



Information Guide

The CTF Levy and WA's Resources Sector

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Who is CTF?

The Construction Training Fund (CTF) administers [The Building and Construction Industry Training Fund and Levy Collection Act 1990](#) (“the Act”), which prescribes the application of the Building and Construction Industry Training Fund Levy (“the CTF levy”) to building and construction activity in Western Australia.

The levy is 0.2% of the value of construction and applies to all works that meet the definition of ‘construction’ as noted in the Act.

All construction activity in WA’s resources sector is subject to the levy, unless the works are excluded by terms outlined in the Regulations.

For more information on the levy, please refer to our [Levy and Disbursements Guidelines](#).

Key terms

Project owner - the person or body responsible for payment of the levy.

Resources facility -

- A structure, fixture or works for or in connection with a resources operation; and,
- Plant or equipment in, on, or associated with a structure, fixture or works for or in connection with a resources operation that is not residential or commercial construction.

Residential construction - construction work on, or resulting in, a building that is intended to be used predominantly for residential purposes.

Commercial construction - work that is carried out on, or results in, a rigid and fixed structure that is intended predominantly for the use of or to contain:

- People; *or*
- Plants; *or*
- Machinery; *or*
- Goods; *or*
- Livestock.

Replacement, alteration, renovation, reconfiguration and relocation – that relates to existing components, structures and facilities

Key points to note

- A project owner must pay the levy to CTF before construction work starts.
- The value of all manufactured goods, including components; components of and/or complete modules; fixtures; and building materials that are to be constructed, erected, installed, reconstructed, re-erected, renovated, altered, or demolished on a site is to be included in estimating the value of construction, irrespective of the value of the component and/or its country of manufacture.
- Where a construction project consists of multiple elements that are required to complete that project, then the levy is to be calculated on the aggregate value of all the elements.
- The threshold of \$20,000 applies to all construction works not excluded by terms outlined in the Regulations. This means that the levy does not apply to construction works under the value of \$20,000 (including GST).
- The threshold of \$10million relates only to works for the replacement, alteration, renovation, reconfiguration or relocation of existing components, structures or facilities as outlined in the Regulations. This means that if the value of the construction works as specified above is under \$10million, it is excluded from the levy. This threshold *only* applies to WA's resources sector and has no application outside the sector.
- There is no cap on the value of construction to which the levy applies.
- Where construction work is divided, contracted or sub-contracted to multiple entities, the project owner is the person or body for whose direct benefit all construction work exists upon its completion.
- When construction work is completed, the project owner must advise CTF of the final value of the works. If the final value varies by more than \$25,000, there will be an adjustment made to the amount of levy that is to be paid for the completed works. This means an additional sum may be payable, or a partial refund may be due.

Construction works subject to the CTF levy

Further to the works prescribed under the definition of 'construction industry' in Section 3 of the Construction Industry Portable Paid Long Service Leave Act 1985, examples of construction work subject to the levy in WA's resources sector include:

- New (greenfields) and expanded (brownfields):
 - mines
 - gas and petroleum wells, platforms and rigs
 - pipelines
 - satellite and hub and spoke mines
 - processing facilities
 - LNG plants
 - refineries
 - power facilities (generation, supply and transmission)
 - switchboards
 - railways
 - port and ship-loading facilities
 - airfields
 - residential and office accommodation
 - commercial buildings such as workshops, fuel depots, laboratories
 - liquid and gas storage facilities
 - communications infrastructure, signal towers and stations, beacons, lights, cabling, and markers
 - fencing; and
 - sealed and unsealed roads, bridges, and transportation tunnels.
- New mines and associated infrastructure and processing facilities which replace an existing, but separate, mine held by the same company or joint venture.
- New gas or petroleum wells, rigs and associated infrastructure and processing facilities which replace an existing, but separate, well or rig held by the same company or joint venture.
- Headframes, winders and associated hoist equipment used in shafts for underground mines; skips (cages) and associated equipment; vertical lifts for transportation of people, equipment ore and waste for underground mines.
- Refuge chambers, safe shelters in underground mines.
- Air compressor/filtration systems; ventilation/cooling systems for underground mines.
- Construction work on existing and secured Floating LNG facilities (not new Floating LNG facilities wholly constructed overseas).
- Construction work in driving in anchor piles, securing chains and hooking up FLNG facilities to the seabed.
- Storage, treatment, supply, or disposal of potable water.
- Replacement, alteration, reconfiguration refurbishment or relocation of resources facilities or components of resources facilities over the value of \$10 million – this includes pipelines, iron ore stackers, LNG trains or components of an LNG train, processing facilities and refineries.
- Repairs, maintenance, renovation, reconfiguration, refurbishment, alteration, and relocation of residential and commercial facilities
- Earthworks for site preparation in all of the above examples.

Exclusions from the levy

The following construction works are excluded from the levy when undertaken in the WA resources sector.

Works which are associated with -

1) Core resources operational business

- Work associated with exploration for resources
- Work on or resulting in an unsealed haul road or track that is associated with a resources operation, including work resulting in declines, inclines, adits, and cross cuts
- Work on or resulting in a structure that is:
 - for the storage, treatment, supply, or disposal of water; and
 - associated with a resources operation (and not for potable water purposes)
- Work on or resulting in a structure that is:
 - for the storage of tailings, overburden, or waste; and
 - associated with a resources operation
- Work for the excavation or back-filling of soil or overburden that is associated with a resources operation, including box cuts, work resulting in shafts or the backfilling of underground voids
- Work for the closure or decommissioning of a resources facility (including work associated with environmental remediation, restoration or rehabilitation)
- Work for the environmental remediation, restoration or rehabilitation of ground disturbed by a resources operation
- Work for the exploration and drilling for the purposes of geosequestration of carbon dioxide

2) Repair and maintenance

- Work for the repair or maintenance of a resources facility

3) Minor work associated with relocation

- Work for the minor relocation of an existing resources facility, or a component of a resources facility, under the construction value of \$10 million, where there is no renovation, alteration, reconfiguration or refurbishment to that resources facility or a component of that resources facility, other than due to:
 - wear and tear, breakdown or damage; or
 - a component of the facility reaching the end of its useful life; or
 - a technological change and/or process efficiency improvement

4) Minor work associated with replacement, renovation, alteration, reconfiguration or refurbishment

- Work for the minor replacement of a resources facility, or component of a resources facility, under the construction value of \$10 million due to:
 - wear and tear, breakdown or damage; or

- the facility or component of the facility reaching the end of its useful life; *or*
 - a technological change and/or process efficiency improvement; *and*
 - where the existing resources facility or component is decommissioned.
- Work for the minor renovation, alteration, reconfiguration or refurbishment of a resources facility, or component of a resources facility, under the construction value of \$10 million due to:
 - wear and tear, breakdown or damage; *or*
 - the facility or component of the facility reaching the end of its useful life; *or*
 - a technological change and/or process efficiency improvement.

Estimating the value of construction work

Project owners must lodge the estimated value of the construction work or project in the CTF portal. This estimated value must include GST and is used to calculate the levy payable.

The estimated value is the sum of all components included in the construction work.

Specifically, manufactured goods, including components; components of and/or complete modules; fixtures; and building materials that are to be constructed, erected, installed, reconstructed, re-erected, renovated, altered, or demolished on a site are to be included in estimating the value of construction, irrespective of the value of the component and/or its country of manufacture. Please refer to [Schedule 2 of the Act](#) for more information.

If there is no contract price for the construction work, then estimating the value of construction must account for the sum of the value (including the GST) of each of the following relevant components:

- All goods (including manufactured goods) forming part of the construction work
- Labour
- Services necessary
- Fees payable
- Overheads to be met
- Profit margin.

If there is a contract price, that price must include a value for each of the relevant components noted above. The contract price must include GST.

Where a construction project consists of multiple elements that are required to complete that project, then the levy is to be calculated on the aggregate value of all the relevant components.

There is no cap on the value of construction that the levy applies to.

The CTF Levy

How is the levy calculated?

The levy is calculated at 0.2% of the value of construction work. For example, the levy would be \$20,000 for construction work with an estimated value of \$10million. GST is not added to the amount of levy calculated.

When the construction work is completed, the project owner must advise us of the final value of the construction work. This determines the specific levy amount that is payable.

If the final value varies by more than \$25,000, the levy will be adjusted to accurately reflect the value of construction work. An additional levy amount payable or a partial refund may be due.

Paying the CTF levy

The project owner must pay the levy to the CTF before construction work starts.

Where a building permit is not required, levy payments can be made through our secure online [CTF portal](#).

Project owners will need to:

- Create an account in the portal to register the construction work (“Create or update a levy”).
- Provide key information relating to the project including: description of works, location, estimated value of construction, commencement date and estimated completion date.
- This information will be used to calculate the levy payable on this construction work.

Payments can be made in the CTF portal (“Levy management”) by credit card or by Electronic Funds Transfer (EFT)

Once payment is received, we will email with a receipt within three days.

We strongly recommend referring to the [step-by-step instructions in our How To Guide](#) for creating, updating or paying a levy in the CTF portal.

If you need help, please contact us at levycompliance@ctf.wa.gov.au or on (08) 9244 0100.

Paying the CTF levy by instalments

The project owner can apply to pay the levy by instalment if the estimated value of the construction work (as estimated in accordance with Schedule 2 of the Act) is \$500million or greater.

The first instalment must be paid in full prior to the commencement of construction. Following instalment amounts are to be paid annually on or before the anniversary of the due date of the first instalment payment.

The project owner is required to notify CTF of the intention to pay the levy by instalments in an appropriate timeframe before construction works start.

Information relating to the construction works must be provided so the payment period can be determined. We recommend project owners apply early if they wish to pay by instalments as the CTF Board will need to approve it.

If the project owner fails to notify us of their intention to pay the levy by instalments *before* the construction work starts, the *full* amount of the levy must be paid before construction work starts. Instalment payments are only allowable if they have been approved by the CTF Board.

Apply to pay by instalments

Project owners will need to complete application form to pay the levy by instalments. Please contact us info@ctf.wa.gov.au or (08) 9244 0100 to request a copy of this form.

Project owners will be contacted by the CTF following receipt and review of an application to pay the levy by instalments to confirm the payment period, instalment amounts and the schedule of payments.

Calculating levy instalment amounts

Here is how instalment amounts are calculated:

Instalment amounts = Levy payable* / Payment period**

*based on the estimated value of construction work

**in years, rounded down to the nearest whole number.

The payment period for the construction work means -

- The estimated period during which the construction work is to be carried out as agreed to by the CTF Board and the project owner; or
- The period during which the construction work is to be carried out as estimated by the Board, if the Board and the project owner are unable to agree to an estimate; or
- The period determined by the Minister over which the levy is payable for the construction work, following the Minister's consultation with the Board.

For more information, please refer to Section 21A of the Act or contact us at info@ctf.wa.gov.au or on (08) 9244 0100.

FAQs

1) What is considered 'construction work'?

In the Act, the meaning of 'construction industry' and 'construction work' is the same as defined by the Construction Industry Portable Paid Long Service Leave Act, 1985. This is: the carrying out of construction, erection, installation, reconstruction, re-erection, renovation, alteration, demolition, maintenance or repairs activities on a site.

2) How is the value of construction work estimated?

If there is no contract price for the construction work, then estimating the value of construction must account for the sum of the value (including GST) of each of the following relevant components:

- All goods (including manufactured goods) forming part of the construction work
- Labour
- Services necessary
- Fees payable
- Overheads to be met
- Profit margin

If there is a contract price, that price must include a value for each of the relevant components noted above.

3) How is the levy calculated?

The levy is calculated at 0.2% of the value of construction work. For example, the levy would be \$20,000 for construction works with an estimated value of \$10million.

The final value of construction work determines the full amount of levy to be paid. Each of the relevant components in the construction process must already include GST, or a contract price for construction must also include GST.

GST is not added to the amount of levy calculated.

4) Who is obliged to pay the levy?

The project owner is required to pay the levy.

In the absence of a building permit (issued in accordance with the Building Act 2011), a project owner is defined as the:

- (i) Person or body for whose direct benefit construction work exists upon its completion; *or*
- (ii) If the person or body referred to in (i) has engaged another person or body, other than as an employee, to carry out or cause to be carried out all of the construction work, the person or

body so engaged.

5) When must the levy be paid by the project owner?

The project owner is required to:

- Notify CTF of construction works that are subject to the levy; *and*
- Make the levy payment before construction works start.

The project owner can apply to pay the levy by instalment only when the estimated value of construction work (as estimated in accordance with Schedule 2 of the Act) is \$500million or greater.

6) How are levy payments made?

Where a building permit is not required, levy payments are made directly to us through our secure online CTF portal. Project owners are required to provide key information relating to the project, including:

- Description of works
- Location
- Estimated value of construction
- Commencement date
- Estimated completion date.

Once the levy payment is received, we will email a receipt within three business days.

7) Can the levy be paid in instalments?

The levy calculated is based on the estimated value of construction works and must be paid in full before construction works start.

The project owner can apply to pay the levy by instalment if the estimated value of the construction work (as estimated in accordance with Schedule 2 of the Act) is \$500million or greater. Project owners need to complete an application form to pay the levy by instalments – please contact us at levycompliance@ctf.wa.gov.au to request this application form.

8) When does the levy have to be paid?

The project owner must pay the levy before construction work starts.

The project owner must notify us of any construction works that are subject to the levy.

The levy is calculated on the estimated value of the construction work in accordance with Schedule 2 of the Act. The estimated value of construction must be submitted in our secure online [CTF portal](#) (“Create or update a levy”).

The project owner can apply to pay the levy by instalments only where the estimated value of

construction work (as estimated in accordance with Schedule 2 of the Act) is \$500million or more.

9) Why is a construction completion date necessary?

We need an estimated completion date to assist project owners with reconciliation of the levy due, based on the final value of construction.

The initial levy payment is based on an *estimate* of the value of construction works.

When the construction works have been completed, the project owner needs to advise us of the *final* value of construction work so we can determine if any additional amount is owing or refundable.

If the final construction value has varied by more than \$25,000 from the estimate, then an adjustment to the amount of levy paid is required.

Where the final construction value is:

- More than \$25,000 *below* the estimated value, CTF will refund an appropriate amount of the levy paid to the project owner.
- More than \$25,000 *above* the estimated value, the project owner is required to pay an additional amount of levy to the CTF.

10) What happens if construction work doesn't go ahead and the levy has already been paid?

We will refund 100% of the levy paid if construction work is cancelled before construction work starts. Additional documentation may be required for processing the refund. For more information, please refer to our [Levy and Disbursement Guidelines](#).

11) What happens if the levy is not paid by a project owner before construction work starts – are there penalties?

Penalties may apply if the project owner does not pay the levy before construction work starts, or if we haven't been notified of the final value of construction.

In each of these cases, the penalty applicable is:

- \$20,000 for an individual.
- \$50,000 for a business/company.

In addition to any penalty and the amount of levy originally due on the construction works, the project owner can be liable to pay a further 100% of the unpaid levy, annualised from the estimated date when construction commenced.

For example, a project owner is due to pay a levy of \$10,000 on 29th December 2022 for construction that begins on 1st January 2023 and ends on 31st December 2023. However, the levy was only paid on 1st July 2022 which is after construction work started. The project owner could be liable to pay \$65,000 for:

- \$10,000 for the original levy; and
- \$50,000 penalty for a business/company; and
- \$5,000 further payment of the unpaid levy annualised (half a year for a one-year construction).

12) Where does revenue from the levy go and how is it used?

We collect revenue from the levy and invest this into programs and initiatives that support WA's construction workers.

For example, we offer:

- Grants to employers of apprentices and trainees in construction – the base grant of \$3,000 to \$10,000 helps employers cover the costs of hiring and training apprentices and trainees. Additional supplements are available if an employer is regionally based and/or employs a female, mature-age or Aboriginal or Torres Strait Islander apprentice/trainee. The total amount available is up to \$25,000 per apprentice/trainee.
- Rebates for short training courses— these are training subsidies that cover up to 80% of the cost of a relevant and eligible training course.

13) How do CTF's programs benefit the resources sector?

The grants and subsidies from the levy contribute to building a skilled, sustainable construction workforce for WA. This funding reduces costs for the employer and subsidises the cost of training for the individual and/or employer.

In this way, our programs help ensure construction workers are sufficiently skilled and safely equipped to work in the resources sector.

The eligibility criteria to access our grants and training subsidies:

- Employers and/or individuals directly engaged in on-site construction, erection, installation, reconstruction, re- erection, renovation, alteration or demolition activities under the definition of construction in the resources sector may be eligible.
- Employers and or/individuals engaged in operational works in the resources sector are not eligible.

14) Will the revenue raised from construction works in the resources sector go directly back into the sector?

No, there is no direct return of revenue from the levy to any specific construction project or sector from which it is received.

The construction industry covers a wide range of contexts and multiple industries.

Since 1991, schools (education), hospitals (health), roads (transport), factories (manufacturing), shopping centres (retail) have paid the levy for their building and construction work. Consequently, they have contributed to training of thousands of construction workers, including those who work in the resources sector which has had exclusions from the levy since 1994.

The revenue raised from construction works in the resources sector will support the training of workers in this industry to ensure they are sufficiently skilled.

15) Is all construction work in WA's resources sector subject to the levy?

Yes. However, Regulation 3 outlines the works related to resources operational activities that are excluded from the levy.

For example:

- Levelling a plot of land to construct a processing plant on is civil construction work and is subject to the levy.
- Levelling a plot of land to restore or remediate a plot that was used for storage of overburden is resources operational work - and is therefore excluded from the levy.

Residential and commercial construction works remain subject to the levy.

16) When does the threshold of \$10million apply to works in the resources sector?

This threshold applies only to replacement, renovation, alteration, reconfiguration, refurbishment and relocation works undertaken on existing resources facilities or components of existing resources facilities.

All other construction works in the resources sector with an estimated value greater than \$20,000 and not captured by an exclusion outlined in the Regulations, are subject to the levy.

17) Does the levy apply to offshore construction work?

Yes. Section 5 of the Act prescribes the inclusions for offshore construction work.

For example, the construction of an offshore gas platform and associated infrastructure that transports hydrocarbons to an onshore processing plant is subject to the levy.

18) Does the levy apply to earthworks related to mine rehabilitation?

No. The following are excluded from the levy:

- The recontouring of land and/or redistribution of strip or overburden to backfill or stabilise land and/or re- seeding of land affected by resources operations.
- Flooding, sealing, capping and sequestering activities connected with closure and/or decommissioning of resources operations.
- Demolition of structures, components and/or facilities as part of the decommissioning of resources operations.

19) Why are works for replacement, alteration, renovation, reconfiguration and replacement of resources facilities subject to a threshold?

Due to the unique requirements of resources operations, the levy only applies to the replacement, alteration, renovation, reconfiguration or relocation of an existing resources facility, or component of an existing resources facility when the aggregate value of the associated works is \$10million or greater. This equates to a minimum levy value of \$20,000.

20) If the construction work is divided, contracted or sub-contracted, who is the project owner?

Where construction work is divided, contracted or sub-contracted to multiple entities, the project owner is the person or body (i.e., business or company) for whose direct benefit all construction work exists upon its completion.

21) Maintenance or repairs of resources facilities are not subject to the levy; however, some other works are often part of maintenance and repairs schedules. Will these activities subject to the levy if they are part of a regular maintenance program?

The definition of construction prescribed in the Act excludes maintenance or repairs of a routine or minor nature.

‘Routine’ is widely accepted as relating to activity which is performed as part of a regular procedure, rather than for a special reason. Similarly, ‘minor’ is accepted as relating to an activity that is comparatively lesser in importance, seriousness or significance.

In the context of resources operations, maintenance or repairs of a routine or minor nature would be works that are regular, procedural, or works that are of less significance to operations. In this case, they would not be subject to the levy.

The threshold only applies to instances of replacement, alteration, renovation or reconfiguration works of an existing resources facility or component of a resources facility that are not regular; procedural; or are works that have comparative significance to operations; and where the aggregate value of the works is \$10m or greater.

22) The Regulations applies the levy to resources facilities that are not commercial facilities. What does this mean?

Commercial facilities are infrastructure or structures that are intended predominantly to be used or to contain people; or plants; or machinery; or goods; or livestock. The levy has always applied to commercial construction work. Examples of commercial facilities include

- Hospitality—kitchens, cooking and food preparation, dining/mess areas, function rooms
- Leisure—sporting facilities, gyms, swimming pools, spas, games rooms, TV/movie theatres/lounges, decks, aquariums
- Cultural—prayer rooms, chapels, meeting rooms
- Health—first aid, medical centres
- Ablutions—bathrooms, toilets, shower areas

- Offices—reception, visitor centres, retail
- Laboratories
- Nurseries and seed banks
- Workshops—light and heavy machinery, fabrication shops, tool shops, garages and vehicle shelters, hangars
- Transport—sealed roads, unsealed roads (not haul roads), footpaths, hardstands, forecourts, cycleways, runways, airports
- Storage, warehouses and depots—cool rooms, fuel, hazardous materials, chemicals, explosives, core libraries.

Examples

Value of rolling stock on the estimated value of construction work

123 company announces an investment of \$1billion to expand operations. \$300million of this value is in rolling stock, such as haul trucks, water carts and other vehicles. Is this to be included in the estimated value of construction?

Included in the estimated value of construction work: ❌

- This would *not* be included, as items such as haul trucks, water carts, locomotives, rail cars and vehicles are not part of construction works and would not be included in calculating levy payments.

Expanding capacity at an existing mine

ABC Alumina is expanding its capacity and is building additional infrastructure at an existing mine. The infrastructure includes a conveyor, crusher, fuel depot, mobile plant maintenance depot and switching room.

Levy assessment: ✅

- The levy would apply to all elements of this construction work as it is new construction.

Construction of a building and road, with relocation of generator and depot

Expansion of its operations means that DEF Gold will build a new communications room at its Shannon operations near Laverton. The estimated value of the works is \$260,000.

DEF Gold also plans to construct a new unsealed access road from the public highway to the entrance of its operations. The estimated cost of this work is \$450,000.

DEF is also relocating its existing generator and fuel depot (\$1,500,000) and will construct new haul roads (\$350,000) as part of the expansion.

Levy assessment: ✅ *and* ❌

- The levy would only apply to works for the communications room (commercial construction) and the unsealed access road as they are new construction works.
- The levy would *not* apply to the relocation of the existing generator and fuel depot as the estimated value is under the threshold of \$10million. The levy would also not apply to the new haul roads as they are part of core operations. Unsealed haul roads are not subject to the levy, but sealed haul roads are.

Shutdown of plant for maintenance

GHI Energy has scheduled a complete shutdown of its entire on-shore LNG plant for routine

maintenance.

While GHI Energy has scheduled a complete shutdown of the plant for maintenance; it is taking the opportunity to replace distillation towers and pipework in Train 1 during the shutdown. The estimated value of the works to facilitate the replacement is \$45million.

Levy assessment: ✓ *and* ✗

- The levy would only apply to the \$45million value of the works to replace the towers and the pipework, taking place during the shutdown. The replacement of these items is construction work *additional* to routine maintenance and is above the threshold of \$10million.
- The levy would *not* apply to the routine maintenance on the plant as this is considered to be part of resources *operational* works.

Relocation of dongas and resurfacing a runway

JKL Iron Ore is relocating 60 dongas from its Tipperary Creek operations to Wicklow Downs to increase accommodation facilities. The estimated cost is \$8.5million.

JKL is also resurfacing the runway at its airfield servicing both operations. The estimated cost of this is \$1.8million.

Levy assessment: ✓

- The levy would apply to the residential construction works and to the resurfacing works as these are repairs and maintenance to commercial construction works as airports and airfields are considered commercial facilities.

Routine maintenance reveals replacement work is needed

MNO Oil and Gas budgets \$50million annually for routine maintenance to its pipeline system between a wellhead in the Browse Basin and an onshore plant near Dampier. Inspection reveals that several pumps and lengths of pipeline must be replaced. The replacement work is estimated to add \$22million to the annual budget.

Levy assessment: ✓

- The levy would only apply to the estimated \$22million replacement of the pumps and pipeline as the works have an estimated value higher than the threshold of \$10million.

MNO Oil and Gas is planning a significant expansion of both on and offshore facilities. The estimated investment is \$15billion over five years, commencing in 2020.

We would work closely with MNO Oil and Gas to determine:

- A timeline of planned development and development phases
- How construction works will be packaged and executed over the development of the project
- Which elements, if any, may be excluded.

Drilling, blasting, loading, and hauling services at a mine

PQR Resources has awarded STU Civil Contractors a five-year contract for mining operations at its Kerry and Salthill sites in the Goldfields. The contract is worth \$700million for drilling, blasting, loading, and hauling services.

Levy assessment: ❌

- The levy would *not* apply as the works are resources *operational* works.

Deployment of a FLNG plant built overseas

VWX Energy is deploying a new FLNG plant at a well in the Browse Basin. The FLNG plant was built in Korea and the construction of this is not subject to the levy.

Levy assessment: ✅

- The levy would apply to the works associated with securing the FLNG plant into position. The estimated value of the construction work to secure the FLNG must include the value of the FLNG as a relevant component of the construction work.

Geosequestration carbon capture and storage

YZ1 Energy is undertaking a \$2.5billion geosequestration carbon capture and storage project. Carbon dioxide, which occurs with the natural gas methane, is stripped from the gas before it is liquefied for export. The geosequestration process involves compressing the separated carbon dioxide and piping it to nine injection wells where it is then injected into a natural geological reservoir more than two kilometres below the seabed.

Levy assessment: ✅

- The levy would apply to the construction component of the \$2.5 billion geosequestration carbon capture and storage facility.

Replacement of a crusher by two contractors

CD3 Minerals will engage two separate contractors to replace a crusher at its Donegal Flats operation in the Pilbara. The estimated value of the complete project is \$17million.

The work performed by Contractor A is estimated at \$9million and the work performed by Contractor B is estimated at \$8million.

Levy assessment: ✅

- The levy would apply to the \$17million, as this is the aggregate value of works required to complete the project.

Renovation of mess facilities

EF4 Iron Ore is renovating mess facilities at its Kilkenny accommodation camp in the Pilbara. The works will include new flooring, plumbing and tiling fixtures in wet areas and repainting of internal walls. The estimated cost is \$130,000.

Levy assessment: ✓

- The levy would apply to the renovation works as they are works on commercial buildings.

Routine maintenance, installation, and refurbishment

GH5 Minerals intends to perform routine maintenance on a berth at its facility at Port Hedland, estimated at \$15million.

In separate works, GH5 Minerals is also installing a new communications building and refurbishing existing offices connected to its port facilities. The value of these works is estimated at \$2.5million.

Levy assessment: ✓ and ✗

- The levy would apply to the construction of the new communications building and the refurbishment of the offices as they are both commercial facilities.
- The levy would *not* apply to the maintenance works on the berth as it is a facility connected to a resources *operation*.

Refurbishment and refit of offshore platform

AB2 Gas and Oil is planning to refurbish and refit an offshore platform that has been in use since 1998. The estimated cost is \$200million.

Levy assessment: ✓

- The levy would apply to the refurbishment works as they exceed the threshold of \$10million.

Expansion of a mine

IJ6 Metals has engaged KL7 Contracting as head contractor to deliver Phase 1 of expansion to its Drogheda lithium mine in the south west. The estimated value of the works lead by KL7 is \$420million.

Levy assessment: ✓

- The levy would apply to the estimated value of \$420million as the works are construction of new facilities to expand the operation.

Maintenance to fuel depot, workshop and forecourts

LM8 Salt is undertaking maintenance to its fuel depot, heavy vehicle workshop and forecourts. The work involves sandblasting, repainting, electrical upgrades, concreting and bitumen work. The estimated value of the works is \$850,000.

Levy assessment: ✓

- The levy would apply as the maintenance work is on commercial buildings.

Replacement of HV switching panels and wiring

NO9 Metals is replacing HV switching panels and existing wiring for its crusher and conveyor systems at its site in the south west. The estimated value of works is \$580,000.

NO9 Metals has awarded a contract to the same electrical contractor to replace wiring in its site offices to accommodate new fibre for communications. The estimated value of works is \$120,000.

Levy assessment: ✓ and ✗

- The levy would apply to the replacement of wiring in the site offices as the works pertain to commercial buildings.
- The levy would *not* apply to the replacement of HV switching panels and existing wiring in the crusher and conveyor systems as these works are on resources facilities and under the threshold of \$10million.

Routine maintenance and construction of rail network

PQ1 Resources contracts RS2 Rail Solutions to maintain all aspects of its rail network, including tracks and switching. PQ1 estimates that continual and routine maintenance of these rail facilities is \$6.5million annually.

RS2 Rail Solutions is also constructing three new sidings for PQ1 Resources at an estimated cost of \$15million.

Levy assessment: ✓ and ✗

- The levy would apply to the \$15million construction of new sidings.
- The levy would *not* apply to the \$6.5million contract for routine maintenance of the rail network, which is a resources facility.

Replacement of conveyors due to wear and tear

Alumina producer TU3 Resources has entered into a contract to progressively replace all of its conveyors, along with its digestion processing facilities on its site in the south west due to wear and tear. This will mitigate the estimated significant cost in repairing and maintaining these facilities over the long term. The estimated cost of this work is \$70million.

Levy assessment: ✓

- The levy would apply to these works as the aggregate value of the works to complete the project exceeds \$10million.

Refurbishment of mine and processing plant

WX4 Metals is planning to refurbish a nickel mine and processing plant which has been idled for some years. The aggregate value of refurbishing the existing facilities associated with the plant in preparation for commissioning and start-up is estimated at \$25million.

Levy assessment: ✓

- The levy would apply to as the aggregate value of \$25million is above the \$10million threshold.

Replacement of air conditioning as part of routine maintenance

YZ5 Energy is replacing air conditioning units in workers' dongas at its Rathnew site as part of ongoing maintenance. The estimated cost is \$500,000.

YZ5 Energy is engaging a contractor to maintain and repair a section of steel framing on Train 2 at its LNG plant. The estimated cost of this maintenance work is \$1.5million.

Levy assessment: ✓ and ✗

- The levy would apply to the maintenance and replacement of air conditioning as it is for accommodation facilities.
- The levy would *not* apply to the repairs and maintenance of the LNG train.

Relocation of a stacker for pit expansion

ZAB Gold is extending its Large Pit and as a result must relocate a stacker to allow for the expansion. The cost of this relocation is \$10million.

As part of the pit expansion, ZAB will also relocate its tailings facility, water treatment facility and build new haul roads, with an aggregate value of \$12million.

Levy assessment: ✓ and ✗

- The levy would apply to the relocation of the stacker as the value exceeds the threshold for works less than \$10million.
- The levy would *not* apply to the relocation of the tailings facility, water treatment facility and build of new haul roads as these works are specifically excluded in the Regulations as resources *operational* works.

Contact us

If you have any questions, please contact us:

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