

GOLD CORPORATION — GOLD BAR CONTENT

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

I have a supplementary question. How is it that the minister failed to notify the Premier of this significant issue, noting that he was the minister responsible at the time of the doping and is the guarantor of the gold?

Several members interjected.

**The SPEAKER:** Order, please!

**Mr W.J. JOHNSTON replied:**

Leaving aside the inaccuracies in the question, I just want to drive at the answer. I have repeated this a hundred times, and I will repeat it for the 101<sup>st</sup>, and, eventually I hope, the Leader of the Opposition will listen: all the gold bars produced by the Perth Mint were always compliant. They have always contained 99.99 per cent gold. That is what is stamped on the bars. I know this is confusing for the Leader of the Opposition and I know there has been confusion in the community, but we must not misunderstand the issue here. The issue was never the content of gold; it was the question of what the non-gold content of the bar was. It was not whether there was a short delivery of gold. The Perth Mint does not actually charge for the 0.01 per cent that is not gold; it charges for the 99.99 per cent that is gold. I know that that confuses the Leader of the Opposition, but it does not confuse anybody else. The reason the Shanghai Gold Exchange continues to deal with the Mint is that it has satisfied itself with the approach the Mint takes. At no time did the Shanghai Gold Exchange ask for any of the bars to be returned, for example. That never occurred.

I know that an internal report that was never provided to the board or to me was given to *Four Corners*. I am not going to speculate on who gave that to *Four Corners*. The fact that the author of the report was subsequently terminated because of her failure to implement the changes from the Anti-Money Laundering and Counter-Terrorism Financing Act I am sure is not related to the story getting to the ABC. I just make the point that that report was in error. It said that the Mint might have to buy back 100 tonnes of gold. That was never correct. We know it was not correct because two and a half years later, we have never had to buy any gold back. But let us assume that we had to buy the gold back. The gold would still have been a hundred tonnes of gold. We buy 260 tonnes of gold every year. The Mint buys over 15 tonnes of gold every month. The idea that gold is not a valuable commodity is mind-blowingly stupid.

Let me make it clear: there was not, and is not now, anything to report to the Premier about the gold-manufacturing process at the Mint because on every day that this government has been in power, all gold bars sold by the Mint have met the 99.99 per cent requirement, which is what the Treasurer guarantees. The Treasurer does not guarantee 99.96 per cent. I know that is confusing to the Leader of the Opposition, but it is not an issue for me. Every day that we have been in government, Gold Corporation's gold bars have contained the amount of gold given in the guarantee. There was never an issue to raise with the Treasurer because every gold bar was compliant with the standard that is stamped on the gold bar, which, as I said to the Leader of the Opposition yesterday, is on the website and is public to everybody.