

GOLD CORPORATION — GOLD BAR CONTENT

161. Mr R.S. LOVE to the Minister for Mines and Petroleum:

I have a supplementary question. If the gold was to standard, why was it red flagged in the system, and what other red-flag issues has Gold Corporation ignored on the minister's watch?

The SPEAKER: That was two questions.

Mr W.J. JOHNSTON replied:

Again, I want to emphasise something, and I do not understand why the Leader of the Opposition needs to have this explained four times in one question time. When someone orders a gold bar from the Perth Mint, they buy one kilogram of gold. Every gold bar sold by the Mint contains one kilogram of gold, and that is what is paid for. Of course, occasionally there is a manufacturing fault; that is why there is a guarantee. Believe it or not, the gold bars are the lowest margin part of the business; it is not the bit that makes money. Sometimes the gold bars, for manufacturing reasons, are not one kilo, so we take them back and swap them. But, other than that, all gold bars sold by the Mint have one kilo of gold in them, and that is what we guarantee; it is a minimum of 99.99 per cent gold. In fact, all the gold bars contain more than 99.99 per cent gold. It is absolutely misunderstanding what has happened. All the gold bars sold contained the amount of gold that was advertised; therefore, there was not a risk to the Mint.