



Speech by


Hon. Jeff Seeney

MEMBER FOR CALLIDE

Hansard Wednesday, 11 July 2012

MINISTERIAL STATEMENT

Carbon Tax

 **Hon. JW SEENEY** (Callide—LNP) (Deputy Premier and Minister for State Development, Infrastructure and Planning) (2.15 pm): Queensland is the most decentralised and, in many ways, the most diversified state in the Commonwealth. Our resource, industrial and agricultural regions complement the state capital as drivers of Queensland's prosperity, yet the hugely productive regions of Queensland will be hit hardest by Labor's new carbon tax. The very industries that Queensland needs, the very industries that our government is determined to grow to underpin our future prosperity, will suffer from the implementation of this carbon tax.

Coalmining across Queensland, bauxite mining on the cape, copper mining and smelting in Mount Isa, nickel and copper refining in Townsville, and alumina and aluminium smelting and refining in Gladstone are the targets of the carbon tax. They are also the wealth and job generators of our economy. Gladstone is now the nation's pre-eminent industrial city and ranks as an industrial centre on the world stage. Gladstone's Boyne Island aluminium smelter is by far the nation's biggest. It is the nation's largest energy consumer. Queensland Alumina's Gladstone plant is the nation's second biggest alumina refinery. The expansion of the Yarwun refinery will place it among the top four plants in the country.

For decades, these and other such industries have formed a powerful industrial base for Queensland. Soon they will be joined by the massive LNG industry, huge developments in which could make Australia the world's largest LNG exporter. The construction industry, another key pillar of the Queensland economy, is forecast to lose nearly \$1 billion in output by 2020 and over 2,000 jobs. Yet the Labor Party and the union leaders who support it are prepared to threaten their future and, indeed, their existence and with them the jobs and economic prosperity that they bring by supporting the introduction of this carbon tax.

I refer to an Access Economics report on the impacts of carbon pricing on the nation's regions, compiled for the Council for the Australian Federation, which found that Queensland would be the worst affected state with a 2.4 per cent decline in gross state product by 2025. Further, they found that among the most affected industries would be aluminium, electricity generation, alumina, thermal coal, natural gas and bauxite production, which are all key elements of our economy. They found that there would be very significant falls in output and unemployment with the introduction of the carbon tax.

Of the 10 worst hit regions across the country, four were in Queensland. Central Queensland was the stand-out region. The Fitzroy region will be the worst hit region in the country from the introduction of the carbon tax. The North-West, Mackay and Northern Queensland will be among the 10 worst hit regions in the country. It is little wonder that industry executives at Rio Tinto have warned that never again could they open a major processing facility in Australia, while others will close. Those executives may be circumspect about blaming Labor's carbon tax, but they all warn that it does not help their circumstance in this country.

Today Prime Minister Julia Gillard is in Rockhampton, in Central Queensland, the region that will be worst hit by the carbon tax. She should take the opportunity to explain to that community and to my communities why her government is so intent on jeopardising their future and this nation's future, and so should the members opposite, who continue to support this carbon tax. They should explain why they want to destroy the future of Queensland. They should explain why they want to perpetuate the terrible financial legacy that their government left for every Queenslanders. They should explain why they continue to support Julia Gillard's terrible carbon tax.