



Speech by

MIKE REYNOLDS

MEMBER FOR TOWNSVILLE

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Papua New Guinea Gas Project; AGL Petronas Joint Venture

Mr REYNOLDS (Townsville—ALP) (11.24 p.m.): Tonight I refer to an announcement that has been made by the Papua New Guinea gas project and the AGL Petronas joint venture, which was reported in today's Townsville Bulletin. The paper stated—

"The Papua New Guinea Gas Project and the AGL Petronas joint venture have awarded a \$2.2 million contract to a Malaysian company to undertake a marine survey of the subsea pipeline route between landfalls in the Gulf of Papua and Cape York.

Work on the contract, awarded to Teknic Lengkap of Malaysia and Mapping Hydrographic Survey based in Brisbane, is expected to start this month.

In addition to surveying the pipeline route, the contractor will undertake seabed tests of the soil conditions at the proposed location for the \$730 million offshore marine facilities.

The facility, to be located 70kms offshore in the Gulf of Papua will strip propane, butane and other liquids from the gas before it is piped to Queensland.

'This is a significant step forward as it is the precursor to the \$85 million front end engineering design phase of the project', the partners said. 'While there are still a number of commercial issues to be finalised, this commitment is a strong indicator of the confidence stakeholders have in the project,' they said.

AGL group general manager Energy Infrastructure, Greg Martin said the contract was another step towards meeting the construction timetable, adding further impetus to the project.

Yesterday, the gas project's director John Powell launched an attack on those that do not believe the project will succeed. 'People still do not believe this project is going to happen ... and I'm sick of it, I'm seriously sick of it. We are going to do this project,' Mr Powell said.

Mr Powell said the project had taken huge steps in the last 12 months and was now on the 'brink of reality'.

'The legislation to go forward was in place, the market was secured and was in excess of original estimates and the environmental approval had been given and was ready to be signed on Monday', he said."

Mr John Powell, the director of the gas project, has made a very important statement for Townsville, north Queensland and, indeed, northern Australia.

The Papua New Guinea gas project is an important and strong indicator of industrial development in the Townsville region. Earlier in the Parliament tonight, the member for Burdekin moved a motion that, if passed, would have moved the Townsville industrial land project to Bowen. Most members outlined the absurdity of that proposition, which was defeated 69 votes to six.

The announcement in today's Townsville Bulletin is a very significant one. The very fact that Mr Powell has taken the opportunity to say that he is sick and tired of people trying to put some doubt into this project is very much in line with some of the doom and gloom merchants that we have in the Opposition. This is a signature project for Townsville and for north Queensland. I certainly commend the project to the Parliament tonight.