

RESERVES (WANJARRI NATURE RESERVE) BILL 2011

Introduction and First Reading

Bill introduced, on motion by **Mr B.J. Grylls (Minister for Lands)**, and read a first time.

Explanatory memorandum presented by the minister.

Second Reading

MR B.J. GRYLLS (Central Wheatbelt — Minister for Lands) [12.17 pm]: I move —

That the bill be now read a second time.

Under section 45(3) of the Land Administration Act 1997, the purpose of a class A nature reserve reserved under section 41 of the Land Administration Act 1997 may only be changed by an act of Parliament. This requires the drafting of a reserve bill to be approved by both houses of Parliament. The object of this bill is for authority to remove 758 hectares of land from the class A Wanjarri Nature Reserve, and for this excision area to be reserved for mining purposes with the care, control and management of the mining reserve to be placed with the Minister for Mines and Petroleum in his capacity as a corporation sole under the Mining Act 1978.

The recently signed land swap agreement between Nickel West, Yakabindie Nickel, the Minister for Lands, the Minister for Mines and Petroleum and the conservation and land management executive body formalises the agreement between the parties for this bill to be introduced into Parliament for the excision area, and for Yakabindie Nickel to make available in the future a 8 431 hectare area, known as the inclusion area, from its Yakabindie Pastoral Lease to the Department of Environment and Conservation for the purposes of conservation of flora and fauna. The land swap agreement also provides for associated funding from Nickel West to the consolidated account of \$500 000 once the excision occurs under this bill, and a further \$2 million once Nickel West receives final internal approval to commence the nickel project or by June 2017, whichever is the sooner. These funds may then be made available for the purposes of assisting the land arrangements for the inclusion area to be added into the Wanjarri Nature Reserve. The land swap agreement will come to an end if this bill is not passed. The excision area is about 1.4 per cent of the total area of the Wanjarri Nature Reserve, while the proposed inclusion area is about 10 times the size of the excision area with significant conservation values. Nickel West has indicated that access to the excision area is essential to provide greater certainty about its project lands and satisfy the land requirements for its proposed disseminated nickel project.

Insofar as the state is concerned, this arrangement presents a good opportunity for regional development and conservation management by ensuring that the state's interests are protected through Nickel West's financial contribution to the state to assist in the process of adding the inclusion area to the Wanjarri nature reserve, and through the creation of a mining reserve for future mining purposes relating to the disseminated nickel sulphide deposits at Yakabindie.

The flow-on effects from Nickel West's proposal, should the project's outcomes be successfully achieved, would provide the foundations for further regional economic benefits via the Kalgoorlie nickel smelter and Kwinana nickel refinery operations, leading to sustained employment, state royalties (approximately \$25 million per annum currently), and goods and services consumption (approximately \$400 million per annum currently).

I commend the bill to the house.

Debate adjourned, on motion by **Mr D.A. Templeman**.