



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard Wednesday, 29 March 2006

MINISTERIAL STATEMENT

Coal Industry

Hon. PD BEATTIE (Brisbane Central—ALP) (Premier) (9.52 am): My government is committed to building Queensland's coal export capacity. We are committed to sustaining jobs in the coal industry, and we are committed to maintaining investment momentum in the industry. That is why the state government has approved two projects: a \$160 million expansion of Abbot Point north of Bowen and a \$70 million dredging program at Hay Point south of Mackay. Later on today the minister for mines, Henry Palaszczuk, will highlight to the House that a record 144 billion tonnes of coal was exported by Queensland last year. That represents a five million tonne or 3.5 per cent increase over the 2004 result. The 2004 result was a previous record. I seek leave to have the remainder of my ministerial statement incorporated in *Hansard*.

Leave granted.

At nearly \$190 million, these projects are another massive injection for the northern Bowen Basin, and I acknowledge the strong representations of the Member for Mackay and the Member for Whitsunday on behalf of the region.

The Hay Point project is one of the largest dredging projects in the southern hemisphere this year and will lead to a mega channel for bulk carriers.

About nine million cubic metres of material would be removed to allow the larger ships to be loaded to their maximum tonnage when leaving the port.

Some coal carriers were leaving the port short-loaded due to depth restrictions. We will save them tens of millions of dollars in freight costs every year as a result of the deeper channel.

The increase in channel depth means coal export capacity will increase by more than 3 million tonnes a year.

The environmental impact for the Abbot Point expansion has been completed, which cleared the way for the expansion that will lift capacity at the terminal by up to 40%.

This second stage involves the construction of two more stockpiles, a new stacker reclaimer, and faster conveyer systems, to increase capacity from 15 million tonnes a year to 21 million tonnes a year.

This expansion will allow additional exports through Abbot Point valued at about \$500 million to be shipped annually.

Work on installing the additional infrastructure is expected to start in the next two months for completion by the middle of next year.

Demand for Queensland's coal, currently worth \$8 billion a year in export sales, is expected to grow by between 5% and 13% per annum through to 2009-2010, driven by demand from China, India, Japan and Brazil.

By continuing development and building for growth we're helping the industry deliver jobs, jobs and more jobs for Queenslanders.