

Pluto, Gorgon just the start?

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IN hindsight they may well have been the precursor to the weekend's decision to call the election, but last week's federal environmental approval for two massive North West gas projects seemed rather low-key after the drama surrounding the pulp mill in Tasmania.

Environment Minister Malcolm Turnbull gave the green light to the \$15 billion Chevron-led Gorgon project on Barrow Island on Wednesday last week.

Mr Turnbull then backed that up with approval for Woodside's \$12 billion Pluto development on the Burrup Peninsula near Karratha.

The minister is expected to have a tough fight to hold his blue ribbon seat of Wentworth in Sydney after environmental campaigners targeted him over the pulp mill proposed for the Tamar Valley, but whoever wins government on November 24 will most likely be thankful for his actions. Both projects are set to earn windfall revenues for the federal government.

With the election announced, much talk in Western Australia has focused on infrastructure needs.

And there's every expectation those calls will be heeded by electoral aspirants, who would like to marry spending largesse with something that looks visionary.

Labor has already put WA's infrastructure on the agenda.

Opposition leader Kevin Rudd has committed to set aside 25 per cent of future Commonwealth Petroleum Resource Rent Tax revenue from the Gorgon gas fields for an infrastructure fund.

Mr Rudd said Commonwealth contributions of up to \$100 million per year would provide for social and economic infrastructure in the state's north.

The state's ports, rail network and,

increasingly, our roads could do with the kind of spending that only an election can bring.

This week, several young entrepreneurs on the *WA Business News* Success & Leadership panel raised their concerns about infrastructure needs in the state, with transport being a key theme (see page 15).

"I think we need to make sure that we get a whole lot of infrastructure for the next 20 years because we are earning a lot of money in this state, and I think the [federal] government coming in needs to take a good hard look at that," TSG chief executive officer Dave Simmons said.

"We are certainly feeling the pain at an infrastructure level."

Mr Simmonds said that included Perth Airport.

Crowding and parking issues have become a bugbear of travellers, their numbers swelling thanks to the benefits and business needs of the boom.

Bringing forward a long-term plan to co-locate the domestic terminal with the existing international terminal would be welcomed by many voters, especially those who fly for work or pleasure. And in WA, they are common.

Several of the younger entrepreneurs said they were concerned about the longer-term if Labor took office, suggesting that the biggest issue might be industrial relations in three to five years' time when the latest Australian Workplace Agreements expire.

Sally Malay Mining Ltd managing director Peter Harold said he was concerned about what impact a change of federal government next month would have on business and the economy in three to five years.

Mr Harold said the impact of policy changes won't be felt straight away but "when they start to flow through".

"Everything will roll-on irrespective

of what government is in power, but if there is a change and they do make some significant changes which cause some structural problems down the track it would be a concern," he said.

"If there is a slowdown in the Asian economies and there have been changes to AWAs and other work practices, just what that means is a concern."

AHS Hospitality managing director Stephen Lauder said the big concern was "if we as a nation think the good times that we have had will continue if we have a change of government".

The comments come amid a backdrop of record low unemployment in WA, sitting at around 3 per cent, with the biggest issue facing the state the lack of skills to service the boom.

Prime Minister John Howard's government has already targeted training as an area to focus on, having established two of its Australian Technical Colleges in WA.

One of the colleges, ATC Perth South, has two campuses, Maddington and Armadale, straddling the Liberal seats of Hasluck and Canning, both considered key battlegrounds in the coming election.

Hasluck is held by a margin of 1.8 per cent by Stuart Henry who faces union leader Sharryn Jackson, while Don Randall holds Canning with a 9.6 per cent margin, though many commentators believe this seat will be a closer battle than the last election result makes it appear.

Other metropolitan seats expected to be closely fought are: Cowan, where incumbent Labor member Graham Edwards is retiring; Stirling, with a hard battle between Liberal Michael Keenan and Labor's Peter Tinley already under way; and Swan, held by Labor's Kim Wilkie.



APPROVAL: The federal government's approval of the \$15bn Gorgon project on Barrow Island, and Woodside's \$12bn Pluto development, seemed low key after the furore over the Tasmanian pulp mill.