



Speech by

Shane Knuth

MEMBER FOR CHARTERS TOWERS

Hansard Wednesday, 29 September 2004

PETROLEUM, GAS AND OTHER LEGISLATION BILLS

Mr KNUTH (Charters Towers—NPA) (11.43 a.m.): I support the opportunity for development in rural and regional Queensland and recognise that this bill has the potential to ensure continued development in many areas. The electorate of Charters Towers is rich in minerals and supports other important industries such as grazing, farming, education and tourism.

Moranbah and the towns and surrounding districts produce more than \$6 billion gross revenue in coal a year. At present in my electorate there is a \$61 million Moranbah gas project located in the Bowen Basin approximately 400 kilometres south of Townsville and 170 kilometres west of Mackay. Moranbah is the site of several large coalmining projects owned by BHP Coal and Anglo Coal. CH4 holds petroleum leases over an area north of Moranbah township. The Moranbah gas project is a joint venture with BHP Coal and has a large gas resource capable of producing base loads for over 20 years. They are utilising innovative drilling and gas extraction techniques that increase gas yields, while leaving the coal resources undamaged.

The ability for this project to provide low-cost natural gas for electricity production for the north Queensland region is enhanced by the growth in employment opportunities for many employees in the Bowen Basin. I agree with the member for Callide that there is a positive step being taken to ensure a more modern, efficient and flexible framework for the exploration and production of petroleum in Queensland, including coal seam gas, and the construction and operation of upstream pipelines.

While companies involved with the Moranbah gas project are committed to the communities they work from and are assisting in the development of the infrastructure of the area, it is vital that governments commit also to the communities to ensure that the infrastructure necessary for growth is provided. Moranbah is a perfect example. Here we have a community that is contributing millions of dollars of revenue to the economy and has a \$61 million gas project, yet the whole region is running out of water. Water infrastructure is a huge concern. Currently the town is on extremely strict water restrictions.

Previously, Moranbah has relied upon the good grace of BMA to supply water to the town. BMA is hoping to double its coking coal production over the next 10 years and, with the added coal line project and the massive revenue boost to the state government in terms of royalty payments and freight profits, the region desperately needs water infrastructure. The residents of Moranbah also need to have some of that returned to them in the form of a secure water supply and other town infrastructures. However, I am also pleased that landowners' rights to compensation provisions have been rewritten so that they align with the principles of compensation under the Mineral Resources Act. I support the Petroleum and Gas (Production and Safety) Bill 2004 and commend the bills to the House.