



Speech by

**Rachel Nolan**

**MEMBER FOR IPSWICH**

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## **CLEAN COAL TECHNOLOGY SPECIAL AGREEMENT BILL; APPROPRIATION BILLS**

**Ms NOLAN** (Ipswich—ALP) (5.56 pm): I rise to speak in support of both the clean coal and appropriation bills. I will address the two in that order. The clean coal bill, as the minister outlined in her second reading speech on Tuesday, provides for the establishment of the Clean Coal Council, an expert advisory panel established to advise government on which clean coal demonstration project proposals should receive funding from the COAL21 Fund, the \$600 million fund established by a 20c per tonne levy on the coal industry. The case for the dogged pursuit of clean coal in Queensland rests on two simple moral and economic imperatives. Firstly, to understand the reality of climate change is to be deeply frightened by it. Those of us in positions of authority who have done the reading and who have observed the now clear-cut scientific consensus around the issues understand that climate change is a major threat to civilisation.

The economic imperative is just as clear. While Kyoto refuseniks like the Howard government have sought for more than a decade to weasel their way out of action on the basis that Australia produces less than two per cent of the world's greenhouse gas emissions, there are some simple facts that cannot be avoided. Australia might produce less than two per cent of the world's greenhouse gas emissions at home but, with coal-fired power stations producing 21 per cent of global greenhouse gas emissions and this country supplying more than a quarter of all the world's coal, albeit largely for steel production, our international carbon footprint may well be more like five per cent.

In doing so, the nation earned \$25 billion from coal exports last year, making up 19 per cent of all commodity export earnings. If the world at large decides that the environmental cost of coal-fired electricity generation is too great a cost to bear, the Australian economy will incur serious damage. This is by no means an idle possibility. On 27 November 2006, New South Wales Land Court judge Justice Nicola Pain made the historic decision to set aside the director-general's acceptance of the environmental assessment for the Anvil Hill coalmine on the grounds that it did not include a comprehensive greenhouse gas assessment, even though the proposed mining of coal was for export. The New South Wales government did not appeal the decision.

On Monday this week, one of Australian coal's largest export destinations, China, moved to cut coal's contribution to the national energy mix when it announced a 16 per cent renewable energy target by 2020. European nations including Hungary and Britain are renuclearising as a means of escalating their post-Kyoto response to climate change. The prospects for coal are not for business as usual, and it is utterly incumbent on both the industry and the government to acknowledge the economic and moral imperatives by trying to make clean coal work. That is what this bill does.

Clean coal technology essentially comprises two parts. At the front-end the idea is to wash, pulverise and/or gasify the coal so as to improve the efficiency of the burn and to eliminate the sulfur. The back-end process of geosequestration is the oldest idea in the world—burying the waste, in this case in

acquiifers or disused gas seams, where, it is hoped, it can be safely stored indefinitely. While there is a great deal of excitement around clean coal technology, the reality is that it has a long way to go. While improvements have been made in the front-end technologies in recent years and geosequestration has been tested for instance in Norway, at this stage of the game there are no clean coal demonstration plants, let alone commercial generators operating anywhere in the world. In that sense, there is a real opportunity for Australia to genuinely become a market leader in the development of such technology.

It would be wrong to assume that this will, by any means, be a simple task. Power stations produce vast volumes of carbon dioxide. The FutureGen demonstration plant, which is slated for construction in the United States by 2012, projects that it will need to sequester a million tonnes of carbon dioxide per year for the production of just 275 megawatts of power. Such vast quantities present serious problems. Members may remember the 1986 Lake Nyos disaster in which 1,800 people living within 20 kilometres of the lake died when 1.6 million tonnes of carbon dioxide which had been naturally supersaturated in the water spontaneously escaped. In addition to the health risk of escape posed by poor understanding of aquifers and seams along with seismic activity, serious challenges are presented by the simple problem of finding secure seams and aquifers in which to secure such vast volumes of gas. I raise these points by no means to argue that clean coal should not be explored. As I said at the outset, the moral and economic imperatives make this policy essential. In view of the time, I seek leave to incorporate the remainder of my speech in *Hansard*.

Leave granted.

We cannot, however, invest all our eggs in this basket. The best way to manage greenhouse gas emissions remains simply not to produce them and I as I stand here on a perfectly pleasant day in a building with the natural light blocked out and air conditioning turned on, I remain seriously concerned that the capacity of demand reduction remains unexplored.

With that in mind, I call today for the Australian government to get serious, as many European nations now are, about energy reduction.

Australia should urgently establish a national energy reduction target rather than assuming the inevitability of demand growth. Households should be assisted in that regard by the national roll-out of smart meters so people can see how much they're using and how much they pay, we should get serious about energy efficiency rating across the board for both vehicles and appliances and we must end anti-environmental policies like the uniform electricity tariff to industry which provides a massive power subsidy to highly energy intensive industries like mining.

As I said earlier, to understand climate change is to be genuinely frightened by the impact it will have on civilisation in my lifetime, not just in the lifetimes of those who will follow.

Right now the risk we face is that as people are starting to get hooked in to the reality of climate change, our motivation will be sucked up in gimmicks—the kind of cheap measures to assuage our guilt that come from businesses who tell you you can drive a V8 and still be carbon neutral if you slip a small fee their way or political leaders like the federal government who want to trade into the future on policy responses rather than making the more courageous political call to actually cut our emissions by picking the low hanging fruit.

The issue here is that it's actually not that easy being green but as the people of South East Queensland have shown today by beating the water target of 140 litres a day, people are willing to do it. When it comes to energy efficiency, government should not be too timid to ask.

I now wish to turn, Mr Speaker, to this week's State Budget and what it means for Ipswich.

Members may recall, Mr Speaker, that in the Address in Reply debate earlier this year I set out an agenda for sustainability in this time of relative affluence. I have also spoken frequently in this place about housing affordability and the need to adopt more sustainable practices in urban design.

The comments I make in relation to the Budget should be understood in terms of that commitment to ensuring community and minimising our environmental impact through better urban planning.

Ipswich is a great city. Unlike many places Ipswich has never lost its sense of community. The people are down to earth and value the city's community and heritage but I think they are also open to change and optimistic about the future. I consider it an enormous privilege to represent these wonderful people in the city where I was born.

Ipswich is currently growing at a rate of about 4% a year. Any basic economic grasp will tell you that the growth is driven not by the council or indeed by anyone else as is so often claimed but by the simple reality of population drift to the warmer climes of South East Queensland coupled with the twin pull factors of Ipswich's housing affordability relative to Brisbane and its abundance of industrial land.

The challenge for Ipswich is to grow in a way which retains its sense of community. The opportunity is that with the growth coming now, just as we are getting a real grasp on climate change and peak oil—Ipswich can grow as a genuinely sustainable city. That's an enormous opportunity and one we should take by expecting quality development. We should not squander our chance by accepting the proposals of any developer with a cheap proposal who walks through the door.

In that regard, I repeat my call today for the State Government to take over planning just as we have done with water. That is by no means a criticism of Ipswich Council who I think by and large have been pretty good but a reflection of my view that as resources become scarce, planning decisions should be made by the government that pays for the power and transport infrastructure communities need.

As I have outlined before in speeches to this place over time, I believe there are 5 keys to quality growth in Ipswich.

- We must maintain our heritage—something we have started to do with projects like the \$1.5 million upgrade of the historic courthouse in recent years.

- We must use our river—as we've started to do with RiverHeart but can now take further.
- We must rejuvenate the CBD—for a city without a centre is not a community, it's just sprawl.
- We must build public transport—as the State is now doing by preserving a corridor from Ipswich to Springfield.
- And we must establish high standards of sustainability both in building design and by entrenching higher density and walkability in the urban plan.

With that in mind, while the Budget delivered a plethora of projects across schools, emergency services and roads around Ipswich, there are three funded projects on which I really want to focus.

The first is to welcome the \$1.1 million in funding over last year and this for the Ipswich CBD taskforce partnership with the Ipswich City Council. This excellent project will develop a real working master plan for the Ipswich CBD and I hope will lead to the rejuvenation of the centre.

The second is the more than \$100 million for the new Ipswich courthouse and police station. Together, this Ellenborough Street building project is the biggest infrastructure project to have been undertaken in central Ipswich in more than a decade and will lead to significant rejuvenation of that part of town.

And the third is ongoing funding through Transport to plan and preserve the Ipswich-Springfield Public Transport corridor. I well understand that retrofitting infrastructure is hard but in light of peak oil this project will be vital to providing transport options for Ipswich's growth and my support of it should not be underestimated.

As I said earlier, Mr Speaker, Ipswich is a wonderful place with a unique opportunity now to grow well. I believe that these three budget items in particular form part of a bigger picture in which Ipswich's development is as sustainable as it can be.

That's an exciting future where infrastructure keeps up with growth, where the city heart is restored, where our heritage is valued, where transport is affordable and where we have attractive public spaces to share. That is the future to which I am working and in which this Budget plays a substantial part.