Speech by

Jeff Seeney

MEMBER FOR CALLIDE

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MINES AND ENERGY LEGISLATION AMENDMENT BILL

Mr SEENEY (Callide—LNP) (8.07 pm): I rise to make a contribution to the Mines and Energy Legislation Amendment Bill 2009. The bill before the House is in itself not terribly contentious, and there are very few parts of the bill that the opposition has any difficulty supporting. However, the bill does touch on areas that have been considerably controversial of late, and I will make some comments about those areas as we consider those particular parts of the bill that relate to them.

At the outset of consideration of the Mines and Energy Legislation Amendment Bill 2009, I will—as I always do when such bills come before the House—take the opportunity to remind members of the importance of the mines and energy sector to the Queensland economy. It is an issue that every member of this House should always remember. The importance of this sector to the Queensland economy is something that none of us should ever forget and should ever underestimate. Not just the members who sit in this House but every Queensland should be aware of the importance of the mines and energy sector and the great contribution it makes to the Queensland economy, and the great contribution that it has made over so many years to strengthen the Queensland economy to make us the envy of other states throughout Australia.

The mines and energy sector, especially the mining sector, has been treated as something of a cash cow by the Labor government over the last 10 years. Members know that I have spoken at length about that in this place on a great number of occasions. But it is worth reminding members again that this is an industry that contributes an enormous amount of money to the state Treasury. It is an industry which the Labor government has sought to use as a source of cash every time it has found itself in economic difficulty.

I well remember the last budget that was introduced into this House. It will be interesting to see how the industry is treated in the budget that we will see in a fortnight's time. The last budget that was introduced into this House had a figure for mining royalties that I believe was plucked out of thin air. It was a figure of $3 billion put in there simply to balance the government's budget.

Mr Horan: It doubled the royalties.

Mr SEENEY: It was an enormous figure. As the member for Toowoomba South points out, it involved an increase in the royalty rate that came as a complete shock to the industry and was made in spite of the assurances the government had made that it would consult with the industry about any change to the royalty regime.

It is important when we consider a bill about mining and energy that we do so from a perspective that recognises the importance of the industry to the state. It is a very important industry in my electorate especially. The electorate of Callide, as most members would know, is one of the electorates that covers the Bowen Basin and the mining areas of Central Queensland. The mining industry is integral to the people I represent. It is integral to my communities; almost every family has a member who is employed in the mining industry in one form or another. Therefore, it is almost second nature to us to recognise the importance of the mining industry.

That is why I take the opportunity every time this House considers legislation about the mining industry to remind those members who represent the massive number of electorates in the south-east corner that they too have a very important stake in the mining industry and they too should share my passionate interest in the future of that industry and ensure that it is not treated as a cash cow, ensure that the legislation that we consider in this place that affects the industry does not impact on the industry unnecessarily and threaten its ability to provide those economic benefits in the future. It is those economic benefits that are to the advantage of every Queenslander.

So it is with the energy sector of the economy—the second sector that is mentioned in the long title of this legislation. Queensland's energy sector has always been a source of great competitive advantage for our economy. Those mouth of the mine, coal fired power stations that have for years provided cheap electricity to Queenslanders for domestic consumption and to Queensland industries to make them competitive are something that few people realise are there and most people take for granted but everybody in this parliament who considers legislation that impacts on the energy sector should pay due regard to.

Obviously, in my electorate we have the Callide power stations. I am very proud of the contribution that they make to the energy sector. Almost 10 per cent of Queensland's electricity is generated within a stone's throw of Biloela, where Callide B and Callide C are the main stations. Callide A was the original power station. It is interesting to look at that old power station and see how far the energy sector has come since the early days in Queensland.

Interestingly enough—if I may divert for a second—Callide A is the site of a project that is aimed at ensuring that clean coal technology becomes part of Queensland's energy future. Enormous amounts of money are being spent there—money that is being contributed by industry mainly but also by the government—to ensure that clean coal technology can be an integral part of Queensland's energy future. That is indicative of the direction that the energy sector is going. It is one of the things that will hopefully ensure that our energy industry can, in generations to come, still provide that comparative advantage that has been provided by the big coal fired power stations located at the mouth of the mine at Callide, Tarong, Swanbank, Millmerran and places such as that.

In relation to the energy sector of the Queensland economy, there is also a need to recognise the emerging opportunities. The gas industry, the coal seam gas industry in particular, has enormous potential for Queensland's future. It has enormous potential not just as an export opportunity. The export opportunities are vast. I think most members hopefully would be aware of the proposals that are at being developed at the moment for liquefied gas projects at Gladstone which will enable the export of Queensland gas to markets in the world.

They are huge projects. There are actually four of them being considered at the moment. Even if one of them comes to reality it will be an enormous capital investment in that area of Central Queensland. There is also enormous potential for the coal seam gas sector to provide energy for Queensland's future. Gas fired electricity does have some advantages—the extent of the advantage is arguable—but I think the most commonly accepted figure is something like a 40 per cent advantage in terms of the current coal fired technology with regard to emissions. If we are looking to a low-emission future then we need to look at a massive increase in gas fired electricity as well as supporting that clean coal technology that I spoke about earlier that is being developed in places like Callide A.

The mines and energy sector that this legislation affects is an exciting sector for Queensland's future. It has been a major part of the building of Queensland's economy. It should never be taken for granted by any member who sits in this place. Every member who comes to this parliament seeking to have a school built, seeking to have a police station built, seeking to have a road upgraded or seeking to have any one of a number of things that all of us as local members want for our constituents needs to recognise that a significant proportion of the money that any Queensland government will have will be generated by the mines and energy sector that this legislation deals with tonight.

Let me deal with the detail of the bill. The bill seeks to transfer responsibility for the economic regulation of the Mount Isa-Cloncurry electricity distribution network—often referred to as the Mount Isa network—from the Queensland Competition Authority, the QCA, to the Australian Energy Regulator, the AER. There are lots of acronyms in this legislation. The first thing the bill does is seek to transfer the regulatory responsibility for the Mount Isa network from the QCA to the AER.

It also supports the establishment of the Australian Energy Market Operator, the AEMO, as the single energy market operator for both electricity and gas markets in eastern Australia. It seeks to align the workplace health and safety provisions in the mining and petroleum acts with recent amendments to the Workplace Health and Safety Act 1995 and implements some of the recommendations from the Ombudsman's 2008 report titled *The regulation of mine safety in Queensland: A review of the Queensland Mines Inspectorate*. Finally, it clarifies and improves the administration and operation of the petroleum

regulatory framework. Those provisions that it clarifies and improves could fairly be described as relatively minor.

Let me deal with the first of those four provisions. The first provision relates to the Mount Isa-Cloncurry network. The Mount Isa-Cloncurry network is the electricity network that serves Mount Isa and Cloncurry and the surrounding areas and is isolated from the main electricity grid simply because of the isolation of that area.

Ergon Energy Corporation owns the Mount Isa network as well as the distribution networks that are part of the national grid. The national grid is an interconnected network that extends continually from Cairns to Adelaide, but the Mount Isa network is obviously separate and not connected to that national grid. Mount Isa, of course, is one of the more important areas in Queensland in relation to the mining activity that is carried out there. Being from Central Queensland, I suppose it is understandable that when I talk about the mining industry my focus is on the coalmining industry, because it is such an enormous part of the electorate that I represent and the communities throughout Central Queensland. But we should not forget the great history of places like Mount Isa and the minerals that have been mined there for many years now and the great contribution that that has made to the development of Queensland. Because of its isolation and the distance from the coast and the distance from the national grid interconnecter that I spoke about earlier, it does have not only its own network but its own power station that supplies both Mount Isa city and a large number of mines in the vicinity.

There is a growing recognition that somewhere down the track for the future of the development of that north-west minerals province there has to be some sort of a permanent solution found to connecting that area to the national grid. It will be a huge project, and no-one underestimates the size of the project. However, it is a project that, sooner or later, will have to be tackled by a government that is interested in the future of the people of Queensland and the future development of that north-west minerals province. It is not unlike the issue of the provision of a baseload power station in North Queensland. Those of us who either come from North Queensland or travel to North Queensland regularly, especially to Townsville, will be familiar with the lobbying effort that is made by people in North Queensland and Townsville enterprises especially. Every time I go there, it is the first issue that they raise with me—that is, the issue of the baseload power station in Townsville. It is an issue to which the Queensland government has to find a solution if there is to be sustainable long-term regional development in North Queensland.

I think it reflects rather poorly on the current government that it does not appear to me to be addressing or putting any great effort into addressing that issue. Rather, it appears to me to be relying on strengthening that long extension cord that runs from Stanwell Power Station near Rockhampton all the way up to Townsville and Cairns and on to Port Douglas. It is an enormously long length of transmission line and it is subject to all of the vagaries of North Queensland weather, especially during the cyclone season which is part and parcel of living in that part of the world. I think that there has to be a recognition across parties—there has to be a recognition by everybody who sits in this parliament—that for the future of North Queensland a long-term solution has to be found to that issue.

Without going into the detail of the North Queensland baseload power station here tonight in any great length, I know it is a difficult issue. I know it is a difficult issue to achieve the economic parameters that are needed, but it is very much connected to the situation in the north-west province in Mount Isa. That whole northern area of Queensland has to sooner or later be provided with the sort of cheap baseload power that we in the southern part of the state have enjoyed for so long and that has been such an important part of the development of the southern part of the state. That is a challenge. It is a challenge for the current minister; it is a challenge for the current government; and it is a challenge for ministers and governments who will come in the future. But for the long-term future of that whole northern area of Queensland, a long-term solution needs to be found.

The bill before the House tonight seeks to, as I said, make that isolated network that currently exists in Mount Isa subject to a different regulatory regime. Since 2001 the QCA has regulated both the Mount Isa network and the national grid connected distribution networks in Queensland in accordance with the national electricity rules. The QCA regulation process that has been in existence for that Mount Isa network and for the other interconnected networks in Queensland is one that has come under a deal of scrutiny of late, and rightly so. It is one that I think has been grossly misrepresented by the minister and the government for their own base political purposes. There is a provision within the Electricity Act that is the reason that the QCA has the regulatory authority that is being passed on to another regulatory authority tonight.

That provision allows or provides for the minister to each year set a regulated price for electricity in Queensland. It is called the regulated price or the gazetted price. It is probably better understood as the default price. It is a price that the minister has the responsibility to set each year and the minister has the power to delegate that responsibility. The reason that the QCA is involved in this legislation before the House is that the QCA is the body that the minister has, up until now, delegated that responsibility to. However, it has become a controversial issue of late because of the extent to which that delegated power

to the QCA allows for the price rises in Queensland that we have seen amount to something like 30 per cent over three years. These are quite extreme price rises, quite unacceptable price rises, I believe, but they are price rises that have come about because of the minister's delegation of that power to a process that then allows it to be challenged by the two main retailers in the market—the only two retailers in the market some would say—AGL and Origin, who combined to challenge the methodology in the court and won.

There has been considerable debate over recent days about the effect of competition or the role that competition should play in ensuring that Queenslanders continue to enjoy the economical supply of electricity that I spoke about that has been such an integral part of Queensland's development, and there has been considerable focus on whether the deregulation process that the government put in place some years ago really provided the cheap electricity that we were all promised at the time. I do not believe that the provision that is included in this bill that transfers that delegated power from the QCA will address any of those concerns. The delegated power that relates to the Mount Isa network that is being transferred tonight is only the first step in the process.

Under the Australian Energy Market Agreement that was agreed to during the COAG agreements, the major networks that Ergon and Energex currently operate will be transferred as well by 2010. But it is important as we consider those transfers to also consider the bigger picture and how that delegated power to set that regulated price, be it by the QCA or be it by some other organisation—in this case, it will be to the AER, the Australian Energy Regulator—will affect the price of electricity in Queensland. There needs to be an effort made by whoever it is that occupies the minister's seat in the parliament here and the minister's office in the government to ensure that the consumers of Queensland continue to enjoy the benefits of that great natural resource that makes up our energy sector.

Whether it is the coal fired sector that has been the traditional source of that energy or the new, emerging gas fired electricity from the coal seam gas assets that I spoke about earlier, they are assets that all Queenslanders should benefit from. The way we benefit from them is not just by their exploitation and sale to others; it should be by our continued enjoyment of an economical supply of safe, reliable electricity. Unless that regulatory regime is right, that is by no means guaranteed. That is the concern that I express as we consider this bill tonight—this transfer of the minister's delegated power from the QCA to the AER, the Australian Energy Regulator—that the minister seek to address some of that concern that has been expressed in recent days.

A lot of it goes back to the so-called privatisation or deregulation of the electricity market, which happened during 2005 and 2006. This morning in this House I referred to that when I asked the Treasurer a question about the benefits that have accrued to the people of Queensland from the sale of those assets. The sale of those assets began in November 2006, when the Australian Pipeline Trust was purchased by Allgas Energy as part of the natural gas distribution network. In February 2007, Origin Energy purchased Sun Retail Pty Ltd, which was the former retailing arm of Energex, which had about 840,000 electricity customers around Brisbane's CBD and inner northern suburbs and areas south and west of Brisbane in South-East Queensland and about 55,000 LPG customers in South-East Queensland.

Also in February 2007, AGL purchased Sun Gas Retail Pty Ltd—the former natural gas retailing arm of Energex—with around 70,000 industrial, commercial and residential natural gas customers in Queensland and northern New South Wales plus about 140 commercial and industrial customers in Victoria. In March 2007, to complete the process, AGL purchased Powerdirect Australia, which had about 390,000 customers in Brisbane's outer northern suburbs, the Sunshine Coast and the Cooloola and Kilcoy shires. They were Ergon Energy's existing competitive retail business. They were mainly commercial and industrial customers, but they also had some existing Victorian, South Australian, and New South Wales customers of Powerdirect Pty Ltd.

Origin Energy and AGL are obviously publicly listed companies on the Australian Stock Exchange and they are companies of substantial size and experience in gas and electricity retailing in Australia. As I indicated this morning, the Queensland government raised just over $3 billion from the sale of its energy retail and gas distribution businesses. It is a fair question to ask what happened to that $3 billion. Where did that $3 billion go? The government at the time said that the sale proceeds were placed into the Queensland Future Growth Fund. Supposedly, they were placed in that Queensland Future Growth Fund for major economic infrastructure projects such as water, clean coal technology and other transport and energy infrastructure—just what the government wants to build today. The government should have that $3 billion, plus the interest that it has earned, available to it to invest in its infrastructure building programs today.

But, of course, the government does not. The money that it received from the sale of those energy retail assets has, like so many other financial windfalls that Labor governments have received, been frittered away on patching up their mistakes, fixing up the crises that they continually get themselves into.

Not only that, over that period we have seen that horrendous 30 per cent increase in electricity prices, which undermines the fundamental strength of the Queensland economy. It erodes that competitive advantage that Queenslanders have always had, and should always have, because of the wonderful energy assets that exist in our state in the form of the enormous coal deposits in the Bowen Basin and the emerging coal seam gas fields right throughout Central Queensland and the Darling Downs.

So it is important that we understand that although the minister's power, through this bill, is being passed to a different organisation—to the Australian Energy Regulator instead of the Queensland Competition Authority—the process will still be the same. Unless we are vigilant, unless the minister is vigilant, unless somebody goes in to bat for Queensland consumers, we will continue to see that competitive advantage whittled away by this process.

Indeed, there is nothing in this bill that gives me any confidence that there is any recognition by the Labor government of the impact of the changes. It could be argued quite logically that the changes that begin in this bill with the transfer of the Mount Isa network from the QCA to the AER, which will then be followed by the transfer of the Ergon and Energex networks similarly from the QCA to the AER, will further distance that decision-making process from the responsible minister. The responsibility will go from the QCA, which, as the Queensland Competition Authority, is a local Queensland entity, to the Australian Energy Regulator, which, by definition, is further away and a national organisation and, therefore, one would expect would be harder to influence.

I believe that the minister has an obligation not to treat that power of delegation lightly. I believe that the minister has an obligation to, if he must, use the threat of the withdrawal of that power of delegation to ensure Queensland consumers are protected. It is regrettable in the debate that we have had over the past three or four weeks that we have seen no indication from the minister, or anyone in the government, that they are prepared to go in to bat for Queensland consumers.

We cannot blame the retailers in the marketplace for trying to maximise their opportunities. AGL and Origin have certainly come together to undertake that court action to maximise their opportunities to make a profit. It is the minister who has failed to protect Queensland consumers and, to me, it is the government that has the responsibility to counter the efforts of the retailers and to ensure the interests of Queensland consumers are protected.

Under the Australian Energy Market Agreement—or the AEMA—responsibility for regulating Queensland's national grid connected district networks will transfer from the QCA to the AER commencing with the next regulatory period, which is 1 July 2010 to 30 June 2015. The AEMA is an intergovernmental agreement that was signed in 2004 and amended in 2006 under which first ministers of the Commonwealth and the states and territories agreed to a range of reforms to the national energy markets, including the economic regulation of the national electricity grid.

This bill proposes amendments to transfer the regulation of the Mount Isa network to the AER at the same time as the national grid connected networks to maintain consistency with the current arrangements. Separate regulation of the Mount Isa network would be inefficient for both Ergon Energy and the regulators involved. We certainly agree that there needs to be that sort of consistency and that sort of efficiency.

The bill is intended to capture all parts of the Mount Isa network that are currently considered to be under the QCA's Mount Isa-Cloncurry distribution network pricing determination and all future extensions of the network. It will be the forerunner of the transfer of the entire state network. The Australian Energy Market Operator is an entity that was the creation of the Council of Australian Governments agreement on 13 April 2007, when it moved to establish a single energy market operator for gas and electricity in order to strengthen the character of national energy market governance. It was part of the Ministerial Council on Energy's ongoing energy market reform program. It is a step in the right direction.

In 2007 COAG recognised the extent to which energy markets were becoming national. With the interconnection between the transmission systems in each state and the expanding gas pipeline network it was obvious that the energy markets were becoming national and the regulatory arrangements had to be expanded to cover that ongoing change. COAG agreed that the AEMO would assume the functions of the National Electricity Market Management Co., which we have all come to know as NEMMCO, which still operates the wholesale electricity exchange and the retail market of the Queensland region of the national electricity market.

The AEMO will also assume the functions of the various jurisdictional gas market operators, including Queensland's gas retail market operator. Under this process the existing market operators will be absorbed by the AEMO. In addition, it was agreed that the AEMO would adopt some new functions. The first new function would be the national transmission planner for electricity. That is a function that has not existed before. There has not been a national planning activity for the national transmission system. Given the move towards the national interconnection that I spoke about earlier, it makes common sense that

there be a national transmission planner. The absorption by the AEMO of these functions allows it to perform that function as well. There was also the new function identified for the AEMO of being the Gas Market Bulletin Board operator, once again in response to the increasing national interconnection of the gas supply network. It also had a new function of being adviser to the National Gas Emergency Response Advisory Committee and responsible for the preparation of the proposed gas market statement of opportunities.

While the AEMO will adopt all of those new functions—especially the important function of being a national transmission planner—for us here in Queensland the biggest change will be that the AEMO will take over the role that NEMMCO had as the transmission network operator and the operation of the spot market. The operation of that spot market is very important to electricity generators. I well remember the concept when it was introduced. It was greeted with a degree of scepticism and doubt—not just by market participants, but by many market watchers and observers—that that spot market process that was going to be operated by NEMMCO could conceivably work and provide any particular benefit at all to Queensland's power industry. I think history has proven that it has.

I think history has proven that NEMMCO, in its operation of the spot market, has provided opportunities for a range of generators to fulfil particular niche functions in the electricity market, notably among which would be the opportunities that it has provided for gas fired power stations that are able to react very quickly to changes in the spot market to become established in the Queensland market. We have a number of those in Queensland now. They are relatively small in comparison to the traditional mouth of the mine baseload power stations. We have a number of relatively small gas fired power stations that can take advantage of that great gas resource that is becoming ever more evident in Queensland's coal seam but can also operate economically in the market because of the efficient operation of that spot market that NEMMCO has had in place for some years.

Moving on to the third part of the legislation where it seeks to align the workplace health and safety provisions in the mining and petroleum acts with recent amendments in the Workplace Health and Safety Act and to implement some of the recommendations from the Ombudsman's 2008 report that looked into the regulation of mine safety in Queensland, the Ombudsman's report contained some 44 recommendations of which only four are dealt with in this legislation before the House. There is a range of other recommendations that will be adopted in a number of different ways, but it is worth noting that the government is adopting all 44 recommendations in the Ombudsman's report even though only four of those recommendations are dealt with in the legislation here tonight.

The first of those four recommendations provides protection for people who report or make complaints about safety matters. That change is modelled on provisions that have been part of the workplace health and safety legislation for quite some time. The second recommendation creates the statutory position of the Commissioner for Mine Safety and Health to prepare and deliver an annual performance report to the minister on mine safety and health issues and report on mine safety and health issues as they arise.

I was somewhat concerned when I first read about the creation of this new position, but I have been reassured by the briefing that was provided to us by the staff from the minister's department in regard to the position of the Commissioner for Mine Safety and Health of the reason that the Ombudsman has made that recommendation and the government has accepted that recommendation. I am comforted by the fact that we are not creating a separate position. This government has form in regard to creating particular positions for its union or Labor mates who have passed their use-by date in other roles.

Ms Grace interjected.

Mr SEENEY: If the member for Brisbane Central is around here for long enough she will know exactly what I am talking about. Those of us who have been here for a while have seen it happen over a number of years. I can assure the member for Brisbane Central that she will never have to create such a position for me.

Mr Robertson: Because we have standards.

Mr SEENEY: I say to the minister that I have standards as well. I am gratified that the creation of a quasi-position is not what is being considered in this legislation before the House tonight. The Commissioner for Mine Safety and Health is a position that was part of a recommendation that was made by the Ombudsman and it separates the executive director of the department from the responsibilities of making those decisions about commencing prosecutions under the mining safety and health legislation.

There were four main reasons given for the recommendation in the Ombudsman's report and four roles identified: first, chairing the Coal Mining Safety and Health Advisory Council and the Mine Safety Advisory Council; second, advising the minister on mine safety issues; third, reporting to parliament on the performance of the Queensland Mines Inspectorate, and I look forward with some anticipation to reading those reports; and fourth, and probably the most important one, I believe: making decisions about commencing prosecutions under the mining safety and health legislation.

The other recommendations that were accepted in the Ombudsman's report and which are being enacted tonight are empowering the Executive Director (Safety and Health), Department of Employment, Economic Development and Innovation to report directly to the minister on mine safety issues and transferring the statutory power to commence prosecutions under the mining and petroleum safety and health legislation from the chief executive to the newly created position of Commissioner for Mine Safety and Health. Those provisions are in response to the report that the Ombudsman produced. There are a number of other minor provisions which provide that consistency with the workplace health and safety provisions. I think it is sensible that there is that sort of consistency between the safety provisions in the mining legislation and the safety provisions that are encompassed in the workplace health and safety legislation.

At this point in the consideration of the legislation it would be remiss of me if I did not reinforce the support that we all have for the concept of a safe workplace. While the changes that are made in this bill are relatively minor and could be described as administrative, in total they draw our attention once again to the issue of workplace health and safety and the safety standards that have improved so much over the time I have been involved in public administration and, indeed, have participated in workplaces, and so it should be.

One of the great success stories of the mining industry in particular is that it has been able to achieve such levels of workplace health and safety in what will always be an inherently dangerous business. If we look back over history we see that the activities of the mining industry have been the cause of an unacceptably high number of injuries and deaths, not just in our mining industry but in mining industries all around the world. One of the great successes of the Australian and the Queensland mining industry is that we have been able to lead the way in achieving increased levels of safety. That has the support of all in this parliament and all involved in the industry.

From the direct contact I have with people who work in the mining sector, I know that the safety issue has become almost the point from which every task is addressed. When my youngest son, along with a number of his contemporaries, started an apprenticeship in the industry, he came home and told me about the safety training that had taken up the first week of his time at the workplace. While that was something of a frustration to him because he wanted to get in and play with the tools and do something worthwhile, to his mother and me it was a great comfort that they had spent a week instilling in those young people the importance of safety, the importance of contingency planning and the importance of looking for danger and potential accidents before they occurred. All of those things are part of the move towards a safer workplace, which the Queensland industry can be very proud of. That needs to be recognised every time we consider legislation that makes changes.

As I said, the changes in this bill are not major changes. They are regulatory changes, they are minor changes and they are incremental changes, but all those little changes collectively will not only maintain the high level of safety that the industry has been able to achieve but also improve it. The concept of nil harm is one that the whole industry aims at, and one day we will see it achieved. That will be an enormous achievement.

The last issue the legislation deals with clarifies and improves the administration and operation of the petroleum regulatory framework. In doing so it makes a number of relatively minor amendments to the petroleum legislation. I will not go through them in any great detail. Only one is worthy of any comment at all and it relates to providing for the common use of pipeline corridors when agreements are in place.

The issue of the common use of pipeline corridors is one that is particularly pertinent to me at the moment. Probably few people realise the degree of planning for pipeline construction that is going on in Central Queensland. Currently, four proponents are developing proposals for liquefied natural gas plants at Gladstone. Of course, we are talking about quite large amounts of gas being transported from the coal seam gas fields from Chinchilla north to Moranbah. That is a huge stretch of Queensland. At least initially, it is projected that the biggest percentage of gas will be drawn from fields from Chinchilla and Miles north to Taroom. All of that gas has to be piped to Gladstone.

At the moment there are four proponents in the field and there are four pipeline corridors being proposed. If one looks at the map of that part of Central Queensland one sees four lines drawn on the map. Because of the unique geography of that place, all four of those lines traverse my electorate from top to bottom. An inordinate number of my constituents are currently coming to grips with the fact that there is a pipeline company surveying and planning to build pipelines through their particular piece of Queensland.

To one extent or another, all of those pipelines will run down the Dawson Valley to one of the few possible places where the Dawson Highway and the railway line cross the Callide Range, east of Biloela and heading towards Gladstone. The government has recognised that there is an issue in relation to how those pipelines will get from a point at the top of the Callide Range down to Curtis Island, where it is proposed to build the liquefied natural gas plants.

To its credit—and I have supported strongly the decision that it has made—the government has identified what the minister or the Premier referred to as the gas superhighway; that is, the identification of a 200-metre-wide corridor from Curtis Island to the top of the Callide Range to allow each of those pipeline proponents to co-locate their pipelines within that corridor. Certainly, there is a case to be made that the gas superhighway should be extended considerably further, which would take away a lot of the current duplication in terms of route selection.

As the local member, I find it very difficult to explain to my constituents why they have one, two or three different pipeline routes running through their particular piece of Queensland. The pipelines may be running through their properties at different angles and in different places. It is difficult to explain why they cannot all be constructed on the one right of way. I would urge the minister to look at that. The local Banana Shire Council and Mayor John Hooper have raised this issue with me and the government. Of course, it does not affect just me as the local member, my constituents and their properties; it also affects council infrastructure and the interrelationship between the companies that will be constructing the pipelines and the councils.

The legislation before the House deals with the concept of a common corridor in a slightly different context. It raises for the parliament's and the minister's consideration the issue of the extension of that common corridor and whether or not that would benefit the moves that I think we all support to establish the liquefied natural gas industry in Central Queensland and to see capital investment in Gladstone sooner rather than later. We all want to see that happen.

From the government's point of view, if it is at all serious about creating the 100,000 jobs that its members talk about, the coal seam gas projects of Central Queensland have probably the greatest potential in Queensland at the moment to provide for massive expansion in construction jobs. The emergence of that new industry will provide a significant number of the 100,000 jobs that the government seeks to create. The emergence of that new industry would certainly provide opportunities for a great many people who have seen a contraction in the mining industry with the global financial crisis and who, unfortunately, have seen a contraction in the mining project that was previously providing their employment, be it as a full-time employee or as a contractor. The concept of ensuring that, wherever possible, a common corridor is used is something that I not only support but I urge the government to look at in more detail. I urge the government to look at extending the provisions for that. In relation to the common corridor, I know that it has already identified that; it terms it the supergas highway from the top of the Callide Range down to Curtis Island.

There is a compulsion for companies seeking to build pipelines through that coastal plain to use that corridor. Whether that sort of compulsory use of a common corridor is appropriate as those pipelines are constructed further to the west is an issue that at least warrants consideration and discussion, because of the concern of my constituents and councils in that area about the almost spaghetti junction of lines on the map. I see the Minister for Infrastructure on the other side of the House. I am not sure where the responsibility lies or whether it is shared between him as Minister for Infrastructure and the mines and energy minister. It is something I would urge them both to consider and I would urge them to take the time to consult with the people who are directly affected in central Queensland as landholders, as council representatives and, of course, as people involved in the companies trying to make these projects a reality.

As I said, the bill before the House does not in itself contain any real contentious issues. It does provide us with an opportunity to reflect on issues which certainly have been contentious in the regulation of the mines and energy sector. It certainly provides us with an opportunity to remind all members of this House, especially the new members, how important this sector is to the Queensland economy. It provides us with an opportunity to reflect on the great contribution that the mines and energy sector has made over the years and the great part that it has played in ensuring that Queensland is the envy of other states and ensuring that Queensland does have that economic base which provides us all with the lifestyle that we have come to enjoy as Queenslanders.

As we debate this legislation it is also beholden on us to consider, just as we should every time legislation that affects the minerals and energy sector comes before this House, whether this legislation makes it easier or harder for those industries to continue to provide those benefits to generations of Queenslanders. Those opportunities will become increasingly important to generations of Queenslanders. They will become increasingly important to the state Treasurer as he ponders over the next two weeks how he is going to make any sense out of a Queensland budget that has been blown to smithereens by the financial mismanagement of successive Labor governments. He will, as have formers Treasurers have who have sat in this place on budget day, be looking to the minerals and energy sector for some cash to try to plug up the holes, to try to ensure that the budget has some degree of respectability. Successive Treasurers have done that. They have done that by reaching out for increased mining royalties, as the member for Toowoomba South and I spoke about earlier. They have done that by dipping into the energy sector for increased dividends from the government owned corporations that operate in the energy sector.

The government owned corporations that have been at the forefront of our generating capacity for so long have provided not just the electricity that the people of Queensland need but also the dollars that the Treasurer needs every budget day. How many billions of dollars have places like Tarong, Swanbank, Callide and Stanwell provided to successive Queensland Treasurers every time they get into a bit of a fix come budget day? There has been a move to sell those energy corporations. I went into some detail in the consideration of this legislation about the benefits that the government should have received from the sale of the electricity retailing corporations when it received $3 billion for the sale of Energex retail and that portion of Ergon Retail which related to the non-contestable customers and their gas customers. That $3 billion was frittered away. It has gone. Also gone is the opportunity to receive the income that those government owned corporations would have provided. It has gone as well. I note in the government's asset sale plans that were outlined in the House this morning that there was no mention of selling the government owned corporations in the generation sector of the electricity industry. Those government owned corporations, those generators, have been an enormous source of income for successive state Treasurers.

Mr Robertson: Or the Gladstone port.

Mr SEENEY: Or the Gladstone port. I would say to the minister that the Gladstone port has also been a very successfully run enterprise and provided enormous economic benefits to the state not just in terms of the direct benefits but also the cash income. That is the problem with selling assets. While we get the one-off cash boost, while we receive the 'get out of jail free' card from the capital income, we also lose the recurrent income that we have benefited from year after year.

I welcome the opportunity to consider the legislation before the House. I ask the minister to consider some of the points that I have raised quite genuinely in this debate. I urge all members, as I do every time we consider such legislation, to always remember the contribution that the minerals and energy sector makes to every Queenslander who is represented by every member who sits in this House.