



PRIME MINISTER

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**SPEECH BY THE PRIME MINISTER
INAUGURATION OF NORTH WEST SHELF - STAGE 2
PERTH - 19 SEPTEMBER 1989**

Premier Dowding,
Distinguished guests,
Ladies and Gentlemen.

Forty years ago, on the other side of this vast continent, the Australian people began construction of one of the largest and most complex engineering projects in the world: the Snowy Mountains Scheme.

Today, we celebrate a milestone in another massive feat of Australian engineering: the North West Shelf project. It's called upon the same capacity for vision and the same reserves of human skill and dedication that characterised the Snowy Mountains Scheme, and it's created an industry that will foster Australian jobs and Australian exports into the twenty-first century.

Australians may perhaps be blase about the magnitude of resource projects throughout our continent: the huge coal fields in the eastern States, the vast iron-ore mines in this State, the oil fields of Bass Strait, our bauxite, gold and copper mines.

But this one dwarfs them all. The North West Shelf project is, simply, the largest single resource project in our history and perhaps the largest anywhere in the world.

Back in the 1960s, not even the most optimistic of people who saw a small company called Woodside Petroleum acquire a number of exploration permits in the remote North West of Western Australia could have imagined the scale of the discoveries that were to be made, or the magnitude of the development those discoveries sparked:

- 375 billion cubic metres of natural gas;
- \$12 billion in investment expenditure;
- 8000 jobs onsite and offsite;
- exports worth up to \$2 billion a year from 1994.

What that barrage of figures tells us, very simply, is this: for a nation, dependent as Australia is on successful competition on the world's market places, the North West Shelf represents a massive contribution to our economic wellbeing and to the prosperity of future generations of Australia.

That is why, as Prime Minister, it is my very great pleasure to congratulate the joint venturers on their tremendous achievement in bringing this project to fruition; to welcome the support of the eight Japanese electricity and gas utilities who will purchase LNG from the North West Shelf; to pay tribute to the work of the National Liaison Group which has played a vital consultative role throughout the duration of this project; and to thank the skill, energy and commitment of the thousands of workers and staff who have given their best efforts to this project.

It is of course a matter of regret to me that - due to a variety of circumstances - we are not gathered at Karratha today to see this great project. I certainly look forward to inspecting it one day.

Ladies and Gentlemen,

I've been making the point recently, in discussing Australia's economic position, that we are undergoing an investment boom.

Those who are worried about our current account deficit should come to the North West Shelf and see the way in which this project - dependent as it has been in part on foreign investment - will translate into future export growth.

Across the whole spectrum of industry - not just in resource projects but throughout the manufacturing sector - investment which today is contributing to our current account deficit is laying the foundations for substantial export growth in the future.

At the same time it's impressive that such a large proportion of the work on North West Shelf has in fact been performed by Australian industry.

Of the more than \$6 billion already spent, about three quarters has been spent in Australia.

In other words, Australian industry can compete with the best of them when it comes to major resource projects like this; at the same time we have acquired new skills and capacities which will help make us even better partners in major resource and engineering projects in the future.

I want to express a special welcome to our Japanese guests today.

Exports from the North West Shelf mark the beginning of a new phase in the already very healthy relationship between Australia and Japan.

The future is very bright for both of us.

In the mid 1990s, this project will be providing some 15 per cent of Japan's LNG imports. And Australia can play an even greater role in supplying energy resources to Japan. Over the next decade, energy exports to Japan could treble in real terms to \$3 billion a year.

Ladies and Gentlemen,

The North West Shelf has been completed on budget, and two months ahead of schedule. That's a great achievement in itself - proof, if more was needed, of the hard work, cooperative spirit and sheer dedication brought to this project by thousands of people.

I offer my congratulations to you all and my confident best wishes for the future of this great project.