

LEGISLATIVE COUNCIL
Question Without Notice

Tuesday, 15 October 2019

C1217. Hon Dr Steve Thomas to the Minister for Environment representing the Minister for Treasurer

I refer to the answer to my questions without notice 13, 80, 656, 938 and 961 this year on the 2019 mini boom of iron ore royalties, and the Annual Report on State Finances to be released tomorrow, and I ask:

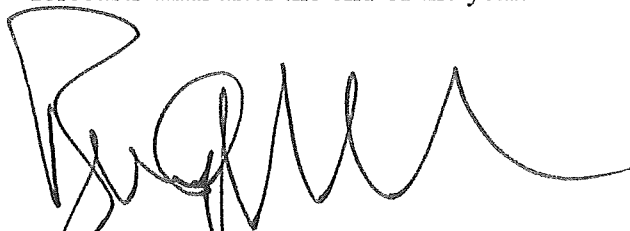
1. What is the current spot price of iron ore in US dollars?
2. During what periods was the iron ore price over \$US90 per tonne in 2019 so far?
3. What has been the mean average iron ore price from 12th February 2019 to 13th October 2019?
4. How much additional iron ore royalty revenue above budget estimates has the state received so far in the 2019 calendar year? And
5. How much of this additional revenue has been committed to specific expenditure, and what are those commitments?

Answer

1-3. Iron ore prices are widely reported in the media on a daily basis. As reported on page 52 of The West Australian, today's price is \$92.86.

4. I refer you to the 2018-19 Annual Report on State Finances. The 2019-20 Mid-year Review will be published by the end of 2019 and it will contain an update to the 2019-20 Budget revenue projections.

5. I refer the Member to the response to part 5 of Question Without Notice 938 and reiterate that "There will always be a number of changes to revenue and expenditure expectations between the delivery of a state budget and the conclusion of a financial year. The government does not make expenditure decisions based on changes to a single revenue stream among thousands of items of revenue and expenditure." Moreover, iron ore royalty revenue is highly volatile, and we will not know the full year effect of iron ore price movements relative to forecasts until after the end of the year.



TREASURER