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Prof George Razay MP  
Member for Bass  
Email: [haprocedure@parliament.tas.gov.au](mailto:haprocedure@parliament.tas.gov.au)

Dear Prof Razay

Thank you for your constituent question on 18 June 2026 in Parliament, regarding concerns about the Firmus AI Factory proposed for Bell Bay. I appreciate the interest of your constituent in this important matter.

Tasmania provides an exceptionally strong proposition for data centres. Our island offers a stable and secure operating environment, with low risk of natural disasters and lower ambient temperatures than mainland Australia, which helps to reduce costs and energy requirements. In addition, with Tasmania having already achieved 100 per cent renewable energy we are well positioned to attract new investment based on our clean energy credentials.

Tasmania has a strong and well-established framework for managing new development, and this includes AI and data centre facilities. The use and development of AI and data centre facilities is regulated through Tasmania's Resource Management and Planning System and the Tasmanian Planning Scheme, which together provide a comprehensive and consistent approach to land-use decision-making across the State.

Any proposal for an AI or data centre facility must go through the same robust planning approvals process as any other development in terms of meeting requirements of the Tasmanian Planning Scheme.

The Government continues to work with AI proponents regarding the development of AI infrastructure in Tasmania and the opportunities that may be created for our State in this fast-growing field. At the same time, we are aware of community concerns regarding this technology and the need to ensure that Tasmanians benefit from the AI investment in our State.

Firmus is an emerging AI and data infrastructure developer in Tasmania, with a range of projects currently underway and others progressing through various stages of the development pipeline. The company is well positioned to complement Tasmania's traditional industries, supporting economic diversification, strengthening the state's digital capabilities, and contributing to long-term growth and investment.

Firmus' AI factory projects will drive economic growth across local communities and

Tasmania. As well as providing significant construction phase benefits to the region, Project Southgate will provide ongoing direct employment and stimulate the local supply chain through continuous demand for maintenance services. Additionally, new fibre optic infrastructure will deliver enhanced digital connectivity to Tasmania.

Firmus has stated that there will be a minimum of 590 direct construction jobs during build in Northern Tasmania (across their three planned sites) and a minimum of 170 expected full-time, direct roles in Northern Tasmania.

The Bell Bay project alone is expected to employ hundreds of local civil, electrical, and trades contractors during construction. Firmus has also indicated it will also employ contractors who will be based off-site, who will support off-site fabrication and major equipment production.

Firmus has published a detailed FAQ on the Bell Bay project here: [Project Southgate Bell Bay: FAQs - Firmus](#). Information on Firmus' other projects proposed for Launceston and Wesley Vale is also available here: [Tasmania Community Hub - Firmus](#)

Because of the ongoing maintenance services that will be required for AI Factories, there is a need for a highly skilled and well-paid workforce. Some of this workforce will already be based in the community, but others will be attracted to the area and with their families, creating a multiplier effect in the economy and enhancing the vibrancy of the region.

Aurora Energy has confirmed that recent and future agreements for data centres and AI infrastructure will not impact supply to other customers and are expected to deliver strong commercial outcomes for Tasmania. This is important, as commercial returns from Government businesses such as Aurora Energy and Hydro Tasmania help generate dividends to the State, which can be reinvested into essential services like schools, hospitals, and roads.

While significant new demand for electricity must be supported by additional generation capacity, such as wind and solar, these data centre and AI infrastructure developments play an important role in accelerating investment in renewable energy projects across Tasmania. This creates more new jobs and infrastructure, further strengthening Tasmania's clean energy advantage.

Tasmania is now developing its own Expectations for Data/AI Centre developers which will reflect the needs of the Tasmanian energy system and community expectations. A draft version of these expectations is expected to be released for public consultation within the next 100 days.

Thank you for raising these matters in Parliament and I trust this information is helpful in addressing your constituent's concerns.

Yours faithfully



Hon Felix Ellis MP

**Minister for Innovation, Science and the Digital Economy**  
**Minister for Business, Industry and Resources**

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