

# Northern Australia

Securing a developing economy  
to secure a developed nation



JOHN COYNE  
IAN SATCHWELL

AUGUST 2025

**ASPI**  
AUSTRALIAN  
STRATEGIC  
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**NORTHERN AUSTRALIA  
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Strategic Insight

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# Executive summary

Northern Australia is central to the nation's future. Economically, it serves as the gateway to Indo-Pacific trade, is home to world-class resources and represents a frontier of opportunity. Strategically, it's the keystone of Australia's national defence posture. Yet, despite its immense importance, the region continues to face persistent structural challenges, including limited private-sector investment; low local economic capture from major projects; workforce and service deficits; and deteriorating public safety indicators.

The Northern Australia Action Plan 2024–2029 describes a refreshed agenda for the north, encompassing economic development and delivering on a broad range of government priorities to support the region's success.<sup>1</sup> Its policy priorities cover many of the north's needs. The action plan remains framed largely within nationwide policy approaches, however.

This report reframes northern Australia not as a peripheral problem but as a developing economy within a developed nation. It calls for a renewed, coordinated investment agenda, treating spending in the north as a nation-building imperative. Inaction will incur higher costs in the future, but it will also expose Australia to intolerable risks.

This investment—needed now—needs to be premised on the strategic advantage offered by the North's space—literally and figuratively—for ideas, initiatives and infrastructure that strengthen the nation's security and sovereignty through fields such as energy development, trusted and resilient minerals supply chains and military endeavours including with allies, all of which blends government responsibilities, traditional ownership and commercial development.

Drawing on a detailed analysis of the Northern Territory (NT) and extending to northern Queensland and northern Western Australia (WA), this report presents a comprehensive, evidence-based argument for nation-building through targeted investment. It highlights not only the economic, security and strategic benefits but also the moral imperative to close the gap in service access, infrastructure quality, and life outcomes. Much of the analysis focuses on the NT, as the economic data for northern Queensland and northern WA is often distorted by the prosperity of those states' southern regions. That makes it more difficult to isolate the structural challenges unique to the north in those states. However, the NT shares key demographic, geographic and economic characteristics with northern Queensland and WA—including low population density, high infrastructure costs, limited private-sector depth, and service delivery challenges in remote communities—making it a strong proxy for the broader region. The north shouldn't be treated as a region apart but as the leading edge of Australia's future prosperity and security.

Ten years on from the Australian Government's 2015 *Our north, our future: White Paper on developing northern Australia*,<sup>2</sup> and four years since the 2021 Australian Infrastructure Plan,<sup>3</sup> where progress has been mixed, this report outlines actionable recommendations across the federal, state, territory and private-sector domains. Australia is operating within an unstable international environment, involving an uncertain global outlook that doesn't just include wars in Europe and the Middle East but growing tensions and security threats in the Indo-Pacific. Australia needs to view investment in the North as not just a local prosperity matter but vital for Australia's long term security, deterrence of adversaries and preparation and resilience should deterrence ever fail and when inevitable natural disasters occur. In this way, this report provides a practical road map to secure a resilient, sovereign and prosperous future for the north and the nation.

# The challenge

Northern Australia – comprising the Northern Territory, North and Far North Queensland and northern WA – exhibits all the characteristics of a developing economy nested within a developed country. Those characteristics include:

- a narrow economic base concentrated in capital-intensive sectors such as resources, defence and public administration
- low private-sector dynamism, with reduced private consumption and investment; for example, the private sector represents just 57% of NT final demand, well below the national average of 70%
- boom–bust volatility, as evidenced by the massive disruptions surrounding the Ichthys LNG Project, which brought inflation, and housing bubbles, followed by a sharp downturn and negative housing equity
- low local capture of economic value, with major projects benefiting interstate firms and governments more than local communities
- severe service and infrastructure deficits, especially in regional and remote areas, where some communities lack year-round road access or potable water
- vulnerability to natural disasters with high impacts and low capacity for rapid recovery
- demographic stress characterised by high population turnover, negative net interstate and intrastate migration, a youth-dominated population with complex service needs, and rising community concern about crime and antisocial behaviour
- chronic shortages of skilled and unskilled workers, ameliorated mostly by overseas migrants
- high average incomes coexisting with entrenched disadvantage, especially among Indigenous communities
- limited governance capacity, evident in administrative turnover.

These aren't new problems, but they're becoming acute at the same time as northern Australia becomes more important to the nation. As strategic weight shifts northward economically, militarily and climatically, Australia must transition from treating northern Australia as a periphery to developing it as a central pillar of national resilience.

## Recommendations

### Federal government

- Establish a National Northern Australia Investment Authority to coordinate defence, infrastructure and commercial project delivery. This authority would sit within the Department of the Prime Minister and Cabinet or the Treasury and act as a strategic integrator, reducing duplication, streamlining approvals and aligning public investment with national-security and economic objectives.
- Introduce targeted tax and regulatory incentives for priority industries, including critical minerals, defence supply chains, sustainable agriculture and decarbonisation technologies. Incentives must be predictable, long-term and simple to administer.
- Fund a Northern Australia Sovereign Workforce Program designed to build human capital in the north. This would involve subsidised vocational pathways, universities, STEM schools, and incentives for skilled migration aligned with regional priorities.
- Prioritise public safety through funding for youth justice reform, crime prevention and cybersecurity capability building in the region.

## State and territory governments

- Collaborate with business to identify infrastructure needs, expanding infrastructure pipelines beyond flagship megaprojects, ensuring continuous investment in enabling infrastructure, such as regional airstrips, digital connectivity, multi-user ports, and community facilities.
- Embed enforceable local value-generation conditions in all major resource and infrastructure projects. Transparent monitoring, targets and support mechanisms for local workforces and businesses must be in place to back this.
- Establish a small number of integrated regional development authorities at the meso-regional level in northern Australia. Those entities would consolidate governance capability, align federal and state investment, and coordinate housing, health, education and transport through multi-year funding and joint ministerial oversight. The units would report jointly to state and federal ministers.
- Co-invest in multiagency justice hubs, integrating police, community safety officers, health/mental health responders and courts to deliver safer communities.

## Private sector

- Lead regional supply-chain localisation and local value capture by investing in regional manufacturing and service delivery and Indigenous procurement and employment partnerships. This will build resilience and deliver reputational benefits.
- Invest in workforce accommodation and livability infrastructure and services, recognising that attraction and retention are contingent on housing, schools, family and health facilities, and community amenities.
- Adopt shared-value business models, incorporating community benefit plans, local business engagement, environmental stewardship and workforce development into commercial strategy.
- Partner in regulatory co-design, helping governments to streamline approvals, reduce red tape and improve investment conditions without undermining standards.

# Rethinking the north

Northern Australia is the energy production hub of the nation, producing all of its liquefied natural gas (LNG) output and most of its domestic gas. It's also the largest producer of Australia's other leading exports: metallic minerals and thermal and metallurgical coal. Northern Australia also contributes about 10% of the value of Australia's agricultural production.<sup>4</sup>

As a consequence, northern Australia generates about 8% of Australia's GDP, and its per capita gross regional product is 50% higher than for Australia as a whole.<sup>5</sup>

Its strategic location and natural resources endowment position the region to make an even larger contribution to the Australian economy and bolster national security.

As the 2021 Australian Infrastructure Plan points out, the strategic geographical position of northern Australia makes it a key to national and international defence, security and disaster response. Contemporary concepts of security include not only defence, but also:

- resilience and response to natural and human-induced disasters
- biosecurity and border integrity
- security of national and international food, energy and mineral supply chains
- infrastructure security
- strategic cooperation with neighbours and allies in defence, resilience, supply chains and economic development.

Northern Australia plays a pivotal role in each of those security dimensions.

The convergence of Indo-Pacific strategic competition, global demand for critical minerals, climate volatility and defence imperatives has brought northern Australia to the centre of national strategy.

Australia's defence and national-security strategies, including the National Defence Strategy,<sup>6</sup> depend heavily on northern Australia for forward posture, regional engagement and sovereign capability. The region hosts critical infrastructure—including major ADF bases, space situational awareness assets, joint training areas, and surveillance operations—essential not only to Australian defence but also to allied interoperability.

However, that strategic concentration exists within a region marked by limited infrastructure, poor social services and chronic workforce shortages. Those conditions have direct consequences: for instance, allied partners such as the US have raised concerns about the quality of life for personnel posted to facilities such as the Joint Defence Facility Pine Gap, where housing, schooling and healthcare deficits affect morale and retention. Without serious investment in the region's livability, Australia risks undermining the effectiveness and sustainability of its own defence posture and allied cooperation.

Moreover, the region's demographic profile, which includes a youth 'bulge' and rapid Indigenous population growth, demands urgent and tailored policy responses in education, housing and health; continuing failures here undermine social cohesion. The implications of declining educational performance, overcrowded housing and poor health outcomes extend beyond social justice; they're contributors to systemic national risk.

Climate volatility and disrupted supply chains further expose the north's vulnerabilities. Seasonal isolation of communities, unreliable logistics and limited digital connectivity increase costs and reduce resilience. Without proactive investment, the region will become more brittle over time, precisely when the nation needs it to be strongest.

## The development challenge

Northern Australia—especially the NT—has long served as both a canvas for national aspiration and a crucible for political neglect. This vast region, covering more than half of the nation's land area and rich in resources and strategic geography, is too often romanticised as a rugged frontier or reduced to a theatre for episodic development. Yet, the structural reality is more complex and urgent: the NT, and large swathes of northern Queensland and WA, embody the characteristics of a developing economy within one of the most advanced nations on Earth.

That duality matters. The prosperity, security and strategic coherence of the nation depend on resolving it. Northern Australia's chronic underdevelopment is not merely a local or regional issue; it's a national concern with direct implications for economic resilience, social cohesion and national sovereignty.

The concept that Australia operates as two economies—north and south of the 26th parallel—has gained traction among policymakers, analysts and industry leaders. Below that line, the national economy is far more diversified and service-oriented, and is embedded within dense financial and institutional ecosystems. Above it, the economy is characterised by low population density (just 5% of Australia's population), extractive industry dominance, infrastructure gaps and persistent disadvantage.

The NT exemplifies the deep structural divergence between northern and southern Australia. Its economic base—characterised by an outsized reliance on government transfers, large-scale extractive projects and a narrow private sector—bears closer resemblance to fragile developing economies than to advanced jurisdictions. Unlike in the diversified and innovation-driven southern capitals, the NT's economic growth is volatile and heavily dependent on episodic megaprojects with limited downstream value creation or local economic integration. This raises a compelling question: why, despite its resource wealth, does the NT not resemble resource-rich, strategically leveraged economies such as the United Arab Emirates or Qatar? The answer lies in a persistent failure to reinvest windfall gains into long-term institutional capacity, sovereign infrastructure and industrial ecosystems. Where states like Qatar have channelled resource rents into high-impact sovereign wealth investments, education and strategic industries,

the NT has struggled with fragmented governance, short political cycles and an absence of cohesive, long-horizon, nation-building frameworks.

Large-scale projects, including mine developments, LNG plants and defence infrastructure builds, often drive economic narratives in northern Australia. Those headline events inject capital and temporarily boost gross regional product, but their benefits are neither widespread nor enduring. For example, the Ichthys LNG Project in Darwin resulted in a massive economic peak, followed by a deep trough marked by falling property prices, out-migration and small-business closures.

Crucially, the long-term value of such projects often accrues elsewhere. WA captures more taxation and sustained income from Ichthys than does the NT due to a stronger corporate presence in Perth and established supply chains.<sup>7</sup> This dynamic of economic leakage, in which benefits flow to southern capitals, reinforces the north's structural vulnerabilities.

Moreover, northern Australia's economy is exposed to extreme volatility. In the NT, this represents up to a 45% swing in state final demand<sup>8</sup> between boom and bust periods and creates instability in housing, employment and service delivery. For a region so essential to national security and resource supply chains, this level of economic fragility is a risk Australia can't afford. Left unaddressed, it undermines the operational sustainability of defence infrastructure, deters allied deployment and investment, weakens supply-chain resilience, and leaves the region vulnerable to coercion, disinformation and external influence at a time when geostrategic competition is intensifying.

Private-sector participation in the north's economy is low by national standards. Just 57% of the NT's final demand comes from household and private activity. Government, defence and community services dominate. The NT also has a minimal number of large firms—only 2% of businesses employ more than 200 people.<sup>9</sup>

Service industries that drive innovation and provide stable employment elsewhere are underdeveloped. Northern Australia's narrow economic base makes it highly vulnerable to shocks. It limits the multiplier effects that typically accompany private investment and consumption.

Small and medium-sized enterprises dominate, but their capacity is often insufficient to scale during major project phases. That creates opportunities for southern and even local firms to deploy fly-in, fly-out workforces, eroding the potential for local value capture. Without a larger and more capable private sector, northern Australia can't build the kind of resilient, self-sustaining economy required for long-term prosperity.

Northern Australia's infrastructure profile lags dramatically behind national standards. Key freight corridors remain unsealed and vulnerable to seasonal inaccessibility. The mostly unsealed Central Arnhem Road, linking Nhulunbuy and the Gove Peninsula, and their population of 15,000,<sup>10</sup> to the rest of the nation, remains without a committed timeline or budget for a complete upgrade.

In remote communities, housing is overcrowded and often substandard, and some is with limited access to potable water—an unacceptable reality in modern Australia. Transport, telecommunications and digital services are often unreliable, increasing the cost of living and doing business. In some areas, it's impossible to maintain e-commerce or supply-chain reliability.

Those deficits are more than inconveniences; they undermine national security. Disrupted supply chains during the wet season can affect defence logistics, medical access and disaster response. The absence of critical infrastructure weakens the north's role as a national-security bulwark. It hinders its potential as a hub for export-driven industries.

As the 2021 Australian Infrastructure Plan found, much of the infrastructure in northern Australia is inadequate for current needs, let alone growth.

Northern Australia's governance challenges are profound. Small electorates, transient populations and limited administrative capacity weaken policy continuity and public trust. There have been repeated integrity concerns around land councils, service providers and even the NT's Office of the Independent Commissioner Against Corruption.

Across the north, local government systems are often overstretched and under-resourced and lack policy depth. Governance instability—compounded by weak oversight and a shallow talent pool—undermines both local and investor confidence. Building institutional strength is essential for transforming the north from a developing economic outlier into a credible partner in national development.

The small population of northern Australia means that national political representation is sparse; northern voices struggle to be heard, let alone have much impact.

Demographically, the north faces a unique challenge. Indigenous people make up nearly a third of the population, and approximately 25% of all residents reside in remote or very remote communities.<sup>11</sup> Those communities are often characterised by low education attainment, poor housing and limited labour market access.

At the same time, the NT as well as much of the rest of the north experiences extreme population churn. Around 40,000 people arrive in and leave the NT each year, amounting to a 16% turnover rate—unparalleled in any other jurisdiction.<sup>12</sup> Net interstate migration is persistently negative. That demographic instability reduces the depth of the local labour market and complicates service provision.

Similarly, far north Queensland and WA's northern regions depend on overseas migration to maintain their populations, skills bases and services.

Compounding this challenge is the north's youth bulge. High birth rates, particularly in Indigenous communities, mean that service demand for child health, early education and youth services is set to increase dramatically. Yet the workforce needed to meet that demand is shrinking due to chronic out-migration and, in the NT, just 35% of Indigenous people aged 15–24 years are fully engaged in employment, education or training.<sup>13</sup>

The NT paradoxically boasts one of the nation's highest average household incomes—driven by public-sector wages and high workforce participation. Yet, it also experiences the highest levels of disadvantage. Infant mortality rates for Indigenous children are three times higher than for non-Indigenous children. Education outcomes are among the worst in the nation; only 35% of Indigenous Year 9 students meet basic literacy standards.<sup>14</sup>

Health disparities are equally dire. Avoidable mortality for Indigenous territorians is 4.2 times the rate for non-Indigenous peers.<sup>15</sup> Rates of chronic illness, mental health challenges and housing-related disease are significantly elevated.

Employment data for the NT shows that the Indigenous employment rate is 60% below that of non-Indigenous people and worsening.<sup>16</sup> Across Queensland, Indigenous working-age people have employment rates 27% below those of non-Indigenous people, while in WA the gap is 38%.

Closing the Gap data released in July 2025<sup>17</sup> shows that while outcomes vary between jurisdictions, remote Australia has poorer outcomes, with some indicators trending worse, not better.

That inequality undermines both economic performance and social cohesion. It's a defining feature of the north's emerging economy. It must be a central focus of the national policy response.

The NT's capacity to generate revenue is fundamentally limited. Low own-source revenue and cost disabilities mean it receives five times the average national goods and services tax distribution per head. This reflects both its elevated cost structures and its underdeveloped private sector.

Despite those large transfers, needs still exceed the NT's ability to fund them, and structural budget deficits lead to growing debt and interest costs that now make up one of the largest outlays in NT Government budgets.

Even with growth in royalties and investment, the NT and much of the north of Queensland and WA will remain structurally dependent on federal transfers. Current funding models are blunt and often fail to support transformative change. What's needed is a national approach that recognises those transfers for what they are: development assistance aimed at lifting an underperforming region into economic self-reliance.

# Investment attraction as a national strategic imperative

The 2021 Australian Infrastructure Plan identified many high-potential opportunities in northern Australia for business investment in both current industries and emerging sectors such as renewable energy and carbon capture and storage. The plan also highlighted the region's current and future roles in national security.

The infrastructure plan, however, said that access to and the quality of infrastructure and related services were the most serious problems facing the region.

The 2021 Territory Economic Reconstruction Commission was unambiguous: without courageous investment and major structural reform, the NT faces economic stagnation and social fragmentation. The commission's recommendations remain critical for the whole of the north:

- Develop a globally competitive investment environment.
- Position the NT as a hub for net-zero technologies, critical minerals and defence logistics.
- Drive public investment in livability and human capital.
- Foster Indigenous-led development and land-based enterprise.

The NT's 2023 Mineral Development Taskforce and 2030 Infrastructure Strategy reinforced those imperatives but stopped short of acknowledging the full scale of structural disadvantage. Their focus remains on economic enablement rather than systemic transformation.

Australia must now go further. We must move beyond the language of gaps and catch-up and towards a proactive strategy of national integration, economic diversification and institutional renewal.

Northern Australia isn't a backwater to be managed. It's the cornerstone of our strategic future.

## Vision and framework for nation-building

Describing northern Australia—particularly the NT—as a developing economy within a developed nation isn't a critique. It's a strategic diagnosis. And, like all such diagnoses, its true value lies not in the exposure of deficit but in the illumination of potential.

The structural, demographic and economic distinctions that set the north apart from the southern states shouldn't be viewed as failures. They are, in fact, the very indicators of untapped national opportunity. Those differences highlight where targeted investment, policy innovation and new governance models can unlock long-term growth—for the region and the nation as a whole.

To dismiss those realities as problems to be contained is to misunderstand their strategic significance. The north's youth bulge, for instance, presents a challenge in terms of service delivery—but also an unparalleled opportunity to build the most resilient and future-ready workforce in the country. Similarly, the region's shallow private sector and sparse infrastructure aren't signs of weakness but clear signals of where national economic uplift is possible through coordinated investment.

In many ways, northern Australia remains a blank canvas in a world of saturated policy environments. It offers space—literally and figuratively—for bold ideas: net-zero energy zones, critical-minerals supply-chain integration, sovereign defence infrastructure, and Indigenous-led economic models that blend traditional ownership with commercial development. Where the south struggles with overburdened systems and diminishing returns on infrastructure, the north promises transformative benefits from long-term investment.

Framing northern Australia as a developing economy also allows policymakers to break free from the assumption that ‘one-size-fits-all’ national policy models will work. It invites the design of bespoke, regionally anchored, solutions that address the specific governance, demographic and economic realities of the north. This isn’t lowering the bar—it’s adjusting the tools to lift outcomes.

Crucially, the developing economy lens also presents the opportunity to adopt global best practices in economic transition and social development, adapted to Australia’s unique context. Lessons from other resources regions, development economics, Indigenous governance, rural health models and climate-resilient infrastructure planning can all be leveraged to accelerate the north’s transformation into a dynamic, inclusive and prosperous contributor to national security and prosperity.

What northern Australia offers isn’t a liability to be managed but a proving ground for 21st-century nation-building. The region holds the key to rebalancing Australia’s economy, projecting strategic reach, securing supply chains, and achieving meaningful reconciliation through economic empowerment. Its geography positions it as Australia’s gateway to the Indo-Pacific, while its resource endowments are critical to global energy transitions and strategic manufacturing. At the same time, unlocking the economic potential of Indigenous communities offers a unique opportunity to align national prosperity with reconciliation and regional security.

Recognising the north’s ‘developing economy’ characteristics isn’t a call for pity or protection—it’s a call for ambition. The opportunity is not just to close gaps but to build something better: a region defined not by disadvantage but by leadership in the most important national missions of our time.

To seize the opportunity, Australia must move from problem identification to execution. The region has endured a decade of policy churn and pilot programs while structural disadvantages have deepened. This report offers a phased approach to breaking that cycle and transforming northern Australia into a resilient, strategic and equitable part of the nation. Each phase builds on the previous one—from alignment to activation to full integration—ensuring that momentum and political will are sustained over time.

## Phase 1: Strategic alignment (2026)

The foundation of national investment in northern Australia must be alignment—between jurisdictions, portfolios, communities and markets. The focus is on building the right institutions and providing the necessary funding.

- *Establish the National Northern Australia Investment Authority (NNAIA)*: Housed in the Department of the Prime Minister and Cabinet or the Treasury, the NNAIA would serve as a strategic integrator across economic development, defence, infrastructure and regional services portfolios. Importantly, the authority won’t be a funding mechanism in itself—unlike the Northern Australia Infrastructure Facility (NAIF), which provides concessional finance to eligible projects. Rather, the NNAIA would coordinate national priorities, align investments, reduce duplication and accelerate delivery by working across all levels of government and industry. Where the NAIF is a financial tool focused on project funding, the NNAIA will be a systems-level policy and delivery integrator that ensures those investments are strategically aligned and have an impact across portfolios—ensuring that economic development, defence posture, infrastructure planning and regional services are delivered cohesively. Its mandate would include oversight, project acceleration and strategic advice to the federal cabinet.
- *Fund critical enablers*: The 2026–27 federal Budget should include a dedicated Northern Australia Resilience and Capability Fund. The fund would finance enabling infrastructure (such as regional logistics and utilities), housing for workforce attraction, and programs to close capability gaps in health, education and training, and digital access.
- *Intergovernmental Agreement on Northern Development*: A new, time-bound agreement between federal, state and territory governments, plus local governments, would define shared responsibilities, priority regions, funding commitments and accountability measures. This agreement must elevate the voices of regional stakeholders, particularly those from Indigenous leadership and local government.

- *Mapping and gap analysis:* An audit of major public and private investments in the north would identify duplication, underutilisation and systemic service gaps. The findings would inform program alignment across defence, industry, infrastructure and regional development.

## Phase 2: Localisation and leverage (2027–2029)

Once aligned, efforts must shift towards deep localisation of economic benefits and service delivery. This phase focuses on embedding development within communities, businesses and institutions.

- *Enforceable value-generation requirements:* All major projects receiving public support (including government projects) must adhere to minimum thresholds of local procurement, employment and capability development. Opt-in value-sharing agreements with binding obligations upon participation should be expected as part of gaining strong social licences to operate. The NNAIA would establish transparent tracking and compliance frameworks.
- *Regional capability centres:* Hubs focused on industry training, R&D and small-business incubation would be established in Townsville, Darwin, Broome, Karratha and other selected regional nodes. Backed by universities, TAFE colleges and industry, they would address workforce shortages and enable supply-chain diversification.
- *Support for Indigenous-led economic development:* This includes land-use planning assistance, enterprise development grants and support for cultural economies. Indigenous development corporations would be empowered to partner on infrastructure and resource projects, with equity stakes and shared decision-making.
- *Incentivise industry partnerships:* Tax credits, concessional finance and public–private partnerships would encourage firms to invest in downstream processing, logistics, agribusiness and industry services capacity in the north. Projects that align with national security, resources processing and decarbonisation priorities would be fast-tracked.
- *Collaborative infrastructure planning and delivery with business:* Undertake collaborative place-based assessment of infrastructure needs of growth industries and with proponents of major developments. Identify opportunities for shared infrastructure and reduced costs by undertaking joint assessments of enabling infrastructure requirements.
- *Community-led social infrastructure planning:* Local governments and regional authorities would receive funding and technical support to co-design transport, housing, energy and digital projects with their communities. This will ensure that infrastructure meets both strategic and social targets.

## Phase 3: National integration (2029–2035)

By the end of the decade, northern Australia should no longer be an adjunct to national policy—it must be fully integrated into the nation’s strategic frameworks, governance structures and identity. This phase secures long-term resilience and sovereignty.

- *National forum representation:* Northern voices—from business, government and civil society—must be embedded in decision-making bodies for defence, infrastructure, migration, energy and trade. A permanent Northern Australia Coordination Council could be established to advise the national cabinet.
- *Innovation districts:* Investment in regionally based precincts for innovation in critical minerals, renewable energy, defence logistics and climate resilience would create globally competitive ecosystems. Co-located with universities, those districts would drive export-oriented R&D and high-value job creation.
- *Permanent national institutions in the north:* Government agencies with national mandates—including energy regulation, export development and regional affairs—should have major hubs in the north. That will ensure policy relevance, build institutional understanding and capability, and create a more balanced national footprint. To avoid replicating historical overreach, those institutions must be designed to partner with—rather than dominate—local governance, supporting regional leadership and capability rather than substituting for it.
- *Population strategy for the north:* A targeted strategy for migration, livability and settlement would support gradual, sustained, population growth in regional centres. This includes regional visas, skilled migration alignment, housing incentives, social infrastructure and support for education, family and health services.

- *National service resilience framework*: The north's logistics and public service infrastructure would be benchmarked and upgraded to meet standards required for crisis response—from pandemics to regional conflict. This would include emergency logistics bases, secure supply corridors and redundant communications systems.

By structuring reform through those three phases, Australia can achieve long-term development outcomes in the north without overloading fragile institutions or repeating the mistakes of past 'grand plans'. This approach combines strategic patience with urgency, balancing the national interest with regional empowerment.

The time for studies is over. What's needed now is commitment, capability and coordinated execution.

## Conclusion: a nation-building imperative

Northern Australia isn't just a frontier. It's a proving ground for Australia's future. Whether in climate adaptation, defence strategy and regional security, or equitable growth, the north will determine the nation's success or failure.

This report presents a bold and actionable vision, but the real challenge isn't in ideas—it's in delivery. For governments, industry and communities, northern Australia isn't someone else's problem. It's everyone's opportunity.

In an era of geopolitical uncertainty and economic transformation, investing in northern Australia isn't just smart policy. It's a sovereign strategy.

Now is the time to build a secure and prosperous north worthy of the nation that it anchors.

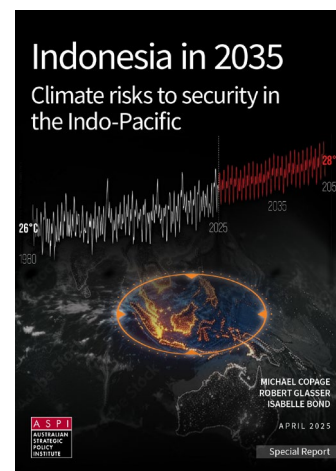
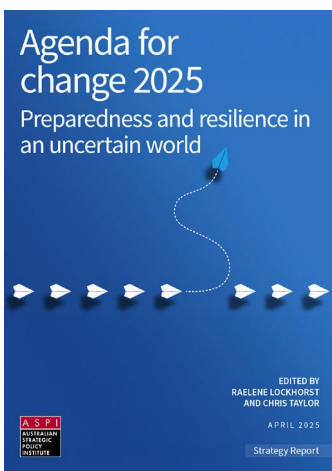
# Notes

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# Acronyms and abbreviations

ADF	Australian Defence Force
GDP	gross domestic product
LNG	liquefied natural gas
NAIF	Northern Australia Infrastructure Facility
NNAIA	National Northern Australia Investment Authority
NT	Northern Territory
R&D	research and development
STEM	science, technology, engineering and mathematics
TAFE	technical and further education
WA	Western Australia

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