



'Interesting' talks expected over gas hub funding

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The head of the Western Australian Department of Industry and Resources expects there will be some interesting negotiations between the state and the Commonwealth over who foots the bill for a gas hub to process Browse Basin gas.

Jim Limerick made the comment after the Commonwealth announced it will oversee a wide-ranging environmental study of the Kimberley, in northern WA, to find a site for a single liquefied natural gas processing hub.

Mr Limerick chairs the WA Government's Northern Development Task Force and says it will be interesting to see which government pays for the hub and the necessary infrastructure it may require.

"The financing of something like this is going to be an interesting discussion between the state and federal governments given that the royalties from offshore production go into federal pockets, not the state's pockets, so there is some interesting negotiations to be had down the track," he said.

Meanwhile, the federal Liberal Member for Kalgoorlie says the Commonwealth is making a big mistake in forcing all of the proponents seeking to process the gas to use a single hub site.

Barry Haase says multiple processing sites would result in more communities sharing in the benefits of development.

"If you want to create a positive opportunity for various communities across the Kimberley then you would embrace the opportunity for these plants to be located, subject to approvals, in a variety of areas so as to provide those greater opportunities for individuals," he said.