

STATE AGREEMENT ACTS — AMENDMENTS

113. Ms M.J. DAVIES to the Premier:

I refer to the government's recent meetings with BHP and Rio Tinto to discuss a cash out of the special lease rental.

- (1) Can the Premier today confirm that the two companies have rejected the cash-out option?
- (2) Can he confirm that the government will no longer pursue the cash out and that his cabinet is unified on the special lease rental remaining forever at 25c?

Mr M. McGOWAN replied:

- (1)–(2) I think the Treasurer may have had a meeting with Rio Tinto, but I am not sure whether he had a meeting with BHP. I had a relatively —

Several members interjected.

Mr M. McGOWAN: I had a relatively broad conversation with someone from BHP at one point in time about the issue, without specifics. Obviously, we are not going to head down that path unless the deal is right for the taxpayers of Western Australia. That is basically the point we made. I think there is some confusion around a cash out of the 25c lease fee versus unilaterally lifting the lease fee from 25c to \$5 a tonne. I think there is some confusion about that issue. Clearly, we are not proceeding down a course of action of ripping up the state agreements acts, unlike the Liberal and National Parties were going to do before the state election. That is a different point of view.

Mr C.J. Barnett interjected.

Mr M. McGOWAN: They were the Liberal Party's partners in government. What is the member for Cottesloe saying? Is he saying they were not the Liberal Party's partners in government? I thought the National Party was in an alliance before the election. I thought it was! I thought before the election they were good friends and they used to sit around the cabinet table and decide things jointly so that when one minister went out and said something that was the position of the government. That is what I thought! That is how I thought cabinet actually worked, but, clearly, when the Liberals and Nationals were in power, it was so dysfunctional that the Liberal Party had no control of the National Party and the National Party took no regard of what the Liberal Party Premier had to say. I suspect that at some level, it is a relief to the former Premier that he no longer has to deal with the National Party. One of the upsides of losing the election is that he no longer has to deal with the National Party. As I said before, and I will say again, the National Party appears fixated on this issue. It seems to have a deep, abiding hatred of the mining industry in Western Australia. The mining industry provides about 20 per cent of the state's economic —

An opposition member: Answer the question.

Mr M. McGOWAN: I have answered the question. The Leader of the National Party can ask a supplementary question if she wants to.

The mining industry provides about 20 per cent of Western Australia's economic activity. It helps Western Australia provide 40 per cent of the nation's exports. As we know, iron ore itself is about 60 per cent of the entire oil and gas mining industry in Western Australia, so the government is a supporter of the iron ore industry. Clearly, the National Party is not.