

Response to Paper

Request topic:	Inquiry into preparing for emerging industries across Northern Australia
Thank you for providing the Queensland Department of State Development, Infrastructure and Planning (DSDIP) the opportunity to comment on the discussion paper: Inquiry into preparing for emerging industries across Northern Australia	
Clarification of broad themes	
DSDIP requests confirmation/clarification if:	
<ul style="list-style-type: none">• infrastructure considerations will include water availability/security• cumulative impacts will be considered (highlighting their criticality for emerging industries)• grid capacity/energy reliability will be addressed• supporting for the defence industry will also include its aviation, maritime, space and land sectors.	
Sovereign Industries	
DSDIP is supporting sovereign industries, noting:	
<ul style="list-style-type: none">• in June 2025, the Queensland Government (via DSDIP) announced a \$180.6 million Sovereign Industry Development Fund (SIDF) to work with industry on strategic partnership opportunities to accelerate the development of three priority industries—Defence, Biomedical and Biofuels• the SIDF will build the state's sovereign industry capability, highlighting many recipient businesses will be regionally based (including in northern and far northern Queensland).	
Terms of reference	
DSDIP recommends expanding the proposed topics (refer to red text) as follows:	
<i>The Joint Standing Committee on Northern Australia shall inquire into and report on preparing for emerging industries across Northern Australia, with reference to:</i>	
<i>a. The global transition to net zero and furthering renewable energy, decarbonisation and carbon abatement;</i>	
<i>b. Developing the critical minerals industry;</i>	
<i>c. Supporting the development of export industries;</i>	
<i>d. Supporting the decommissioning and mine closure industry;</i>	
<i>e. Supporting the defence industry (comprising also its aviation, maritime, space and land sectors);</i>	
<i>f. Supporting infrastructure;</i>	
<i>g. Managing biosecurity risks;</i>	
<i>h. Training, attracting and retaining a skilled workforce;</i>	

- i. Empowering and upskilling local First Nations people to achieve employment and start businesses;
- j. Barge landings and marine access for remote communities;
- k. Research and development;
- l. Supporting agriculture, including broad-acre cropping and biofuels.

a. Global transition to net zero and furthering renewable energy, decarbonisation and carbon abatement

DSDIP notes:

- biofuels is one of three priority industries (along with Biomedical and Defence) identified as a focus for industry development in Queensland
- global market demand for biofuels is growing and there is an opportunity for Queensland to capitalise on its comparative advantages to develop a biofuels industry
- a diversified biofuels industry offers a potential diversified income stream for farmers providing feedstock to support production (e.g. sugarcane) in Queensland's northern and far northern regions
- Queensland is generally ahead of other states in developing a biofuels industry and has a significant economic opportunity to be an Asia-Pacific biorefining hub due to its potential supply of feedstock suiting multiple energy conversion pathways, access to highly skilled labour and engineering resources, identified industrial hubs in State Development Areas (SDA) and proximity to demand markets through multiple transport hubs and deep sea ports
- ongoing development of Queensland's biofuels industry has the potential to diversify and add value to the economy (particularly in regional areas), support national security for energy and fuel and assist major industries (e.g. resources, tourism and primary industries to remain globally competitive)
- there are:
 - no existing Australian producers of sustainable aviation fuel (SAF) or renewable diesel (RD) at a commercial scale
 - two ethanol producing facilities in Australia (Queensland and New South Wales)
 - some existing production facilities of first-generation biodiesel in Queensland but at small volumes
 - some imports of SAF and RD into Australia from overseas producers (e.g. Qantas, Sydney Airport and Ampol partnered on a 2 million litre import of unblended SAF in May 2025)
 - a range of bioenergy projects being developed across Queensland, which would use diverse feedstocks to support the production of liquid biofuels, biogas, biomethane, solid biomass fuels (e.g. via pelletising) and 'at-location' electricity cogeneration.
- the Federal Government's recent announcements about a Cleaner Fuels Program, funding allocation for low carbon liquid fuels through the Future Made in Australia Innovation Fund, and work being done on certification of Australian biofuels are a positive step in developing a domestic biofuels industry
- the Queensland Government committed to:
 - expanding the state's biofuels industry, including working closely with agricultural cropping production areas

- supporting and participating in a national biofuels feedstock strategy
- working with industry partners to develop the biofuels value chain. This includes identifying opportunities to increase the availability of feedstocks, addressing regulatory barriers, and facilitating several high potential refinery projects across the state using different feedstocks and technology pathways
- to date, the Queensland Government has:
 - offered support through project facilitation (i.e. navigating State and Federal regulatory and approval frameworks and (in some cases) funding contributions (e.g. working with Jet Zero Australia for a proposed biorefinery to be based in the Townsville SDA
 - commissioned Deloitte (with CSIRO and the Rural Economies Centre of Excellence) to undertake a Biofuels Feedstock Expansion Study focused on SAF and RD, highlighting the:
 - aim of the study is to identify the most viable biofuels feedstock expansion opportunities for each region in Queensland, and the critical pathways to achieve them
 - final report (expected in early 2026) will:
 - provide an evidence base for consideration by industry, communities and government
 - be a key part of Queensland's contribution to the development of the National Bioenergy Feedstock Strategy.

DSDIP is Queensland's lead agency for biofuels, highlighting the department's primary role is to develop the supply side of the biofuels industry (spanning all aspects of the supply or value chain, from feedstock production through to the end purchaser. Other Queensland Government agencies with responsibilities linked to biofuels are the:

- Department of Primary Industries, which has responsibility for agricultural industry development (including diversification and opportunities to add value to agricultural feedstock products) and driving the Queensland Government's commitment to increase the value of primary industries output to \$30 billion by 2030
- Queensland Treasury, which has lead responsibility for:
 - energy policy in Queensland (including electricity, gas and biofuels policy and regulation)
 - planning and securing Queensland's energy mix,
 - implementation of the recently released Queensland Energy Roadmap 2025
- Trade and Investment Queensland, a dedicated global business agency for international investment and trade.

e. Supporting the defence industry (*comprising also its aviation, maritime, space and land sectors*)

Queensland's Defence Industry and Northern Australia

DSDIP notes:

- the strong regional presence of Queensland's defence industry in centres like Townsville (which is home to leading defence primes and SMEs that design, manufacture, and sustain armoured and protected vehicles (e.g. the Boxer and Bushmaster)) enhances the state's ability to support military operations and sustain activities across Northern Australia
- the Queensland Government is continuing to work closely with the Department of Defence and industry partners to strengthen local supply chain opportunities in support of the increasing

presence of the Australian Defence Force in northern Australia.

Townsville Aviation Training Academy

Through Aviation Australia, the Queensland Government is partnering with Boeing Defence Australia to establish the Mt Louisa Aviation Training Academy in Townsville (opening January 2026). Representing a major investment in Northern Australia's aviation capability, DSDIP notes:

- the 750m² training facility (currently under construction) will provide advanced rotary and fixed-wing aircraft training aids for both defence and commercial aviation sectors, directly benefiting Northern Australia's workforce
- initial training programs will focus on aircraft maintenance engineers for the Australian Army's rotary wing fleet (including the AH-64E Apache helicopters) which will be stationed in Townsville later in 2025 (further cementing Townsville as a key defence hub in Northern Australia).

Cairns Marine Precinct

The Queensland Government has committed \$207 million, alongside the Australian Government's \$180 million, to develop a Common User Facility (CUF) within the Cairns Marine Precinct (a critical maritime hub for Northern Australia).

Delivered by Ports North, with Queensland Government representation on the Project Control Group, the CUF will ensure the long-term sustainability of Cairns' maritime industry, enabling expanded Defence-related activities in Northern Australia.

Central Queensland Defence Industry Precinct

To diversify Central Queensland, the Queensland Government is funding a study led by three local councils, into creating a Defence industry precinct. This initiative aims to:

- increase Defence presence in the region
- strengthen regional defence industry capacity
- support major training facilities nearby
- leverage proximity to Northern Australia to maximise growth and collaboration opportunities.

h. Training, attracting and retaining a skilled workforce

DSDIP recommends expanding this section by providing consideration for the following:

- advocating for migration policies that incentivise settlement beyond major cities, focusing on regions west of the Great Dividing Range
- relieving urban infrastructure pressure while addressing acute workforce shortages in regional areas
- linking migration to training and retention through visa conditions tied to regional employment and pathways (e.g. sponsorship incentives for employers)
- redirecting settlement to justify investment in regional housing, transport, and digital connectivity.

m. Supporting agriculture, including broad-acre cropping and biofuels

DSDIP recommends expanding this section by providing consideration for outlining strategic links/benefits to biofuels (i.e. agriculture, regional development and diversification potential).

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