

GOVERNMENT MEMBERS — COMMENTS

Statement

HON NEIL THOMSON (Mining and Pastoral) [5.18 pm]: I want to rise to express my dismay and concern at some of the responses from the other side in matters related to the non-government business discussion earlier and with respect to my question without notice concerning the shutdown at Alcoa refinery and potentially the shutdown of the nickel refinery in Kalgoorlie.

One of the issues that I find quite staggering is that today in her response to my question without notice the Leader of the House said —

Matt Reed, Alcoa’s executive vice president and chief operations officer, said suggestions that curtailment at the refinery was the result of government policy “overlooked commercial realities” and that “politicisation of the matter is an unfortunate distraction at a time when the focus should be on caring for our people and others impacted.”

With all due respect to Mr Matt Reed—I have met him and certainly my impression of him is that he is a very professional person—that is fine and he can make that comment. What I find quite staggering is that the Labor government then uses that comment, which I understand was probably crafted by the public affairs division of Alcoa, to try to somehow defend and shut down debate in this place when matters of public interest have been raised by the elected members of Western Australia in defence of the loss of thousands of jobs in Western Australia. I am sorry. This issue has to be politicised. This is what we are here to do. We are here to present their arguments and question the government’s decisions on its policies. Government members cannot hide behind a comment that was probably crafted by the public relations department within Alcoa. They cannot hide behind it; they need to answer the questions. I find this particularly staggering coming from a Labor government. This government is supposed to be out there defending the workers. It has gone so far from its original heritage. No wonder we are seeing a shift with working people switching to the conservative side. That is a trend that is happening now. We saw that trend happen in the United States under Donald Trump with his election as president. We have seen this trend worldwide. The so-called left progressive or those parties that were established 100 years ago for working people have now become so tied up and tied in with the elites of this country that they forget to go back to their roots. All we are doing is asking some questions about the policy settings and why these closures are occurring.

An article by Matt McKenzie on 27 February in *The West Australian* titled “Analysts put the blowtorch on Alcoa’s \$3.4 billion Alumina takeover bid” states —

Shares in Alumina Limited have fallen 5 per cent despite yesterday’s move by US partner Alcoa to buy the business, with chief executive Mike Ferraro revealing “disappointing” results.

Let us go over to the comments, which I was about to get to earlier, but I ran out of time. This is very important. It continues —

Alumina chief financial officer Galina Kraeva said production of alumina—the key input to make the aluminium used in jets and electronics—fell by 1.5 million tonnes to be about 10.3mtpa in 2023.

This is the kicker. Here is the truth that comes out. This is coming from a partner, the chief financial officer, in the Alcoa business. It continues —

She said that reflected lower bauxite grades being processed and the curtailment of one of the five digesters at the Kwinana refinery.

She said —

“Curtailment was initially in response to a statewide-shortage of natural gas and then was extended to provide more time to work through the mining approval process ...

A curtailment happened because the approvals process had been delayed. This issue was raised by the chief finance officer with regard to the partner of Alcoa. The article continues —

Bauxite grades fell after the company was forced to continue mining depleted deposits amid the approvals battle.

That goes back to the first point she made about ore quality. Those three facts, which were raised by Dr David Honey in the other place, for which he was pilloried, have been identified and exposed by the chief finance officer, and those facts should be responded to.

My question without notice was about not just Alcoa, but also BHP’s nickel refinery. There was no response from the government at all. It just trots out these comments and hides behind them: “Nothing to see here, folks. You’re just politicising it.” Well, that is our job! The government has to answer our questions. We are His Majesty’s opposition and members opposite are His Majesty’s government, which needs to respond to questions put by His Majesty’s opposition.

This is what Mike Henry, the most senior person in BHP, is saying. Let us get the truth out here. The article in the *Financial Review* of 28 February states —

BHP sheds jobs, axes white-collar teams in global reset

Specialist teams are being disbanded to streamline the business and cut costs after chief executive Mike Henry said wage inflation in Australia was “especially problematic”.

That was not all Mike Henry said. Rachel Pupazzoni from *The Business* for ABC news put together a very good video in which Mike Henry, the CFO of BHP, who knows what he is talking about, said that unfortunately the settings here in Australia do not support maximum efficiency. Today we saw the government hiding behind a smokescreen in the form of a quote that was probably pumped out by the public relations area of that agency after some discussion. The government should answer the questions and get down to the policy settings. It is failing the hundreds, if not thousands, of workers who are probably having restless nights worrying about their future. Government members should take my advice and get back to their roots. They should start thinking about the people who matter in Kalgoorlie and Kwinana. They should start thinking about it and examining themselves and what they are and are not doing to destroy our value-added industries in Western Australia.