



Speech by

Mr DOUG SLACK

MEMBER FOR BURNETT

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SUN METALS DISPUTE; GORDONSTONE MINE DISPUTE

Mr SLACK (Burnett—NPA) (6.26 p.m.): We have two very damaging industrial disputes confronting Queenslanders at the moment: one at the Gordonstone coalmine and the other at the Sun Metals zinc refinery construction at Townsville. These two disputes are doing us immense damage overseas as far as future investment is concerned. They are sending out horrific negative messages. We were just getting over a perception of being a nation of strikers and wham, this happens. Honourable members should not think that this is not extremely serious.

I have been greeted with, "You're from Australia. They are all striking down there but the matches." Japanese coal buyers, because they are so dependent on regular supplies, are perpetually nervous about industrial problems and look to source coal from other markets to spread their risk, and that is in the best of times. We must be ultra realistic at the moment because of the Japanese recession—their coal requirements are not what they were and their own purchase price limits are further suppressed because of this—and the general ill health of world commodity markets. Our marketing edge in coal flows from ever increasing efficiency, ever more cost-effective mining and product transport, and most of all supply reliability. All three of those line items are at risk in the Gordonstone dispute.

The same can be said for the Koreans. In new ventures where there is a high capital start-up cost, as with the valuable Korean investment in Townsville, the State must make sure that it keeps its bargains. At Sun Metals that bargain included a site agreement that was designed to keep the project free of industrial strife for three years. Unions which manufacture disputes in order to change the rules mid course are irresponsible and economically dangerous.

The Sun Metals zinc refinery will only be cost effective to the people who have put up the risk capital if costs remain within the agreed envelope. A return to the sort of union opportunism that marked the industrial history of our past would be profoundly counterproductive and would put at risk employee cost levels that are already highly marginal when compared against those offered by potential competitors. Adding industrial thuggery to the mix is simply madness and is seen as such by investors.

I can assure the House that this is far more negative than any perceptions that may have developed in relation to Pauline Hanson and the rise of One Nation. These not so "little" underestimated industrial fracas have the potential to do more damage to this Government's job objectives than anything else. Already investors will be looking elsewhere, and with them go the jobs that are so important to all of us. Naturally, it is expected that Governments—in this case the Queensland Government—take the necessary steps to ensure that this does not happen. It is expected that Governments should resolve these issues and, most importantly, see that the law is upheld.

In this case it is expected that the Premier should. He has come from a union background so he should have the knowledge, connections, expertise and skills, but more importantly the power of his office should have ensured that these disputes did not continue to, in the case of Gordonstone, break new records. But what have we had? Talk and more talk and cop-outs! Why? Is it the case that what we may have perceived to have been the Premier's strength is actually his weakness? He knows he cannot put himself on the line because of his long involvement with the union movement and, with it,

the divisions that are synonymous with the Australian union movement. Make no mistake, these disputes are about interunion power, factions and vindictiveness—a situation that, by its very nature, makes the Premier powerless. Not only are his mates involved, but also his enemies.

The result is that, rather than have a can-do Government, we have a Government with a leader who is increasingly becoming the prisoner of his background—a Government that is powerless to uphold the law, a Government that is powerless to take action in a real crisis. Tragically, the cost to Queensland will be enormous. The Premier cannot simply gloss over the damage that this is doing to our reputation abroad and the effects it is having on investor confidence. It is not good enough for him to say that he has to be removed from or above involvement, based on a claim that it would be counterproductive. That in itself is an admission of a lack of confidence and certainly would not give would-be investors confidence. The reality is that this Government has tried to resolve this dispute, but it has failed. The only thing that it has not done is admit it.

Time expired.
