



Speech by

**Ted Malone**

**MEMBER FOR MIRANI**

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## **MINING AND OTHER LEGISLATION AMENDMENT BILL**

**Mr MALONE** (Mirani—NPA) (4.11 pm): It is with pleasure that I rise to speak on the Mining and Other Legislation Amendment Bill. Firstly, I congratulate the shadow minister for his very precise and well-documented speech in regard to the issues raised in the bill. The opposition will be supporting the bill. I wish to make some comments in support of the bill and to talk generally about the mining industry in my electorate.

Members would be aware of the development of the mining industry in the Mackay region. Since the early seventies, the mining industry has expanded dramatically, although not without some ups and downs. I reflect on what the member for Whitsunday has said—that it was only a few years ago that places such as Glenden, Moranbah and other coalmining communities were virtual ghost towns. We were very concerned about the long-term survival of some of those towns.

Since that time, we have seen strong bidding for exports by both the China market and the India market. In the past five years in the region the mining industry has expanded dramatically, although that has not been without some real concerns. Obviously, many times in this House members would have heard about the number of coal cargo ships sitting off the ports of Dalrymple Bay and Hay Point, unable to be loaded because of insufficient coal as the QR coal group was not able to deliver timely cargoes to the ports.

In recent days the government has actually recognised that there is a real deficiency in QR infrastructure. Its announcement is probably about three years too late. There has been a huge deficiency in terms of QR's ability to deliver coal to the ports. I do not blame QR exclusively. Obviously there have been issues with the mines as well. However, when you speak with members of the mining industry from around the region, you will find that a lot of their annual production has been capped simply because they cannot get sufficient coal to the ports.

As I said, there have also been issues with the ports. Babcock & Brown, through Prime initially, has been developing Dalrymple Bay. A huge amount of money and infrastructure has been put in there. Over \$1 billion worth of infrastructure has been built in that one coal export port. Of course, at Hay Point BHP Bilton has expended a considerable amount of money as well. It has almost finalised the staged developments and we will see a reinvigorated ability for those two ports to maximise the off-loading of coal.

As I said, there are some real constraints involved with QR and the two lines down the Connors Range. There have been a number of accidents there. Certainly the Black Mountain accident was a disaster. Frankly, if we had another such accident and the delivery of coal to the port was held up for any length of time, there would certainly be an outcry. I think that Queensland Rail and the Queensland government should be looking at building another corridor down the Connors Range. That area has the potential to create a catastrophic hold-up. Work has been done on that project. Routes have been surveyed to find a possible third corridor. We should be moving forward quickly to develop a third access line down the Connors Range.

Quite a lot of work is being done in the area between Jilalen and the coal ports. Indeed, a huge amount of development work has been done at Jilalen itself. The workshops have been rebuilt and upgraded. The coal lines and the sidings have been developed extensively. That will be a huge boon to Sarina, the close township to Jilalen. Indeed, we are seeing unprecedented development in Sarina. Developers are developing up to 600 blocks of land in Sarina. In areas around Mackay such as Marian and Mirani up in the Pioneer Valley, up to 2,500 blocks of land are being developed. When we think about the amalgamation of the shires, independent small shires like Sarina and Mirani would have been very sustainable as a result of the development taking place through the coal industry.

The development of this secondary industry in the Mackay region is unprecedented. Up to 250 or even 300 smaller businesses and quite a lot of larger businesses are expanding into the industrial areas. The number of people they employ is astronomical. That is driving the economy of the Mackay region. It is quite fortunate that that is happening while the sugar industry is struggling, even though there is a fairly good crop this year. More and more of our younger people are moving into the mining industry, and who could blame them? I am not sure that those people will ever come back to primary industry. Certainly in the Mackay district if the mining industry were to fail there would be a huge backlash for our community.

It is good to see that the legislation has cleared the way for Suttor Creek to move forward. As I said when I interjected on the member for Fitzroy, the Suttor Creek development puts in place a strong development project for Xstrata. As others have mentioned, the mining industry companies are big players. Hail Creek is run by Rio Tinto, and it, BHP Bilton and Xstrata are all good corporate citizens. People like Anna Benson from Hail Creek, Rio Tinto's operation, works very closely with the communities in my electorate, with schools such as Sarina and Mirani high schools and with the councils. That is really good to see. We are not talking about the provision of huge amounts of money, but small catalyst funds that come from the mining companies. These funds help our communities with certain social issues and also help our students through the schooling system. I congratulate those mining companies in my electorate on the work they do in the community. I encourage them to keep up the good work. It is certainly a great help to people in my community.

In line with the development to the west of Mackay, the Peak Downs Highway has been mentioned quite frequently in this House. A discussion paper was recently released on the four options to take the heavy vehicles out of the main street of Walkerston. I congratulate the department on moving on that. Again, it is probably four or five years too late, but hopefully we can see some developments there fairly quickly so the congestion will be removed from that Peak Downs section of the highway through Walkerston. Hopefully then we can remove the heavy B-doubles, fuel trucks et cetera out of those smaller communities.

I would also like to congratulate the minister and the government on the thermal hot rocks issue. Quite frankly, I believe, as do others in the parliament, that this type of energy is sustainable, clean energy. We need to develop and move quickly to ensure that Australia leads the way in terms of thermal energy. It has been used in lots of other places all over the world—in Greenland, New Zealand and heaps of other places. It certainly is a great source of energy without the consequential greenhouse gas or other concerns about the environment. One of the big issues, of course, is that quite frequently the thermal energy is situated quite a distance away from the major consumers. There is an issue in terms of exactly where the hot rocks are and the ability to actually lock into the energy source.

The CH<sub>4</sub> industry, the methane coal seam industry, is obviously a huge industry. In the development of the coalmines inland from Mackay the first thing the mining industry did was punch down a heap of boreholes and allow that gas to escape into the atmosphere. Huge amounts of gas escaped in the early days, virtually streaming straight up into the atmosphere. Who knows how much it was, but we could hear those boreholes whistling at night. I can assure honourable members that an unbelievable amount of gas was released into the atmosphere. It is encouraging to see that we are developing ways and means of harnessing that energy source. It is a good, clean energy source. The work that is being done in the Moranbah area—the huge compressor motors et cetera that drive that methane coal gas stream into the pipeline heading up towards Townsville to drive our industry—is certainly a step in the right direction.

With those few words, I would like to encourage the minister to move forward with legislation of this type. The energy industry and the mining industry in Queensland need all the help they can get to overcome the problems we have, certainly in terms of developing the mining industry to the extent that we are able to put money back into the coffers. Over the next few years somehow or other the government will have to repay \$51 billion of debt. That will be quite a challenge.