



Speech by


Hon. Jeff Seeneey

MEMBER FOR CALLIDE

Hansard Tuesday, 11 September 2012

MINISTERIAL STATEMENT

Coal Industry

 **Hon. JW SEENEY** (Callide—LNP) (Deputy Premier and Minister for State Development, Infrastructure and Planning) (10.20 am): Coalmining is crucial to the Queensland economy and it is crucial to every Queenslanders' future. In Queensland we are the world's largest exporter, with 56 major open-cut mines. The most recent figures show that more than 160 million tonnes of coal was shipped from Queensland to 29 countries around the world last year. Coal is Queensland's lucrative mining commodity. Its earnings account for around 90 per cent of Queensland's mining exports—more than \$30 billion in the last financial year. But its real worth is much more than that.

Coalmining activities generate some 40,000 direct jobs in this state—many of them in my electorate—but the flow-on effect from spending by miners is estimated at several hundred thousand jobs. Coalmining and its flow-on effects account for around 11 per cent of gross state product and around \$280 billion in the last financial year. So a strong and efficient coalmining industry is vital to this state. It is vital to the future of every Queenslanders, and I have said that many, many times in this House over a long time.

This government understands and supports this vital industry and we intend to ensure that it is sustainable and that it grows significantly into the future. Our aim is to ensure that more coal is mined in Queensland and that more coal is exported next year than last. And we want to see that growth year on year into the future in the interests of every Queenslanders. That is in stark contrast to the attitude of the previous government.

There is a mix of issues at the moment causing some problems for the industry but the future is in fact bright. The long-term outlook for Queensland's coal industry is very positive. The Bureau of Resources and Energy Economics is forecasting that Queensland's thermal coal exports could more than double over a little more than the next decade, while metallurgical coal exports could increase even further. Our government will act vigorously and we will act aggressively to do everything possible to ensure that those forecasts become a reality.

There has been some speculation this morning about coal industry royalties, but royalties are only a very small part of the cost structure that affects the viability of the Queensland coal industry. In fact, royalties are only a part of the cost structure which is imposed by governments on the coal industry. Some company annual reports indicate that royalties are in fact less than 10 per cent of that cost structure that the industry carries. The industry has been subject for many years to ever-increasing regulation from previous Labor governments that I would contend has added much more to that cost structure than any changes to royalties have. Our government will work with the industry to ensure that we address this cost structure and that the Queensland industry is the most efficient coal industry in the world.

I know that the coal industry understands that it has an ally in this government. Everyone in our government supports and values the coal industry. I personally have had a long association with the coal industry and I have championed the cause of the coal industry in this parliament. My support for the industry will continue to ensure that the future of the industry and the communities it supports across Queensland is assured. We know that Queensland competes with resource regions around the globe for future investment, and we want Queensland to be the destination of choice for future coalmining investment.