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Alliance makes its case

As the Mid-West's stature in Australia's mining landscape grows, the Alliance recently presented a major report on the benefits of developing the region's iron ore business.

The report, presented by Geraldton Iron Ore Alliance (GIOA) chairman Clive Brown last month, painted a particularly bullish future as a result of developing a long-term iron ore business in the Mid-West region – in the shape of tens of billions of dollars' benefit to Western Australia and thousands of new jobs.

Brown said the report, which was prepared by specialist economic analysis group Economics Consulting Services, highlighted for the first time all the economic and social impacts of the separate projects.

"What we are looking at here is nothing less than the development of WA's third world-scale mining province," he said.

"The Mid-West has the capacity to rank with the Pilbara and the Goldfields in its contribution to the long-term prosperity of the state, the nation and developing economies in Australia's region."

The report assessed the key benefits of the Mid-West iron ore business over a 25-year period as being:

- Upfront capital investment of \$5.5 billion;
- Operating costs of \$36 billion (in 2007 dollar values);
- 1360 jobs a year during construction;
- 4254 direct jobs a year for a conservatively estimated 25-year operational period;
- An additional 12,000-plus indirect jobs a year in WA from the increased economic activity;
- An addition of \$1.5 billion a year to Gross State Product;
- About \$7 billion in taxes and duties to the Federal Government and around \$3.5 billion in royalties and other payments to the State Government; and
- Major improvements to infrastructure in the Mid-West, including transport, energy, water and education.

The tabling of the report highlights the priority the GIOA has placed on having essential infrastructure in place to allow all the projects to go ahead in a time frame that will catch current iron ore market opportunities.

"The opportunity is enormous – and we must move fast to grab it while it is there," Brown said.