

The Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
CANBERRA ACT 2066

Dear Committee,

RE:
**Inquiry into matters relating to the gas explosion at Varanus Island,
Western Australia**

The Australian Hotels Association (Western Australia) is the peak industry organisation representing businesses in Western Australia's tourism and hospitality sector. This includes accommodation hotels and resorts, pubs, taverns and bars, restaurants and bistros.

Our membership endured significant gas supply uncertainty and disruption in the six weeks following the explosion at Varanus Island. No section of our membership escaped the effects of gas rationing.

Increased costs for CO2 supplies impacted on the availability and cost of tap beer lines and gas supply rationing resulted in reduced hotel food and beverage services, the closure of hotel facilities such as pools, spas and saunas reduced linen supplies and laundry services.

Throughout the gas crisis, the AHA (WA) played a key role in communicating with the State Government, and in particular Tourism Western Australia, to provide satisfactory outcomes to hotel and hospitality industry issues.

The Association also established a crisis communications program with the industry in order to distribute vital information to businesses as well as disseminating information received from the sector relating to issues that were arising due to the reduction of gas supplies.

The hotel industry also implemented a number of voluntary energy saving

measures in an attempt to free supply for essential guest services such as laundry operations.

The AHA (WA) produced communications materials, funded by the WA State Government that was placed in hotel rooms and high-traffic areas for guests of accommodation service providers.

During and following the gas crisis, the AHA conducted a series of membership surveys to quantify the impacts of the gas crisis and gauge industry reaction to the way the event was handled.

It is on this basis that the AHA (WA) provides the following submission detailing the economic impact of the Varanus Island explosion on the hotel and hospitality sector in WA and the State Government's response.

I trust this information will assist with your inquiry. Should you require any further information I would be happy to address the committee in person.

Yours sincerely,

A handwritten signature in black ink that reads "Bradley Woods". The signature is written in a cursive, flowing style.

Bradley Woods
CEO/Executive Director

Background

On June 3 2008 a massive explosion on Varanus Island caused massive disruption to the supply of gas to Western Australia.

The explosion resulted in immediate gas rationing. The rationing was determined at the discretion of Alinta Gas and the State Government. There was no guideline or standard for determining gas allocation and as a result, some industries were targeted and within those industries, some business received no gas allocation while competitors continued with business as usual.

Economic Impacts

While it is a relatively straightforward exercise to estimate the cost of alternative service provision strategies (such as buying new linen to replace existing stock that cannot be laundered) and the cost of cancelled bookings, the real cost of the gas shortage for WA's hospitality industry is much more difficult to quantify.

That is because the overwhelming cost to business lies in the short and long term effect of customer dissatisfaction, lost business and revenue opportunities and damaged business reputations.

While 60 per cent of businesses impacted by the gas crisis listed the total economic cost at less than \$100,000, most also listed a string of other unquantifiable business costs including:

- 31.8 per cent of survey respondents believed the gas crisis damaged the reputation of their business; and
- 68.2 per cent received complaints relating to the lack of services resulting from the gas crisis, with 40 per cent of complainants holding hotel staff and management accountable for the situation.

A random survey of AHA members, including five-star international resorts, accommodation hotels and suburban pubs and taverns, for the purposes of this submission indicated that the impact of gas shortages on the hospitality industry included, but were not limited to:

- 86.4 per cent reduced linen standards;
- 59.1 per cent closed or reduced pool, sauna and spa facilities;
- 40.9 per cent reduced lighting;
- 22.7 per cent reduced heating services;
- 13.6 per cent decreased hot water supplies;
- 22.7 per cent reigned in food and beverage operations;
- 11.1 per cent reduced tap beer supplies;
- 13.6 per cent reduced room availability; and
- 9.1 per cent reduced their ability to accept short or long term bookings.

It must be surmised therefore that the gas crisis in Western Australia was a costly and damaging experience for WA hotels and that the pain caused by the shortage of natural gas may be felt by the sector for some time.

Also worth noting is the disproportionate impacts of the gas crisis on businesses located in Perth and the South West of the State.

Energy rationing was targeted at businesses who received their energy from the South West Grid while businesses in areas such as Kalgoorlie, who had contracts with energy suppliers other than Alinta, received little if any disruption to business.

It should also be noted that guaranteed supply contracts held by individual businesses did not provide any certainty of supply, significantly increasing the cost to those businesses which paid a premium for guaranteed supply contracts.

Following the crisis, the AHA has received anecdotal evidence that many businesses are now being asked to pay increased costs for their gas supplies, with 20 per cent of businesses being asked to pay more.

Government response

It is the view of the AHA and the majority (51 per cent) of its members that the WA State Government and Alinta were unprepared for the Varanus Island explosion and the resultant gas supply crisis.

This was evidenced by the adhoc and discriminatory nature of gas rationing, a lack of communication with affected industries and failure to put in place immediate emergency gas supplies.

In the view of AHA members, the failure of the WA State Government and Alinta to have adequate, pre-planned crisis management and alternative energy supply options has severely damaged the reputation of the State's tourism and hospitality industry.

75 per cent of survey respondents rated as poor the State's reliance on one source of gas to supply the State's domestic market and 87 per cent were dissatisfied with the Government's failure to release key documents and facts pertaining to the Varanus Island explosion.

Western Australia has vast natural gas supplies and industry rightly expected contingencies to be in place to deal with any supply failures. While not in a position to comment on the feasibility of developing either a second gas pipeline, or storage reservoirs, it is the view of the AHA that the State should immediately investigate these and any other measures that may prevent a recurrence of the situation.

Potential impact

The potential impact of the gas supply crisis had the potential to cripple Western Australia's tourism sector (see annexure).

The accommodation hotel sector, in particular, operated under a significant cloud of uncertainty throughout the crisis. As essential service providers to the sector were unable to operate under the security of reliable sources of energy, the accommodation sector was ever only 24-48 hours away from having to close rooms, turn away guests or cancel bookings.

The accommodation sector provides an essential service to thousands of people who require a home away from home, whether they are visitors from overseas, interstate or intrastate.

Recommendations

The Western Australian State Government needs to ensure that a reliable, secondary, replacement supply of energy is constructed and able to be brought online in case of a similar emergency.

The role of the accommodation hotels sector needs to be reevaluated and re-prioritised as an essential accommodation service provider, similar to the residential accommodation sector.

Retail and business supply companies should have to meet stringent, transparent and reliable risk management and supply-contingency criteria in order to guarantee replacement of supply facilities.

There needs to be an appropriate agency appointed to assist businesses develop adequate crisis management and contingency models.

There needs to be an independent and ongoing energy crisis taskforce, consisting of key stakeholders, developed to deal with any energy supply crisis that occurs in the State.

Tourism groups plead for gas



Scott Henderson

BEATRICE THOMAS
 and ALEISHA PREEDY

The State Government has been urged to step in to ensure the company that provides most of WA's hotels and resorts with linen is guaranteed a gas supply, with tourism groups saying the State's reputation as a tourism destination is under serious threat.

Prime Laundry said yesterday it would put a 60 per cent energy surcharge on its bills, effectively adding \$5 to \$7 to the cost of every room change.

The company, which services 85 per cent of hotels in the State's main tourism areas, has been forced to buy gas on the spot market after failing to receive adequate gas allocations.

Australian Hotels Association WA said hotels would accept the decision in the short term but the Government

See how the gas crisis has hit hotels and linen services at thewest.com.au

needed to recognise they were an essential service.

Tourism Council of WA president Scott Henderson said yesterday the tourism industry had done a lot to reduce demand for energy by cutting back on linen but was being given little reprieve. "I'm just not sure that Alinta is aware of the impact of what they're doing," he said. "It's not one business we're talking about, it's hundreds of businesses ... plus thousands of visitors every day."

But the State Government said it was not prepared to direct gas to one particular section of industry at the expense of another. Alinta also said it was working within Government guidelines in deciding allocations.

Prime this week secured 600 gigajoules on the spot market, which would guarantee a limited service until Saturday.

AHA WA general manager Paul Brockschlager said hotels would only be prepared to pay a surcharge in the short term.

"The State Government needs to recognise that the accommodation sector is unique in that we provide residential services for interstate and international guests and we must provide, at the least, clean sheets and towels during their stay," he said.

An Alinta spokesman said the company had to weigh up residential

demand, which had no reduction last week. It was not ideal for Prime Laundry to be short on gas but it was a "day-by-day proposition".

Tourism WA chairwoman Kate Lamont said she was not aware that any hotel had cancelled bookings and believed the issue was disappointing but not a crisis. The extra cost to keep rooms would be absorbed by hotels or passed on to customers.

Tourism Minister Sheila McHale said there was no evidence that the long-term reputation of WA as a tourism destination was at risk.

Prime Laundry owner Raymond Gianoli predicted yesterday that the situation could hit crisis point in a few months.

"The real crunch is going to come at the end of September when the holiday season starts for WA and hotels are doubly busy," he said.

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Foreign influx hampers training of future GPs

DEBBIE GUEST

The heavy reliance on foreign doctors in country WA is having a significant impact on the training of medical graduates who want to become GPs, experts have warned.

Pilbara division of general practice chief executive Chris Pickett said unlike Australian-trained doctors, those trained overseas often did not have supervisory qualifications from the Royal Australian College of General Practitioners to enable them to train future GPs.

"You need to be a fellow of the college to provide that supervision and the majority of overseas-trained doctors in the Pilbara have not got their fellowship," Mr Pickett said. "We try to the extent we can to provide training support for them, education support for them, but because they're so busy in general practice the required time to devote to study is often not there."

According to the Rural Doctors Association, almost

'Karratha used to be a place where young doctors would come and do their training.'

ROB WHITEHEAD

50 per cent of rural GPs in WA are overseas-trained. Mr Pickett said a lack of suitable trainers had contributed to the Pilbara region not having any GP trainees this year.

"That's traditionally where these young kids who want to become doctors get exposure to rural areas to make decisions about whether they will come and work there so it's a very strong recruitment tool that we're missing," he said.

Rural Doctors Association WA president Rob Whitehead said a shortage of doctors to supervise GP trainees or registrars was a significant problem.

"Karratha used to be a place where young doctors would come and do their training and then stay and that was a very important part of the local workforce, that's fallen off," he said.

According to Rural Health West, booming regional populations and doctors choosing to work fewer hours have contributed to at least 56 GP vacancies across WA.

Mr Pickett said the GP shortage could become worse because of new, tougher national assessment guidelines introduced this month for some overseas doctors.

Change or die, Nats told

The National Party will die like the Democrats unless it tackled its "extremely serious" problems of shrinking support, membership and financial resources, former leader John Anderson warned in a speech to members of the party's future.

Mr Anderson gave a report on the party to a management committee on Monday, and doing nothing was not an option for the Nationals. His view is only awaited for how strongly it argues for a Liberal Party merger, which he supports.

Mr Anderson said the pros and cons of the merger are the Nationals becoming a single non-Labor entity, differentiating themselves more, sitting on the cross-benches and continuing the coalition status quo.

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Gas crisis may close hotel rooms

Posted Mon Jul 14, 2008 11:12am AEST

There are fears hotels in the state's south west could be forced to close rooms as the gas crisis pushes up costs for cleaning services.

Prime Laundry, which cleans more than 80 per cent of the state's hotel linen, says it has secured enough gas to supply the company for six days.

The company has been forced to lay-off 50 full time staff and significantly scale back operations since an explosion at Apache Energy's gas processing plant on Varanus Island cut the state's gas supply by a third.

Rob Dube from Prime Laundry says the company has secured enough gas to see out the remainder of the week.

"We are paying anywhere from three and five times the the added extra costs and obviously we are going to have to pass that extra cost onto the hotels industry and all our customers," he said.

"Basically we've purchased 600 gigajoules, with 100 gigajoules per day, so from Monday to Saturday."

Bradley Woods from the Australian Hotels Association says if hoteliers close rooms this week it could cost the tourism industry tens of millions of dollars.

He says up to 200 hotels and 10,000 to 15,000 rooms could be affected.

"It means that they may find that they are not going to have clean laundry this week," he said.

"The consequence is obviously that all guests staying in hotels mean that there may be rooms that are no longer in service."

Tags: [hospitality](#), [oil-and-gas](#), [tourism](#), [small-business](#), [wa](#), [albany-6330](#), [broome-6725](#), [bunbury-6230](#), [geraldton-6530](#), [kalgoorlie-6430](#), [karratha-6714](#), [perth-6000](#)

Rudd builds case against oil hoarders, speculators

ANDREW PROBYN and SHANE WRIGHT

Australia is amassing evidence that rogue nations and greedy speculators are stockpiling oil reserves and forcing up the price of crude oil.

As global oil prices retreated slightly yesterday after reaching a record \$US139 a barrel, Kevin Rudd indicated that Australia would use next month's G8 Summit to demand countries and speculators building oil reserves cease the practice.

Crude oil futures made their biggest single-day increase last Friday, jumping almost \$US11 a barrel over concerns of possible military action in the Middle East. But they retreated in Asian trade yesterday, but still only edged below \$US138 a barrel. Retail prices in the US have now broken the \$34 a gallon mark.

But WA motorists continue to pay high fuel prices at the bowser, with the average cost of unleaded petrol in Perth today at 155.3¢ a litre, while diesel is 184.3¢ a litre.

The Prime Minister, in Japan, has already said he would use Australia's observer status at the G8 Summit to pile pressure on the 12-nation oil cartel OPEC to increase production.

But yesterday he revealed Australia was already compiling information on speculators and their impact on crude oil supplies. "What we are seeing is stockpiling and speculators and sometimes speculative stockpiles," he said. "We are currently examining all the data that's available to the Government on that. We'll have something further to say about it in the period ahead."

Treasurer Wayne Swan, in London for talks with the British Government, signalled growing unease at events in oil markets which seem at odds with oil fundamentals.

He said combined with food, the growth in oil prices would hit both the rich and the poor. "The inflationary impact of what is going on in oil markets and in food markets will have consequences across the world in the months and years ahead," he said.

The hurt caused by high-priced oil is highlighted in the latest Dun and Bradstreet business expectations survey, released today, which shows 82 per cent of firms believe expensive fuel is having a negative impact.

Despite current sky-high prices, AMP Capital chief economist Shane Oliver believes they will retreat.

"Our assessment remains that the oil price will face back to around \$US100 a barrel over the next six months as global oil demand slows and speculative positions are unwound," he said.

Mr Rudd, who meets Toyota executives in Nagoya today, said the Government's \$500 million Green Car Innovation Fund could be brought forward. He is hopeful the world's biggest car manufacturer will make environmentally friendly hybrid Camry vehicles at its Altona, Victoria, plant. "I want to see an Australian-made hybrid car as soon as possible," he said.

New cloud hangs over \$2.5b Burrup fertiliser float as crisis hits profits



Speculation: Billionaire Pankaj Oswal, pictured with wife Radhika, may have to delay floating his company Burrup Holdings for the second time because of WA's gas crisis. **Report, P39**

Gas woes hit tourism expo plans

KIM MACDONALD

WA hotels will struggle to accommodate 1800 top international tourist operators due in Perth this week because the gas shortage has closed the industry's major laundry service.

The Australian Hotels Association said the State risked becoming a laughing stock because Prime Laundry, which serviced 85 per cent of the metropolitan and South-West hospitality industry, had been forced to close late last week because it could not power its operations.

Alinta yesterday allocated Prime a share of gas so that it could operate today, but there was no guarantee that it would get continuing supplies or that it could clean a backlog of dirty sheets in time for the four-day tourism expo.

An Alinta spokesman said decisions on which companies would be given a share of electricity the following day were made about 3pm each day. Companies with perishable products or those in the health industry would be given priority.

The rationing follows a gas explosion at a WA facility owned by US giant Apache Energy last week which removed a third of the State's gas supply and forced closures or restrictions at many companies, mostly in the mining and construction sectors. AHA boss Bradley Woods said it

was unsatisfactory for the industry to get only a few hours notice about access to laundry services.

It was only the second time that Perth had won the right to host the Australian Tourism Exchange, which was the biggest tourism expo in the southern hemisphere.

The debacle was a missed opportunity to win over global tourism operators from more than 40 countries. "If this had gone smoothly, it would have been a multi-billion-dollar windfall to the State's economy," Mr Woods said.

The Perth Hyatt revealed it would consider using a fly-in, fly-out laundry service if a back-up laundromat was unable to handle demand.

Prime Laundry has been forced to lay off more than half its staff, who were mostly employed on a casual basis. Only six of a total staff of 100 worked at the weekend.

Apache Energy has refused to explain whether it will compensate businesses affected by the gas supply interruption, but Tap Oil, which has a 12.2 per cent stake in the Varanus venture, indicated in a letter to the stock exchange that compensation was likely. "Tap has insurance coverage for its interest in the facilities on Varanus Island which includes both property and business interruption."

>EDITORIAL 20

Oil, rates dent worker demand

SHANE WRIGHT

Demand for labour among WA businesses has slumped to its lowest level in three years, a new survey has found, as signs grow that high interest rates and oil prices are taking their toll on the corporate sector.

The Manpower employment outlook, out today, shows the State jobs market down 19 points in the quarter, though it is still strongly in positive figures.

The jobs outlook fell five points nationally, with the biggest falls in WA, Queensland and the Northern Territory.

Manpower marketing general manager Stephen Hinch said the WA figures did not necessarily mean a major fall in the State economy. "The considerable softening in intention to hire new workers may not signal a slowdown in net growth," he said.

Several key indicators out this week should highlight how much employment will be hit as the economy slows.

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News

Half of WA business hit by power shortfall

KIM MACDONALD

The extent of the State's gas crisis and its high cost to the economy has been highlighted in a survey that shows more than half of businesses have been affected by the power shortage.

The Chamber of Commerce and Industry survey of 83 businesses showed that 55 per cent had been directly or indirectly affected by the crisis, with an astounding 64 per cent average decline in production. Fourteen per cent of companies reported that they had already shut down or planned to do so soon.

Companies in the mining and construction were the first to feel the impact, but the broad effect

of the gas shortage has been revealed by problems in hospitality and health industries, agriculture and tourism.

CCI chief executive James Pearson encouraged businesses to shift production to off-peak periods.

The survey showed 16 per cent of respondents had the ability to shift production to evenings, while a further 9 per cent could shift work to weekends.

But hopes for big stocks of alternative energy supplies to fill the 30 per cent shortfall of gas following the explosion at the Apache facility last week were dealt a blow yesterday when the Office of Energy indicated that alternative supplies were rela-

tively small. It is understood The Office of Energy's Jason Banks told a meeting of key stakeholders yesterday that alternative energy supplies such as liquid fuels could only be found to cover 20 per cent of the existing shortfall.

Residents in North-West towns such as Broome, which get their electricity from Horizon Power, were able to relax a little yesterday, even though there are no guarantees about future supplies.

"Horizon Power has in place effective fuel diversity and security measures at all regional and North West Interconnected System supply points and as such, Horizon Power does not foresee

any interruption to regional electricity consumers supplied by Horizon Power at this time," the Office of Energy said in a written update.

"The Goldfields Gas Pipeline has advised that the majority of its customers have been able to make alternate arrangements for fuel supplies."

A working group set out priorities yesterday for gas rationing. Companies involved in energy infrastructure would get first rights to gas rations. This was followed by essential services, essential supply to residential customers, industries providing essential goods and services to the WA community and then the rest of industry.

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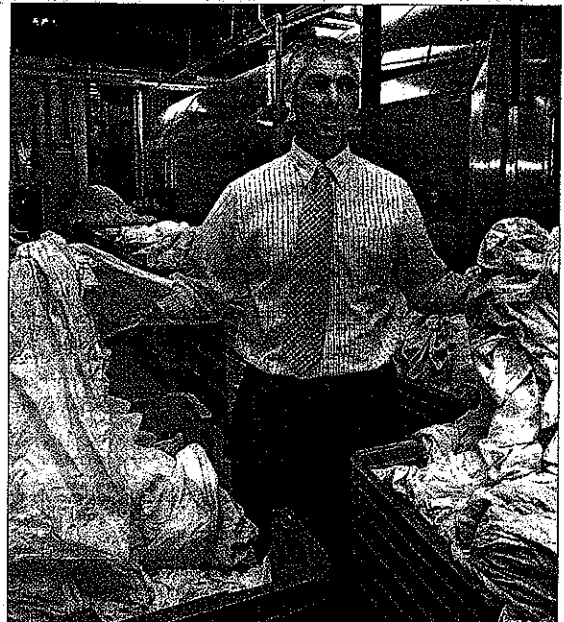
Inquiry into immigration detention

CANBERRA

The Federal Government has launched a wide-ranging review of Australia's immigration detention system amid concerns too many people are being held for too long or are being locked up when they should not be.

According to the Government there are 461 immigration detainees around the country.

Joint standing committee on migration chairman Michael Danby said the inquiry would cover all aspects of immigration detention from the criteria for detention through to the conditions in which detainees were held.



Victim: Ray Gianoli says he is in the dark about gas supplies. Picture: Guy Magowan

ROAD SENSE

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Big hotel linen laundry hit hard by gas curbs

NEALE PRIOR

The State's biggest hotel linen laundry company has been forced to send work to rivals with far less energy efficient equipment because of cuts to its gas supply, businessman Ray Gianoli revealed yesterday.

Mr Gianoli, the owner of Belmont-based Prime Laundry, said he had spent \$2.7 million installing super-efficient washing and drying machinery in December, only to be denied gas in the State's current energy crisis.

After having the gas supply cut off from Friday to Sunday, Prime Laundry was operating at only about one-third capacity yesterday and its top management were still in the dark last night about how much gas they would get for the rest of the week.

"It is day by day, hour by hour," said Mr Gianoli, who has turned away most of his 100 casual staff this week but still has more than 35 workers on his regular payroll.

Prime and national rival Spotless have been among the hardest hit by gas cuts imposed by Alinta since supplies to the State's network were cut last Tuesday by the explosion and fire at Apache Energy's Varanus Island.

Laundry 12 years ago and has built what industry analysts estimate is a hotel linen market share of between 66 per cent and 85 per cent, faces at least two months of uncertain gas supplies.

He said his bank manager had called yesterday to offer his support but he still had to deal with big business overheads despite his business' \$250,000 weekly revenue having been slashed.

He was telling his staff to keep focused on doing their jobs and managing their respective areas, as opposed to becoming too caught up in the hype about the gas shortage. "It is scary and you can't let your mind run away with you," he said.

"If turnover is 25 per cent of what it should be next week, I will be surprised."

He was punting on Prime Laundry keeping gas supplies at around 35 per cent of normal for the rest of the week and taking on enough casual workers to cover the work that could be done with that amount of energy.

Mr Gianoli said his equipment had an array of energy-saving features, including heat being transferred from waste water to fresh water heading into washing machines.

 **THE AUSTRALIAN**

June 10, 2008 08:09am AEST

Gas cuts cost jobs as firms struggle

Amanda O'Brien, WA political reporter | June 10, 2008

JOB losses have begun to bite as West Australian businesses battle to cope with the 30 per cent cut to the state's gas supplies caused by last week's explosion at the Apache Energy-run pipeline.

With companies reporting lay-offs after the shutdown of the 100km pipeline from Varanus Island to the mainland, Premier Alan Carpenter said yesterday the Government was working hard to co-ordinate a response, but he conceded it was a serious issue. "You can't just shrug off a 30 per cent decline in your gas resource profile," he said.

The hospitality industry was yesterday bracing for massive problems as clean sheets and towels become luxury items.

After being forced to shut on Friday, the state's largest hotel laundry service, Prime Laundry, warned it could be bankrupt within weeks after its entire gas allocation was cut by energy retailer Alinta.

Prime Laundry general manager Robert Dube said 80 casual workers had been laid off, and a similar number of permanent staff were now at risk as the business bled about \$250,000 a week, no longer able to meet its contracts. And he accused Alinta of unfairly targeting some businesses at the expense of others by allowing smaller laundries to continue working.

Midland Brick divisional general manager Peter Hogan was also angry, saying the forced closure for a week of the company's works at Middle Swan, the largest brickworks in the world, had placed tens of thousands of jobs in the construction industry at risk, yet getting information had been like "pulling teeth".

Mr Hogan said the company did not source its gas from Apache but was still forced to close when Alinta cut its electricity supplies. After buying alternative power at two to four times the usual cost, the company restarted its brick kilns yesterday, but said it was unable to guarantee long-term production as its future power would have to be sourced daily on the spot market.

"If we can't operate, the whole building industry is affected, from bricklayers to plasterers and all down the line," Mr Hogan said.

Australian Hotels Association (WA) chief Bradley Woods said the Government had badly misread the impact on some industries. Some hotels had already stopped accepting reservations, and others had cut their room capacity because they could not get linen washed.

He said many would run out of linen within days, putting a \$1billion industry at risk. To add to the nightmare, 1800 travel agents and tourism wholesalers were due in Perth this week for a major tourism trade show.

"This has the potential to create major international embarrassment for Australia and the WA Government," Mr Woods said.

Mr Dube and Mr Woods wrote to Alinta yesterday urging it to reconsider its zero allocation to Prime Laundry. They said restoring half the company's gas allocation would allow it to meet the industry's essential needs.

Other companies were also coming to terms with predictions that the pipeline damage would take months to fix.

Alcoa, which normally sources 25 per cent of its energy from Apache, confirmed its switch to diesel power at its Kwinana and Pinjarra operations was costing millions of dollars.

BPH Billiton confirmed its Worsley Alumina plant was also operating with reduced gas supplies, and said it could not yet predict the long-term impact on production.

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WA could be embarrassed by gas shortage

Posted 3 hours 22 minutes ago

Updated 3 hours 18 minutes ago

The Australian Hotels Association says Western Australia could become an international tourism embarrassment if the gas crisis is not resolved quickly.

Up to 2000 delegates from around the world are expected to attend a major tourism conference at the Perth Exhibition and Convention Centre this weekend.

However the company that supplies clean laundry to up to 85 per cent of the hotels in Perth and the South West has had to close down its operations because of the gas shortage.

The Association's Bradley Woods has called on the Premier Alan Carpenter to have gas supply restored to several key tourism and hospitality organisations.

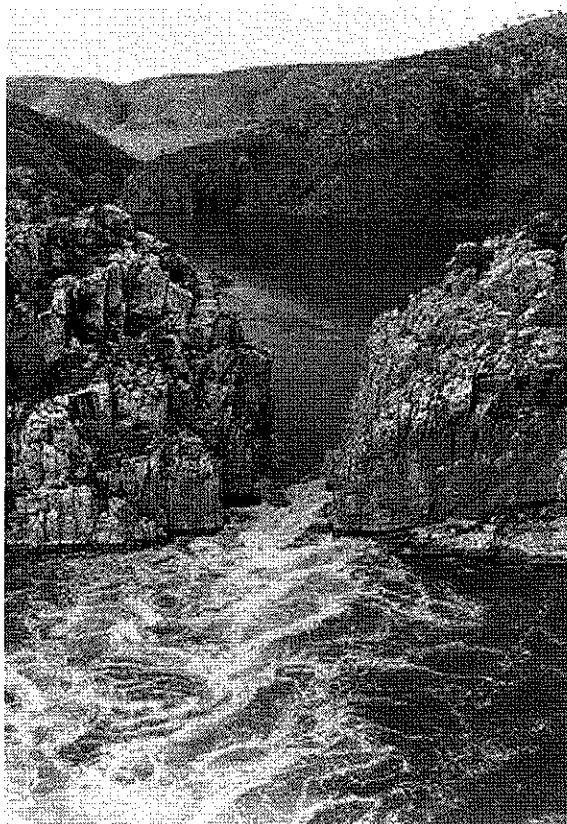
"We've made appeals to the State Government and Alinta Energy to have Prime laundry operating immediately at this stage," he said.

"We haven't had any response yet from the Premier's office as to the impact has had on the tourism and accommodation industry.

"It's critical that they be allowed to operate at least at 55 or 60 per cent of capacity in order for hotels to provide a basic service.

"We would hate to think that later in the week we don't have clean laundry and linen services for international guests."

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The AHA fears that WA's gas shortage could have a significant impact on tourism. (Tourism WA)

- [Map: Perth 6000](#)