



Speech by

Shane Knuth

MEMBER FOR CHARTERS TOWERS

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MINERAL RESOURCES AND OTHER LEGISLATION AMENDMENT BILL

Mr KNUTH (Charters Towers—NPA) (3.00 pm): The Mineral Resources and Other Legislation Amendment Bill 2004 primarily seeks to make a number of administrative amendments to these acts to enhance the integration of the state's mining laws by addressing existing anomalies and inconsistencies in terminology found between the existing legislative regimes. In addition, the Mineral Resources and Other Legislation Amendment Bill seeks to facilitate the merger of the Queensland Coal and Oil Shale Mining Superannuation Fund with the Coalsuper Retirement Income Fund in New South Wales to form the Auscoal Superannuation Fund as well as putting in place the interim provisions needed to facilitate these changes.

An important change being put forward in this bill relates to the renewal of exploration permits and mineral development licences. This is good and this bill will help assist with important issues such as coal superannuation retirement funds. I have to back the member for Fitzroy when he raised the issue about the contribution of the CFMEU in its role in supporting the community. The township of Moranbah won the local Rugby League grand final and the primary school side beat every team in the competition and won the grand final. The CFMEU contributed to and supported both teams, and I congratulate the teams.

Mr Lucas interjected.

Mr KNUTH: That is right. I backed them, too.

Mr Robertson interjected.

Mr KNUTH: They did. The coal industry needs that assurance that they have infrastructure in place to mine, explore and export, and the evidence shows that that is not the case.

I wish to raise an issue which I have spoken about many times before—that is, the desperate need in Moranbah for solid, reliable water infrastructure. Moranbah is a region that produces \$6 billion in gross revenue annually and contributes \$700 million a year to state coffers. The employees—the workers—pay their fair share of tax. Year after year these residents have put up with a lack of water and what can only be described by these residents and the mines as a crisis.

Moranbah relies on BMA—Billiton Mitsubishi Alliance—to supply water to the towns. For years they have been on 10 to 11 megalitres per day. However, due to the expansion in the industry and a lack of water infrastructure that has never been provided by this state government, BMA acquires water from Eungella Dam for mining purposes and provides the town with water from the McKenzie River. This source has a limited capacity and the town has had to restrict water use to five megalitres per day, and now there is talk of a reduction to four megalitres per day. It has got to the point where ambulances cannot even be washed in case officers receive a fine. That shows the impact these water restrictions are having on the community.

We have a situation where there is a boom in the mining industry, a massive expansion and less water to go around. The residents are constantly facing water restrictions, and they are sick of it. There is

currently a total ban on all sprinklers and soaker hoses. Residents can water their plants only by using hand-held hoses between the hours of 5 am and 9 am and 5 pm and 9 pm. Outside these hours, hoses must be disconnected from taps. Penalties are imposed for people who fail to abide by these restrictions.

SunWater has identified a number of dam sites, and one is the Isaac River. There are a number of other dam sites. The estimated cost of a dam at Isaac River is \$50 million—an insignificant amount of money when one takes into account money gained by the state government in royalty payments and freight profits. There is a concern that mines will cease to operate because of the water crisis. The government must tell the people of Moranbah what its exact plans are for the town now and in the future so that a water crisis can be alleviated. No longer can the government rely on intermittent rainfall or expect the mine to outlay multimillion dollar pipeline projects when this government's responsibility is to provide water infrastructure. Residents are asking how millions of dollars can be found for footbridges, sport stadiums and investing in car races but when it comes to vital water infrastructure the government refuses to invest in the hand that feeds them.

Another issue is the backlog of coal ships waiting to be loaded. Building the 70-kilometre rail link from Moranbah to Glenden would require an investment of \$100 million but would prevent a repeat of the situation experienced at the Dalrymple Bay coal port. The refusal by this government to invest in this infrastructure frustrates the mining industry, Queensland Rail, mining companies, communities and workers. The construction of this missing link would give mining companies options that they do not currently have and would enable Queensland Rail the ability to offer alternatives to transporting coal to either Abbott Point or Dalrymple Bay.

There is unprecedented demand for coal at this present moment. Mining companies are striving to meet this demand but are becoming increasingly frustrated at their inability to cope with the demand because of a lack of infrastructure. The recent backlog of coal ships sitting waiting to be loaded has damaged Australia's export reputation and slowed economic growth. The upgrade to the government's own Abbott Point facility will satisfy the overseas market and repair and enhance the reputation of the state as a reliable coal exporter. It is the state government's responsibility to facilitate growth to protect the reputation of the industries that fill the coffers that we willingly spend. This requires investment in infrastructure to ensure that there are no ships waiting to be loaded.

The solution to build this rail link is affordable, and investment in this infrastructure will prove to the mining industry that the government respects the mining industry and values the millions of dollars it reaps in royalty payments and freight charges. I commend this bill to the House.