



Speech by

JEFF SEENEY

MEMBER FOR CALLIDE

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MINERAL RESOURCES AND ANOTHER ACT AMENDMENT BILL

Second Reading

Resumed from 19 August (see p. 2930).

Mr SEENEY (Callide—NPA) (Deputy Leader of the Opposition) (4.12 p.m.): I rise to make a short contribution to the consideration of the Mineral Resources and Another Act Amendment Bill 2003. The opposition will be supporting this legislation because it is fairly straightforward. As the minister said in his second reading speech, it is an interim measure put in place until the consideration of the Petroleum and Gas (Production and Safety) Bill, which the government is currently preparing. It addresses the issues of overlapping tenements in respect to mining tenements which are especially relevant in the developing coal seam gas industry. It puts in place an interim regime to control that issue of overlapping tenements until such time as the Petroleum and Gas (Production and Safety) Bill is considered by the House. In fact, it has a sunset clause, which means that it will expire once that other legislation is introduced.

The coal seam gas industry is one that has developed very quickly in the last few years, especially in the part of Queensland that I represent. There has been a lot of activity in exploring and developing the potential of coal seams for gas production throughout the area that I represent—the bottom end of the Bowen Basin and down around Wandoan and Taroom. Companies have met with considerable success in developing what was before an undeveloped resource. That resource is now making a valuable contribution to the state's economy, especially in the case of the Wandoan and Taroom deposits. That gas is being piped to Swanbank to the gas-fired generator, and it is making a valuable contribution to the electricity generation industry in the state.

The coal seam methane gas fields that are being developed further north will be the source of gas for the power generation facilities in Townsville, and they too will make a valuable contribution. It is an industry that had some problems in the beginning. I think the first coal seam gas enterprises were around Moura and Kianga seven or eight years ago now, and the initial companies that set out to develop that coal seam gas met with some problems in what was a fairly unknown industry.

There were also some considerable issues in those early developments with the interaction between the companies involved in the exploration and development of the coal seam gas and land-holders who operated agricultural businesses on the surface. That was because, unlike a normal mining operation, coal seam methane wells can extend over a large area. The sites are established on a grid pattern, and each site can cause a major disruption if they are located in intensive farming areas. In my electorate in Theodore, just south of Moura, there was a great deal of conflict between the company that was involved at the time—a company called Conoco—and the local land-holders about the interaction between the rights that each of those parties held over those particular areas of ground.

Regrettably, back in those days I think the situation was exacerbated by the attitude of the company involved at the time. It took a very aggressive attitude towards the local land-holders and a very aggressive attitude towards the establishment of its facilities without any respect for the impact that it had on land-holders in the area.

The situation was made doubly worse by the fact that it was acting under an act that was 100 years old. I remember at the time looking at the act on behalf of those land-holders, even though I was not in parliament at the time. The act still referred to things like bullock wagons and to pasturing trek oxen. It was a very old act, and it is the one that will be replaced by the Petroleum and Gas (Production

and Safety) Bill. I hope when that bill comes before the House the modern provisions of that act reflect a much more cooperative and consultative approach to the interaction between explorers for coal seam gas and petroleum products generally and land-holders.

In recent years the companies involved in the developments around Wandoan and Taroom have taken a very different attitude. Most of the interaction between the companies that have been involved there in coal seam methane exploration and the local land-holders, who are my constituents, has been fairly friendly and cooperative. Hopefully, that can be continued into the future. There will always be a certain amount of friction when there are competing interest holders operating in the one area, and that has been the case. But, generally, the companies have taken a very different attitude to that which Conoco took in the early days. I think that has assisted in the development of the coal seam gas industry.

This bill does not have any issues that I can see. It certainly allows for negotiation to take place for overlapping tenements, and it allows commercial agreements to be reached between parties who hold those overlapping tenements. Anyone who wants to negotiate in good faith and reach an agreement with other tenement holders should be able to proceed with their business under this piece of legislation during that interim period while we are waiting for the final preparation of the Petroleum and Gas (Production and Safety) Bill. No doubt all of the issues that are top of mind issues for the mining industry and the petroleum and gas industry in particular, and land-holding interests in those areas where that industry operates, will be addressed as part of the debate in this House on that Petroleum and Gas (Production and Safety) Bill.

The opposition has no problems with this piece of legislation, which is an interim piece of legislation, and we are happy to lend our support to its passage through the House this afternoon.