



Speech by

Robert Messenger

MEMBER FOR BURNETT

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MINING AND OTHER LEGISLATION AMENDMENT BILL

Mr MESSENGER (Burnett—NPA) (4.42 pm): I rise to support the Mining and Other Legislation Amendment Bill and congratulate our shadow minister, the member for Charters Towers, on his comprehensive speech and technical observations regarding this bill. At the outset of my speech, I acknowledge how much of a wealth creator the coalmining industry is for our great state and our great nation. This was put to me by, I think, Senator Barnaby Joyce: if you don't belong to either one of four industries, you are simply taking in each other's washing in a business sense. He said that you either have to make it, mine it, grow it or show it. Today we are talking about the mining industry, which gives us the money to go out and buy all those overseas goods that we seem so fond of.

I want to talk about the importance of the mining industry to the working families of the Burnett. While there are not any coal or mineral mines in the Burnett, there are many workers in the mining industry who reside in the Burnett. They work four days on and four days off, or sometimes eight days on and six days off, and they fly all around the country. I have bumped into mineworkers at Brisbane airport heading across to Western Australia, and they were living in the Burnett. I pay tribute to the coal and mining industry workers who are also leading the way in creating safe work conditions.

In looking at energy security—I would like to weave the theme of energy security into my speech—as a modern and free world democracy, we rely on hydrocarbons, oil and coal, to power our society and provide our prosperity and wealth. I look forward to the technical breakthroughs that will allow us to gradually wean ourselves off our dependency on hydrocarbons. Even though we have had many breakthroughs and improvements in technologies such as wind and solar, I believe one of the greatest risks that Queensland and Australian families face to our economic, social and cultural prosperity is a sudden oil shock or decrease in world supplies and subsequent dramatic increase in world oil prices. I think we need to guarantee our energy security in a world where oil supplies from the Middle East could become tenuous or fragile if there were an escalation of violence.

Recently there has been worldwide media speculation about the possibility of a pre-emptive attack on Iran in order to eliminate its potential to create and manufacture a nuclear weapon. If that possibility ever became a reality, then the ensuing financial and social chaos would ensure that world oil prices would rise dramatically. The point I am coming to is that Queensland has the ability to ensure and guarantee our state's oil security by investing in coal to oil technology. I would refer members to an article written by Max Walsh earlier this year in the *Bulletin*. Max states in this article—

In fact coal could be said to be the great black hope of what could be the equally troubling challenge facing national economic management—energy security.

Coal to liquid (CTL) technology has been around since 1925 when it was developed in Germany. By the end of World War II, Germany was producing 90% of its fuel demand from coal liquefaction.

Sanctions against South Africa in the 1980s saw CTL introduced there. Today, it provides 60% of its domestic demand. China is building its first large-scale CTL facility.

US programs targeting CTL suggest they will be commercially feasible if oil is in the range of \$US40 to \$US50 a barrel.

That arithmetic, however, does not include the cost to the community of the carbon emission pollution involved in existing CTL technology. But it does show that coal has the potential to reduce the dependence of the major economies of the US, Europe and China on the OPEC cartel and Russia.

Billions are being poured into the quest for 'clean coal' as scepticism about the relationship between carbon emission and global warming evaporates. There are glib claims as to the merits of alternative energies, notably solar and wind power. But look where the investment in new power generation is going and coal still dominates.

The uncomfortable reality is that with the present state of knowledge coal is indispensable to the economic progress which societies, especially developing ones, demand from their political leaders.

I take the point that Max is pointing out there, and I would urge the minister to consider the energy security for Queensland, and in turn Australia, and also look at coal to liquid technology. Queensland has an abundance of coal. I am not sure how many hundreds of years of coal that we have, but surely especially with unstable world conditions it is prudent to invest in coal to liquid technology in Queensland. I understand that the minister and this government are investing heavily in the geosequestration of carbon, but I think that both programs can be run side by side. I believe Victoria is investing heavily in coal to liquid technology, and I would appreciate the minister in his reply mentioning the possibility of that happening in Queensland.

Mention in this bill is made of geothermal energy, which I wholeheartedly support. It has exciting potential for energy produced with minimal creation of CO₂ and all the environmental benefits which flow from that. I would also like to acknowledge the effort by mining companies to follow world's best practice in creating safe, drug-free work environments. The member for Burdekin spoke about mine safety. This industry sets an example for other industries in the Burnett. I would hope that other industries take the example of the coal and mining industry when it comes to workplace safety. I know that they are very rigorous. For example, in relation to the sugar industry, I know that Bundaberg Sugar does not have random drug testing. I wish it were introduced into the sugar industry. I believe that the Isis mill introduced it but other industries should follow the example of the coal industry in making a safer work environment for our workers.

I recently commissioned a Parliamentary Library research brief on the drug testing of employees in mining and associated industries in Queensland. It is an excellent piece of work completed by Wayne Jarred. I would like to share with members some of the observations made by the Parliamentary Library. Under the heading of 'Examples of resource companies drug testing employees', it reads—

The introduction of legislation to authorise random drug testing in the mining industry was preceded by the industry negotiating for Australian standards. Policies to identify and manage the risks associated with drugs and alcohol are an integral part of the standards.

Santos is an Australian oil and gas exploration and production company headquartered in South Australia but which operates gas producing sites in Queensland. It produces sales gas and gas liquids from the Surat Basin and sales gas from the Bowen Basin in central Queensland. The company also produces sales gas and ethane from its Ballera plant in south-west Queensland, near the border with South Australia, which was extracted from the Eromanga Basin. Crude oil extracted from south-west Queensland is processed at Jackson in South Australia and then transported to the Lytton terminal in Brisbane for distribution to retail customers.

Santos established a drug and alcohol review panel, which is a panel of employee and employer representatives formed to administer the random testing program. The health and wellbeing standard followed by Santos, which contains the drug testing program, states—

Santos has a policy of zero tolerance to the use of illegal drugs at Santos operational sites and premises and when engaged in Santos business.

The sale, possession, distribution or use of illegal drugs or un-prescribed controlled drugs on Santos premises or operational sites is prohibited and constitutes serious misconduct, which shall result in disciplinary action which may include termination of employment.

It also prescribes alcohol limits. Under the heading of 'Positive results', it states that where an employee of Santos or a contractor providing a service to Santos tests positive to alcohol or another drug the following is applied: the employee's supervisor and manager is advised of the test result who discusses the results with the employee; the employee is suspended and required to leave the workplace and is not permitted to drive a vehicle or operate machinery; and, if necessary, transport back to the employee's home or accommodation is to be arranged by the supervisor/manager.

In terms of sampling, it points out that testing is conducted in a range of situations including random, cause and post-incident situations. Testing for the presence of alcohol using a breath alcohol testing device—personal use—is based on the requirements of the Australian Standard 3547:1997. Where the presence of other drugs is to be tested in a urine sample, the procedure is conducted in accordance with AS/NZS 4308:2001—procedure for collection, detection and quantification of drugs of abuse in urine. The employee or contractor being tested may request the presence of another person to witness a test. Nominated Santos personnel who are designated to conduct alcohol or drug tests are appropriately trained. The confidentiality of test results is maintained between the employee or contractor, authorised laboratory, the supervisor/manager or any rehabilitation provider or medical provider who may be involved in the treatment of the employee.

There are strict disciplinary guidelines used by Santos for the breach of alcohol limits. The first offence attracts a formal warning and an agreed case management plan. The second offence attracts a second and final warning and the person must successfully complete a rehabilitation program. The third offence attracts disciplinary action most likely to result in the termination of employment. For each offence identified contributory factors are reviewed. There is a very considered approach to the testing and the positive results.

There are many circumstances under which samples are taken. Drug and alcohol testing of employees is conducted by Santos under the following circumstances: where a prospective employee is offered employment; where there is reasonable concern as to the employee's fitness to work; randomly when all employees are subject to random testing by an independent service provider; post accidents or incidents where significant property damage has resulted or serious bodily injury has occurred; post alcohol or drug rehabilitation, employees may be periodically tested for a period of two years after successful completion of a rehabilitation program; and self-testing for alcohol where employees can test themselves before starting work.

Workers at Queensland coalmines are typically employed by numerous different employers who, in turn, are either mine owners, mine operators, contractors, subcontractors or service providers. Regulation 42(7) of the Coal Mining Safety and Health Regulation 2001 requires the site senior executive of a coalmining operation to obtain agreement of the majority of the workers at the site when establishing the criteria for developing a safety and health management system in relation to the improper use of drugs.

The Australian Mines and Metals Association has pointed out that this requirement has been at the centre of industrial action in the past when a majority of employees at a mine site have not agreed with the drug testing proposals of the site executive. The Australian Mines and Metals Association claims that its member companies in the coalmining sector, such as Rio Tinto Coal, Anglo Coal Australia, BHP Billiton, Mitsubishi Alliance, Thiess, Roche Mining, Leighton Contractors and MacMahon Holdings, all have drug and alcohol testing policies and procedures in place.

I congratulate the coalmining industry and the private companies for having very proactive policies in terms of drugs and having zero tolerance of drugs and alcohol. It means that lives will be saved and we will have a safer mining sector. It will be a more productive mining sector. My brother travels out to the mining areas. If a person goes to a coalmine as a visitor they can be randomly tested. That is fair enough. They have set the standard and I wish the standard would flow through to the rest of industry. I commend the bill to the House.