

HISMELT PROJECT, GOVERNMENT ASSISTANCE

1020. Mr L. Graham to the Minister for State Development

- (1) What State Government assistance has been provided for the Rio Tinto Hismelt project?
- (2) What is the purpose of providing the assistance?
- (3) What is the total cost to the State Government of providing the assistance?
- (4) Did the Government offer the assistance in the first instance?
- (5) If the answer to (4) is yes, specifically why was the assistance offered?
- (6) Specifically what does the State get in return for the assistance offered?
- (7) If the answer to (4) is no, who asked that any assistance be offered?
- (8) How will the value or benefit to the State of the assistance be measured?
- (9) Who will measure the value or benefit to the State of the assistance?
- (10) From where can a copy of the relevant Government policy be obtained in which the conditions for granting this kind of assistance to companies are outlined?
- (11) Which other companies have received similar assistance in the last five years?

Mr C.M. BROWN replied:

I am advised that:

- (1) The Office of Major Projects (OMP) has facilitated the project. LandCorp has provided a commercial lease and Fremantle Port Authority (FPA) has contracted to provide port services on a commercial basis.
- (2) To facilitate downstream processing of the State's iron ore within the State and thus gain all the economic and other benefits that arise from such developments.
- (3) The Hismelt project will take place on the former BHP Billiton site at Kwinana which was acquired by FPA and LandCorp. The port facilities and land acquired by FPA are being used for the handling of bulk commodities for a range of customers and will also be used for handling of Hismelt products. Part of the land acquired by LandCorp is leased to Hismelt at commercial rates. Part is leased to several heavy industry users with the balance to be leased out to future appropriate heavy industry users.
The cost of facilitation services to the project is essentially restricted to salary costs in various agencies.
- (4) Facilitation by OMP was sought by Hismelt.
- (5) N/A.
- (6) A Hismelt plant is partial fulfilment of an objective of successive governments of value adding to the State's iron ore and the potential to expand this valuable industry in Western Australia and ensuring appropriate and productive use of this strategic heavy industrial land.
- (7) Facilitation was initiated following an approach by the proponent.
- (8) By a variety of measures including tax income, unemployment measures, impact on the State's GDP, and other relevant measures.
- (9) Treasury and other relevant Government Departments.
- (10) The conditions in which Government provides assistance to companies varies according to the circumstances in which the assistance is given and are not contained within a single policy document.
- (11) Below is a non-exhaustive list of companies which have received facilitation assistance from the Office of Major Projects in the past five years.

Albany Plantation Forest Company of Australia Pty Ltd
Alcoa World Alumina Australia
Aluminium Pechiney
Anaconda Nickel Limited
AngloGold Australasia Ltd
Apache Energy Limited
ARC Energy NL

Argyle Diamond Mines Pty Limited
Austeel Pty Ltd
BHP Billiton
BP Australia Limited
Bulong Operations Pty Ltd
Burrup Fertilisers Pty Ltd
Cable Sands (WA) Pty Ltd
Centaur Mining & Exploration Ltd
ChevronAustralia Pty Ltd
ChevronTexaco Australia Pty Ltd
Cockburn Cement Limited
Consolidated Gas Pty Ltd
Consolidated Minerals Limited
Coogee Chemicals Pty Ltd
Dampier Salt Limited
Delta Gold Ltd
Doral Mineral Sands Pty Ltd
Dow Chemical Company
Epic Energy
ESSO Australia Ltd.
Ferro Alloys Pty Ltd
Fox Resources
Goldfields Gas Transmission JV
GTL Resources PLC
Gull Petroleum (WA) Pty Ltd
Gunson Resources Limited
Hamersley Iron Pty Limited
Hancock Prospecting Pty Ltd
Hansol Australia Pty Ltd
Heron Resources Ltd
HIsmelt Corporation Pty Ltd
HiTec Energy NL
Homestake Gold of Australia Ltd
Hudson Resources Limited
Iluka Resources Limited
Itochu Australia Ltd
Japan Australia LNG (MIMI) Pty Ltd
Japan DME Ltd
Jubilee Mines NL
Kalgoorlie Consolidated Gold Mines Pty Ltd
Kimberley Diamond Co Pty Ltd
Kimberley Oil NL
Kingstream Steel Ltd
LionOre Australia (Nickel) Ltd
Lynas Corporation Ltd
Methanex Australia Pty Ltd
Millennium Inorganic Chemicals Ltd
Mineralogy Pty Ltd
Mining Project Investors Pty Ltd
Mitsubishi Gas Chemical Company, Inc.
Mobil Exploration and Producing Australia Limited
Mt Gibson Iron NL
Newmont Mining Australia
Nippon Paper Industries Co Ltd
Normandy Mining Ltd
North Mining Ltd
North West Shelf Venture Participants
Onslow Salt Pty Ltd
Ord Hydro Pty Ltd
Pacific Energy Limited

Platinum Australia Limited
Plenty River Corporation Ltd
Portman Mining Limited
Precious Metals Australia Ltd
Rio Tinto Limited
Robe River Limited
Sally Malay Mining Limited
Santos Ltd
Sasol Chevron Global Joint Venture
Saturn Methanol Company LLC
Shark Bay Resources Pty Ltd
Shell Development (Australia)
Simcoa Operations Pty Ltd
Sons of Gwalia Ltd
Stirling Resources NL
Straits Resources Limited
Syntroleum Corporation
Terrex Resources NL
Texaco Oil Development Company
The Griffin Coal Mining Company Pty Limited
Tidal Energy Australia Pty Ltd
Tiwest Joint Venture
WA Kaolin Holdings Pty Ltd
Wandoo Alliance
WESBEAM Pty Ltd
Wesfarmers CSBP
Wesfarmers Limited
WESFI LIMITED
WESPINE Industries Pty Ltd
Western Agricultural Industries Pty Ltd
Western Mining Corporation Ltd
Woodside Energy Ltd
Worsley Alumina Pty Ltd
And other companies