



Speech by

Mr T. MALONE

MEMBER FOR MIRANI

Hansard 7 August 2001

DALRYMPLE BAY COAL TERMINAL (LONG-TERM LEASE) BILL

Mr MALONE (Mirani—NPA) (3.17 p.m.): I rise to speak to the Dalrymple Bay Coal Terminal (Long-Term Lease) Bill and the issue of leasing by the Ports Corporation. The Dalrymple Bay terminal is located in my electorate and, as I have said previously in speeches in this place, is one of the major factors contributing to the sustainable employment base in the Mackay region. It generates many jobs and sustainable growth in terms of the maintenance and service industries at both Hay Point and Dalrymple Bay. As I said, it is a very considerable part of the employment base in the region.

The Dalrymple Bay coal terminal is a Ports Corporation owned entity. In 1999-2000 Dalrymple Bay exported 36.5 million tonnes. That tonnage will rise very significantly in the next few years, even in the shorter term, with Macarthur Coal going out to equity raising recently and being very successful at that. It operates the Coppabella coalfields and is producing a level of capacity that will expand and specialises in a very special commodity of coal. Hail Creek is on line to be developed shortly.

Members would be aware that Hail Creek is probably the biggest coal resource in the Bowen basin, with more than a billion tonnes of resource coal which is easily accessible. When the coalfields in the Bowen basin were being developed, Hail Creek was one of the coal resources that was mooted to be developed first. The area at Moranbah was finally opened up and the coal line was built to Moranbah and Goonyella.

Obviously the raising of capital by governments is very important. As a previous speaker mentioned, the 99-year lease of the coal terminal is virtually akin to a sale. It raises issues we have canvassed in not only this parliament but also the federal parliament in relation to the sale of Telstra. A consortium would not put in excess of \$500 million on the table and take on the onerous responsibilities inherent in the leasing conditions that the Leader of the Opposition spoke about for the sake of its good health or for the sake of Queensland. Any consortium that puts that sort of money up will make sure it will get a return on the capital it puts in. One must ask: if that consortium can get a return on that capital, why can the state government not? Is there an admission that it does not run the terminal properly or is there some other reason for that?

I know that in the short term the influx of very considerable amounts of money into the bottom line of the budget would be very helpful, but Dalrymple Bay is a growing port facility and it will not be too long before that whole facility is probably one of the biggest in the world. I hope that in the minister's reply to the second-reading debate he will address the issue of equity and the return on capital that has forced the government to go this way.

As I said, the National Bank consortium or any other consortium would not put half a billion dollars into buying or leasing Dalrymple Bay for the sake of their health. They are doing it as a capital investment and for a return on that money. Why can the government not gain that same sort of return on equity by operating it through the Ports Corporation?
