

**GREEN STEEL INDUSTRY**

*Statement by Minister for Mines and Petroleum*

**MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum)** [9.18 am]: I rise to update the house on the McGowan Labor government's election commitment to investigate the viability of a Western Australian green steel industry. As members know, the McGowan Labor government has committed \$1 million to this work through our \$750 million climate action fund. To deliver on this commitment, the Minerals Research Institute of Western Australia has appointed lead adviser GHD Group, in partnership with ACIL Allen, to investigate the iron ore to steel value chain. Initial works will identify opportunities and barriers for WA to support the global steel industry's green ambitions. Further work will then examine regional infrastructure needs, market dynamics and the policies needed to ensure that the state has a comprehensive understanding of creating green steel. The steel industry generates between seven and nine per cent of global carbon emissions. Traditionally, coal is used in the steelmaking process as both an energy source and as a reducing agent to extract iron. Green steel production will require renewable energy and hydrogen, or an alternative reducing agent, to avoid producing carbon dioxide. As the world's largest supplier of iron ore, Western Australia has a significant role to play in understanding the viability of green steel. We have an opportunity to position our state at the forefront of innovation in this emerging industry, as we transition to net zero carbon emissions by 2050.

The McGowan Labor government is focused on making sure that WA has every advantage to secure the opportunities and investment in our state. That means attracting global investment and positioning ourselves to take advantage of future trends in the global market. The McGowan Labor government's investments in mining research, including green steel, will strengthen our state. These investments will support our transition to net zero by 2050. They will diversify our economy and help create the WA jobs of the future. I look forward to hearing more from the Minerals Research Institute of Western Australia as it delivers this important investigation into the iron ore to steel value chain.