

THE INTERNATIONAL ALUMINA QUALITY WORKSHOP

OPENING ADDRESS

by

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Welcome to the International Alumina Quality Workshop which has as its topic "SMELTER GRADE ALUMINA FOR THE 1990's AND BEYOND".

While workshops centred on the alumina and aluminium industry have been held in Australia before, this is the first occasion when Australia's aluminium companies have combined together to organise and hold such an event.

My congratulations to the Committee for the excellent job they have done and also for choosing such an interesting and appropriate topic. The size and diversity of representation of delegates must be ample reward for their efforts.

A little over thirty years ago the aluminium industry in Australia was virtually non-existent. The large integrated industry which we know today had its beginning with the opening in 1955 of the Bell Bay smelter in Tasmania. Early milestones since then have been:

- 1963 Start up of the Kwinana refinery in Western Australia;
 The commencement of mining at Weipa in North Queensland;
 The opening of the Port Henry Smelter in Victoria;
- 1967 Start up of the Gladstone refinery;
- 1969 The opening of the Kurri smelter;
- 1971 Start up of the Gove refinery;

and so on up to the present time.

Now, spread across five Australian States and one Territory, and in addition to the bauxite mines, there are 6 refineries and 6 smelters with the final result that Australia can currently produce over 37 million tonnes of bauxite, over 10 million tonnes of alumina and over a million tonnes of metal.

With such significance in world aluminium markets, it is more than appropriate that the industry is now holding its first Workshop in this country.

Gladstone, the location for the Workshop, has a population of about 20,000 and at one time, because of its location and harbour, was promoted as the capital of Queensland. While this was not to be, in more recent times Gladstone has fulfilled its destiny as one of the finest commercial ports in Eastern Australia. By way of background, the harbour now accommodates vessels of about 200,000 d.w.t. capacity and last year handled over twenty-eight million tonnes of cargo. Around the foreshores of the Harbour are located Queensland's largest power station, the alumina refinery, the aluminium smelter and Queensland Cement and Lime's clinker plant.

My Company, Queensland Alumina, which is a consortium of four international companies, namely:

- . Kaiser Aluminium and Chemical Corporation,
- . Aluminium Company of Canada,
- . Pechiney, and
- . Comalco Limited,

has its home in Gladstone, having commenced activity in this area in 1964 with the construction of the initial plant. This plant which was designed to produce 600,000 long tons per year, has been expanded four times and in 1984 after commissioning of the last expansion, had a design capacity of 2,736,000 tonnes. This capacity, because of the reduced demand in world markets, was not required until April, 1986. The continuing high demand for product since then, has resulted in a 1988 plan to produce 2,800,000 tonnes, which should be comfortably exceeded.

For all of us in the aluminium industry, the 1980's have been years of great challenge during which the industry world-wide has had to address the reality of over capacity and competitiveness with an intensity that hasn't been seen before. While many plants have been closed down, spectacular improvements have been made to others which now operate at cost levels believed impossible five years ago.

History has taught us that aluminium demand is cyclical with severe swings in market requirements. The fact that there is an upswing at present must not make the industry, communities and particularly Governments, complacent about the return of more difficult times. An example of these swings is that during the past 15 years QAL has only operated at full capacity for a third of that time.

Along with cost efficiency, the alumina industry is focusing on providing a better quality product to its customers. I am sure the smelters welcome this attention and I trust that out of this Workshop will come a sharing of experience as well as new thoughts and ideas which will help make a better and more consistent product.

I have much pleasure in again welcoming all delegates and now declare the Workshop officially open.