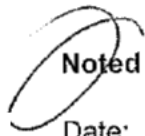


DEPARTMENT OF INDUSTRY, SCIENCE AND RESOURCES

IS23-000015

To: Minister for Resources (For Information)

DEPARTMENT SUBMISSION - INQUIRY INTO THE MIDDLE ARM INDUSTRIAL
PRECINCT

Recommendation:			
1. That you note the department's submission to the Inquiry into the Middle Arm Industrial Precinct.			
Minister:		S 22	 Noted / Please Discuss Date: 8.12.23
Comments:			
Clearing Officer:	Jane Urquhart	Deputy Secretary, Resources and Strategy Group	Ph: S 22 Mob:
Contact Officer:	S 22	A/g Manager, Resources Policy	Ph: S 22
For Parliamentary Services' use only.			9/11/2023
Date Submitted to the Minister's office in PDMS:			

Key Points:

1. The department intends to make a submission to the Inquiry into the Middle Arm Industrial Precinct (Middle Arm), due to the Committee Secretary by 10 November 2023 (an extension granted from 31 October 2023).
2. The department's submission notes:
 - a. the Government's plans for the development of the Middle Arm, including support being provided through policies and programs such as the Critical Minerals Strategy;
 - b. facilities such as the Middle Arm Industrial Precinct will benefit green hydrogen producers, clean energy exporters and processors of critical minerals that are important to the global energy transition and decarbonisation; and

- c. the department's role in fostering socially and environmentally sustainable sectoral development.
3. The department's submission is provided at Attachment A.
4. A separate noting brief on the department's submission has been provided to the Minister for Industry and Science.

Background

5. In the October 2022-23 Federal Budget, the Government announced \$1.5 billion in equity investment to the development of Middle Arm located in Darwin Harbour. The Government noted that developing marine infrastructure at Middle Arm would open new export opportunities in Northern Australia for commodities such as green hydrogen and critical minerals, with associated downstream opportunities for onshore processing and low-emissions manufacturing.
6. In April 2023, the Senate Standing Committee on Environment and Communications *Oil and gas exploration and production in the Beetaloo Basin* inquiry report recommended that an inquiry into Middle Arm be established.
7. Subsequently, on 5 September 2023, the Senate referred an Inquiry into Middle Arm to the Environment and Communications References Committee for inquiry and report by 28 February 2024.
8. Background on Middle Arm is provided at Attachment B.

Consultation with the Cities and Northern Australia Division, Department of Infrastructure, Transport, Regional Development, Communications and the Arts: YES

Other Consultation: YES – Oil and Gas Division, Supply Chains and Sovereign Capability Division, Minerals and Resources Division, Geoscience Australia

Attachments

- A:** Department submission – Inquiry into the Middle Arm Industrial Precinct
- B:** Background – Middle Arm Industrial Precinct



Australian Government
Department of Industry,
Science and Resources



Australian Government
Geoscience Australia

Inquiry into the Middle Arm Industrial Precinct

Submission to the Senate Standing Committee on
Environment and Communications

November 2023

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Introduction

The Department of Industry, Science and Resources (DISR) and portfolio agency Geoscience Australia (GA) are pleased to provide this joint submission to the Senate Standing Committee on Environment and Communications on the Inquiry into the Middle Arm Industrial Precinct (Middle Arm).

DISR's purpose is to help the Government to build a better future for all Australians through enabling a productive, resilient and sustainable economy, enriched by science and technology. This includes working to strengthen the resources sector.¹

GA's purpose is to be the trusted advisor on Earth science that informs the government, community and industry. This contributes to a strong economy, resilient society, and sustainable environment.²

Our submission focuses on the benefits of common-user infrastructure proposed at Middle Arm in the context of the resources sector's role in Australia's transition to net zero, including identifying relevant resource industries and supply chains in Middle Arm, and potential First Nations opportunities.

Australia's transition to net zero – role of the resources sector

The resources sector is crucial to Australia's transition to net zero. There is increasing global demand for Australia's resources and minerals to meet decarbonisation ambitions. Australia has world class energy resources and boasts some of the richest deposits of critical minerals reserves in the world. Australia has the world's second largest resources of lithium and cobalt, and the fourth largest for rare earth elements. Critical minerals such as these are vital components for electric vehicles, renewable technologies, and energy storage. Both developed and developing countries are accelerating growth of their clean energy and related industries, securing their supply of critical minerals, and positioning themselves to embrace associated economic opportunities.

Unlocking the full potential of Australia's critical minerals endowments is a core part of realising Australia's ambition to be a clean energy superpower. Critical minerals are essential for many low-emissions technologies, including electric vehicles, solar panels, wind turbines and batteries. They are also crucial components of medical and defence technologies.

The common user infrastructure proposed at Middle Arm will benefit green hydrogen producers, clean energy exporters and processors of critical minerals, all of which are important to the global energy transition and decarbonisation.

The Northern Territory (NT) has considerable gas reserves that are already being serviced by Middle Arm, including Santos' Darwin LNG and the INPEX Ichthys Onshore LNG processing facility. New developments have also been proposed, such as Tamboran Resources, which has announced a proposal to construct a new LNG plant in Darwin (NTLNG) by 2030.³ Gas is a flexible source of energy providing firming and back-up power. Gas will be required to smooth the transition to renewables, while providing energy security for Australia and its regional partners. Gas is also an important industrial feedstock, supporting the production and processing of chemicals, critical minerals and

¹ <https://www.industry.gov.au/publications/corporate-plan-2023-24>

² <https://www.ga.gov.au/about/corporate-plan>

³ <https://www.industry.gov.au/sites/default/files/2023-10/resources-and-energy-quarterly-september-2023.pdf>

metals that go into solar panels, batteries, and wind turbines. Future demand for gas as a feedstock will depend on the availability and cost effectiveness of substitutes like hydrogen and biomethane.

Australian Government initiatives

Improvements to Middle Arm infrastructure have the potential to contribute to the Australian Government's ambitions to grow critical minerals processing onshore and help transition Australia to net zero.

The Australian Government has adopted measures to revitalise Australian industry, support the transition to net zero and make the most of new and emerging technologies.⁴

The Australian Government aims to foster a sustainable Australian resources sector that attracts private sector investment, encourages the use of innovative technologies and meets environmental and community expectations.⁵

Security of gas supply to the Middle Arm Peninsula is essential to sustain industry. Future discoveries of both onshore and offshore resources, and the offset of CO₂ emissions required by regulation to ensure net-zero targets, are supported by Geoscience Australia's precompetitive energy programs. Precompetitive geoscience programs, like Exploring for the Future and the National Critical Minerals Research and Development Hub Geoscience Australia will continue to provide free and open geoscientific data and derived information products to support Australian governments, communities and industry to make informed decisions on the sustainable development of Australia's mineral, energy and groundwater resources.

The Australian Government is committed to key initiatives like the Critical Minerals Strategy 2023-2030⁶, the Future Gas Strategy to be released in 2024⁷, and by charting a course to decommission Australia's offshore oil and gas infrastructure⁸⁹.

The Critical Minerals Strategy sets out the Government's vision to grow Australia's critical minerals sector.¹⁰ Key focus areas of the Critical Minerals Strategy include promoting Australia as a world leader in Environmental, Social and Governance (ESG) performance and unlocking investment in enabling infrastructure and services.¹¹

The Australian Government is developing a Future Gas Strategy which aims to:

- support decarbonisation, including reaching our target of 43% reduction in emissions below 2005 levels by 2030 and net zero by 2050
- promote Australia's energy security and affordability
- maintain Australia's trade relationships, ensuring we remain a reliable and trusted supplier of Liquefied Natural Gas (LNG) to our region to our region and build our clean energy exports

⁴ <https://www.industry.gov.au/news/announcing-2023-24-budget>

⁵ <https://www.industry.gov.au/publications/corporate-plan-2023-24>

⁶ <https://www.industry.gov.au/publications/critical-minerals-strategy-2023-2030>

⁷ <https://www.industry.gov.au/mining-oil-and-gas/oil-and-gas/planning-gas-2050>

⁸ <https://consult.industry.gov.au/roadmap-to-establish-a-decommissioning-industry-for-offshore-oil-and-gas-issues-paper>

⁹ <https://consult.industry.gov.au/future-gas-strategy>

¹⁰ <https://www.industry.gov.au/publications/critical-minerals-strategy-2023-2030>

¹¹ <https://www.industry.gov.au/publications/critical-minerals-strategy-2023-2030>

- help our trade partners on their own paths to net zero.¹²

The Australian Government is also developing a roadmap to establish an Australian decommissioning industry and maximise the benefits for Australia from the estimated \$60 billion to be spent on offshore decommissioning over the next 30 years. The Roadmap Taskforce is engaging with the Northern Territory Government over its plans for Middle Arm including as a potential base to support offshore decommissioning in Northern Australia and to bring offshore material ashore for further processing.

Industries and supply chains in Middle Arm

Critical Minerals

Middle Arm is proposed to have common user infrastructure to support critical minerals processing in the Northern Territory. The Australian Government recognises that Australia must continue building sovereign capability in critical minerals processing. The proposed development at Middle Arm goes towards achieving this aim.

Resource companies have expressed interest in developing various facilities at Middle Arm, including but not limited to:

- Tivan Limited has proposed a critical minerals facility to process minerals from its vanadium, titanium and iron ore project at Mount Peake, 235 kilometres north of Alice Springs.¹³
- TEH2 has proposed a facility at Middle Arm capable of producing more than 80,000 tonnes of renewables-based hydrogen per annum for domestic and export potential.
- Avenir has proposed manufacturing pre cursor, lithium-ferro-phosphate (LFP) battery cathode materials from critical minerals.

Gas production and exploration

The Northern Territory has offshore gas production through the Bayu-Undan, Ichthys and the Blacktip fields. Middle Arm already services some of this offshore gas production, such as the INPEX Ichthys Onshore LNG processing facility.¹⁴

AEMO predicts LNG supply shortfalls of 53 PJ by 2027 and 72 PJ in 2028, factoring in expected supply sources. Development of uncertain supply sources would delay domestic supply gaps and enable contracted LNG exports to be filled beyond 2028.¹⁵

Middle Arm's development provides a potential pathway to market for companies exploring for gas in the Beetaloo Sub-basin. Several explorers are currently appraising their discoveries with a view to commencing commercial production as early as 2025. Other operators in the sub-basin may also seek to provide gas and natural gas liquids as feedstock to support other industries being developed at Middle Arm.

Developing common user infrastructure at Middle Arm and logistics hubs can support the growth in regional decarbonised industries and support the energy transition ambitions of Australia's

¹² <https://consult.industry.gov.au/future-gas-strategy>

¹³ <https://tivan.com.au/resources/mount-peake/>

¹⁴ <https://invest.nt.gov.au/why-the-territory/infrastructure-and-strategic-land/middle-arm-sustainable-development-precinct>

¹⁵ https://aemo.com.au/-/media/files/gas/national_planning_and_forecasting/gsoo/2023/2023-gas-statement-of-opportunities.pdf?la=en&hash=10261137C785EA7B5A7E0E417A96B700

international trading partners. This is via strategically located facilities that support these gas exports.

Carbon Capture and Sequestration

The 2023 Net Zero Australia study¹⁶ predicts that to reach net zero by 2050, Australia will require the development of a large carbon capture and sequestration (CCS) industry. The study's modelled scenarios indicate that the CCS industry would need to store between 98 and 788 Mt of carbon dioxide (CO₂) per year by 2050 to meet net zero targets. The Northern Territory is anticipated to host a significant component of this required CO₂ use and storage, between 19 and 276 millions of tonnes per annum (Mtpa) by 2050, with opportunities available for industries to utilise captured carbon, with the remaining CO₂ to be geologically stored deep in the sea bed in Commonwealth Waters, offshore Darwin.

There is potential for several offshore CCS projects around Middle Arm (domestic Bonaparte CCS and Bayu-Undan). These developments if realised would supply the Northern Territory market, the east coast gas market and export partners. As the economy decarbonises in coming decades, development of industrial hubs such as Middle Arm could attract a range of industries including renewable energy, critical minerals, low-to-zero emissions fuels and products needed for Australian supply chain security, and advanced manufacturing.¹⁷

CCS facilities proposed for Middle Arm may support offshore and onshore gas developments as a means of addressing emissions abatement requirements under the strengthened Safeguard Mechanism, a key emissions reduction policy of the Australian Government. The storage components of these facilities would involve carbon being permanently stored offshore and deep underground in depleted natural gas fields and saline aquifers. Offshore geological storage components of CCS projects in Commonwealth waters in the Northern Territory's Bonaparte basin will be underpinned by the regulatory framework of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the OPGGS Act).¹⁸

First Nations opportunities

The resources sector has the potential to create intergenerational social and economic benefits for First Nations people by building the prosperity of their communities, businesses and individuals.

Nationally, the resources sector is an important employer of First Nations Australians, particularly in regional and remote communities. At a national level, the mining industry, as a proportion of its workforce, employs First Nations people at a higher rate than all other industries. 2021 Census statistics data shows that the proportion of Indigenous workers in mining has grown to 4.62 per cent, up from 3.74 per cent in 2016.¹⁹

¹⁶ <https://www.netzeroaustralia.net.au/wp-content/uploads/2023/04/Downscaling-CO2-capture-transmission-use-storage.pdf>

¹⁷ <https://middlearmprecinct.nt.gov.au/Industries>

¹⁸ Offshore geological storage components of CCS projects in Commonwealth waters in the NT's Bonaparte basin are underpinned by the regulatory framework of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the OPGGS Act). The OPGGS Act framework is administered by the department (through the National Offshore Petroleum Titles Administrator and the Oil and Gas division) and the National Offshore Petroleum Safety and Environmental Management Authority (the independent environmental management, safety and well integrity regulator for offshore petroleum and CCS).

¹⁹ <https://www.abs.gov.au/census/find-census-data/quickstats/2021/IQSAUS>, INDP Industry of Employment by INGP Indigenous Status, 2021 Census – employment, income and education.

The growth of the critical minerals sector will provide opportunities for First Nations communities now and into the future. This is embedded in the Critical Minerals Strategy, where a key focus area is First Nations engagement and benefit sharing, including:

- Strengthening engagement and partnerships with First Nations people and communities, respecting their land and water rights and interests
- Supporting the critical minerals sector's immediate and long-term social licence to operate and its ongoing sustainability. This includes creating economic opportunities in regional and First Nations communities while protecting cultural heritage and sacred sites
- Working with First Nations communities and their representative organisations to build their capacity to engage with critical minerals proponents.
- Working to improve equity and investment opportunities for First Nations interests.²⁰

The Australian Government continues to encourage the critical minerals sector to embed the priority reforms of the National Agreement on Closing the Gap through best practice engagement and negotiations. Formal partnerships and shared decision making between resource companies and First Nations stakeholders are crucial to achieve improved outcomes for Traditional Owners and to ensure appropriate cultural heritage protection is considered. Improved outcomes for First Nations stakeholders can be achieved through a multifaceted approach and via regulatory functions such as (but not limited to) the new National Environmental Standards (NES); the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC); *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (ATSHP Act); Indigenous Land Use Agreements (ILUAs) and the *Native Title Act 1993*. The Middle Arm precinct's impact on cultural heritage will also be considered through the *NT Environment Protection Act 2019*.

²⁰ <https://www.industry.gov.au/publications/critical-minerals-strategy-2023-2030/our-focus-areas/3-first-nations-engagement-and-benefit-sharing>

OFFICIAL**ATTACHMENT B****Background**

What is Middle Arm?

The Middle Arm Sustainable Development Precinct (the Precinct) will be a world-class master planned industrial precinct with a focus on renewable hydrogen, advanced manufacturing, carbon capture and storage, and minerals processing.

The Precinct is already home to the Santos Darwin liquid natural gas (LNG) and the INPEX Ichthys Onshore LNG processing facilities. The Precinct has an extensive product corridor network for the efficient transmission of utilities, gas, feedstock and products. It is also close to Darwin International Airport, Darwin Port, the Darwin to Adelaide railway and freight terminal, and the road network.¹

What is the opportunity?

Infrastructure Australia has determined that there is insufficient marine infrastructure and serviced land available adjacent to the existing Darwin port to enable several industries and export opportunities that could add value to the Northern Territory's economy, such as green hydrogen, high-value minerals processing and refinement, and downstream gas processing on Middle Arm. Addressing this gap could increase the value of the mining and manufacturing sectors to the Northern Territory and Australia as a whole.²

Companies proposing development at Middle Arm

Tamboran	<ul style="list-style-type: none"> Proposed to build an export facility at the site, with an initial capacity of 6.6 million tonnes of LNG per year.
Inpex Ichthys plant	<ul style="list-style-type: none"> Has an annual LNG production capacity of up to 8.9 million tonnes.
Fortescue Future Industries	<ul style="list-style-type: none"> Proposed to develop a green hydrogen and green ammonia production plant, as well as export facilities.
Tivan Limited	<ul style="list-style-type: none"> Secured land to develop its previously announced critical minerals facility, which will process material from its proposed mine in Central Australia.
TEH2	<ul style="list-style-type: none"> Proposed a facility capable of producing more than 80,000 tonnes of renewables-based hydrogen per annum for domestic and export potential.
Avenira	<ul style="list-style-type: none"> Proposed building a lithium-ferro-phosphate cathode facility, which will manufacture precursor battery cathode materials from critical minerals.

¹ <https://invest.nt.gov.au/why-the-territory/infrastructure-and-strategic-land/middle-arm-sustainable-development-precinct#:~:text=The%20Middle%20Arm%20Sustainable%20Development,and%20storage%2C%20and%20minerals%20processing>

² <https://www.infrastructureaustralia.gov.au/map/common-user-infrastructure-middle-arm-precinct>

OFFICIAL

From: [Committee_EC \(SEN\)](#)
To: [Parliamentary](#)
Subject: Invitation to submit - Inquiry into the Middle Arm Industrial Precinct
Date: Monday, 11 September 2023 3:20:28 PM
Attachments: [image001.jpg](#)

CAUTION – External Email: This email originated from outside the department. Make sure you trust this sender before opening any links or attachments. If you think this is an attempt at Phishing, please report by clicking the **Report Phishing** button above.

11 September 2023
Mrs Meghan Quinn PSM
Department of Industry, Science and Resources

Via email: Parliamentary@industry.gov.au

Dear Mrs Quinn

Inquiry into the Middle Arm Industrial Precinct

On 5 September 2023 the Senate referred an inquiry into the Middle Arm Industrial Precinct to the Environment and Communications References Committee for inquiry and report by 28 February 2024.

Information regarding the bill can be found at the [committee's website](#) under 'Current Inquiries'. The committee invites your organisation to make a submission to this inquiry. Submissions are due by **31 October 2023**.

The committee encourages the lodgement of submissions in electronic form and it is possible to lodge a submission through the [inquiry website](#). Alternatively, submissions can be lodged via email to ec.sen@aph.gov.au. All submissions should include the author's full name, phone number and postal address on a separate covering letter.

Please note that a submission becomes a committee document, and must not be disclosed to any other person until it has been accepted by the committee. Unless you have requested that your submission remain confidential, it will be published on the committee's website after the committee has examined and accepted it, and authorised its publication. Once a committee has authorised the release of a submission, subsequent publication is protected by parliamentary privilege.

Yours sincerely

Machine generated alternative text:



Stephen Palethorpe
Secretary

From: [Parliamentary](#)
To: [Committee, EC \(SEN\)](#)
Cc: [Parliamentary](#); S 22 ; S 22
Subject: RE: Invitation to submit - Inquiry into the Middle Arm Industrial Precinct [SEC=OFFICIAL]
Date: Friday, 10 November 2023 1:11:53 PM
Attachments: [DISR_submission.docx](#)
[image001.jpg](#)

Good afternoon

Please find [attached](#) the Department's submission to the Inquiry into the Middle Arm Industrial Precinct.

Could all future correspondence (including invitations to public hearings) continue to be emailed to parliamentary@industry.gov.au.

Regards

S 22

Parliamentary Services

Strategic Policy Division

02 S 22) | S 22 [@industry.gov.au](mailto:industry.gov.au)

Ngunnawal County, Industry House, 10 Binara Street (GPO Box 2013) Canberra ACT 2601 Australia
Department of Industry, Science and Resources

OFFICIAL

From: Committee, EC (SEN)
Sent: Monday, 11 September 2023 3:20 PM
To: Parliamentary
Subject: Invitation to submit - Inquiry into the Middle Arm Industrial Precinct

CAUTION – External Email: This email originated from outside the department. Make sure you trust this sender before opening any links or attachments. If you think this is an attempt at Phishing, please report by clicking the **Report Phishing** button above.

11 September 2023
Mrs Meghan Quinn PSM
Department of Industry, Science and Resources

Via email: Parliamentary@industry.gov.au

Dear Mrs Quinn

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On 5 September 2023 the Senate referred an inquiry into the Middle Arm Industrial Precinct to the Environment and Communications References Committee for inquiry and report by 28 February 2024.

Information regarding the bill can be found at the [committee's website](#) under 'Current Inquiries'. The committee invites your organisation to make a submission to this inquiry. Submissions are due by **31 October 2023**.

The committee encourages the lodgement of submissions in electronic form and it is possible to lodge a submission through the [inquiry website](#). Alternatively, submissions can be lodged via email to ec.sen@aph.gov.au. All submissions should include the author's full name, phone number and postal address on a separate covering letter.

Please note that a submission becomes a committee document, and must not be disclosed to any other person until it has been accepted by the committee. Unless you have requested that your submission remain confidential, it will be published on the committee's website after the committee has examined and accepted it, and authorised its publication. Once a committee has authorised the release of a submission, subsequent publication is protected by parliamentary privilege.

Yours sincerely

Machine generated alternative text:



Stephen Palethorpe
Secretary

OFFICIAL**DEPARTMENT OF INDUSTRY, SCIENCE AND RESOURCES**

IS23-000016

To: Minister for Industry and Science (For Information)

DEPARTMENT SUBMISSION - INQUIRY INTO THE MIDDLE ARM INDUSTRIAL PRECINCT

Recommendation:			
1. That you note the department's submission to the Inquiry into the Middle Arm Industrial Precinct.			
			Noted / Please Discuss
Minister:			Date:
Comments:			
Clearing Officer:	Jane Urquhart	Deputy Secretary, Resources and Strategy Group	Ph: S 22 Mob:
Contact Officer:	S 22	A/g Manager, Resources Policy	Ph: S 22
For Parliamentary Services' use only.			
Date Submitted to the Minister's office in PDMS:			9/11/2023

Key Points:

1. The department intends to make a submission to the Inquiry into the Middle Arm Industrial Precinct (Middle Arm), due to the Committee Secretary by 10 November 2023 (an extension granted from 31 October 2023).
2. The department's submission notes:
 - a. the Government's plans for the development of the Middle Arm, including support being provided through policies and programs such as the Critical Minerals Strategy;
 - b. facilities such as the Middle Arm Industrial Precinct will benefit green hydrogen producers, clean energy exporters and processors of critical minerals that are important to the global energy transition and decarbonisation; and

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- c. the department's role in fostering socially and environmentally sustainable sectoral development.
3. The department's submission is provided at Attachment A.
4. A separate noting brief on the department's submission has been provided to the Minister for Resources.

Background

5. In the October 2022-23 Federal Budget, the Government announced \$1.5 billion in equity investment to the development of the Middle Arm located in Darwin Harbour. The Government noted that developing marine infrastructure at Middle Arm would open new export opportunities in Northern Australia for commodities such as green hydrogen and critical minerals, with associated downstream opportunities for onshore processing and low-emission manufacturing.
6. In April 2023, the Senate Standing Committee on Environment and Communications *Oil and gas exploration and production in the Beetaloo Basin* inquiry report recommended that an inquiry into Middle Arm be established.
7. Subsequently, on 5 September 2023, the Senate referred an Inquiry into Middle Arm to the Environment and Communications References Committee for inquiry and report by 28 February 2024.
8. Background on the Middle Arm is provided at Attachment B.

Consultation with the Cities and Northern Australia Division, Department of Infrastructure, Transport, Regional Development, Communications and the Arts: YES

Other Consultation: YES – Oil and Gas Division, Supply Chains and Sovereign Capability Division, Minerals and Resources Division, Geoscience Australia

Attachments

- A:** Department submission – Inquiry into the Middle Arm Industrial Precinct
- B:** Background – Middle Arm Industrial Precinct

OFFICIAL**DEPARTMENT OF INDUSTRY, SCIENCE AND RESOURCES**

EC23-002724

To: Deputy Secretary (For Decision)**RIGHT OF REPLY - MIDDLE ARM INDUSTRIAL PRECINCT****Timing:** 18 December 2023**Recommendations:**

1. That you approve **not** providing a written response to adverse comments against the Australian Government, made by Environment Centre Northern Territory, in a submission to the Senate's Inquiry into the Middle Arm Industrial Precinct.

Approved / Not approved

2. That you sign the attached letter informing the Committee of this decision and pointing out that the Department of Infrastructure, Transport, Regional Development, Communications and Arts is the most appropriate agency to respond to the issues raised in the submission.

Signed / Not Signed

Clearing Officer:	Damien Dunn	General Manager, Resources and Strategy Branch	Ph: S 22 Mob: S 22
Contact Officer:	S 22	A/g Manager, Resources Policy Section	Ph: S 22

Key Points:

1. The Senate's Standing Committee on Environment and Communications is currently undertaking a references inquiry into the Middle Arm Industrial Precinct in Darwin, including the development of the precinct and the role and funding intentions of the Northern Territory and Australian governments. The Committee's final report is due in February 2024.
2. The committee recently received a submission from the Environment Centre NT (ECNT), which contains potentially adverse reflections concerning the Australian Government and its funding arrangements for the Middle Arm Industrial Precinct. In particular, the ECNT submission suggests **“that the commitment of \$1.5 billion for the Middle Arm Industrial Hub should be referred for investigation to the National Anti-Corruption Commission”**.

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3. The ECNT's submission does not make specific comments about the Department of Industry, Science and Resources (DISR) or the responsible portfolio ministers. The original decision to provide Australian Government funding for the Middle Arm Precinct was announced by the Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government, in conjunction with the Prime Minister, the Hon Anthony Albanese MP.
4. A written response to the adverse reflections contained in ECNT's submission is not recommended. DISR's portfolio ministers were not directly responsible for the funding decision, and DISR did not manage the assessment process that led to the decision to approve Australian Government funding for the Middle Arm Industrial Precinct. Any departmental response to the adverse comment would not be able to address the claims made by ECNT in its submission to the inquiry.
5. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) has also been afforded the opportunity to submit a response to the adverse comment by ECNT. DITRDCA has administrative responsibility for the Australian Government's funding commitment to the Middle Arm Industrial Precinct.
6. DITRDCA intends to provide a short response to the ECNT's submission. Given that the funding announcement was made by the Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government, in conjunction with the Prime Minister, the Hon Anthony Albanese MP, DITRDCA is the most appropriate agency to respond to the issues raised in the ECNT submission.

Data referenced:

7. Environment Centre Northern Territory, 2023, Submission to the Senate's Standing Committee on Environment and Communications Inquiry into the Middle Arm Industrial Precinct, viewed 11 December 2023.

Consultation: YES

DITRDCA was consulted on the issue.

ATTACHMENTS

- A:** Letter to Mr Stephen Palethorpe, DISR Right of Reply
- B:** Letter from Mr Stephen Palethorpe, DISR Right of Reply
- C:** ENCT, Submission to the Senate's Environment and Communications Standing Committee's Inquiry into the Middle Arm Industrial Precinct

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THE SENATE
ENVIRONMENT AND COMMUNICATIONS REFERENCES COMMITTEE

06 December 2023

Meghan Quinn PSM
Secretary
Department of Industry, Science and Resources

By email: Parliamentary@industry.gov.au

Dear Secretary

Inquiry into the Middle Arm Industrial Precinct

The Senate Environment and Communications References Committee is currently undertaking an [inquiry](#) into the Middle Arm Industrial Precinct.

As part of this inquiry, the committee has received a submission from the Environment Centre NT (ECNT), which contains potentially adverse reflections concerning the Commonwealth Government and its funding arrangements for the Middle Arm Industrial Precinct.

The resolutions of the Senate provide that, where evidence is given to a committee which may be considered as reflecting adversely on a person (or an organisation), the committee shall provide a reasonable opportunity for that person to have access to that evidence and, if they wish, to respond to that evidence. Accordingly, enclosed for your consideration is a copy of ECNT's submission, which the committee is providing you on a confidential basis.

You are not obliged to respond. However, if you decide to do so, the response should be limited to the matters that may adversely reflect on you and your organisation. If you could please provide your response to the committee by **18 December 2023**.

The original submission and any reply received will be published soon after this date.

As the committee has yet to authorise the submissions for publication, you should not disclose the submission to other people or organisations. Similarly, if you choose to respond to the issues raised, your response will become a committee document, and as such it should not be shown to other people or organisations until the committee has authorised its publication. Please indicate if you have any objection to your response being made a public document.

Please note that the evidence is protected by parliamentary privilege. Parliamentary privilege refers to the special rights and immunities for the discharge of the parliamentary functions without obstruction and fear of prosecution. This means that witnesses cannot be prosecuted or disadvantaged because of any evidence given to the committee, or because they gave evidence. However, should you choose to respond, your response will be similarly protected.

If you have any queries regarding these matters or any other matters regarding this inquiry, please do not hesitate to contact the secretariat on [s22](#) or email ec.sen@aph.gov.au

Yours sincerely

[s22](#)

Stephen Palethorpe
Committee Secretary

Encl: Submission from the Environment Centre NT



Australian Government
**Department of Industry,
Science and Resources**

DEPUTY SECRETARY
Resources and Strategy Group

Mr Stephen Palethorpe
Committee Secretary
Department of the Senate
Parliament House
CANBERRA ACT 2600

Dear Mr Palethorpe

Thank you for your letter of 6 December 2023 to the Secretary of the Department of Industry, Science and Resources, Ms Meghan Quinn PSM, providing the department the opportunity to respond to potentially adverse reflections contained in a submission by Environment Centre Northern Territory (ECNT) to the Senate's inquiry into the Middle Arm Industrial Precinct.

The issues raised in ECNT's submission relate to a funding decision announced by the Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government, in conjunction with the Prime Minister, the Hon Anthony Albanese MP. As a result, the Department of Infrastructure, Transport, Regional Development, Communications and the Arts is the appropriate agency to respond to the issues raised by ECNT.

Thank you for the opportunity to contribute to the Committee's inquiry.

Yours sincerely

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Jane Urquhart PSM
18 December 2023