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Senate Inquiry into Middle Arm – Final Report Recommendations

Recommendation #	By	Recommendation
Recommendation 1 (Item 1.53 of Additional Comments)	Australian Greens	That the proposed Middle Arm Industrial Precinct and its \$1.5 billion federal subsidy be redirected to support clean technology industries, and: Fossil fuel based industries including gas and petrochemicals are not directly or indirectly funded;

s22(1)(a)(ii)

Recommendation 1 (Item 1.120 of Additional Comments)	Senator David Pocock (Independent)	Any investment by the Commonwealth into the proposed development of the Middle Arm precinct should be structured in a way that prevents benefit from the investment flowing to any gas or petrochemical processing facility.
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s22(1)(a)(ii)

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FOI Act 1982 by the Department of Infrastructure,
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s22(1)(a)(ii)

From: s22(1)(a)(ii) <s22(1)(a)(ii)>
Sent: Wednesday, 17 December 2025 6:58 PM
To: Anthony.Albanese.MP@aph.gov.au <Anthony.Albanese.MP@aph.gov.au>
Cc: sally.sitou.mp@aph.gov.au <sally.sitou.mp@aph.gov.au>; Ged.Kearney.MP@aph.gov.au <Ged.Kearney.MP@aph.gov.au>; Minister.King.MO <Minister.King@mo.infrastructure.gov.au>; minister.bowen@industry.gov.au <minister.bowen@industry.gov.au>; josh.burnsmp@aph.gov.au <josh.burnsmp@aph.gov.au>; Josh.Wilson.MP@aph.gov.au <Josh.Wilson.MP@aph.gov.au>
Subject: You have the power to take immediate action to invest in real change for the Territory.

Dear Prime Minister,

Released under the FOI Act 1982 by the Department of Infrastructure,
Transport, Regional Development, Communications, Sport and the Arts

I am writing to urge you to take immediate action to redirect your Government's \$1.5 billion funding commitment for the Middle Arm gas hub, following startling information revealed in the recent Senate Inquiry.

The Senate Inquiry into the Middle Arm Industrial Precinct has demonstrated that the risks of this project to our health, climate, Harbour, and economy are simply unacceptable.

I urge you to listen to the evidence and to the hundreds of Territorians - including Traditional Owners, teachers, nurses, unions, and small business owners - who made submissions, joined in demonstrations, and bravely spoke at the Inquiry, and take action.

There is an alternative.

The ECNT's [Recharging the Territory](#) report demonstrates how much could be achieved with a redirection of your Government's \$1.5 billion funding commitment. Strategic deployment of this funding would enable the Territory to join the renewables revolution happening across the country, tackle climate change, and change the lives of Territorians by investing in sustainable jobs and training, and funding energy upgrades for low income and public housing dwellings.

You now have the opportunity to transform the lives of Territorians and prevent an environmental and health disaster.

Will you act now to safeguard the Territory's future?

Yours sincerely,

s22(1)(a)(ii)

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Regional Development, Northern Australia, Local Government Division

EC25-002374

February 2026 Additional Budget Estimates

Financial Information in this brief is current as at: 30 November 2025

Narrative information in this brief is current as at: 23 January 2026

Potential tenants of Middle Arm

s22(1)(a)(ii)

- Questions concerning onshore gas production should be directed to the Department of Industry, Science and Resources (DISR).

s22(1)(a)(ii)

Contact: Jane Christie (A/g FAS)

Phone: s22(1)(a)(ii) / s22(1)(a)(ii)

Cleared by a/g Deputy Secretary: Lisa Rauter

Date of clearance: 26/01/2026

Regional Development, Northern Australia, Local Government Division

EC25-002374

February 2026 Additional Budget Estimates

Financial Information in this brief is current as at: 30 November 2025**Narrative information in this brief is current as at: 23 January 2026**

Attachment C

Rural and Regional Affairs and Transport Legislation Committee

07 October 2025 Senate Estimates

Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

Senator ALLMAN-PAYNE: My questions are around Middle Arm. Following on from questions at the last Senate estimates, I'm wondering if there are any updates or movement on the Commonwealth's \$1.5 billion equity injection to create a gas-fired industrial hub at Middle Arm in Darwin.

Mr Mackay: I'll ask Ms Rauter to give you an update on that, although we wouldn't describe it in those terms.

Ms Rauter: The Middle Arm equity commitment of \$1.5 billion remains in place. We await the Northern Territory government to progress their stage 3 business case that needs to go through Infrastructure Australia.

Senator ALLMAN-PAYNE: Are there any updates on discussions with the NT government about creating a corporate entity to invest the \$1.5 billion into developing the gas-export hub?

Ms Rauter: The project has not reached that stage of discussions.

Mr Mackay: In part that question will be informed by the business case once it's been evaluated.

s22(1)(a)(ii)

Contact: Jane Christie (A/g FAS)**Phone:** s22(1)(a)(ii) / s22(1)(a)(ii)**Cleared by a/g Deputy Secretary:** Lisa Rauter**Date of clearance:** 26/01/2026

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Regional Development, Northern Australia, Local Government Division

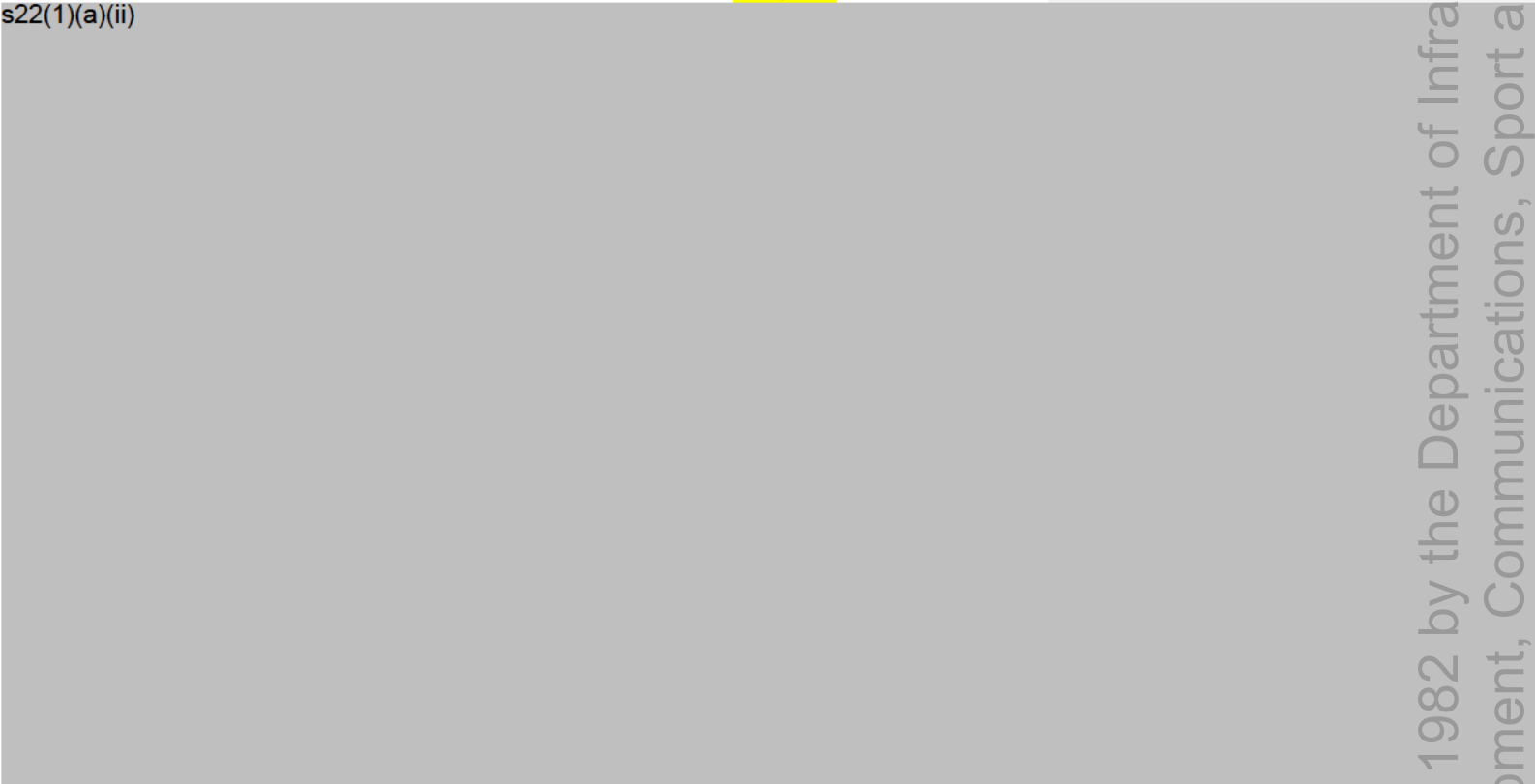
EC26-000643

May 2026 Budget Estimates

Financial Information in this brief is current as at: 31 March 2026

Narrative information in this brief is current as at: 1 May 2026

s22(1)(a)(ii)



Potential tenants of Middle Arm

s22(1)(a)(ii)



- Questions concerning onshore gas production should be directed to the Department of Industry, Science and Resources (DISR).

s22(1)(a)(ii)



Contact: Joanna Piva (Assistant Secretary)

Cleared by First Assistant Secretary: Alison Todd

Phone: s22(1)(a)(ii) / s22(1)(a)(ii)

Date of clearance: 14/04/2026

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Regional Development, Northern Australia, Local Government Division

EC26-000643

May 2026 Budget Estimates

Financial Information in this brief is current as at: 31 March 2026**Narrative information in this brief is current as at: 1 May 2026**

Attachment D

Rural and Regional Affairs and Transport Legislation Committee**07 October 2025 Senate Estimates****Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts**

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Mr Mackay: I'll ask Ms Rauter to give you an update on that, although we wouldn't describe it in those terms.

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Senator ALLMAN-PAYNE: Are there any updates on discussions with the NT government about creating a corporate entity to invest the \$1.5 billion into developing the gas-export hub?

Ms Rauter: The project has not reached that stage of discussions.

Mr Mackay: In part that question will be informed by the business case once it's been evaluated.

s22(1)(a)(ii)

Contact: Jo Piva (Assistant Secretary)**Phone:** s22(1)(a)(ii) / s22(1)(a)(ii)**Cleared by First Assistant Secretary:** Alison Todd**Date of clearance:** 14/04/2026Page 11 of 11
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s22(1)(a)(ii)

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Inquiry Recommendation Implementation Update

s22(1)(a)(ii)

Recommendation details

Recommendation number and title	R1 - Support Clean Technology Industries
Recommendation text	R1 – Support clean technology industries1.1 That the proposed Middle Arm Industrial Precinct and its \$1.5 billion federal subsidy be redirected to support clean technology industries, and:• Fossil fuel based industries including gas and petrochemicals are not directly or indirectly funded; • s22(1)(a)(ii)

s22(1)(a)(ii)

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Australian Government

Department of Infrastructure, Transport,
Regional Development, Communications, Sport and the Arts

Inquiry Recommendation Closure Request

Inquiry details

Inquiry number and title	IR26-000056 - Middle Arm Industrial Precinct
Committee name	Environment and Communications
Date report tabled	

Recommendation details

Recommendation number and title	R1 - Support Clean Technology Industries
Recommendation text	R1 – Support clean technology industries1.1 That the proposed Middle Arm Industrial Precinct and its \$1.5 billion federal subsidy be redirected to support clean technology industries, and:• Fossil fuel based industries including gas and petrochemicals are not directly or indirectly funded; • s22(1)(a)(ii)

s22(1)(a)(ii)

Recommendation 3

The committee recommends that, if the Industry Research and Development (Beetaloo Cooperative Drilling Program) Instrument 2021 proceeds, the Australian Government require repayment of any grant funding if grant recipients discover and produce commercial quantities of shale gas in the Beetaloo.

Response

The government **does not agree** with this recommendation.

With respect to the BCDP, grant agreements have already been executed by the grantees and the Commonwealth. Under the agreements, the Commonwealth has agreed to fund eligible project activities at a percentage of eligible expenditure.

Commonwealth payments are made in arrears, after evidence of expenditure has been reviewed and agreed by the Commonwealth.

The grant agreements are enforceable on their terms, and those terms do not include repayment obligations should commercial quantities of shale gas be discovered and produced through recipients' exploratory activities.

The government will therefore not seek to alter, post-execution, the conditions of grants awarded under the BCDP.

s22(1)(a)(ii)

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s22(1)(a)(ii)

To accelerate development of the Beetaloo Sub-basin and meet Australia's looming energy crisis, significant investment in enabling infrastructure will be required. Investment by the Australian Government, Northern Territory Government and proponents is needed to ensure infrastructure is in place to accelerate development and facilitate gas supply from the Northern Territory to the east coast market.

s22(1)(a)(ii)

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