

LEGISLATIVE COUNCIL
Question on notice

22 JUN 2011

Tuesday, 12 April 2011

3826. Hon Robin Chapple to the Parliamentary Secretary representing the Minister for Regional Development.

I refer the proposed Lucknow, Pharlup, Milanese Open cuts, the Westralia Lode gold mineralization, the gold resources known as Sons of Gwalia, Charlotte Fault and Golden Dream located close to the Trans Australian Railway line in the vicinity of the Mt Charlotte/Cassidy mining operations owned by Barrick Gold and Newmont Mining managed by KCGM and the Goldfields Esperance Region 2010-2020 Strategic Plan produced by the Goldfields Esperance Development Commission (GEDC), and I ask -

(1) With reference to the above referred to Goldfields Esperance Region 2010-2020 Strategic Plan does the Minister support all the projects known as the 'Portlink Project'?

(2) If no to (1), why not?

(3) If yes to (1), why?

(4) With reference to the above referred to Goldfields Esperance Region 2010-2020 Strategic Plan, can the Minister explain how the project cost of \$60 million dollars was calculated for the 'railway bypass around Kalgoorlie-Boulder'?

(5) If no to (4), why not?

(6) Can the Minister indicate when will the Government allocate approximately 60 million dollars to fund the relocation of the railway bypass around Kalgoorlie-Boulder?

(7) If no to (6), why not?

(8) Does the GEDC and the Minister recognize the critical importance of removing the railway line from its current location which will then facilitate the proposed mining of the proposed Lucknow, Pharlup, Milanese Open cuts and the Westralia Lode gold mineralization in the near vicinity of the Trans Australian Railway, providing for approximately another 10-20 years of open cut mining, giving enormous confidence to the Kalgoorlie-Boulder community?

(9) If yes to (8), what has the GEDC done to progress this matter?

(10) If no to (8), why not?

(11) Has the GEDC approached Newmont Mining with a view to progressing the railway bypass around Kalgoorlie-Boulder seeking its views and development plans for all of the above referred to proposed open cuts and gold resources?

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(12) If no to (11), why not?

(13) If yes to (11), -

(a) when; and

(b) on what dates was this undertaken?

(14) Has the GEDC approached Barrick Gold with a view to progressing the 'railway bypass around Kalgoorlie-Boulder' seeking its views and development plans for all of the above referred to proposed open cuts and gold resources?

(15) If no to (11), why not?

(16) If yes to (12), -

(a) when; and

(b) on what dates was this undertaken?

Answer

(1) Yes.

(2) Not Applicable.

(3) I have supported the Portlink project as a new initiative in the 2011-12 State Budget allocating \$5 million in Royalties for Regions to investigate and undertake detailed planning to link the ports of Oakajee, Port Hedland, Kwinana/Perth and Esperance with the Eastern States through road and rail corridors with strategic intermodal freight logistics hub constructed in Kalgoorlie. This project includes a potential new rail alignment around Kalgoorlie, which may align with the needs and expansion of the open cut mining operations in Kalgoorlie. The investigation and planning for the project will be delivered through the Department of Transport and the Minister for Transport over the next two years 2011-12 to 2012-13.

(4) The figure is based on a study undertaken by the Department of Planning and Infrastructure in September 2002 compiled by Sinclair Knight Merz, which produced the Kalgoorlie Rail Realignment Final Report. \$60 million is indicative and subject to which realignment option is decided on and current 2011 costing being obtained through the new planning work to be undertaken in 2011-12.

(5) Not Applicable.

(6) Once the planning is completed and all information is provided to Government in relation to the costs of implementing the Port Link project, a proposal will be developed and

submitted to State Cabinet for consideration and approval to proceed. This is expected to be in 2012-13.

(7) Not Applicable.

(8) Yes.

(9) The GEDC has initiated discussions with KCGM and its owners regarding the Portlink project and its linkages with a rail realignment around Kalgoorlie. KCGM (Superpit operator) is a 50/50 joint venture between Barrick & Newmont. The GEDC has held or is planning the following meetings with KCGM partners:

- 07 April 2011: GEDC met informally with Barrick in Kalgoorlie.
- 20 May 2011: GEDC met with KCGM General Manager to discuss Portlink and rail realignment around Kalgoorlie and likely impacts/possibilities for expansion.
- 24 June 2011: Barrick senior management to be invited to address the GEDC Board.

The GEDC believes that Portlink provides the opportunity to advance the proposed intermodal freight facility and that will require the rail realignment (bypass) to be constructed. The rail realignment could also open up opportunities for the KCGM expansion.

(10) Not Applicable.

(11) No.

(12) The GEDC has yet to meet with Newmont however has plans to do so given that they are a partner in KCGM. Given that Barrick is the largest gold miner in the region it makes sense that the GEDC engage with them in the first instance, followed by Newmont.

(13) Not Applicable.

(14) Yes.

(15) Not Applicable.

(16) Refer to answer at question 9.