

Carpenter to unveil new resources mandarin

THE WESTERN FRONT: Nigel Wilson | *May 26, 2008*

WESTERN Australian Premier Alan Carpenter has confirmed that a new head of the Department of Industry and Resources is about to be announced.

For the resources sector, the appointment is shaping up as one of the most important in the life of the Carpenter administration.

The former director-general of DoIR, Jim Limerick, announced his retirement plans about nine months ago, intending to leave government service at the end of last year and allowing the Government plenty of time to appoint a successor so that there could be a reasonable handover period.

Dr Limerick stayed on until the end of March, having been landed with running the Northern Development Taskforce -- initially finding a site for an LNG hub to service Browse Basin gas developments.

But there was no selection of a successor, even by the time of the delayed departure.

DoIR was one of the most important public sector institutions in Western Australia in various guises over the past two decades, with an unrivalled reputation in the resources sector for its work in assisting the development of projects, both in the oil and gas sector and resources generally.

Sadly, that reputation has suffered in recent years, apparently because the department's influence in government has declined.

This is despite having had Mr Carpenter as its minister before he became premier and having Deputy Premier Eric Ripper holding the portfolio today.

DoIR says it provides leadership across government, delivering services and solutions to enhance Western Australia's business environment and ensure continued growth.

"DoIR continues to maintain its leadership in facilitating the resources industry; however, it is also committed to promoting and developing innovation, science, technology and research in WA," the department spruiks on its website.

"DoIR actively supports and works with these key industries to build on established strengths as well as constantly identifying, encouraging and expanding in new areas of growth."

DoIR has been promoted as a one-stop shop for business development, but in reality, thanks to a lack of government focus and the poaching of many of its staff by the corporate sector, it has not coped with the commodities boom as well as many in the private sector would have liked.

That is despite the lavish praise for the department by Woodside chief Don Voelte over its work in helping the Pluto LNG development through the government approvals process.

Some 485 different approvals were required for Pluto but the development moved from finding the resource to final investment decision at record pace.

That required a lot of DoIR resources and, away from Woodside, there were complaints that the approvals process for other projects slowed substantially.

Mr Carpenter, when state development minister, commissioned a review of DoIR by former banker Terry Budge.

His recommendations have never been made public, even though they are widely thought to involve a major restructure of the department to make it more focused.

Mr Carpenter has declined to release the Budge review, saying its recommendations are still before Cabinet.

That has led to speculation that the appointment of a successor to Dr Limerick would be accompanied by changes in the responsibilities of DoIR.

Whatever changes are planned, Mr Carpenter is not letting on.

But he would not have missed a remark by federal Resources Minister Martin Ferguson at the opening of BHP Billiton's Ravensthorpe nickel project on Friday to the effect that Canberra was concerned to stop states standing in the way of progress.

The Rudd Government is placing huge store on renewing and expanding Australia's infrastructure and that requires co-operation with state governments at the highest level.

Whoever is appointed to lead DoIR will have a lot to accomplish as the West Australian Government plays its part in developing Mr Rudd's nation-building dream.

Just as important, the new director-general will have to restore DoIR's reputation and that means convincing Mr Carpenter and his ministers that the government has to make logical and reasoned decisions on developments -- not just ones driven by ideological concepts of what business should do, divorced from the reality of the marketplace.