



Speech by

# Hon. Stirling Hinchliffe


MEMBER FOR STAFFORD

Hansard Tuesday, 14 June 2011

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## MINISTERIAL STATEMENT

### CSG Industry

 **Hon. SJ HINCHLIFFE** (Stafford—ALP) (Minister for Employment, Skills and Mining) (10.25 am): The Productivity Commission's recent report into climate change has identified gas fired power as being the most cost-effective method of lowering greenhouse gas emissions. I am pleased to say that Queensland is already playing a key role in fuelling worldwide energy demands for gas, which is a cleaner, lower emission fuel.

The reality is that the established coal seam gas industry and the emerging liquefied natural gas industry are good for Queensland's economy and good for our environment, as the Productivity Commission's report shows. This government supports the balanced development of the industries and recognises their potential to bring employment opportunities to Queenslanders.

The three LNG export projects that have state government and federal government approval could bring up to \$65 billion in investment in Queensland and some 18,000 jobs. This demand is being driven by increasing international demand, with key export markets identified in Japan and China, who are seeking lower emission transition fuels such as LNG. The truth is that, if big economies like those in Asia turn to Queensland LNG instead of coal for large scale power generation, their greenhouse gas emissions will be significantly reduced.

The Bligh government is also aware of the need to balance the development of the industry with agriculture, the environment and impacts on communities and landholders. That is why we have introduced strict legislation to achieve a more favourable outcome for all players. Our laws ensure landholders are fully aware and fairly compensated for activities undertaken by resource companies on their land. They require companies to enter into legally binding conduct and compensation agreements with affected landholders.

Petroleum and gas companies are also now subject to compulsory new reporting requirements for all exploration and production activities that they plan to carry out. The safety of the industry was recently highlighted in an industry-wide audit of Queensland's CSG wells which showed that 98 per cent of wells had no leaks. I am confident that this balanced approach to the development of the industry will lead to a prosperous future for Queensland and a ready source of cleaner energy for the world.