RIO TINTO MUST EXPLORE ALL OPTIONS

9 September 2013

The Northern Territory Government is disappointed Rio Tinto has chosen to scare its employees by discussing curtailment of its Gove Refinery before all its options have been exhausted and a final decision has been made.

“Rio Tinto still has not made a decision about its future in Gove and I implore the company to thoroughly consider all the options that have been presented to them as quickly as possible,” Chief Minister Adam Giles said.

“We have been conducting negotiations in good faith and want the residents of Gove to know the Territory Government and a range of companies have been doing all they can to source gas to meet Rio Tinto’s energy needs. This is despite Lynne Walker, Delia Lawrie and Territory Labor who have been actively undermining our negotiations. If the offer falls over, they must accept some blame.

“Our case to Rio is clear. A firm offer of 175 PJ of gas is on the table which would significantly reduce Rio’s operating costs. The Federal Government has also confirmed its willingness to underwrite the funding for the building of a pipeline from Katherine to Gove.

“Only this week the NT Government also advised Rio Tinto of another company that could provide 30 PJs of gas per year from 2015 under a mobile option. If this option was accepted by Rio Tinto, this gas would easily exceed their requirements.

“We have provided the company with Rio Tinto’s details and urge them to explore this option as a matter of urgency. I understand that conversations have already occurred.

“In this week’s meeting with Rio Tinto, its executives acknowledged that the Territory Government had moved heaven and earth to deliver affordable gas to them.

“While the Territory Government has been tirelessly working to meet Rio’s demands for gas, their executives admitted at the meeting that their issues with the Gove Refinery were not really about the terms of the current gas offer but were instead about the scale of the Refinery’s losses over the past five years.

“Rio Tinto has had many attempts to fix this over a number of years but has always failed. The former Labor Government, including the Member for Nhulunbuy also had years to resolve this situation but did nothing, instead leaving us to try and clean up the mess they’ve left behind.

“Like the Territory Government, Rio Tinto should leave no stone unturned in its search to find a solution to Gove’s energy needs.

“The decision is ultimately Rio Tinto’s to make but we have done everything we can to accommodate their needs. The ball remains in their court.”

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