



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

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MINISTERIAL STATEMENT

Comalco Alumina Refinery, Gladstone

Hon. P. D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.36 a.m.), by leave: For years now—even decades—people have been promising to win the huge Comalco alumina refinery for Gladstone. My government promised, and we delivered. We have delivered a new era in the industrial development of this great state. On Friday I signed an agreement on behalf of the state government with Sam Walsh, the CEO of Comalco, which commits that company to building the \$1.5 billion stage 1 of the refinery and to immediately begin investigations for stage 2. The State Development Minister, Tom Barton, has been working closely with me on this project, and Senator Nick Minchin, representing the federal government, witnessed those signatures.

In December the first of 1,500 construction jobs will be created as earthworks get under way, with building due to commence early next year. Local Queensland firms will have the chance of winning up to 80 per cent of the supply contracts on offer. By the time first shipments of alumina go out in early 2005, more than 400 direct permanent jobs will have been created, and that is just the first stage. Comalco's plans for Gladstone include a further two stages of the alumina refinery totalling four million tonnes of annual production involving a total \$4 billion investment with well over 1,000 permanent jobs in place.

This is a massive development, and it required a significant level of support to capture this project for Queensland and Australia. Queensland has committed \$150 million over the next few years as a contribution to common-user infrastructure which will remain in the ownership of the state. I stress that it is common-user infrastructure. That will be spent on building wharf and jetty facilities, dredging the harbour, the development of transport corridors and connections to utilities. The Commonwealth is providing \$137 million in funding for a multi-user energy facility and a research program to improve energy efficiency and reduce greenhouse emissions from mineral processing activity.

The Smart State vision places a high priority on value adding to our natural resources. We do not want to send jobs overseas in bulk mineral carriers; we want to see more jobs created right here by value adding in Queensland. Instead of simply putting our minerals on ships and sending them overseas to be processed or value added by some other country, we are seeking to value add in Queensland for the benefit of Queenslanders. Light metals such as aluminium and magnesium are the metals of the future, and Queensland is perfectly placed to be a part of that light metals future. This is about smart technology for smart jobs in the industries of the future, particularly light metals. We have a plan to boost the development of regional Queensland through major mineral processing investment projects, and Comalco is a key part of that strategy.

Our plan is not a glossy document with pretty pictures. It is an action plan aimed at doing the things necessary to deliver more jobs and more investment right across the state. It is about positioning Queensland as a major competitor in the market for global industrial development. We have a deliberate strategy towards value adding of our natural resources, which includes concessional mineral royalties if further processing is conducted in Queensland, as well as investment incentive packages. We are getting the runs on the board. We now have Comalco. The future of the AMC project, a project we are right behind, will be known in a few short weeks. Sun Metals is looking at stage 2 of its Townsville zinc refinery. Both Aldoga and Comalco are looking at boosting aluminium smelter capacity in Gladstone. By securing major projects such as these we can encourage new energy supplies, such

as gas from PNG or the Timor Sea or coal seam methane. With a full, diversified range of cheap energy alternatives Queensland will attract even more companies to invest.

Friday was an important milestone in Queensland's history—an important milestone in delivery of that strategic vision. I thank Comalco for having the vision to commit a major investment project to Queensland. I thank the Commonwealth for providing investment incentives and supporting Queensland in its bid for this project. I thank Tom Barton, Ross Rolfe and his staff in the Department of State Development for delivering this vital project to Queensland. I particularly acknowledge the late Terry Palmer, former CEO of Comalco, who was instrumental in choosing Gladstone as the preferred site for the refinery. Sadly, Terry passed away early this year. I had many discussions with Terry Palmer about this project. I know that he was as passionate about it as is my government. Terry was convinced, as I think we all are, that Queensland is going to play a leading role in the industrial development of this nation—indeed, of the Asia-Pacific region. Friday's announcement was a major step along the path towards achieving that role of industrial leadership and making Queensland the Smart State.
