



Speech by

Neil Roberts

MEMBER FOR NUDGE

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PETROLEUM, GAS AND OTHER LEGISLATION BILLS

Mr NEIL ROBERTS (Nudgee—ALP) (7.34 p.m.): I wish to make a few comments about the Petroleum and Gas (Production and Safety Bill) 2004. This is a very important piece of legislation because it will have a direct impact on the future economic growth and prosperity of Queensland. The bill covers a number of areas, but I wish to concentrate my comments on coal seam gas and its development.

This bill implements the Beattie government's coal seam gas policy by including a specific chapter in the bill and amendments to the Mineral Resources Act 1989. It clearly defines the rights, obligations and priority for each type of tenure held by stakeholders, thus facilitating the optimum development of the state's coal and coal seam gas resources.

The coal seam gas reserves in the Bowen Basin are massive. Industry commentators have suggested that the potential of these reserves may even exceed those of the gas fields in Papua New Guinea. What is more important is that these reserves are here in Queensland, in our own backyard for us to develop and use.

I was recently in Moranbah for a regional community forum and took the opportunity to visit the site of Enertrade's gas distribution and pumping facility which is nearing completion. The company CH4 delivers the gas to Enertrade's facility, which will ultimately be transported to Townsville.

Recently I was somewhat surprised to see some opposition to this project voiced by the state opposition. Through the member for Callide, an opposition press release of 23 July this year slammed the construction of this pipeline. The media release was based on exchanges that occurred during the estimates committee hearing between the member and the Minister for Natural Resources, Mines and Energy where it was suggested that the only reason Enertrade was building the pipeline was to meet the government's targets for gas-fired electricity production.

In his press release, the member for Callide criticised the level of government and Enertrade investment in the project, suggesting that it was not worth it on the basis that, in his words, it only added a meagre 20 megawatts of power to the state's electricity grid. From the opposition's criticism of this project, it would seem that the government should not have approved of Enertrade building this pipeline because, in their eyes, it does not deliver sufficient, immediate or substantial returns on the investment. On this rationale, the government would also have to stop building roads and stop our record \$6 billion Capital Works Program, which includes major pieces of infrastructure like the Paradise Dam.

The Moranbah to Townsville gas pipeline delivers a whole host of benefits at various levels to Townsville and to Queensland as a whole. Apart from supplying a cheaper fuel alternative for the Townsville power station, it also gives other major industries in the region another potential fuel supply. The pipeline project is expected to increase economic growth in north Queensland by more than five per cent over its first 10 years of operation and also provide a significant boost to regional employment. It is a strategic piece of energy infrastructure that will open up the enormous potential of the coal seam gas in the Bowen Basin which, as I have said, rivals the gas reserves proposed to be delivered by the Papua New Guinea gas pipeline. The delivery of gas to Townsville also has the potential to open up the market to domestic consumers in north Queensland.

The gas pipeline project is a sound investment that is fully supported by the Beattie Labor government. From the member for Callide's criticism of this project, it is clear that a National/Liberal Party coalition government would not have built the Moranbah to Townsville pipeline. In doing so, it would have denied north Queensland the benefits that I have outlined. As the minister said at the estimates hearing, it is no wonder that the National Party has so much trouble winning seats in Townsville.

In contrast, the Beattie Labor government is focused on delivering the major infrastructure needs of the state, which will deliver and support long-term and sustainable economic development. This bill before the House helps to achieve that objective and, on that basis, I commend the legislation to the House.