incentive.

The 2024–25 Budget included 20,000 additional Free TAFE places to boost supply in the construction industry. This measure includes approximately 5,000 pre-apprenticeship places designed to give students an experience of working in construction-related trades. The 2024–

<sup>2</sup> <https://www.infrastructure.gov.au/territories-regions-cities/regional-australia/office-northern-australia/northern-australia-action-plan-2024-29>

25 Budget also included streamlining skills assessments for around 1,900 potential migrants from countries with comparable qualifications who want to work in Australia's housing and construction industry and prioritising the processing of around 2,600 Trades Recognition Australia skills assessments in targeted construction occupations. The government has also since legislated to make Free TAFE an enduring feature of the national vocational education and training system and will fund 100,000 places a year from 2027.

## Recommendation 4

The committee recommends the Australian Government develop a Northern Australia focused Regional Infrastructure Strategy with state, territory and local governments. This Strategy should focus, as a matter of priority, on how to address skilled labour shortages, ensure there is a sustainable pipeline of infrastructure, and on building the housing and construction industry in regional areas.

The Australian Government **notes** this recommendation.

The Northern Australia Action Plan 2024–2029 commits the Australian Government to work with state and territory governments to understand and address current and future infrastructure needs and priorities in Northern Australia. Infrastructure and Transport Ministers actively consult other Ministerial Forums where relevant, such as the Housing and Homelessness Ministerial Council (HHMC), to inform work underway.

On 21 August 2025, the Australian Government released the refreshed National Freight and Supply Chain Strategy<sup>3</sup>, and the National Action Plan. In addition, there is significant work already underway across all levels of government and the private sector to improve regional infrastructure systems to address emerging defence, climate adaptation and border force developments and address skilled labour shortages in Northern Australia.

The 2024 National Defence Strategy (NDS) introduced the concept of National Defence - a coordinated, whole-of-government and whole-of-nation approach to meet the strategic challenges Australia faces. National Defence works alongside broader government initiatives to enhance supply chain resilience, domestic industry capacity and capabilities, workforce, technological innovation and national resilience. This includes aligning efforts between the Commonwealth, States, Territories and industry, to secure Australia's supply chains and strengthen Australia's capacity to recover from – and minimise the impact of – supply chain disruptions.

National resilience and the workforce and skills base are important elements of National Defence. This includes ensuring that civil society and civil infrastructure can support Australian Defence Force (ADF) requirements, including our network of northern bases, roads, railways, ports and telecommunication networks. Industry and supply chain resilience involves developing and maintaining a stronger defence industrial base with the domestic capability and capacity to support the ADF during crisis or conflict. Collaboration between the Australian and Northern Territory Government on dual-use infrastructure, national logistics, and areas of co-benefit has the potential to bolster Australian national security and resilience.

On 15 September 2025, the Australian Government released the National Climate Risk Assessment and National Adaptation Plan. Findings from the Risk Assessment show that communities across Northern Australia are most at risk to the impacts of climate change, due to their exposure to current and projected climate hazards such as heat, bushfire and tropical cyclones, and existing vulnerabilities.

The National Adaptation Plan envisions a future Australia where our communities, economy, and environment are strong and resilient in the face of climate change. The National

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<sup>3</sup> <https://www.freightaustralia.gov.au/>

Adaptation Plan establishes a framework for adapting to the nationally significant, physical climate risks identified in the National Climate Risk Assessment. It also outlines current action underway and further measures the Australian Government is developing to support adaptation.

The government also recognises the increasing demand from industry for investment in port redevelopment and expansion to support an increase in international services, including in Northern Australia. The Australian Border Force (ABF) civil maritime security activities, in particular those in Northern Australia, advance and protect Australia's interests by actively managing non-military risks to Australia and its maritime domain. The ABF's ability to undertake operations in Northern Australia, such as deterring and disrupting maritime people smuggling and illegal foreign fishing, noting the vast coastline and challenging operating environment, is dependent on available resources, local infrastructure, and support services.

Over the past 18 months, the ABF's efforts to address threats to border security have increased to meet heightened threat levels, including in the Kimberley Marine Park and off the Northern Territory coastline. The ABF uses assets that require access to infrastructure services, particularly sea and airport services, as well as housing for officers deployed to remote locations to counter a range of border-related threats.

It is critical that compliant, fit-for-purpose, and permanent infrastructure, as well as appropriate border agency staff, are in place at a seaport or airport to provide and support inbound and outbound border clearance services. This includes securing office accommodation and staff accommodation amid low vacancies. Where it is not possible to establish a local workforce, fly-in, fly-out arrangements may need to be used. This type of arrangement is difficult to maintain longer-term and can be costly for the government. The ABF works with other agencies and local Indigenous communities in planning for any operational efforts in Northern Australia and will continue those engagements into the future.

The government supports the use of skilled migration to address skills shortages where no suitably qualified Australians are available. There are a range of visa products available to Northern Australia to fill shortages in housing and construction, including State and Territory nominations, Designated Area Migration Agreements (DAMA), and employer sponsored visas.

DAMAs provide employers with access to skilled and semi-skilled workers in occupations not available in the standard skilled migration program. They contain a range of concessions to the standard program which incentivise overseas workers to seek employment in regional areas. In relation to Northern Australia:

- on 19 March 2025, the government announced the establishment of a third DAMA for the Northern Territory, to be in effect until 30 June 2030. Through the establishment of this agreement the government reaffirms its long-term commitment to assist employers in the Northern Territory to address critical labour shortages.
- on 1 July 2024, the government announced the establishment of a new DAMA for Western Australia to be in effect for five years. The DAMA covers the entire state of Western Australia, and is the third state/territory led DAMA to be established following the Northern Territory and South Australia. Western Australian employers will continue to be able to access the occupations and concessions of the regional DAMAs that are in operation in Northern Australia, namely Kimberley and Pilbara. In addition, employers will now be able to access a broader list of occupations and concessions made available

for the whole state under the new state DAMA.

- the government has announced a two-year extension to the Far North Queensland DAMA. The extension is supported by the Queensland Government, who are exploring a state DAMA for Queensland as part of the Australian Government's transition towards a state-led approach to DAMAs. All remaining Northern Australia DAMAs are currently in effect until 2027, including Townsville, Pilbara and Kimberley.
- the Australian Government's work to establish a single national market for workers through National Competition Policy will address skills shortages by removing barriers to labour mobility. For example, national licensing would allow qualified workers in occupations like the electrical trades and engineering to move to and work in the NT without needing to wait for a new licence or pay a new fee.

## Recommendation 5

The committee recommends the Australian Government, in conjunction with states and territories, explore options for a Regional Infrastructure Fund – or similar mechanism. Such a fund could be contributed to by all levels of government, to focus on supporting local employment in social, residential, commercial and civil construction projects. This fund would focus more broadly on social infrastructure differing from the Northern Australia Infrastructure Facility.

The Australian Government **notes** this recommendation.

The Northern Australia Action Plan 2024–2029 outlines the necessity of infrastructure to unlock growth in Northern Australia. Within policy priority area 2, there are three areas of continued focus which emphasise the Australian Government’s commitment to developing the required infrastructure in housing, current and future needs, and environmental sustainability:

- Area of continued focus 7: raise awareness of the specific circumstances and needs of Northern Australia in policy initiatives and investments in housing;
- Area of continued focus 8: continue to work with state and territory governments to understand and address current and future infrastructure needs and priorities in Northern Australia; and
- Area of continued focus 9: continue to work with jurisdictions and regions to ensure there are adequate water planning and infrastructure to support a quadruple bottom line of industry, First Nations people, community and environmental sustainability objectives.

Further, the Australian Government’s NAIF is central to the government’s commitment to supporting Northern Australia and has invested in a number of social infrastructure projects. In 2023, the Government updated the NAIF Investment Mandate to ensure its investment decisions align with the Government’s policy priorities such as social infrastructure including social and affordable housing. Projects include student accommodation and the Engineering and Innovation Place (teaching and research facilities) through James Cook University in Townsville, an education and community precinct in Darwin, which includes a new Charles Darwin University campus and City Library, and a Seniors Community Housing Project in Cairns.

## Recommendation 6

The committee recommends the Australian Government consider ways to fund and support long-term projects that train and employ local Aboriginal and Torres Strait Islander peoples on housing construction and maintenance projects in Northern Australia. This process should be co-designed with communities to ensure that funding and projects are tailored to local circumstances.

The Australian Government **agrees in principle** with this recommendation.

The Australian and Northern Territory Governments are jointly investing \$4 billion over 10 years (2024-34) in housing in the remote Northern Territory to halve overcrowding and deliver repairs and maintenance to ensure new and existing housing is appropriately maintained. The Australian Government has signed a Partnership Agreement with the Northern Territory Government, the Northern Territory Land Councils and Aboriginal Housing Northern Territory (AHNT) to embed shared decision making in this \$4 billion investment<sup>4</sup>.

The Partnership Agreement commits all parties to restoring the principle of self-determination in Aboriginal communities across the remote housing system and to supporting Aboriginal employment and business development. Parties will consider and introduce mechanisms to better leverage remote employment programs and reforms to improve Aboriginal employment in housing. The Australian Government is providing \$1 million to AHNT over 2 years (from 2024-25 to 2025-26) to support AHNT to develop a plan for a transition to Community-Controlled NT Housing Model.

The Government has replaced the Community Development Program (CDP), managed by the National Indigenous Australians Agency (NIAA), with the Remote Jobs and Economic Development (RJED) program and the Remote Australia Employment Service (RAES). This replacement was informed by community consultations where the government heard feedback that a new jobs program and employment service should be planned and led by community and support more local and long-term sustainable jobs. The RAES operates in regions to support job seekers with the skills, mentoring and training they need to take up job opportunities, including those created through the Remote Jobs and Economic Development (RJED) program. RAES support funding to community projects to ensure the services align with the needs of local job seekers and creation of employment pathways. Jobs created through the RJED program already include housing, construction and maintenance jobs, and many other positions that communities have identified as a need.

The Housing Sector Strengthening Plan (HSSP)<sup>5</sup> was created under Priority Reform 2 of the National Agreement on Closing the Gap. It includes 17 transformative sector strengthening actions to support and build the First Nations community-controlled housing service sector, including the workforce. The Government remains committed to working collaboratively with the National Aboriginal and Torres Strait Islander Housing Association and state and territory community representatives and governments through the Housing Policy Partnership (HPP) to develop a national implementation approach for the HSSP.

<sup>4</sup> <https://federalfinancialrelations.gov.au/agreements/northern-territory-remote-housing>

<sup>5</sup> <https://www.closingthegap.gov.au/sites/default/files/2022-08/housing-sector-strengthening-plan.pdf>

The HPP has agreed a Work Plan to progress Outcome 9 of the National Agreement on Closing the Gap and enhance housing outcomes for Aboriginal and Torres Strait Islander people and communities. Outputs identified through the Work Plan align with actions of the Aboriginal and Torres Strait Islander HSSP.

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Final Report

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### **Recommendation 1**

The committee recommends that the House of Representatives and the Senate reconstitute a Joint Standing Committee on Northern Australia in the 48th Parliament.

The Australian Government **notes** this recommendation.

The Joint Standing Committee on Northern Australia for the 48th Parliament was appointed by a resolution of appointment which was passed by the House of Representatives on 23 July 2025 and the Senate on 24 July 2025.

**Recommendation 2**

The committee recommends that the Office of Northern Australia work with the Cooperative Research Centre for Developing Northern Australia and the Northern Australia Universities Alliance to collate, analyse and publish data about Northern Australia, and develop a data collection and implementation plan to assist with policy development.

The Australian Government **notes** this recommendation.

The Northern Australia Action Plan 2024–2029 commits the Australian Government to partner with research organisations to develop research priorities for the north. The Office of Northern Australia (ONA) works regularly with the Cooperative Research Centre for Developing Northern Australia and the Northern Australia Universities Alliance.

In addition, the Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts (DITRDCSA) launched the Regional Data Hub (the Hub) in July 2023. The Hub is an interactive website which provides access to a range of datasets, insights and dashboards available at a number of geographic levels including Local Government Areas and Statistical Area Level 2 (SA2). Themes are wide ranging and include data and insights on demography, First Nations, housing, economy, infrastructure, environment and liveability.

The Hub caters to both novice and experienced data users and includes data on regions across Australia, including those in Northern Australia. The Hub aims to be an effective online resource connecting regional Australians to information and data about their communities in a single, accessible, and searchable location.

### Recommendation 3

The committee recommends that the Office of Northern Australia identify and advocate for funding from available nation building projects where there are demonstrable economic and social benefits.

The Australian Government **notes** this recommendation.

The role of the ONA is to influence policy design and provide advice as well as advocate for sustainable and resilient economic and social benefits for Northern Australia. This is achieved through key governance mechanisms including the NAMF, the Northern Australia Working Group, an interdepartmental committee for Northern Australia, and the Indigenous Reference Group, as well as various stakeholder engagements. The ONA is resourced to coordinate policy advice within the Department and wider Australian Public Service, and to provide policy and implementation advice for Cabinet submission consultation processes. The ONA also coordinates the delivery of the Australian Government's Northern Australia Action Plan 2024–2029 which sets the strategic direction for the next stage of investment and growth in the region. Projects that demonstrate economic and social benefits are key to Northern Australia becoming an attractive environment for investment, growth and liveability.

Further, the NAIF is at the heart of ensuring the north capitalises on the opportunities presented by its significant mineral endowments, and critical minerals opportunities stemming from the global transition to net zero. NAIF is supporting multiple renewable energy projects, as well as critical minerals projects which provide material components for renewable technologies. In 2023, the Minister for Northern Australia announced that NAIF will earmark \$500 million for projects that support the delivery of the Government's Critical Minerals Strategy 2023-30. These projects are set to deliver significant benefits to the north and to the nation as a whole. Every dollar from NAIF's investment is forecast to return over \$7.64 in public benefit (as at 31 December 2025).

## Recommendation 4

The committee recommends that the Australian Government work with Northern Australian state and territory governments to increase the delivery of vocational training in the secondary school system.

The Australian Government **notes** this recommendation.

The Australian Government is working with jurisdictions to increase vocational education and training (VET) in the secondary school system. Through the Australian Government's On-Country Learning measure, as part of the Central Australia Plan, the Northern Territory Government has used part of the Australian Government's \$40.4 million funding to implement a range of activities, supporting several focus areas including flexible learning, to support students in obtaining VET qualifications.

The government has also introduced several initiatives to address the skills and training needed to support the net zero transformation and deliver a Future Made in Australia. These initiatives will support the empowerment of First Nations peoples to access education, training, and employment, as well as support women to achieve flexible, safe, and inclusive work and training opportunities in male-dominated industries.

The government conducted a Strategic Review of the Australian Apprenticeship Incentive System, which was published on 24 January 2025. As part of its initial response the government announced an additional investment of \$77.8 million over four years for the Australian Apprenticeship Incentive System, to rebalance investment towards apprentices and their employers working in priority occupations, who will be eligible to receive up to \$10,000 to assist with the greatest skills shortages.

On 1 July 2025, the Key Apprenticeship Program (KAP) commenced, consisting of two streams:

- a new Housing Construction Apprenticeship (HCA) stream, to encourage Australian Apprentices to commence in priority housing construction occupations by providing up to \$10,000 in financial support.
- the existing New Energy Apprenticeship (NEA) stream, which provides the same financial support for Australian Apprentices and employers of apprentices commencing in priority clean energy occupations.

From 1 January 2026 – 31 December 2026, employers of KAP apprentices are eligible for up to \$5,000 in financial support under the KAP Employer Incentive. In addition to support under the KAP, from 1 January 2026 – 31 December 2026, apprentices and employers in non-KAP priority occupations will be eligible for up to \$2,500 in financial support.

The government is working to increase access to vocational education and training by investing \$30.2 million over 5 years (from 2023 to 2029), in partnership with Central Australian communities, the NIAA and the Northern Territory Government, to co-design and establish a network of up to 7 Remote Training Hubs. The training hubs will provide training opportunities delivered On-Country and includes funding for wraparound support services assisting with transport between communities and engaging mentors to help connect learners with local jobs.

The government, in partnership with states and territories, is investing over \$1.5 billion in joint funding to deliver over 500,000 Free TAFE and VET places nationwide, reducing cost barriers and creating pathways into priority industries like early childhood education, health, construction, agriculture and technology. From 1 January 2023 to 30 September 2025 there have been Free TAFE enrolments of 3,343 in NT, 131,190 in QLD and 111,057 in WA.

Building a highly skilled workforce requires investment in education and training to ensure workforce needs are met now and into the future. Targeted investments in early learning, school education, training, further education and employment pathways are needed to address this inequity of outcomes. The Australian Government has reached agreement with every state and territory government to get all government schools on a path to 100 per cent of the Schooling Resource Standard (SRS) through the Heads of Agreement for the Better and Fairer Schools Agreement – Full and Fair Funding 2025-2034 and the Bilateral Agreements under the Better and Fairer Schools Agreement 2025-2034. Under these Agreements, the Australian Government is lifting its contribution of the SRS for government schools to 25 per cent by 2034 in every state and the Australian Capital Territory, and 40 per cent in the Northern Territory by 2029. The additional funding is tied to reforms to improve educational outcomes for all Australian students, including identification of students who need additional support at school, evidence-based and targeted supports to help students who fall behind, greater wellbeing support for learning and engagement, and initiatives to help attract and retain teachers and school leaders. The Northern Territory Government’s associated bilateral agreement includes a commitment to implement the recommendations from their Review of Secondary Education in the Northern Territory, including reforms designed to increase student engagement and create better education pathways for students, including vocational education support.

The government has also established 10 Jobs and Skills Councils (JSCs) to provide industry with a stronger voice to ensure Australia’s VET sector delivers better outcomes for learners and employers. JSCs provide leadership to address skills and workforce challenges for their industry, including aligning efforts across industries to improve VET system responsiveness, building stakeholder confidence and driving high-quality outcomes for the VET sector, learners and business.

In fulfilling their leadership and stewardship role within the VET system, JSC need to deeply understand their industry sectors, building strong relationships at the national, urban, regional, rural and remote levels to garner broad commitment and buy-in to drive reform and address workforce challenges across Australia.

BuildSkills Australia is the JSC for the ‘built environment’ covering building, construction, property and water services industry sectors. BuildSkills Australia brings together employers, unions and governments in a tripartite arrangement to identify skills and workforce needs; map career pathways across education sectors; develop contemporary VET products; support collaboration between industry and training providers; and act as a source of intelligence on issues affecting these industries.

## Recommendation 5

The committee recommends that the Office of Northern Australia work with relevant government departments to ensure that training and skill development programs in Northern Australia are designed in conjunction with local communities and delivered flexibly and according to local needs.

The Australian Government **notes** this recommendation.

The role of the ONA is to influence policy design and provide advice as well as advocate for sustainable and resilient economic and social benefits for Northern Australia. This is done through its expertise on Northern Australia, with a focus relating to the six policy priority areas of the Northern Australia Action Plan 2024–2029 (the Action Plan) and advocacy for the principles of community-led program implementation and place-based interventions.

Workforce training and skills development were ranked as the third highest priority during stakeholder feedback in the development of the Action Plan. Area of continued focus 13 commits the Australian Government to work with industry and state and territory governments to support Northern Australia accessing the skilled workforce required for economic growth. Working with local communities to ensure training and skills development is key to achieving real results under this area of continued focus.

Further, the Australian Government’s Regional Investment Framework (the Framework)<sup>6</sup> guides the government’s approach to the design and delivery of regional initiatives and prioritises valuing local voices. The Framework coordinates across governments to make investment work better for the regions, putting people at the centre of decision-making. Investing in people, through listening to local voices and partnering with communities, and targeted investment in skills, education, training, and local leadership capacity is a priority of the Framework. The Framework influences decision-making in Budget processes, drives meaningful collaboration across and between governments, and embeds data and evidence to support better outcomes.

The Australian Government is also working in genuine partnership with First Nations communities to ensure local views are represented in decision making. For example, the Central Australia Plan Aboriginal Leadership Group (ALG) provides ongoing strategic advice on the \$30.2 million Remote Training Hubs Network, which the ALG initially shaped to ensure training was being delivered on Country. The ALG gave consideration to organising training based on community language groups and their specific training needs while also considering how to reduce the travel burden on remote community members to access high quality training. This collaborative approach is ensuring initiatives meet communities’ needs.

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<sup>6</sup> <https://www.infrastructure.gov.au/territories-regions-cities/regional-australia/regional-investment-framework>

## Recommendation 6

The committee recommends that the Office of Northern Australia work closely with the National Indigenous Australians Agency and other relevant government departments to:

- recover and revive the community jobs and associated work ethic and social capital that were developed under the former Community Development Employment Program and which were lost as a result of the abandoning of that program;
- in particular, ensure that the program to replace the Community Development Program provides for program participants to be paid wages under employment contracts with community-based employers for stipulated work undertaken (rather than participants being recipients of a government transfer payment), and that participants be eligible for superannuation and 'top-up' payments;
- design programs which will empower local Aboriginal and Torres Strait Islander communities in Northern Australia to better meet their essential service delivery needs; and
- encourage and support Aboriginal and Torres Strait Islander communities in Northern Australia to develop innovative and sustainable workforce training and enterprise development models.

The Australian Government **agrees in principle** with this recommendation.

The ONA works with the NIAA and other relevant departments on initiatives to support First Nations economic empowerment initiatives. First Nations self-determination and economic empowerment are central to the Northern Australia Action Plan 2024–2029, and that work is under way.

The Action Plan commits government to working on economic participation with First Nations communities to create remote jobs. The ONA continues to work closely with the Northern Australian Indigenous Reference Group who advises the Australian Government on northern development, maximising benefits and implementation outcomes for Indigenous Australians. ONA also engage closely with the NIAA which administers the RJED program, which is part of replacing the Community Development Program (CDP) (formally Remote Jobs and Communities Program (RJCP) and Community Development Employment Projects (CDEP).

The \$707 million RJED program is the first stage in meeting the government's commitment to replace the CDP and is creating 3,000 jobs over 3 years with good pay and conditions, like superannuation and leave. The new program commenced on 11 December 2024 with the opening of the first grant round available to eligible employers to apply for funding to pay for wages and equipment. The second grant round opened from 4 February to 31 March 2025. Over 1,450 new jobs have been funded through the first two grant rounds of RJED, providing fair wages and conditions in remote communities across the country. A third RJED grant round will be delivered in the first half of 2026.

The design of the RJED program also reflects feedback from consultations with remote communities that showed people want local jobs that could be part-time, full-time or casual and be flexible around personal, family and community obligations. Jobs could be to care for the environment, work in a shop, care for others, grow a small business or other ideas. As part of each grant round, eligible employers are being encouraged to talk to their community

(especially job seekers) about what jobs they might want to do and what projects their community needs. Employers will need to show the government in their grant applications how the jobs they want funding for are what their community wants and needs.

The second stage of replacing CDP, announced on 13 December 2024, is the new Remote Australia Employment Service (RAES), which officially replaced the Community Development Program (CDP) from 1 November 2025. This transition marks a significant change in how employment support is delivered in remote regions of Australia. The RAES aims to provide tailored and culturally safe support for job seekers, with a focus on co-designing community projects that align with local priorities. The RAES will support around 40,000 job seekers across 1,200 communities, offering skills development, mentoring, and training to find and maintain employment. The service will include approaches to build foundational skills such as language, literacy, and numeracy, and will invest in provider capability to deliver higher quality, culturally safe services tailored to remote job seekers.

**Recommendation 7**

The committee recommends that the Australian Government:

- extend and maintain the Northern Australia Infrastructure Facility for the foreseeable future beyond its currently scheduled wind-up date of 30 June 2026;
- change the current \$10 million threshold for loans, so that smaller concessional loans can be made to meritorious applicants; and
- consider updating Northern Australia Infrastructure Facility lending criteria to emphasise and support viable projects developed to establish Aboriginal and Torres Strait Islander commercial enterprises and initiatives.

The Australian Government **notes** this recommendation.

An Independent Panel recently undertook a statutory review of the *Northern Australia Infrastructure Facility Act 2016*. The Review's Terms of Reference required consideration of whether the NAIF's investment window should be extended beyond 30 June 2026, and the appropriate governance arrangements beyond this date. The review was tabled in Parliament on 27 August 2025.

Following the release of the review, in the 2025-26 Mid-Year Economic and Fiscal Outlook (MYEFO), the Government agreed to extend the NAIF investment period by a further 10 years to 30 June 2036.

For smaller concessional loans, the NAIF is contributing up to \$50 million to the Northern Territory Government for the Territory Growth Initiative (TGI). This initiative provides access to financial support for eligible high-growth potential businesses, to help establish or expand operations and for projects that may not otherwise be able to readily access capital in the Northern Territory. Loans may be offered for amounts up to \$10 million with no minimum, for terms of up to 10 years, provided specific conditions are met.

The Australian Government's Northern Australia Action Plan 2024–2029 (the Action Plan) includes infrastructure to unlock growth as a policy priority area, focusing on housing, roads, aviation, ports, water, and digital connectivity. The Action Plan commits the Australian Government to continue to work with state and territory governments to understand and address current and future infrastructure needs and priorities for Northern Australia.

## Recommendation 8

The committee recommends that the Australian Government develop a Northern Australia Ports Strategy to identify opportunities to stimulate economic growth and leverage existing government investments.

The Australian Government **agrees in principle** with this recommendation.

As an island nation, Australia is reliant on shipping. With 99 per cent of imports and exports by volume transported via shipping, ports are essential to the country's economic growth, productivity and resilience. Sea ports are complex, with a range of players in port operation and port regulation. It is often the case that ports are corporatised state government entities, and states and territories, through legislation, are responsible for land use planning and controls for the ports, their adjacent land areas, and connecting transport systems.

Ports develop master plans to provide a strategic framework for managing growth, to address operational needs, and ensure long-term sustainability. Ports often align their plans with regional, national or global priorities for trade, logistics and development.

While port master plans are typically developed at the state, territory or local level, the Australian Government has a more limited role as a policy maker, regulator and potential investment partner in long-term planning of Australia's port network.

Ports are one part of the interconnected national supply chain and play an important role in facilitating trade and economic growth across the country, including in Northern Australia where land transport networks are often prone to natural disasters or extreme weather events. The updated National Freight and Supply Chain Strategy<sup>7</sup> was released in 2025 and sets an agenda for integrated national action across all freight modes. The strategy commits to delivering nationally significant actions to stimulate economic growth, promote productivity, and build resilience.

Separate to legislative requirements, DITRDCSA administers the New and Redeveloping International Ports Framework (the Framework) in consultation with ABF, Department of Agriculture, Fisheries and Forestry (DAFF), and other relevant agencies. Port operators seeking to introduce international services for the first time, or where there is a significant expansion of an existing business model, apply to DITRDCSA to seek consideration from the Australian Government as to whether their development or increased operations are in the national interest. The national interest assessment undertaken by DITRDCSA ensures major port developments align with Australia's broader strategic, economic and security interests. Alongside other considerations, the Framework canvasses the potential availability of border services (biosecurity, immigration and customs control).

DITRDCSA is currently undertaking a review of the Framework in response to the Aviation White Paper (Initiative 54). This will assist the Australian Government to consider appropriate future arrangements for whole-of-government consideration of new and redeveloping ports to support effective planning, resourcing and stakeholder engagement, while maintaining security and biosecurity standards. These considerations include port operations in the north and will consider the need for economic growth balanced alongside the efficient and secure movement of passengers and goods across Australia's border.

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<sup>7</sup> <https://www.freightaustralia.gov.au/>

## Recommendation 9

The committee recommends that the Australian Government commit further funding for improving telecommunications infrastructure in Northern Australia.

The Australian Government **notes** this recommendation.

The Australian Government is committed to improving telecommunications, including delivering faster and more reliable internet through upgrades to the NBN. The Australian Government is providing an equity investment of up to \$3 billion from 2024-25 to upgrade over 600,000 premises still serviced by the Fibre-to-the-Node network. This investment builds on the \$2.4 billion equity investment provided over four years from 2022-23 to upgrade 1.5 million premises to full fibre, which were completed in December 2025 on schedule and within budget.

These investments in NBN upgrades will support more than 94 per cent of Australia's fixed line footprint to have access to gigabit speeds by 2030. Within Northern Australia, around 127,000 premises can now order a gigabit-capable service as part of the 1.5 million premises upgrade program and a further 53,700 premises in Northern Australia will be upgraded as part of the final upgrade program.

To better enhance regional connectivity, including in Northern Australia funding under the Better Connectivity Plan for Regional and Rural Australia is providing \$1.1 billion to regional and rural communities. The Plan also includes funding for place-based and mobile telecommunications infrastructure improvements and has provided \$480 million to the NBN Fixed Wireless and Satellite Upgrade Program which has improved services over these networks.

The Regional Connectivity Program (RCP) has committed up to \$153.3 million for 108 'place-based' telecommunications infrastructure projects in Northern Australia across three rounds of RCP to improve digital connectivity across regional, rural and remote Australia. This includes \$69.6 million dedicated to 34 projects under RCP Round 2 in Northern Australia.

Other government investments in telecommunications infrastructure include:

- \$71.6 million investment in the Mobile Black Spot Program to improve telecommunications infrastructure, mobile coverage and competition across Australia, for 242 mobile base stations across Northern Australia.
- \$15.8 million over 3 years to 30 June 2025 to maintain and upgrade telecommunications infrastructure in approximately 457 small remote First Nations communities in the NT, Qld, WA and SA through the Remote Indigenous Communities Telecommunications program.
- \$6.7 million investment in 156 projects under the Mobile Network Hardening Program to strengthen resilience to harden mobile telecommunications infrastructure to ensure communities can continue to access services during and after disasters. Round 3 is funding infrastructure in regional, remote and peri-urban Australia at risk of, or impacted by, natural disasters.

- \$3.3 million investment in four projects under the Peri-Urban Mobile Program to improve mobile connectivity in bushfire and other natural disaster-prone areas along the edge of Australia's major cities.
- \$9.6 million expended over three years to 30 June 2025 to improve digital connectivity via Wi-Fi installations and Digital Kiosks in 30 communities (including 4 Town Camps) in regional and remote locations across the Northern Territory.

The Australian Government recognises the importance of improving connectivity for First Nations Australians, including those living in remote communities across Northern Australia. Enhancing digital connectivity for First Nations peoples supports Closing the Gap Target 17: *By 2026, Aboriginal and Torres Strait Islander people have equal levels of digital inclusion.*

In the 2024–25 Budget, the government announced \$68 million to support First Nations digital inclusion, including for the rollout of community Wi-Fi in partnership with NBN Co and through an open competitive grant program. The NBN Community Wi-Fi services have now been activated and will benefit a number of communities in Northern Australia, including Galiwin'ku, Arawerr, Areyonga, Ampilatwatja, Wandawuy, Gan Gan, Mungkarta, Doomadgee, Kowanyama, Pormpuraaw, Hope Vale, Kurangjo/Kurnagki, Loanbun, Mindi Rardi, Bungtardi/Bungardi, Burawa, Darlŋgunaya and Junjuwa.

The Australian Government committed \$2.5 million over 5 years for the First Nations Digital Inclusion Advisory Group to provide strategic advice to the Minister for Communications on issues relating to digital inclusion for First Nations people. The First Nations Digital Inclusion Advisory Group has engaged with the Northern Australia Indigenous Reference Group on the importance of digital inclusion as an enabler of access to information and services for First Nations Australians living in Northern Australia, particularly in remote communities. The First Nations Digital Inclusion Roadmap provides practical recommendations for government and industry to support progress towards Target 17 of the National Agreement on Closing the Gap.

The Government's response to the Regional Telecommunications Independent Review Committee (RTIRC) 2024 report was tabled on 18 September 2025. The response welcomed the Review, articulated the Government's ongoing commitment to strengthening regional connectivity and that progress has already been made. The response noted the RTIRC's findings are informing policies and programs to improve connectivity in rural, remote, and regional areas. Recommendation 9, support for the First Nations Digital Inclusion Advisory Group, and recommendation 10, embedding community Wi-Fi, from the RTIRC's report intersect with the above recommendation.

**Recommendation 10**

The committee recommends that the Australian Government adequately resource the Office of Northern Australia to:

- closely monitor progress in relation to the recovery and revival of community jobs and the associated work ethic and social capital that were developed under the former Community Development Employment Program, and which were lost as a result of the abandoning of that program;
- evaluate what other policy initiatives to improve social infrastructure have worked in the past;
- focus on initiatives to improve social infrastructure in Northern Australia going forward; and
- ensure that future policy initiatives are evaluated in terms of their effectiveness, with clear key performance indicators and evaluation dates

The Australian Government **notes** this recommendation.

The ONA works closely with the NIAA and other relevant departments on initiatives to support First Nations economic empowerment initiatives. This includes the RJED, which is administered by NIAA, and has been designed to take the positives of previous employment programs (like the Community Development Employment Program). The ONA and the Northern Australia Indigenous Reference Group have worked closely with NIAA in the development of the RJED and will continue to work with NIAA. Monitoring the progress and impact of these programs is the responsibility of NIAA.

DITRDCSA administers several grant programs that support social infrastructure. The Thriving Suburbs Program, Growing Regions Program and the Stronger Communities Program are providing grants between \$2,500 and \$15 million to support local government entities, incorporated not-for-profits, and community organisations.

The ONA's role is to influence policy design and provide advice to those government agencies designing and implementing programs delivered in north Australia. This is done through its expertise on Northern Australia, with a focus relating to the 6 policy priority areas of the Northern Australia Action Plan 2024–2029 and advocacy for the principles of community-led program implementation and place-based interventions. The relevant delivery agencies remain responsible for the progress monitoring and performance evaluation of their programs.

**Recommendation 11**

The committee recommends that the Australian Government, when developing and implementing measures to address housing shortages in Northern Australia, consider the provision of suitable housing for both families and people in other situations, including young, single workers in rural, remote and very remote communities.

The Australian Government **notes** this recommendation.

The Australian and Northern Territory Governments are jointly investing \$4 billion over 10 years from 2024-25 to 2033-34 in remote Northern Territory housing. This investment will be delivered through a Federation Funding Agreement (FFA) with the Northern Territory Government and will support significant progress against the National Agreement on Closing the Gap.

Through the FFA, the Australian and Northern Territory Government have committed to building up to 270 houses per annum to halve overcrowding over 10 years; and to the delivery of a comprehensive Property and Tenancy Management (PTM) Program, including preventative, cyclical and responsive repairs and maintenance to improve housing quality and liveability.

The Australian Government has also amended the Restoring Funding for Northern Territory Homelands FFA to provide a further \$120 million over 3 years (2024-27) to extend funding to continue repairing and upgrading housing and essential infrastructure on Northern Territory Homelands.

This builds upon an initial investment of \$100 million in 2022-23 to 2023-24 to support urgent repairs to existing housing and essential infrastructure and complements the Northern Territory Government's investments in Homelands programs.

Housing delivered is informed by the National Indigenous Housing Guide and Liveable Housing Design Guidelines.