

Progressive Coal Royalties Protection (Keep Them in the Bank) Bill 2024

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Cost of Living and Economics Committee
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QCC Response to: Progressive Coal Royalties Protection Bill 2024

Queensland Conservation Council (QCC) welcomes the opportunity to respond to the Progressive Coal Royalties Protection (Keep Them in the Bank) Bill 2024. QCC strongly supports a strong coal royalties scheme ensuring coal companies profits can be used to fund the transition away from fossil fuels.

For too long, coal companies operating in Queensland have been allowed to extract Queenslanders' resources, damaging our environment and water, leaving huge voids in the landscape and contributing to catastrophic global climate change, without paying their fair share.

We strongly support the increased progressive royalties introduced when coal prices skyrocketed in 2022, and the intent of this Bill to ensure the royalty rates are not reduced by a future Government. Queenslanders are still bearing the brunt of increased energy and goods prices, while large coal companies are racking up superprofits. These profits should be shared with Queenslanders.

However, coal royalties must be viewed only as a means to enable a transition away from fossil fuels. We do not support new coal mines being approved. The increased revenue that they would provide by no means makes up for the increased costs Queenslanders will feel from the turbo charged climate change impacts that will result from these activities.

Queenslanders are already experiencing the impacts of climate change, driven in part by coal exported from and used in our state. The future of our Great Barrier Reef is in peril,

experiencing the fifth mass bleaching event in just eight years, affecting 60% of the Reef¹. Many communities are still facing the daunting task of rebuilding their livelihoods after extreme floods, storms and cyclones last summer, which were estimated to cause more than \$2bn in damage². We need to rapidly transition away from fossil fuels to protect our nature and communities.

Therefore, we recommend that coal royalties be directed into a transition fund for Queensland. We appreciate the efforts made by the Palazscsuk and Miles Governments to do this and recommend it be formalised and continued.

We have a huge opportunity to build a new economic future which is good for the global climate, local nature and communities. But it will require a significant investment in renewable energy and storage, as well as associated green manufacturing industries.

Coal royalties should be used to build new industries in clean manufacturing such as green steel, iron and hydrogen, and building the renewable energy we need to decarbonise existing industries like aluminium smelting.

We strongly support a bigger role for the Queensland Government in regulating industry. This Bill is a good step in making it harder to reduce coal royalties in future. We further urge the Government to improve the planning and regulatory frameworks governing project approvals for all industries, including renewable energy, to ensure nature is actually protected and communities get long term benefits from development in their regions.

We need to improve on the development of new industries, learning from the lessons of the coal seam gas expansion. New industries can be developed better by managing housing and transport in a coordinated way, by ensuring local content and employment and by coordinating strategic community and regional benefit sharing.

The Progressive Coal Royalties Protection (Keep Them In the Bank) Bill 2024 should be just the start of the Queensland Government's involvement in using profits from our existing, polluting coal industry to build its cleaner, greener replacement.

¹ Australian Institute for Marine Sciences (2024)

<https://www.aims.gov.au/research-topics/environmental-issues/coral-bleaching/coral-bleaching-events>

² ABC (2024) *Queensland Storm Disaster to Cost more than \$2bn says Treasurer*

<https://www.abc.net.au/news/2024-01-05/gold-coast-storm-damage-bill-insurance-recovery-power-outage-s-2b/103282712>



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COUNCIL**

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Kind regards,



Clare Silcock
Energy Strategist

