



## PRIME MINISTER

125/92

### STATEMENT BY THE PRIME MINISTER, THE HON P.J. KEATING MP

#### PRIME MINISTER WELCOMES MASSIVE NEW MINING INVESTMENT

Today's decision by Mount Isa Mines Ltd (MIM) and its four Japanese joint venture partners to proceed with the huge McArthur River zinc/lead/silver mine in the Northern Territory has been welcomed by the Prime Minister, Mr Keating.

The announcement followed the decision of the four Japanese joint venture partners, Nippon Mining and Metals Co Ltd, Mitsui and Co, Mitsubishi Materials Corp and Marubeni, to exercise their options to participate in the project.

In welcoming the announcement, Mr Keating described the project as a milestone for the new project facilitation arrangements announced in February's One Nation Statement.

MIM had approached the Federal Government the day after One Nation through Mr Keating's Parliamentary Secretary, Mr Laurie Brereton, seeking facilitation and as a result had received all Federal Government approvals in six months.

The project has also benefited from the One Nation Development Allowance and \$5.8 million in Commonwealth road funding to upgrade the Carpenter Highway and build a bypass around the nearby aboriginal community of Borroloola.

"It is pleasing to see that in MIM's own announcement the role of both the Commonwealth and Northern Territory Government's in bringing the project to fruition has been acknowledged," Mr Keating said.

"From the outset both governments have worked efficiently and harmoniously to a tight corporate time frame so that the deposit, first discovered in 1955, could take advantage of a window of opportunity in the 1990s."

"Thanks to this sense of purpose and co-operation between both government and business a project worth directly and indirectly 1000 jobs and \$200 million a year in export income to Australia will go ahead," Mr Keating said.

"In a difficult world economic climate, to have such a large investment involving four Japanese mining giants announced, is a significant vote of confidence in Australia, a vote of confidence from a trading partner with whom our relationship continues to prosper."

"It is a thumbs up to the new government approvals regime which was put in place by One Nation, a regime which has been welcomed by both the private sector and State and Territory Governments," Mr Keating said.

"What makes this project particularly exciting is its multiplier and infrastructure effects which can help open a remote corner of Australia, said to be one of the richest prospecting zones in the world."

"The impetus on McArthur River could now unleash a wave of investment in nearby zinc/lead deposits that will see the Gulf region provide major exports for Australia."

"This area could prove another Pilbara in the making which is why this Government, a Labor Government committed to big job creating projects, has been so keen to give the McArthur River Project priority attention", Mr Keating said.

In receiving facilitation support through the Major Projects Facilitation Unit (MPFU), administered by Mr Brereton on behalf of the Prime Minister, McArthur River is one of the seven projects worth a combined total of \$3.7 billion which are now under consideration.

Facilitation has built on the Intergovernmental Agreement on the Environment and involved joint Commonwealth and Territory environmental assessments and agreed time frames for Government approvals coordinated by the MPFU.

In the case of McArthur River it has also involved a number of consultations between Mr Brereton, the Member for the Northern Territory, Warren Snowden, and the nearby local Aboriginal community of Borroloola. As a result of these consultations an Aboriginal employment and training strategy for the community is being put in place, environmental safeguards have been strengthened and a bypass is to be built around the township following safety concerns about the movement of large ore trucks through the centre of Borroloola.

CANBERRA

16 November, 1992