



Speech by

**Hon. T. McGRADY**

**MEMBER FOR MOUNT ISA**

---

Hansard 21 July 2000

### **MINISTERIAL STATEMENT**

#### **Coal Industry**

**Hon. T. McGRADY** (Mount Isa—ALP) (Minister for Mines and Energy and Minister Assisting the Deputy Premier on Regional Development) (9.47 a.m.), by leave: I wish to bring to the attention of the House the fact that Queensland's coal industry has set new production and export records for the 12 months to March this year, reflecting its highly competitive status in the world market. Our Queensland coals are produced from some of the most efficient open-cut and underground mines in the world, creating new production records every year.

Saleable coal produced for the 12-month period to the end of March was a record 123.5 million tonnes, an increase of more than 50% over the previous corresponding period. Total exports in this period rose by more than 12% to a record 102 million tonnes. Coke and coal exports were up by more than 17% to more than 71.6 million tonnes, and thermal coal increased by 2.5% to more than 30.5 million tonnes. Exports to all regions increased, the major customers being Japan, Korea, India, Taiwan, the United Kingdom and Brazil. The combined European market continues to be strong and it is our second largest after Japan. The increased production and sales of coking coal were mostly due to a larger than expected recovery in the world steel industry, leading to higher demand.

The low Australian dollar, combined with Queensland's highly efficient mines and high-quality coal, makes it a very attractive product for overseas buyers. The lesser increase for thermal coal over the period to the end of March reflects buying patterns, in that power station owners tend to use up stockpiles before new prices come into effect in April. All indications are that the world thermal coal market is firming. Several underground mines have been setting new production levels from longwall mining operations. However, production from open-cut mines predominates, with the two newest mines to come into production, Coppabella and Foxleigh in the Bowen Basin, both being open-cut operations.

The mines in the Bowen Basin in central Queensland dominate export coal production, but the development of coal deposits in the Surat/Moreton Basin in southern Queensland is just beginning. Queensland coal will obviously continue to play a major part in the wellbeing and development of our State. Queensland exporters of coal have earned a reputation for quality, competitiveness in the world market and reliability of supply. This reputation will continue to maintain our coal industry well into the future.

---