

Barnett backs down on LNG processing site

24th December 2008, 6:30 WST

Colin Barnett has bowed to environmental and technical concerns over plans for an LNG processing hub in the Kimberley, announcing his first choice for the location of the industrial precinct had been abandoned in favour of his second preference at James Price Point, 60km north of Broome.

The Premier also revealed that the Commonwealth had appointed former Australian electoral commissioner Bill Gray as a mediator to work with government, industry and Aboriginal groups in a bid to reach a negotiated agreement over acquiring the site.

But he said the mediator had been given a three-month deadline, after which the State would begin processes to acquire the land compulsorily.

Mr Barnett said it was possible the State would enter into a longterm lease which would preserve native title and allow the land to be returned after the project's 50 to 70-year life span.

Mr Barnett said concerns about a breeding ground for whales and the closure of nearby Aboriginal communities because of emissions from building a plant at his first choice, North Head, identified in advice from the Environmental Protection Authority, had influenced the Government's decision.

Land constraints which would have prevented the expansion of the hub at North Head had also favoured James Price Point.

The Premier said he hoped the decision might provide an incentive for Inpex to reverse its decision to shift its processing plant from WA to Darwin, but he expected environmental approvals processes and social impact studies to take a year.

"It will be done properly, I am not talking about cutting corners at all," Mr Barnett said.

The location was given inprinciple support by Opposition Leader Eric Ripper, who called for mediation after Broome Shire Council withdrew its support for a hub within its boundaries.

Environmental groups, including the WA Conservation Council and WA Wilderness Society, said there should be no industrial development in the Kimberley and alternatives, such as piping gas to facilities in the Pilbara, needed to be considered.

Woodside's senior vice-president of the Browse LNG Development, Betsy Donaghey, said the decision would allow the oil and gas giant to compare the site with the alternative option of piping the gas to Karratha. Ms Donaghey said

Woodside expected to make a decision in the first half of next year.

Kimberley Land Council chief executive Wayne Bergmann welcomed the appointment of Mr Gray, but said he was concerned about the three-month deadline.

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