




Speech by

Hon. Stirling Hinchliffe

MEMBER FOR STAFFORD

Hansard Wednesday, 15 June 2011

MOTION: CARBON TAX

 **Hon. SJ HINCHLIFFE** (Stafford—ALP) (Minister for Employment, Skills and Mining) (5.51 pm): I second the amendment moved by the Treasurer. The biggest threat to the Queensland economy and the environment is the LNP. They have no plan, they have no policies and they have no belief in climate change. The truth is that in this state the mining and resources industry is not running scared, as the Leader of the Opposition would have Queenslanders believe. Rather, it is confident that Queensland will continue to be a leading producer of minerals and petroleum resources for many years to come. As the Leader of the Opposition said himself in this House about three hours ago, the mining industry is booming. It is booming because the mining and resources industry knows that Queensland is a great place to carry out business. Despite Campbell Newman's habit of talking down the Queensland economy, they know that it is the right place to invest.

Supposedly under some sort of threat of a great big new tax about which the Leader of the Opposition channels Tony Abbott, since the beginning of this year APLNG has finalised a contract with Sinopec in China to supply LNG for 20 years; BG has signed a contract with Chubu Electric Power Co. in Japan to supply LNG for 20 years, with Queensland LNG in the mix; BMA has committed to spend \$5 billion on Central Queensland coal projects; and Adani has agreed to take on the lease of the Abbot Point coal terminal to ensure the terminal's continued industry led growth.

The truth is that the world is reacting to climate change and Australia cannot afford to be left behind. In her written submission to the federal government on carbon tax, the Premier made it clear that the government will be fighting for a good outcome for Queensland that supports and ensures a strong future for emissions-intensive industries.

The reality is that Queensland is very well placed to serve international markets as the world searches for energy sources that burn cleaner than coal. The Productivity Commission's recent report identified gas fired power as being the most effective method of lowering greenhouse gas emissions. Already we are seeing demand driven by increasing international demand, with key export markets identified in Japan and China that are seeking lower emission transition fuels such as LNG. The truth is that if big economies like those in Asia continue to turn to Queensland LNG instead of coal for large scale power generation, their greenhouse gas emissions will be significantly reduced and our economy will benefit.

In his budget speech the Treasurer forecast that for 2011-12 economic growth would be at five per cent and then 5.25 per cent in the following year as a new era of investment ushers in new jobs and a broad based expansion of our economy. The Treasurer highlighted the importance of the emerging LNG industry when he told the House that LNG is as significant an economic development for Queensland as the opening of the Bowen Basin was in the 1970s. The truth is that electricity produced from Queensland LNG is up to 70 per cent cleaner than that produced from brown coal in Victoria and it is up to 50 per cent cleaner than the electricity produced from black coal. It is an industry of the future.

This is where we have the opportunity to build an economy that responds not only to the international environmental challenge of climate change but also to the international and local economic

challenges of climate change. As a government, we have a commitment to responding to those issues and working with the federal government in responding to those issues. We will not stick our heads in the sand and pretend while we are out and about that we do not believe in climate change but, like Campbell Newman, when in Ashgrove decide finally that climate change is real.

The reality is that this is an opportunity for Queensland to play a significant role in leading this change. It starts right here and now. The genesis is here. We want all stakeholders to work together to make sure it works for Queensland. Scaremongering from those opposite does not do anything to help our economy. Scaremongering from those opposite only talks down the great potential and opportunity of this state to be a part of responding to the global challenge of mitigating climate change. We can be a part of that with great transition fuels like CSG-LNG.