

POLICY STATEMENT

Industrial Complex: creating jobs by adding value

The Territory has vast mineral and petroleum resources that are primarily utilised elsewhere. Minerals are transported overseas for processing and natural gas is liquefied and sent offshore for use in manufacturing and energy production. The Territory has benefited greatly from these arrangements, but the utilisation of our locally sourced resources onshore presents an exciting new opportunity for the future of the Territory economy.

Middle Arm: Ideally placed to maximise synergies

The Middle Arm Peninsula is centrally located just 30 minutes from the Darwin CBD and accessible road and rail, with close proximity to the Darwin Port. Middle Arm is home to current industrial developments, including the Darwin LNG Plant and the INPEX Ichthys LNG Processing Facility.

Key Inputs for Industry on Our Doorstep

The Territory has all of the key inputs necessary to drive a manufacturing industry that will create long-term jobs and end the boom/bust cycle in the Top End.

- **Natural Gas:** The Beetaloo Basin is estimated to contain gas resources of at least 178,200 petajoules, enough to meet Australia's energy needs for 200 years or more. Additionally, under take-or-pay arrangements, approximately \$12 million worth of gas went unused and was written-off as a loss in the last reported financial year (2018-19).¹ The main industrial uses of natural gas in Australia include the production of: (1) non-ferrous metals (eg aluminium, copper, zinc and tin); (2) fertilisers, chemicals and polymers; (3) non-metallic products (eg glass, ceramics, cement and bricks); and (4) packaging for food and beverage products.
- **Water:** The CLP's water policy will provide infrastructure for new water storage projects, which will provide water security and free up water for industrial use.
- **Minerals:** A new *ad valorem* royalty regime will accelerate mineral exploration and provide the inputs for domestic processing and industrial uses. In addition to Manganese, Gold, Zinc and Bauxite, a number of new mineral products coming online in the Territory present exciting opportunities for high-tech industrial manufacturing, including Rare Earth Metals and Lithium.
- **Agricultural inputs:** Textile and fibre can be manufactured from locally-grown products, including cotton and Acacia woodchips. Sawn timber can be used in a variety of products and pharmaceuticals can be manufactured from Sandalwood and other locally-sourced raw materials.

¹ Power and Water Corporation, Annual Report 2018-19 (15 October 2019) 93.

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- Locally-sourced skilled employment: The development of a broad-based manufacturing industry in the Territory provides an exciting opportunity for increased employment and upskilling of our workforce.

The CLP will deliver a revitalised manufacturing industry in the Territory

If elected, a CLP Government will:

- Fast-track the development of the Middle Arm Industrial Complex through the Office of the Territory Coordinator, in order to facilitate industrial synergies and promote eco-efficiently in the area including preparing for approval processes in advance;
- Provide incentives for manufacturing companies locating in the Middle Arm Industrial Complex, including facilitating low-cost land use agreements, waiving stamp duty, providing payroll tax incentives and subsidising head works on occupied land;
- Assist industry in utilising long-term natural gas, water and local employment agreements to maximise the benefits to the Territory economy;
- Promote efficient use, re-use and exchange of energy, water and material consumption through the co-location of manufacturing industry to achieve synergies and economies of scale;
- In conjunction with the Commonwealth, help industry to utilise existing tax offsets and grants for Research and Development Tax Incentives, investment allowances for small and medium businesses and Early Stage Innovation Company incentives to promote the new Middle Arm Industrial Complex; and
- Undertake negotiations with the Commonwealth Government on additional tax concessions and incentives to manufacturers in the Middle Arm Industrial Complex.