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Port jobs worry Govt

Stuart McKinnon

WA Mines Minister Bill Johnston has admitted the State Government was "blindsided" by the sudden closure of the Koolyanobbing iron ore mine and revealed his biggest concern was for the roughly 120 port workers in Esperance whose jobs are under a cloud.

Speaking to WestBusiness yesterday on the sidelines of the Latin America Down Under conference in Perth, Mr Johnston said the Government was in talks with "various commercial parties" as to how it could help keep the mine operating.

In March, Cliffs Natural Resources announced it would make its last shipment of iron ore from Koolyanobbing at the end of next month, citing big discounts for its low-grade ore. The US-based company had previously suggested it would close the mine at the end of the year.

"We were blindsided. We were aware of a number of companies that were talking to Cliffs but we weren't expecting the precipitous closure of the mine," Mr Johnston said.

He said while the roughly 300plus mine and rail workers affected by the closure could find other employment, it was more difficult for the residential port workers based in Esperance, from where Koolyanobbing ore is exported.

"You can work out a way forward for every other (affected) community but the ones (jobs) in Esperance are the ones that we are most concerned about," he said.

He revealed the Government would offer the same support to all parties interested in buying the mine and keeping it operating. "This is a very complicated issue because it involves a commercial transaction between parties where we have no direct influence." he said.

He could not say with confidence a deal would be done but the Government was doing its best to facilitate an agreement.

"We have a specific officer in the Department of Premier and Cabinet who leads the Government's response to the situation," he said.

Chris Ellison's Mineral Resources is touted as a potential buyer of Koolyanobbing.