

MINERALS RESEARCH INSTITUTE OF WESTERN AUSTRALIA BILL 2013

Receipt and First Reading

Bill received from the Assembly; and, on motion by **Hon Ken Baston (Minister for Agriculture and Food)**, read a first time.

Second Reading

HON KEN BASTON (Mining and Pastoral — Minister for Agriculture and Food) [12.47 pm]: I move —

That the bill be now read a second time.

The purpose of this bill is to establish the Minerals Research Institute of Western Australia. The Minerals Research Institute of Western Australia—otherwise to be known as MRIWA—will focus on facilitating the research and development needed by the Western Australian minerals industry to ensure it remains the engine of economic growth for Western Australia. The state's \$106 billion minerals industry is vital to the economic development and prosperity of both Western Australia and the nation. The minerals industry is the largest contributor to the state economy, representing around 28 per cent of gross state product and accounting for around 40 per cent of Australia's mineral production.

The need for the Minerals Research Institute of Western Australia is compelling. The Western Australian minerals industry faces a number of serious challenges that, if left unaddressed, threaten the substantial contribution that the minerals industry makes to the wellbeing of the Western Australian economy and community. Foremost amongst these are: the easy-to-find mineral deposits in Western Australia have been discovered, requiring future exploration to search in deeper, more complex geologies in order to discover new deposits; mines will progressively need to go deeper and into more complex geotechnical environments to extract ores; minerals processing is becoming more complex, requiring more sophisticated technologies to recover the valuable minerals; capital investment is at risk, with competition emerging in lower-cost jurisdictions in which the ore bodies are easier to mine, with a lower cost structure; and minerals projects are being developed in an increasingly complicated political, social and community environment that demands that the industry have greater environmental, economic and social accountability.

The state government needs to facilitate investment in minerals research to ensure that the state's mining operations are competitive with operations in lower-cost jurisdictions. The state's co-investment in minerals research contributes to securing the significant revenues generated for the state by the minerals industry. In so doing, the Minerals Research Institute of Western Australia will contribute to ensuring that Western Australia continues to receive the considerable social and economic benefits provided by the minerals industry, including optimising the amount and duration of royalty payments.

The Minerals Research Institute of Western Australia builds on the considerable achievements of the existing Minerals and Energy Research Institute of Western Australia. The Minerals Research Institute of Western Australia will, however, focus solely on minerals research. The energy research space has become increasingly crowded, with organisations such as Western Australian Energy Research Alliance and others driving investment into energy research. This bill allows the government to evolve MERIWA into MRIWA to target gaps in the research occurring in Western Australia.

MRIWA will select recipients of grants through a competitive multistage process that will seek proposals from research organisations both in Australia and abroad that leverage multi-partner research and development funding from industry and/or other government sources to the benefit of Western Australia.

Research projects funded by MRIWA must stimulate minerals research that enables industry to continue to invest in, and operate, globally competitive minerals exploration, mining, processing and export enterprises in Western Australia and, in so doing, contribute to the minerals industry and continue to provide economic and social benefits to the state for the long term. Research projects funded by MRIWA must also comply with the specific requirements of the research priorities plan, which has been, and will continue to be, crafted to identify the priority needs for the Western Australian industry. MRIWA will invest in developing engineers, geologists and other scientific professionals who are required for the future of the Western Australian minerals industry through a postgraduate scholarship program for higher-degree-by-research candidates. The primary focus of this program is PhD students, particularly those undertaking a project that is aligned with MRIWA's priority research themes.

The Minerals Research Institute of Western Australia initiative represents a strategic model for minerals research in Western Australia. It will provide an efficiency gain for the state, with research for the minerals industry being better managed and coordinated and strategically targeted.

Pursuant to standing order 126(1), I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the government of the state is a party; nor does this bill, by reason of its subject matter, introduce a uniform scheme or uniform laws through the commonwealth.

I now table the explanatory memorandum.

[See paper 939.]

Debate adjourned, pursuant to standing orders.