

IRON ORE ROYALTIES NEGOTIATION

209. Hon MATT BENSON-LIDHOLM to the Leader of the House representing the Minister for State Development:

I refer to the enhanced arrangements for iron ore royalties negotiated between the state government, BHP Billiton and Rio Tinto in 2005–06.

- (1) Has the minister instructed that this agreement be executed by the relevant parties; and if not, why not?
- (2) When will the agreement be executed?
- (3) When will the agreement be validated by Parliament?

Hon NORMAN MOORE replied:

I thank the member for some notice of this question. This answer is applicable to 25 March when it was first put on notice. I do not know whether there have been any changes since then, but I inform the member that if there have been, this answer is based upon that date.

- (1) Any in-principle agreements negotiated or reached with BHP Billiton and Rio Tinto in 2005 were never implemented by the previous government.
- (2)–(3) The Minister for State Development has stated that the companies must pay royalties at the rates specified in the Mining Act on all ore sales from 1 July 2010 before the state will agree to vary the companies' state agreements for the proposed Western Australian production joint venture announced in June 2009. Negotiations with the companies for the joint venture have commenced and are continuing.