



Speech by

JEFF SEENEY

MEMBER FOR CALLIDE

Hansard 17 September 1998

APPROPRIATION (PARLIAMENT) BILL
APPROPRIATION BILL

Mr SEENEY (Callide—NPA) (5.26 p.m.): It is a pleasure for me to reply to the Budget. As many speakers have already indicated, this Budget really mirrors the Budget that was introduced by the coalition Government in May this year. I make the point that imitation is the highest form of praise. I record my congratulations to the original authors of this Budget, which was put together in the early part of this year. I also congratulate the Labor Party, and I do not do that very often. There is a tendency to change things simply for change's sake, no matter how good they are, and I believe that the Labor Party and the current Treasurer deserve some congratulations for recognising that this was a good Budget for Queensland and for keeping most of it in place.

A few changes have been made, one of which causes me some concern. I will deal with it in some detail. As members know, in my electorate of Callide in central Queensland, a major project, the Callide C Power Station, is under way. Obviously one of the first points of interest for me in the Budget was the amount of money that had been allocated to the Callide C Power Station. I found the answer on page 50 of Budget Paper No. 3. I will table both of these documents, one of which is page 50 of the Labor Party's Budget Paper No. 3, which is before the House at the moment, and the other is page 50 of the coalition's Budget Paper No. 3, which was tabled in this House in May.

The coalition's Budget Paper No. 3, page 50, states—

"\$128 million for another two coal-fired generating units on the existing Callide Power Station site

...

\$2.6 million to improve the environmental performance of the Callide Power Station and, in particular, to reduce the flue gas emissions."

A little over \$130m was allocated. Members can imagine my concern when I read the corresponding page in the Labor Party's document, the second dot point of which states—

"\$27.9m on the construction of an additional two coal-fired generating units ... at Callide Power Station and reduction of flue gas emissions."

The amount went from \$133m to \$27.9m. The project has been stripped of about \$103m.

A Government member interjected.

Mr SEENEY: As the interjector opposite said, there have been some changes. \$103m has been stripped from a project which is very dear to the people of Callide, very important to the economic wellbeing of the electorate and long awaited by the communities of Biloela, Gladstone and Rockhampton, all of which will benefit from the construction work and new permanent jobs that it will bring.

We have to ask ourselves why this has been done. If one casts one's mind back to some of the contributions that have been made in this House over the past couple of months, one could be forgiven for becoming somewhat suspicious, for reaching the conclusion that there is something about this whole deal that is a bit smelly, something that is not quite right, something that does not sit properly and something that is not fair dinkum.

I remind members of the apology in advance from the Minister. I am sure we all remember when Minister McGrady apologised in advance to the people of Queensland for the expected blackouts this summer. How does that reconcile with a decision to take \$100m from the project that is closest to producing more power for Queensland? How does that sit with what must be a great go-slow in relation to the Callide Power Station?

We have heard much talk about the Chevron gas project. The Minister and the Premier have been questioned at length about that project. It would be fair to assume that the Labor Party in Government has adopted a rather unhealthy emphasis on the Chevron gas project to the almost total exclusion of every other option.

Mr Hayward: Are you opposed to it, are you?

Mr SEENEY: I am not opposed to it. That is an accusation that is made every time a question is raised. I am not opposed—and I do not think anyone on this side or the other side of the House is, either—to a major development project of any sort anywhere in the State. However, I am opposed to the fact that it is becoming increasingly more obvious that a fair deal is not being dealt here. Members should cast their minds back. The Chevron gas project was granted a special exemption from the native title requirements. This project was championed in Opposition by the now Government. Questions were raised about the fact that staff were provided to the now Government when it was in Opposition by the company behind this project.

Mr Hamill: Are you smearing people?

Mr SEENEY: I am not smearing people. I am raising concerns about what is happening in my electorate. In my electorate we have a project that the Labor Government tried hard to stop.

Mr Hamill: What's that?

Mr SEENEY: The Callide C Power Station is the project that the Labor Government tried hard to stop. It reviewed the contracts the very first day that it was in power and it tried desperately hard to stop it. Yesterday the Minister for Mines stood up in this House and made a point of telling the people of Queensland that the Callide C project would proceed. I thought that was great. Then we read the Budget papers and we find that it is going to proceed to the tune of \$29m instead of the \$130m that the coalition intended to advance it in the coming year. In my experience, \$29m will not mean that much work is done on the ground at all. I suspect that most of that money will be swallowed up in design, planning and all of the pre-emptive work. In reality nothing will happen.

Mr Hamill: Is that the total project cost?

Mr SEENEY: The total project cost is about \$700m.

Mr Hamill: Has that changed?

Mr SEENEY: What has changed is the speed at which the project is advancing. It is fair to ask why it has changed. What possible benefit is there to the people of Queensland in slowing down this project? Who will benefit by slowing down this project? How does slowing down this project reconcile with the apology in advance that we heard from the Minister for Mines and Energy for the blackouts that are coming? How does it reconcile with the constant talk we hear about the transmission losses that we are all going to have to get used to? It just contributes to the suspicion that something is not right here. Something is going on here that does not sit square. It is a fair question to ask and it is a question that will be asked continually through the Budget Estimates process until we get to the bottom of what is happening.

What is the relationship between the Government and Chevron? Why is there this unhealthy emphasis on Chevron to the exclusion of everyone else? Why is there such a determination to import gas from the highlands of Papua New Guinea, when we as a State are renowned for our resource-rich coalfields throughout the Bowen Basin? We have extensive deposits of gas of our own. In other parts of Australia there are extensive deposits of gas. Where is the justification? Why is the emphasis being placed on Chevron? Why is favouritism being shown to Chevron? Why is the same emphasis not being given to building Callide C on line?

I will take members back to another thread in the weave—another part of the tapestry. When the Premier was asked about this issue on 5 August, he said—

"One of the legacies that we inherited was that because of the decisions made by the coalition Government in relation to Callide C and the proposed decisions in relation to Tarong, the Chevron gas pipeline proposal was put at risk."

How does one put the other at risk? Mr Beattie went on to say—

"This whole matter relates to the price of electricity and the price of natural gas. That is the key link between Comalco and the Chevron gas pipeline. Those opposite know that the decisions they made in relation to Callide C and Tarong directly affected the price of electricity."

That says to me that the previous Government is being criticised for taking decisions that "directly affected the price of electricity". I find it unusual that anyone would criticise the Government for taking decisions that directly affect the price of electricity, obviously in a downward fashion, except those who have an inappropriate interest in another electricity supplier—a supplier that would presumably be in competition with these projects that this Government has tried hard to stop. I believe it has stopped Tarong, even though that has been denied. I will certainly be pursuing the issue of Tarong.

I know without any doubt at all that a lot of effort was put into stopping Callide C. This Government would have scuttled Callide C. It would have done so quickly and without a second thought. The contracts were signed and it could not stop it, so now we are going to see death by strangulation. We are going to see a major go-slow on Callide C. In the Minister's words, "We are going to proceed with Callide C". But the Government is not going to allocate any money to it. It is going to spend \$29m instead of the \$130m that the coalition had budgeted for Callide C.

Mr Hamill: Where's that?

Mr SEENEY: I tabled copies of the documents. It is page 50 of Budget Paper No. 3.

Mr Hamill: Of what?

Mr SEENEY: Of both this Government's Budget documents and the previous Budget documents, tabled in this Parliament in May. Both figures are on page 50 and both sections are headed "Mining, energy and electricity". In your Budget it is the second dot point in the middle of the page.

Mr SPEAKER: Order! I remind the member to speak to the Chair.

Mr SEENEY: My apologies, Mr Speaker, I thought I was responding to the interjection. I am sure that the Treasurer will be able to find the relevant clause on page 50 of Budget Paper No. 3—

Mr McGRADY: Mr Speaker, I rise to a point of order. The member for Callide once again is not telling the truth. I explained to him this morning where the money was.

Mr SPEAKER: Order! There is no point of order.

Mr SEENEY: I have tabled these documents. Perhaps the Minister for Mines and Energy might like a copy. The second dot point on page 50, under the heading "Mining, energy and electricity" states—

"\$27.9 million on the construction of an additional two coal-fired generating units projects at Callide Power Station and reduction of flue gas emissions."

The first dot point under "Mines, energy and electricity" on page 50 of the corresponding Budget document states—

"\$128m for another two coal-fired generating units ..."

Also, \$2.6m was allocated for the corresponding flue gas emissions controllers. This represents a difference of over \$100m. This House was assured that this project would proceed.

Mr HAMILL: Mr Speaker, I rise to a point of order. The honourable member continues to mislead the House. I draw his attention to page 130 of Budget Paper No. 3.

Mr SPEAKER: Order! There is no point of order.

Mr SEENEY: I have tabled these documents. I hope that the Treasurer can get a copy. As I was saying—I will say it again for the benefit of the Minister, as he has come to the Chamber; and I am gratified by that—there is something about this whole thing that is just a bit smelly. Something is not quite right. There is an inappropriate emphasis on the Chevron gas project at the expense of every other project that could possibly produce electricity for this State. There is something about the way this deal is being done that is not right, and those opposite know that it is not right. Every time the issue is raised, you do your best to bully and control and—

Mr SPEAKER: Order! I remind the member to refer to members by their correct titles.

Mr SEENEY: I apologise, Mr Speaker. Once again I was responding to interjections. Given the Hansard record on this matter, it is fair to ask what on earth is going on here. Why is there such a priority on the Chevron gas project?

For the record, I am not opposed to the project. I am not opposed to the jobs it will create. I am not opposed to the benefits it will bring. As soon as any concerns are raised, the first reaction is to accuse the person raising the concerns of somehow trying to stop the job-creation benefits.

I know that I am repeating myself, but I am doing it for the benefit of the Minister, who has taken his time to come into the Chamber. Everyone in this House would like to see the economic development take place and everyone in this House would like to see the jobs created, but everyone in this House should also want to see every proponent in the field of power generation given a fair go. The

record of the handling of this issue indicates to anybody who looks at it logically that they are not being given a fair go. One proponent in the field is being given inappropriate priority.

The project I am concerned about, the project in my electorate which the community of Biloela and all central Queensland communities have waited so long for, has been denied the funding that is necessary for it to proceed. An amount of \$102m has been stripped out of that project, at the same time as the Minister stands up in this House and assures us that it is proceeding and at the same time as he stands up in this House and apologises in advance to Queenslanders for the blackouts that are coming. How does any fair-minded person reconcile those two actions? How does it stack up? How is it fair? It smells. There is something wrong. There is something fishy.

No doubt this issue will be pursued through the Estimates committee process. I look forward to that. I suggest that it is appropriate that I, representing my electorate, and those on this side of the House, in the role of Opposition, will pursue this issue with the utmost vigour through the Estimates process. We will get to the bottom of it.

Time expired.
