XSTRATA PUTS LABOR ON NOTICE

Willem Westra van Holthe MLA

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Today’s announcement by resources giant Xstrata that it is reviewing all its Australian investments – including the McArthur River Mine – will hopefully shake the Henderson Government out of its lethargy and spur it towards opposing the Commonwealth’s Resources Super Profits Tax.

Shadow Resources Minister, Willem Westra van Holthe, said the Henderson Government’s refusal to oppose the tax is bewildering and ignores the importance of the resources sector to the Territory economy.

Xstrata’s announcement comes a day after it suspended investments valued at more than $6.5 billion dollars in Australia.

“McArthur River contributes hundreds-of-millions of dollars to the Northern Territory economy every year,” Mr Westra van Holthe said.

“In 2007 it spent $138million directly in the Northern Territory – and that doesn’t include indirect spending which would also be substantial.

“As well, it recently spent in excess of $100million converting the mine from underground to open cut and Xstrata has continued to invest in the Territory despite the incompetence of Labor’s handling of the conversion approval process.

“While it’s not clear what direction Xstrata will take in its review, I would expect that all costs and expenditures would be under scrutiny.

“With private sector investment stalled in the Territory, it would be an appalling outcome for jobs at MRM to be shed as a result of the Super Profits Tax.

“Yesterday, Queensland Premier Anna Bligh, stepped up her attack on the tax. This is in addition to criticisms coming out of South and Western Australia.

“Meanwhile the Henderson Government, in a desperate bid to shore up the flagging stocks of Member for Solomon, Damian Hale, has been mute on the subject.

“I hope Resources Minister Kon Vatskalis has the guts to support McArthur River Mine and the Northern Territory and oppose the Commonwealth’s tax grab.”

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