

NT poll call ups stakes for WA on gas rivalry

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The battle between the WA Government and its Northern Territory counterpart for the right to host a \$20 billion gas project intensified yesterday when the NT's ruling Labor Party called a snap election with a promise to win the Ichthys project for Darwin.

Chief Minister Paul Henderson's promise to focus his re-election campaign on efforts to secure the massive liquefied natural gas project puts him at loggerheads with WA's Labor Government.

At stake is a huge resources project that Mr Henderson claims will create 4000 new jobs and a \$50 billion income stream over several decades.

Although the Ichthys gas field lies in the Browse Basin, the field's owners, Japan's Inpex and France's Total, have become frustrated with the regulatory delays preventing the development of LNG facilities on Maret Island off the Kimberley.

The Ichthys partners' frustrations boiled over in February when Inpex

and Total, encouraged by an eager NT Government, signed a deal with Mr Henderson to fast-track approval for an LNG plant in Darwin.

Although piping the Ichthys gas to Darwin is likely to cost at least \$2 billion more than locating the LNG facility in WA, Inpex and Total are fast running out of time and options, given that they want to give their financial go-ahead later this year.

Mr Henderson yesterday stopped short of promising that he would be able to secure Ichthys for Darwin. But he justified his decision to call the earlier-than-expected August 9 election because of a need to "deliver a secure future" for the Territory.

The WA Opposition pounced on Mr Henderson's campaign, accusing the Carpenter Government of causing Inpex "significant difficulties and frustration".

As well as the potential political fall-out should Inpex and Total go to Darwin, the WA Government's plans for a Kimberley LNG hub will be left in tatters if it cannot rely on the Ich-

thys partners as a foundation tenant.

The WA Government has made clear it wants to consolidate Browse Basin gas projects, including ones promoted by Woodside Petroleum and Royal Dutch Shell, in a single infrastructure hub in a bid to minimise environmental damage.

But uncertainty over who would operate the hub, and the absence of a timetable for its location and completion, have triggered concerns among Browse Basin proponents and prompted them to study alternatives.

If the WA Government's Kimberley LNG hub plans fall over, the State would miss out on thousands of jobs and millions of dollars of revenue.

State Development Minister Eric Ripper yesterday hosed down Mr Henderson's Ichthys campaign, saying the NT would never be able to challenge WA's positional advantage.

"Our State is closer to the gas," Mr Ripper said. "The Commonwealth approval process is likely to take the same amount of time wherever the plant is located."