



Speech by

Howard Hobbs

MEMBER FOR WARREGO

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MINING AND OTHER LEGISLATION AMENDMENT BILL

Mr HOBBS (Warrego—NPA) (2.48 pm): I am pleased to rise today to speak to the Mining and Other Legislation Amendment Bill before the House. It certainly is a comprehensive bill that takes into consideration many matters that are very important to the state of Queensland. I want to try to restrict most of my contribution in this debate to the petroleum and gas products act, especially the gas side of it. This is an issue that has cropped up in my electorate because there has been a lot of development and, as a consequence, there have been many problems.

I think there needs to be a more comprehensive review of what happens in relation to the exploration side of gas. For instance, numerous constituents in my electorate have experienced problems such as mining companies or gas companies coming onto their properties wanting to place five, 10, 20 or 30 wells there. Of course, the compensation arrangements that are in place were designed when this sort of thing did not happen very often in smaller farming areas. In the past, the gas fields were located way out in big grazing areas. The companies involved would either buy the whole station or in some cases the siting of gas fields did not have that much of an effect. For instance, at the Jackson oilfields there are a few cattle poking among the oil and gas wells and that does not cause a great many problems. But certainly, when there are people driving backwards and forwards in farming areas, problems can arise. That is particularly so in the Chinchilla region.

Some companies are worse than others. There are some very good corporate citizens, such as Santos and Origin, which do a great job. I am sure there are a lot of other smaller companies that do a great job as well. However, there are also some smaller ones that cause problems. They need to understand the significance of the fact that they are able to go on to people's properties to conduct exploration. In some instances the standard reply that the people affected get from companies is, 'If you don't like it, go to the tribunal.' Of course, the tribunal has a standard basis upon which to calculate compensation, and that is the value before the exploration and the value after the exploration, which in many instances is probably pretty hard to determine. But the disturbance factor is particularly significant.

I know of one person who has received \$1,061 one-off compensation and who, over the life of the project—which is likely to be 30 or 40 years—will get \$265 per well per annum, \$531 per hectare per annum for the use of the roads during construction and then \$33 per hectare per annum. So they are really small amounts of money to compensate for the disturbance that occurs in those places.

One of the consequences of the development of the gas industry is the extraction of water from gas wells. The quality of that water is a real problem. The companies are doing a great job in trying to manage that. In some cases they have put in desalination plants and water storages in an effort to evaporate the water. But the reality is that it is pretty salty, pretty ordinary water that comes out. We need to have a greater understanding of the impacts of that water that is extracted from those gas wells. I know in some instances companies were spraying that water into the air to try to evaporate it. But that water killed all the vegetation within a several hundred metre radius because it was so salty. We need to consider those issues.

But the issue of the compensation for those landholders in those small farming areas is of great concern. I have numerous constituents in that Chinchilla region. Some of those mining companies and the

farmers have reached the point of having a Mexican stand-off. Sometimes the parties are eventually able to negotiate their way through to a solution, but the issue of compensation is certainly of great concern and one that is causing a lot of stress. Certainly, I believe that much better arrangements and conditions apply in the oil exploration industry.

There are a lot of difficulties in relation to the qualifications of those people in the industry who carry out work on domestic gas stoves and so forth. I believe there is a row going on between two unions in relation to those people. I notice that the minister in his second reading speech referred to the development of the gas industry and stated—

Under the section providing for immediate suspension of a gas work licence, allowance has been made to continue such suspension while other action, such as prosecution or permanent cancellation, is taken.

A person out my way was under investigation for carrying out work for which he was highly qualified. He worked on a split-system air-conditioning unit. He was fully licensed and qualified to do so. On investigation it appeared that the electrical safety officer falsely supported the exclusion of people holding a restricted electrical licence under the heating, ventilation, air conditioning and refrigeration industry from carrying out electrical work on air conditioners. I am not sure whether that is a signed agreement or not. It may not be, but this issue is to do with the escaping of gas. If this issue is connected with the legislation, we need to have a look at it.

As I said the before, the legislation before the House is a pretty important, big bill. It covers many industries in this state. I endorse and support the words of the shadow minister.