

Blame flies as Inpex opts out

By STEVEN HOUNSOME

THE announcement by Inpex that it will process LNG in Darwin rather than the Kimberley has been applauded by environmental campaigners but Kimberley MLA Carol Martin has described it as "unfortunate", saying it amounted to \$12 billion in revenue lost to WA with no environmental benefit.

Inpex president Naoki Kuroda said on Friday a site at Middle Arm Peninsula in Darwin had been chosen, with the first LNG shipment expected by early 2015.

"We are pleased with the support we have received from the NT people, the Government and key stakeholders," he said.

In its search for a site in the Kimberley, Inpex had focussed on the Maret Islands and was reluctant to engage with the Northern Development Taskforce which was working to find a single site for gas processing.

Mrs Martin said the former Labor State Government could have handled the site selection process differently and the Maret Islands could have housed a second processing facility.

"I have never supported a single hub, if you rely on one source it could be like Varanus, it could knock us into the dark ages for years," Mrs Martin said.

While she conceded pockets of the coastline needed to remain pristine she claimed some of those rallying to protect the landscape did so for selfish reasons.

"I don't see any environmental benefit to Inpex leaving - industry and the environment can easily co-exist," she said.

But Save the Kimberley vice-chairman Kevin Blatchford said the Darwin site was preferable to the Maret Islands. "Obviously we're happy with the decision, it's a win-win situation," he said.

"We'll never put up with industrialisation of the Kimberley wilderness.

"The Blaydin Point landscape has already been scarred and Darwin has the population to support the project.

"We don't buy into the argument that it's a loss for WA - all of Australia will benefit from the wealth and there are so many other mining projects in WA that lost jobs isn't an issue."

But Kimberley Land Council chairman Wayne Bergmann said Inpex's decision was a huge loss for Kimberley communities.

"We are extremely disappointed ... because traditional owners met all timelines in terms of the selection process for a development site," he said.

Mr Bergmann said the withdrawal was a result of uncertainty created by the State and Federal governments and Inpex had not seriously pursued a site in the region for some time.

"Colin Barnett is clearly blaming the KLC for Inpex going to Darwin, which is a bit odd," he said.

"It's ludicrous to think with our limited funds we can dictate what a

multi-billion dollar company does."

He predicted taxpayers would ultimately foot the bill for a pipeline to Darwin, which would also increase the carbon footprint of the project.

Kalgoorlie MHR Barry Haase said he was extremely disappointed and blamed "incompetent" Federal and State Labor governments.

WA Premier Colin Barnett has also been critical of the previous Government's handling of Inpex, and met with the company in a last-minute bid to win back the project.

Chamber of Minerals and Energy chief executive Reg Howard-Smith said the announcement reinforced the need for a development plan for WA with an enhanced approvals process to ensure such projects were not lost to WA in the future.

Association of Mining and Exploration Companies chief executive Justin Walawski backed the call for a review of the approvals process.

"It is very disappointing to see WA's falling policy reputation suffer another blow," he said.

More than \$24 billion will be spent building facilities for the Inpex project, including an 850km pipeline from the gas field to the processing site.

The company anticipated the project would operate for at least 40 years, employing 2000 people during the four-year construction phase followed by a full-time workforce of about 300.

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