



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard 16 May 2000

MINISTERIAL STATEMENT

Sun Metals Zinc Refinery

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier) (3.13 p.m.), by leave: Today is a proud day for Townsville—in fact, a great day for Townsville, for Queensland and for this can-do Labor Government. This morning, I joined the Deputy Premier, the Minister for Mines and Energy and my Parliamentary Secretary for North Queensland, Mike Reynolds, at the official opening of the Sun Metals zinc refinery at Townsville. I jointly opened the project with the Prime Minister, John Howard.

This project is a powerful symbol of Queensland's future because it is about value adding, it is about being smart with our raw materials, it is about highly skilled jobs and, more importantly, it is about local jobs. My Government is committed to creating jobs and opportunities for Queenslanders.

We have developed a local industry policy to give a fair go to local industry—the first of its kind in Australia—and it gives local firms the best opportunity to win contracts. Almost 75c in every dollar—73% of the total—spent on the Sun Metals refinery was spent in Queensland. That 73% represents \$474.5m, and another 10% in addition to the 73% was spent in Australia. A lot has been claimed recently about major projects buying much of their components and equipment from overseas. This project has cost about \$650m so far. Of that \$650m, half was actually spent in Townsville, namely \$325m. Indeed, \$474.5m was spent in Queensland.

It is worth pointing out that of nearly 300 jobs at the refinery at present—and these are full-time jobs—100 are young trainees. When the work force reaches its full complement of 325 employees, 113 will be trainees. That is a very significant contribution to giving young people in Townsville an opportunity to work.

As I said, about \$475m was injected directly into the Queensland economy, with up to 1,500 constructions jobs being generated. It means that we now have 1,670 new, long-term, direct and indirect jobs in north Queensland. That is 1,670 extra pay packets helping to support Queensland families and giving people the dignity of work. That is 1,670 reasons why my Queensland Government spends so much time in working to secure major projects for this State. My Government has an unprecedented record of success in doing so.

I congratulate Sun Metals for setting such a good example in the amount of money it has spent in north Queensland, Queensland and Australia. We will continue to work closely with the company on its plan to virtually double the size of the Townsville zinc refinery when market conditions are right. The State Government is very much aware of the impact that stage two of the refinery would have on job numbers and the economy of north Queensland.

Sun Metals is exactly the sort of project my Government is encouraging, because it adds value to minerals. Instead of exporting ore and seeing jobs created overseas, the jobs are created in regional Queensland. It also means that we are creating export dollars for Australia. I thank Korea Zinc for its commitment to making this Queensland refinery the foundation of the company's growth this century.

It is worth looking at a little bit of history here, because the project has been more than five years in the making. The heads of agreement were signed by the Goss Government. I want to put on record my acknowledgment of the contribution that Wayne and his Government made to Queensland and this development—a contribution that we continued. The refinery is a major project and, as I said, reflects Queensland's prime location for new industry. Support of international investors is crucial. That is why this project is so important.

In this project we have a great return for Australia. Here is foreign investment that has returned 83% of the investment jobs in this country—73% in this State and 50% in Townsville. We will be working very closely on the base load power station and the Papua New Guinea project. This is something that I mentioned to Prime Minister John Howard at the opening today. I am sure that it will produce extra results for this State. I table material associated with the opening for the information of the House.
