



OFFICE OF THE MAYOR



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30 January 2019

Committee Secretary
State Development, Natural Resources and Agricultural
Industry Development Committee
Parliament House
George Street
BRISBANE QLD 4000

Dear Committee Secretary

RE INQUIRY INTO THE MINERAL RESOURCES (GALILEE BASIN) AMENDMENT BILL 2018

Isaac Regional Council (IRC) welcomes the opportunity to provide a submission to the State Development, Natural Resources and Agricultural Industry Development Committee in response to the Mineral Resources (Galilee Basin) Amendment Bill 2018.

About the Isaac Region

The Isaac region encompasses an area of 58,862 square kilometres from prime agricultural land to the resource rich Bowen and Galilee Basins housing the largest coal mining deposits in Australia. The area also includes a coastal strip that brings with it tourism opportunities.

The Isaac produces more than half (54%) of Queensland's saleable coal, generating more than \$1.5 Billion in royalties, and we are proud to be a region which is feeding, powering and building communities.

The Isaac economy is largely driven by the resources sector which contributes \$11.131 billion (or 79.3%) to the regions total output¹. The resources sector is the highest performer across output, employment (employing 37.7% of Isaac region's workforce), local sales, regional exports, regional expenditure and contributes by way of value added to the region of \$4.56 billion.

Isaac region boasts a burgeoning renewable energy sector. Within the region there are currently 9 solar farms approved (and one pending) which range in generating capacity from 50 to 400 megawatts. In addition, approval has been granted for one of Australia's largest wind farms at Clarke Creek which will comprise 195 turbines with the capacity to generate 2,000 gigawatts-hours of renewable electricity each year, equivalent to 3% of Queensland's energy demand.

It is important to note that many of Isaac Regional Council's communities have been built off the back of the mining industry providing security, prosperity and an enviable lifestyle for many of its residents for generations. Isaac Regional Council is also home to a 100km of pristine coastline, protected habitats and coastal communities.

¹ REMPLAN Economy, accessed 7 January 2019

The Mineral Resources (Galilee Basin) Amendment Bill

Isaac Regional Council fundamentally opposes the proposed Mineral Resource (Galilee Basin) Amendment Bill 2018 and its objective to prohibit mining in the Galilee Basin.

Isaac Regional Council has been and always will be supportive of responsible planned development within the resource industry. To be clear, mining in the Bowen Basin is here to stay – the Bowen Basin is thriving and provides a benchmark for sustainable development. Focus for the Galilee Basin should be on strategic planning for its sustainability as the next economic power house.

Opening up the Galilee Basin to mining is not about one project. It is about ensuring the vast untapped mineral resources in the Galilee Basin are sustainably managed for the benefit of future generations.

The resources industry continues to play a major role in the Queensland economy. This was highlighted by the significant boost in royalties in the state government's mid FY 2018-19 results. Royalty revenues across 2018-19 have been revised upwards by the state by \$1.912 billion. This upward revision of royalties has been carried forward to future budgets demonstrating the regions fiscal value to the state's budget bottom line.

Isaac Regional Council takes great pride in the significant economic contribution made by the Mackay, Isaac, Whitsunday region to the national economy. It is Council's position that opening up the Galilee Basin to mining will provide even greater opportunity for growth and economic prosperity for the region, the state and the nation.

The demand for new revenue streams across all levels of government will only increase over time. At a local government level, we can't escape the increasing costs of providing basic services and delivering on our core business. While we continue to drive for diversification of our economies and strive for a reasonable energy mix, can all levels of government afford for the Galilee Basin not to open? Into the future, what services are people willing to go without and what infrastructure projects are people willing to cut if the revenue stream from the Galilee Basin is not accessed?

The considerable regional, state and national economic benefits that flow from the opening up of the Galilee Basin cannot be minimised. They will cascade through to increased opportunities for support services for the resources sector as well as providing certainty for nearby communities and small regional businesses across the region.

The Mineral Resources (Galilee Basin) Amendment Bill 2018 proposed does not take into account the forecast demand for thermal coal. The proposed Bill will not impact that demand as it will be met from other sources. The Australian resource sector has a reputation for high quality coal which delivers reliable and affordable energy. The International Energy Agency reported (2018) that coal will remain the single largest source of electricity through to 2040².

² International Energy Agency, *World Energy Outlook 2018*, Paris, 2018, p. 44.

In summary

Isaac Regional Council reiterates its support for responsible, planned development within its region.

Isaac Regional Council will continue to support further investment in the resources and renewables sectors in keeping with its vision to energise the world and recognises the region's important role in the development of a sustainable future which incorporates a balanced future energy mix.

In conclusion:

- Isaac Regional Council fundamentally opposes the proposed Mineral Resource (Galilee Basin) Amendment Bill 2018;
- Isaac Regional Council has been and always will be supportive of responsible planned development within the resource industry;
- The focus for the Galilee Basin should be on strategic planning for its sustainability as an economic power house;
- The opening up of the Galilee Basin is not about one project – it is about ensuring the vast wealth of mineral resources within the Galilee Basin are sustainably managed for the benefit of future generations;
- The economic benefits of mining in the Galilee Basin extend to increased opportunities for support industries and services and provide certainty for small businesses across the region;
- The resources industry continues to play a major role in the Queensland and national economy;
- The proposed Bill will not have an impact on the demand for thermal coal;
- Isaac Regional Council continues to support investment in the resources and renewables sectors in keeping with its vision to energise the world.

Isaac Regional Council appreciates the opportunity to provide a submission in relation to the *Mineral Resources (Galilee Basin) Amendment Bill 2018* and would welcome the opportunity to provide further assistance to the State Development, Natural Resources and Agricultural Industry Development Committee in relation to this Inquiry.

Yours faithfully



CR ANNE BAKER
Mayor