



The Chamber of Minerals and Energy
of Western Australia

AFFORDABILITY FORUM

Urban Development Institute of Australia

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Chief Executive Officer

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First question:

**Will Western Australia's mining boom
continue?**

WA's resource sector: A long-term growth story

Value of resource production (\$A)

- 1985-86 \$5.2 billion
- 1995-96 \$15.3 billion
- 2006 \$43.1 billion
- 2007 \$50 billion? (*estimate*)

(Tourism industry comparison \$4.3 billion in 2007)



Value of WA Resources Production

(in billions of dollars)

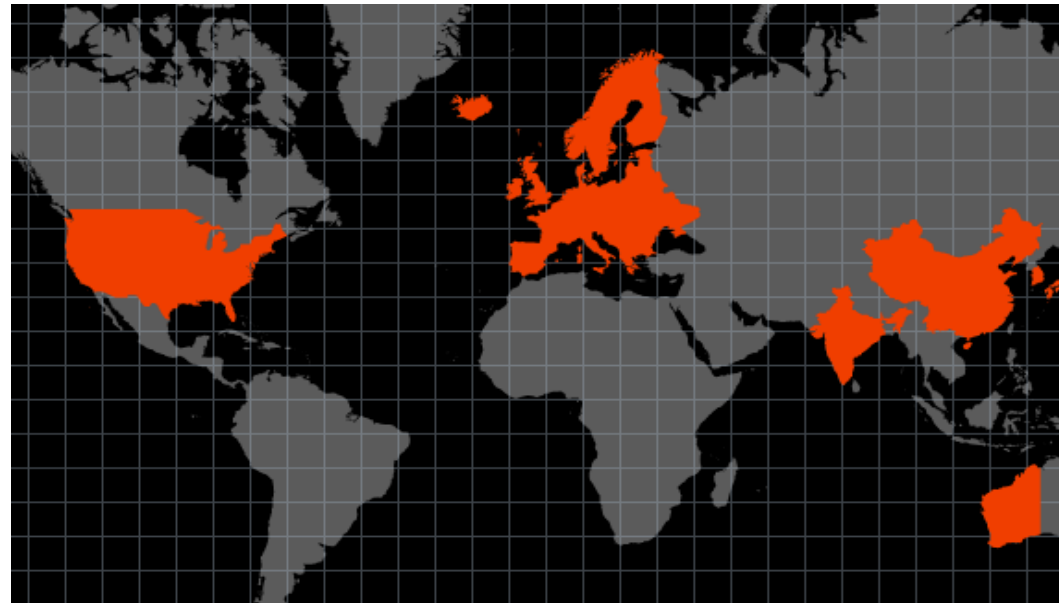
- 2000 - \$21.3
- 2001 - \$27.5
- 2002 - \$26.6
- 2003 - \$27.8
- 2004 - \$26.4
- 2005 - \$33.4
- 2006 - \$43.1

Source: DoIR



WA exports by value:

China	29%
Japan	27%
South Korea	11%
Total	67%



India - growing demand



Growth in human capital

- WA is Australia's fastest growing State (2% pa)
- 50% of growth is natural
- 50% of growth comes from migration
(3,500 migrants from interstate; 25,000 from overseas)

\$95 billion resource projects under consideration/committed

Commitments so far this year (to August):

• Rapid Growth Project 4	BHP Billiton	\$2.24 billion
• Cape Lambert Port Expansion	Rio Tinto/Robe River Iron	\$1.4 billion
• Pyrenees Offshore Oil Project	BHP Billiton	\$2 billion
• Pluto Gas Field	Woodside	\$12 billion
• Reindeer Gas Project	Apache and Santos	\$0.6 billion
Total		\$18.24 billion



Second question:

What is the resources sector doing to ensure sufficient housing for the 40,000+ workers it still needs?

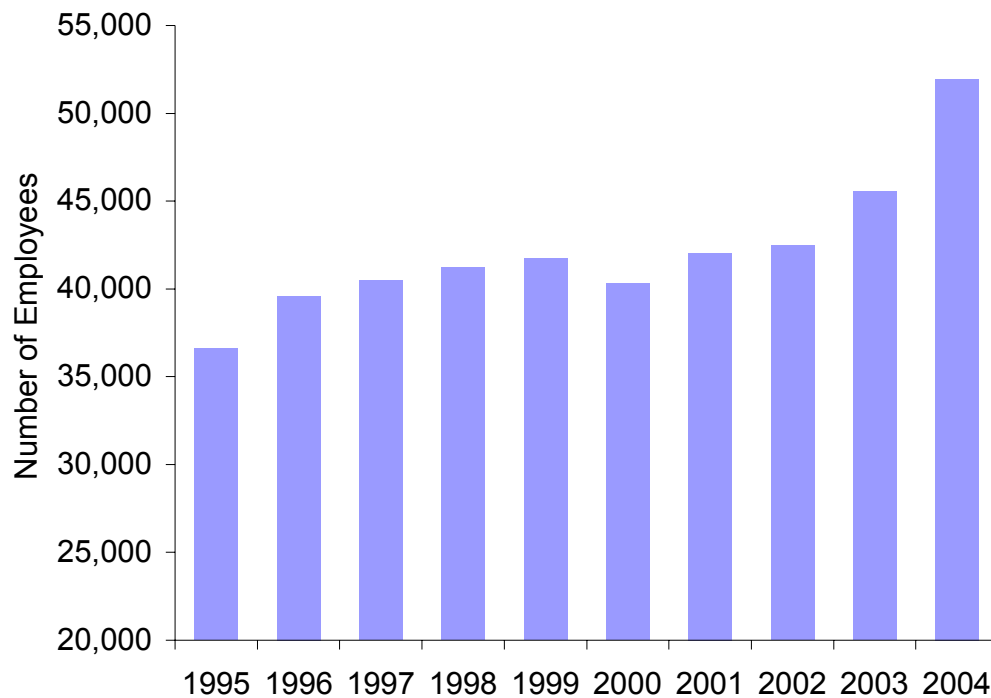
Current Resources Sector Issues in WA

- Skills shortages/skills development
- Project approvals/regulatory measures
- Greenhouse reporting and trading schemes
- Indigenous employment and engagement
- Exploration rates declining
- Infrastructure and development
- State energy policy
- Water



Photos courtesy of Kalgoorlie Consolidated Gold Mines

Resources sector employment numbers – 1995-2004



Source: DoIR

Some regional housing funded by the resources industry

- BHP Billiton - 300 homes to be built in Hopetoun
- Rio Tinto - 3,800 homes already in the Pilbara
- Rio Tinto - another 47 homes to be built in Karratha
- BHP Billiton - 300 homes already in Port Hedland and Newman
- Fortescue Metals - 250 homes to be built in Port Hedland
- BHP Billiton - 364 homes already in Port Hedland and Newman
- BHP Billiton - 100 new eco-houses to be built in Newman

The glittering prize

Not the resources projects themselves - but the result.

As Western Australia grows intellectual, industrial, services and business capacity, it will generate the funds and means to develop a lifestyle and sense of place and purpose that become the envy of the world.

It's highly achievable. It's highly affordable.

We just need to capture that vision and act on it