



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

No. 140

WRITTEN QUESTION

J Davis to the Minister for Logistics and Infrastructure, Hon William Yan MLA:

Middle Arm

1. The Department of Logistics and Infrastructure stated recently that ‘with the current model of equity investment, the Territory is expected to make a positive return on investment and pay back the funds with interest. This means the Territory will need to draw down on its self-generated revenue, which in turn will make it more difficult and costly to comprehensively develop the precinct.’

Please advise whether:

- a. the Federal investment in Middle Arm is equity based and the Territory is expected to pay it back with interest.

The Australian Government has publicly stated that the funding is equity based. This means that the Australian Government anticipates that its investment will deliver a return.

- b. the NT Government will manage to pay back this investment without committing its own revenue.

The Department of Logistics and Infrastructure is unable to provide comment as this is part of ongoing negotiations with the Australian Government. It will also be reliant on the governance model for the precinct, which is yet to be determined.

- c. the NT government has approached the Federal Government to ask for the federal investment to be given as a grant.
 - i. If so, what was its response?

The Department of Logistics and Infrastructure is unable to provide comment as this is part of ongoing negotiations with the Australian Government.

2. The details of the Middle Arm Stage 2 Business Case published in an ABC article published on 13 December 2023 reveal that the NT Government is looking for an extra \$3.5 billion in capital expenditure on top of the \$1.5 billion already committed by the federal government. Where will this money come from?

- a. Has the NT Government approached the Federal Government or the Coalition to ask them to cover the whole cost of the project? What was the federal government's response?**

The Northern Territory Government is continuing to engage with the Australian Government in relation to its commitment of \$1.5 billion equity funding. The \$1.5 billion is the initial commissioning stage of development. The business cases considered the entire infrastructure costs which may be government or private sector lead and yet to be determined.

- b. If not, does the NT Government intend to approach the Federal Government or the Coalition to ask them to cover the whole cost of the project?**

Refer to response to 2a.

- 3. With regards to an ABC article published on Monday 14 April 2025:**
- a. Does the NT government have the Federal Government support for Middle Arm or not?**

The project is on the Infrastructure Australia National Infrastructure priority list and the Australian Government has confirmed publicly that it is supportive of the project, including their written response to the Senate Inquiry.

- b. In February last year, the Stage 3 Business case for Middle Arm submitted to Infrastructure Australia was considered but not accepted for evaluation. Why was the case not accepted?**

Infrastructure Australia requested further information and detail, which is currently being worked on.

- c. Please provide a copy of the rejected Stage 3 Business case for Middle Arm along with comments from Infrastructure Australia and any communications explaining why it was rejected?**

This work is not complete, subject to Cabinet in Confidence as well as Commercial in Confidence provisions.

- d. Is it correct that the Stage 2 Business case revealed a best case scenario 1.06 cost benefit ratio for the preferred program for the Middle Arm project?**

The public report regarding the outcomes of the Stage 2 process can be found on Infrastructure Australia website.

e. When will the Environmental Impact Statement for Middle Arm be released?

The Environmental Impact Statement will follow the regulatory processes for both the NT's *Environmental Protection Act 2019* and the Australian Government's *Environmental Protection and Biodiversity Conservation Act 1999*. Work is ongoing and will be released for public exhibition when the draft is complete.

f. What is the new timeline for construction at Middle Arm?

Construction cannot occur until all approvals are obtained.