

State's delay replacing Limerick isn't funny

The ranks of the Industry and Resources department have been allowed to run down

NIGEL WILSON

THE WESTERN
FRONT



JIM Limerick retired last week as director general of Western Australia's Department of Industry and Resources.

Having announced his retirement plans many months ago, Dr Limerick must have been relieved to see that interviews for his replacement were finally under way.

He had given the Government a long period of notice with the aim of having a reasonable hand-over period for his successor.

It's not as if Dr Limerick lacks experience. He joined the department in 1986 and was appointed executive director in 1991, becoming director general in July 2001.

There is just no one in the WA public sector who's had his wide experience of the resources sector and the steep change that has taken place in the past two decades, which have led to WA's economy leading the nation.

But the state Government appears to be ambivalent about DoIR's position in helping to achieve the booming economy because in the past two or three years the department's human resources have been allowed to run down.

Partly, of course, that's the result of the commodities boom, with resources companies attracting competent government employees with high salaries and interesting jobs.

But the Government itself is at fault.

It has been sitting on a review of the department by former BankWest managing director and Murdoch University chancellor Terry Budge for the best part of the year.

Mr Budge was commissioned under the Public Sector Management Act to consider specifically DoIR's functions and activities relative to Government policies and priorities.

He was also to review the effectiveness of the organisation's structure, the alignment of its resource allocation with the Government's economic development objectives, and the level of collaboration with other agencies as a means of reducing overlap and duplication.

In short, a root and branch review of the department's activities and its abilities to help shape the state economy.

Has anything happened? No. The Government has been saying for months it will not release the Budge review as the matter is still before Cabinet.

In the meantime, it has been copping a welter of complaints from the resources sector concerning the slow progress of the approvals process for many of the state's proposed developments.

DoIR reports to three ministers: Premier Alan Carpenter,

who was previously state development minister, Deputy Premier Eric Ripper, the current State Development Minister, and Fran Logan, who is Resources Minister and counts among his responsibilities royalties and mining.

Mr Logan achieved notoriety with DoIR by initially suggesting his contact with its senior officials should be through policy officers in his ministerial office, a strange interpretation of ministerial accountability and responsibility under the Westminster system.

But aside from his long legacy as an administrator, Dr Limerick's latest work may ensure his retirement is not as peaceful as he might wish.

After announcing he was stepping down, Dr Limerick accepted a commission from the Government to chair the Northern Development Taskforce, a group set up to consider the development of an LNG hub as a means of overcoming environmental issues concerning development of Browse Basin gas resources in the Kimberley.

At recent public meetings in the Kimberley, the taskforce's job has been defined as finding a hub that has minimum impact and maximum beneficial outcomes.

Dr Limerick has said it is possible for LNG project propo-

nents to co-exist and at the same time to be competitive.

But the key point is that if a hub site is approved through the environmental approvals processes, "companies will not be encouraged to locate outside the hub".

That's the killer for Japan's biggest oil and gas explorer, INPEX, which believed until last year it had WA Government support for an onshore LNG processing plant on the remote Maret Islands off the Kimberley Coast.

Gaffney Cline and Associates is examining proponents' existing site proposals and testing their technical validity.

According to Dr Limerick, that study will further narrow the number of locations being considered to three to four, not including site submissions from environmental non-governmental organisations and the indigenous community.

This suggests that the time-frame for government, both in Perth and Canberra, to decide on LNG hub location will extend well beyond the published date of the middle of the year.

It suggests also that Dr Limerick will still have work to do once he returns from an extensive and long-planned world trip with his wife.