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Media Statement

State Government continues investment in South-West

The Western Australian Government will spend \$83.5 million over the next four years to secure land and upgrade vital water and road infrastructure, for the massive \$3.5 billion Perdaman Collie Urea Project.

Premier Colin Barnett said the decision would enable Perdaman Chemicals and Fertilisers (Perdaman) to make key commitment to establish a world-scale facility transforming coal into urea, using proven coal gasification technology.

“The State Government is upgrading the infrastructure in support of this project,” Mr Barnett said.

“This project will have massive significance for Western Australia and the South West, introducing a new industry, new employment and business opportunities and boosting exports.

“As well as creating 1500 construction and 200 operating jobs, the project’s demands for coal, supplies and services including road rail and shipping are expected to generate another 650 jobs most of them in the Collie Bunbury area.

“At full production, the plant will produce 2 million tonnes of urea each year for domestic and international fertiliser markets.

“Perdaman’s plant will be established at a new 250ha Shotts Industrial Park 7km from Collie, which will also have the capacity to accommodate up to four other heavy industry operations.”

The Premier said the Government funding package included:

- debt funding of \$65 million for the Water Corporation to upgrade existing water pipelines from Wellington Dam with costs to be recovered through user charges
- up to \$3.9 million for Main Roads to upgrade six bridges between Bunbury Port and Shotts Industrial Park to enable delivery of components for the facility
- up to \$14.653 million to LandCorp for infrastructure works for Shotts Industrial Park including constructing internal roads and relocating existing roads, water pipes and telecommunications cables, and up to \$1.353 million to cover land costs while the facility is constructed.

Mr Barnett said that since February 2009 government agencies and Perdaman had worked hard to secure the project including assembling the land for the industrial

estate, obtaining local, State and Commonwealth planning and environmental approvals, and negotiating services and infrastructure access arrangements.

Public funding worth more than \$7.2 million had already been committed to the Shotts project.

“The Perdaman project is an important pointer to Western Australia’s economic future as a major exporter of advanced manufacturing products using our rich mineral and energy resources,’ Mr Barnett said.

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