

COLLIE COAL (GRIFFIN) AGREEMENT AMENDMENT BILL 2024

Introduction and First Reading

Bill introduced, on motion by **Mr D.A. Templeman (Leader of the House)** on behalf of the Minister for State and Industry Development, Jobs and Trade, and read a first time.

Explanatory memorandum presented by the Leader of the House.

Second Reading

MR D.A. TEMPLEMAN (Mandurah — Leader of the House) [12.15 pm]: I move —

That the bill be now read a second time.

The purpose of this bill is to amend the Collie Coal (Griffin) Agreement Act 1979—which I will refer to as “the state agreement act”—to ratify an agreement that I will refer to as “the variation agreement”, made on 30 May 2024 between the state and the Griffin Coal Mining Company Pty Ltd, which will be referred to as “Griffin”.

This bill will provide for a 12-month extension of the term of the state agreement, the underlying coalmining leases, and associated coalmining operations to 30 June 2026. Without this extension, the current term of the state agreement will expire on 30 June 2025. If this were to occur, it would be likely that Griffin’s mining operations at the Ewington mine would cease, which would impact on the state’s coal supply. The Collie coalmines continue to be of strategic importance to Western Australia’s energy security, domestic industries and broader economy.

On 1 December 2023, the government announced it would allocate \$220 million to support continued operations at Griffin until June 2026. On 1 May 2024, the Minister for State and Industry Development, Jobs and Trade approved the extension of the state agreement for a further 12 months, from 1 July 2024 to 30 June 2025, pursuant to clause 49(3) of the state agreement. This variation agreement aligns with the government’s funding intentions and commitments to June 2026, and will help deliver certainty for the mine workforce, industry and the community for the next two years.

I turn now to summarise the key provisions of the bill and the variation agreement. These are outlined in more detail in the explanatory memorandum, which has been tabled for the consideration of members. The provisions of the bill primarily amend the state agreement act to ratify the variation agreement, referred to in the bill as the “2024 Variation Agreement”, and schedule a copy of the variation agreement to the act.

I will now outline the key provisions of the variation agreement by reference to its impact on the state agreement. Clause 21(2a) of the state agreement will be amended by inserting new clause 21(b) to extend the term of each coalmining lease granted to the company, pursuant to clause 21(1), by 12 months, to 30 June 2026, subject to the sooner determination of the state agreement. New clause 49(4) will be added to the state agreement and acknowledges the recent extension of the term of the state agreement, pursuant to clause 49(3), to 30 June 2025, and further deems the term of the state agreement to be extended by 12 months to 30 June 2026, subject to the sooner determination of the state agreement.

New clause 11A(4) will be inserted into the state agreement and obliges Griffin to submit new additional proposals for the financial year ending 30 June 2026 for the exploration and development of the coal resource contained within Griffin’s coalmining leases and other relevant matters.

New clause 11A(5) will also be added to the state agreement to allow the minister to approve variations to approved proposals during their implementation, which is a standard provision in more modern state agreements. New clause 17(8) will be added to the state agreement to allow Griffin, for the term of the state agreement and with the consent of the minister, to enter into arrangements with third parties to provide access and connection to Griffin’s Ewington rail infrastructure for the transport of goods, including goods other than coal. This will provide a basis for third parties interested in such access to engage with Griffin.

A “minimalist” approach to the negotiations was again adopted in the amendments to the state agreement. No amendments have been included that may amount to an alteration of other rights and obligations of the parties under the state agreement on the basis that such amendments are more appropriately negotiated as part of a longer-term solution. Ratification of this bill by Parliament will allow Griffin to continue operating to 30 June 2026. The variation agreement also supports the government’s commitments under the Just Transition policy to manage the transition away from coal and maintain energy system security across the south west.

I commend the bill to the house.

Debate adjourned, on motion by **Ms M.J. Davies**.