IRON ORE (HAMERSLEY RANGE) AGREEMENT.

13° Elizabeth II., No. XCVIII.

No. 98 of 1964.

AN ACT to amend the Iron Ore (Hamersley Range) Agreement Act, 1963.

[Assented to 23rd December, 1964.]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and the Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

Short title and citation.

1. (1) This Act may be cited as the Iron Ore (Hamersley Range) Agreement Act Amendment Act, 1964.

(2) In this Act the Iron Ore (Hamersley Range) Agreement Act, 1963, is referred to as the principal Act.

(3) The principal Act as amended by this Act may be cited as the Iron Ore (Hamersley Range) Agreement Act, 1963-1964.

2. Section two of the principal Act is amended— s.2

- (a) by inserting, immediately after the word, "the", in line two of the interpretation. "the Agreement", the word, "First"; and
- (b) by adding, after the interpretation, "the Company", the following interpretation-

3. The principal Act is amended by adding, after s. 3A added. section three, the following section-

3A. The Supplementary Agreement is suppleapproved.

Section four of the principal Act is amended s.4 4. by inserting, immediately after the numerals, "1918", in line two of paragraph (d) of subsection (2), the passage, ", but shall be laid before each House of Parliament within six sitting days of such House next following the publication of the by-laws in the Government Gazette".

5. The heading to the Schedule to the principal schedule amended. Act is deleted and the following headings are substituted-

THE SCHEDULES.

FIRST SCHEDULE.

6. The principal Act is amended by adding at the second Schedule end thereof, the following Schedule added.

SECOND SCHEDULE.

THIS AGREEMENT under seal made the twenty-seventh day of October One thousand nine hundred and sixtyfour BETWEEN THE HONOURABLE DAVID BRAND, M.L.A. Premier and Treasurer of the State of Western Australia acting for and on behalf of the said State and

mentary Agreement approved.

amended.

[&]quot;the Supplementary Agreement" means the agreement of which a copy is set out in the Second Schedule to this Act.

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instrumentalities thereof from time to time (hereinafter called "the State") of the one part and HAMERSLEY IRON PTY. LIMITED a company incorporated under the Companies Act, 1961 of the State of Victoria and having its registered office and principal place of business in that State at 95 Collins Street Melbourne and its registered office in the State of Western Australia at 37 Saint George's Terrace Perth (hereinafter called "the Company" which expression will include the successors and assigns of the Company including where the context so admits the assignees and appointees of the Company under clause 20 of the agreement hereinafter referred to) of the other part.

NOW THIS AGREEMENT WITNESSETH:

1. This Agreement shall have no force or effect and shall not be binding upon either party until it is approved by the Parliament of Western Australia.

2. The agreement made between the parties and defined in and approved by the Iron Ore (Hamersley Range) Agreement Act, 1963 (hereinafter referred to as "the said Agreement") is amended or altered as hereinafter provided and the said Agreement shall be read and construed accordingly.

3. Paragraph (a) of the definition of "export date" in clause 1 of the said Agreement is amended by substituting therefor the following paragraph—

(a) the date on which the period of three (3) years next following the commencement date or (as the case may be) the date on which the extended period referred to in clause 10 (1) hereof expires;

4. Clause 1 of the said Agreement is further amended by inserting after the definition of "port townsite" therein the following definition—

"processed iron ore" means iron ore processed by secondary processing; .

5. Paragraph (b) of subclause (1) of clause 5 of the said Agreement is amended by inserting after the passage, "fifteen million (15,000,000) tons of iron ore" in line six the passage "(and/or processed iron ore)".

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6. Clause 5 of the said Agreement is further amended by adding thereto a subclause as follows—

(4) If the Company should desire a further extension for a period not exceeding three (3) years beyond the expiration of any period of extension granted under subclause (3) of this clause within which to negotiate satisfactory iron ore contracts and if the Company demonstrates to the satisfaction of the Minister that the Company has duly complied with its other obligations hereunder has genuinely and actively but unsuccessfully endeavoured to make the iron ore contracts on a competitive basis and reasonably requires an additional period for the purpose of making iron ore contracts the Minister will grant such extension for such period not exceeding a further three (3) years as is warranted in the circumstances subject always to the condition that the Company duly complies (or complies to the satisfaction of the Minister) with its other obligations hereunder.

7. Clause 8 of the said Agreement is amended by substituting for subclause (2) thereof the following subclause.

(2) Notwithstanding that under clause 6 or clause 7 hereof any detailed proposals of the Company are approved by the State or the Minister or determined by consultant engineers or by arbitration award unless each and every such proposal and matter is so approved or determined by the 28th day of February, 1965 or by such extended date if any as the Company shall be entitled to or shall be granted pursuant to the provisions hereof then at any time after the said 28th day of February, 1965 or if any extension or extensions should be granted under clause 5 (3) or clause 5 (4)hereof or any other provision of this Agreement then or after the expiration of the last of such on extensions the Minister may give to the Company twelve (12) months notice of intention to determine this Agreement and unless before the expiration of the said twelve (12) months period all the detailed proposals and matters are so approved or determined this Agreement shall cease and determine subject however to the provisions of clause 11 (d) hereof.

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8. Paragraph (b) of subclause (1) of clause 9 of the said Agreement is amended by inserting after the words "reasonable charges for operation and maintenance" in subparagraph (ii) of the said paragraph the following words "except operation charges in respect of education hospital and police services and".

9. Paragraph (b) of subclause (1) of clause 9 of the said Agreement is further amended by inserting after the words "whichever shall first occur" in the proviso to that paragraph the following passage "(provided that the said twentieth anniversary shall be extended one (1) year for each year this Agreement has been continued in force and effect under clause 5 (3) or clause 5 (4) hereof)".

10. Clause 10 of the said Agreement is amended by inserting after the passage "three (3) years next following the commencement date" in lines one and two of subclause (1) thereof the passage "(or within such extended period not exceeding a further two (2) years as the Company may satisfy the Minister that the Company reasonably requires and the Minister approves)".

11. Clause 10 of the said Agreement is further amended by substituting for the words "within the aforesaid period of three years" in lines nine and ten of the said subclause (1) thereof the passage "within such period of three years or such extended period (as the case may be)".

12. Subclause (2) of clause 10 of the said Agreement is amended by adding to paragraph (f) thereof the following passage "and that the Company shall have the entire control of such use and that no personnel other than personnel provided or approved by the Company shall be utilised for or in respect of such use".

13. Paragraph (1) of clause 11 of the said Agreement is amended by substituting for the passage ": PROVIDED HOWEVER" the following passage "or if the Company shall surrender the entire mineral lease as permitted under clause 9 (1) (a) this Agreement and the rights of the Company hereunder and under any lease licence easement or right granted hereunder or pursuant hereto shall thereupon determine PROVIDED THAT if the State gives to the Company a

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notice specifying a default on the part of the Company and the Company promptly refers to arbitration the question whether such alleged default has taken place then if upon the arbitration it is decided that the Company has made such default but that there has been a *bona fide* dispute and that the Company has not been dilatory in pursuing the arbitration then neither this Agreement nor any of the rights hereinbefore referred to may be determined unless and until a reasonable time fixed by the award upon the arbitration as the time within which the Company must remedy such default has elapsed without such default having been remedied and PROVIDED FURTHER".

14. Paragraph (1) of clause 11 of the said Agreement is further amended by adding after the words "if the Company shall fail to remedy any default after such notice" in the final proviso to the paragraph the following passage "or within the time fixed by the arbitration award".

15. Subclause (1) of clause 12 of the said Agreement is amended by adding thereto the following passage "Provided that if the Company satisfies the Minister that the Company's mining operations are not producing quantities of iron ore suitable for treatment at a rate of two million (2,000,000) tons of iron ore per annum on an economic basis then the Minister may approve a modified proposal and reduce the figure of two million (2,000,000) tons to a figure the Minister considers appropriate having regard to prevailing circumstances but to not less than one million (1,000,000) tons per annum with provision for progressive increase to two million (2,000,000) tons per annum on a revised programme and in approving such modified proposal the Minister may approve corresponding variations of the provisions of paragraphs (a) (b) and (c) of this subclause." .

16. Subclause (3) of clause 12 of the said Agreement is amended by inserting after the passage "excess of Five million (5,000,000) tons" in paragraph (a) thereof the passage "unless prior to year 10 the Minister shall have approved the Company entering into a contract or contracts for the export of iron ore at an annual rate in excess of five million (5,000,000) tons".

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IN WITNESS WHEREOF THE HONOURABLE DAVID BRAND M.L.A. has hereunto set his hand and seal and the COMMON SEAL of the Company has hereunto been affixed the day and year first hereinbefore mentioned.

SIGNED SEALED AND DELIVERED by the said THE HONOURABLE DAVID BRAND M.L.A. in the presence of—

DAVID BRAND [L.S.]

C. W. Court Minister for Industrial Development.

Arthur Griffith Minister for Mines.

THE COMMON SEAL of HAMERSLEY IRON PTY. LIMITED was hereunto affixed in the presence of—

[C.S.]

F. S. ANDERSON Director

PETER FITZGERALD Secretary