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Member: Carpenter, Mr Alan
Subject: WEST KIMBERLEY ONSHORE LIQUEFIED NATURAL GAS PROCESSING FACILITIES
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WEST KIMBERLEY ONSHORE LIQUEFIED NATURAL GAS PROCESSING FACILITIES

Statement by Premier

MR A.J. CARPENTER (Willagee - Premier) [2.03 pm]: We visited Broome last week for our thirty-fifth regional cabinet meeting. I met a number of people interested in discussing the issue of developing onshore liquefied natural gas processing facilities, given the vast offshore gas reserves off the west Kimberley coast, and, more importantly, the possible opportunities these facilities could provide to the Aboriginal communities in the region should those communities wish to be a part of any potential onshore gas project. The gas reserves are in commonwealth waters off the west Kimberley coast and are of world-class significance. No-one doubts that these reserves will prove over time to be greater than is currently identified. Although onshore LNG facilities in that region are a long-term issue not associated with any particular project, the state government is keen to start consulting the local community to find an appropriate onshore location that is mutually agreeable to the community and any potential project proponent.

Technological progress in the oil and gas industry means that three options are available for LNG processing of the gas from the Kimberley waters in the wider Browse Basin: first, onshore processing by the Kimberley coast; secondly, processing on offshore islands or the Scott Reef, and perhaps eventually on floating LNG plants at sea; and, thirdly, the gas being processed on the Burrup Peninsula or in the Northern Territory, and developments in pipeline technologies make this third prospect increasingly viable.

As a result of this interest, I have asked Brendan Hammond, head of the Office of Development Approvals Co-ordination, to enter into dialogue with the people of the region. I reiterate that this is a dialogue, not an imposition or a demand. The purpose of the dialogue is to establish whether the communities do wish to participate in the long-term opportunities that could arise from the development of the LNG industries that will inevitably take place off the Kimberley coast and, if so, to facilitate processes to progress the issue. If the Aboriginal people in the west Kimberley do not want to host an onshore processing facility, none will occur. The development of the offshore LNG resources will nonetheless proceed, and the full range of potential opportunities arising from such developments may be lost to those communities. Mr Hammond is well suited to undertake this task. Whilst CEO of Argyle Diamonds, he successfully engaged the local Aboriginal people in a constructive partnership on the Argyle diamond mine. That project has been of ongoing benefit to the Aboriginal people and the mine owners.

With regard to the west Kimberley gas reserves, Mr Hammond emphasised to me that a coordinated community process was vital to consider such opportunities and make the necessary decisions, and I whole-heartedly agree. I have asked Mr Hammond to give me regular updates on this current consultation process and I look forward to hearing the views of the local community in this regard.