



Australian Government
Department of Defence
Security and Estate Group

MIDDLE ARM SUSTAINABLE DEVELOPMENT PRECINCT AND REGIONAL LOGISTICS HUBS

Talking Points

- Defence has reviewed the proposed Middle Arm Sustainable Development Precinct and currently has no plans to build port infrastructure as part of the project.
- The Commonwealth-owned HMAS *Coonawarra* remains the ADF's main operating port in Darwin.
- Defence is exploring opportunities relating to future maritime capabilities in Northern Australia.
- Subject to the outcomes of the Defence Strategic Review, the Government is planning to develop a new base in Northern Australia to support the expansion of Army's watercraft fleet.
 - Site options for a new base in Northern Australia have yet to be developed and will be a future decision for Government.
- Defence has no current plans to develop facilities as part of the proposed Regional Logistic Hubs at Katherine, Alice Springs and Tennant Creek but remains engaged with the Northern Territory regarding these opportunities should they align with outcomes from the Defence Strategic Review.

Background: for DEPSEC SE

At the direction of the previous Government, the Departments of Defence and Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) were tasked to report on the long-term development requirements of the Port of Darwin and the Middle Arm area including both wider industry development proposals relating to the area as well as Defence/security needs.

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The proposed Middle Arm Sustainable Development Hub relates to a specific precinct on the Middle Arm peninsula being developed to support the energy, minerals and resources sectors. The Government supported a New Policy Proposal in the 2022/23 October Budget with \$1.5 billion in funding. A supporting element of the proposal was \$440 million inequity funding for Regional Logistics Hubs.

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The study did not examine the proposed supporting regional logistics hubs at Katherine, Alice Springs and Tennant Creek in the Northern Territory.

Stakeholder responses: for DEPSEC only

- N/A.

Contact Officer: s47E(d) ADESIP, Tel: s47E(d) **Cleared by:** Pat Sowry, ASEP, Tel: s47E(d)

Defence Portfolio

SENATE ESTIMATES QUESTION

(Question No. 100)

Senator Linda White asked the Department of Defence the following question, upon notice, on 29 November 2022:

During the 2022 Federal Election, then Minister Dutton said in respect of the Middle Arm project: “There’s a massive commitment from the government into the Northern Territory, and that does look at port development and ways in which we might be able to look at support through contracts in defence, for example.”

1. Did Defence have any plans to build port infrastructure at Middle Arm?
2. Were any proposals submitted to government from Defence to build infrastructure at Middle Arm?
3. Was any funding committed to doing so?

Senator Linda White – The Department of Defence provides the following answer to the Senator’s question:

1. No.
2. No.
3. No.

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Defence Portfolio

SENATE ESTIMATES QUESTION

(Question No. 16)

Senator Linda White asked the Department of Defence the following question, upon notice, on 15 February 2023:

Senator WHITE: If I go back to my original question, there wasn't any factual basis though, was there? You had nothing other than 'possibly it might happen'. There was nothing that you had done—no preparation work and no budget allowance—for it at all. It just got announced out of the blue, didn't it?

Ms Perkins: Senator, I think it would be beneficial if we took on notice the work we had been doing with the department of infrastructure and the Northern Territory government on developing options for government. We had been working over a number of years on the entirety of the footprint in the Darwin Harbour. As I said, we have significant infrastructure investment underway at HMAS Coonawarra, which is ongoing. That has been

underway for many years. We've worked with the department of infrastructure and the Northern Territory government on a number of other proposals in the harbour, including, as I mentioned earlier, a ship lift facility.

The Middle Arm sustainable development hub in that proposal had been under consideration for quite some time. So I don't think it's fair to characterise it as 'no work had been underway', because we had been working at officials level and in our relationship between the Commonwealth and the Northern Territory government on a range of options in the Darwin Harbour.

Senator WHITE: I look forward to your answer.

Senator Linda White – The Department of Defence provides the following answer to the Senator's question:

In December 2021, the then Government directed a joint approach between Defence and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to undertake a feasibility study for options on a dual-use port facility in Darwin. This work commenced in February 2022 and focussed on Middle Arm but considered the broader Darwin region for maritime port opportunities.

Authorising Officer
Cleared by:
Celia Perkins Deputy Secretary Security and Estate
Date: 7 March 2023 Ph: s22

Contact Officer: Pat Sowry, Assistant Secretary Estate Planning Ph: s47E(d)

CC: Secretary, CDF, Assoc Sec, VCDF, CN, CJC, FASMECC

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