

IRON ORE — PROCESSING

398. Ms A.E. KENT to the Premier:

I refer to the Cook Labor government's commitment to diversify the economy.

- (1) Can the Premier update the house on the WA Labor government's election commitment to research pathways to sustainable iron ore processing in Western Australia?
- (2) Could the Premier outline what opportunities this represents for a stronger economy?

Mr R.H. COOK replied:

I thank the member for her question and thank her for her ongoing commitment to our mining industry.

- (1)–(2) We are one of the world's leading producers of iron ore; we represent nearly 40 per cent of global supply. The raw product is extracted from the Pilbara, sent overseas and turned into one of the building blocks of modern civilisation—steel. What we do to assist the world move to a cleaner, greener and low-carbon future matters in relation to iron ore. That is why we are undertaking a range of policy initiatives. As part of our Diversify WA strategy we are looking at how we turn more of our industries into greener and cleaner industries. One of the election commitments we made was to undertake a body of research into making sure that we continue to drive that policy approach and understanding what levers and needs of industry we need to concentrate on to get to that greener pathway.

Yesterday the government released its new report, highlighting how we can best contribute to this global issue in relation to iron ore. The Minerals Research Institute of Western Australia, well led by the Minister for Mines and Petroleum; Energy, has delivered on this commitment with the *Western Australia's green steel opportunity* report. It maps five ways that WA iron ore can be used to reduce emissions from steelmaking and also identifies the size and scale of investment and infrastructure needed for these pathways. The key take-out from the report is that WA is well poised to grasp this opportunity, to move up the supply chain and produce higher grade products such as hot briquetted iron right here in Western Australia. This has always been the holy grail of mining and industry development in Western Australia—how we can downstream process in WA, lift the value of our exports and make sure that we can process these minerals here in Western Australia.

The decarbonisation and transformation of our energy sector represents the single biggest opportunity that we have had in about 50 years and we have to make sure we take advantage of this opportunity. If we lower the price of energy inputs into the processing of iron ore, the competitive advantage of Western Australia processing those minerals onshore will significantly increase. That is why not a month goes by in which we do not get a visit or an inquiry from a company overseas looking to produce green steel in Western Australia. Imagine the power that this will produce for our economy, as we have Western Australian workers processing the iron ore here in Western Australia utilising renewable energy, significantly reducing global emissions and making sure that Western Australia can be a leader as we decarbonise our economy and the world's economy. This is an exciting period for Western Australia, which is why we are committed to diversifying our economy, making sure we have the capacity and the capability to produce renewable energy, particularly in the hydrogen space so it can be an important input to processing minerals, and particularly iron ore, in Western Australia, which will produce a new green energy future for our economy.