



Speech by

**Tim Mulherin**

**MEMBER FOR MACKAY**

Hansard Thursday, 1 November 2012

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## **SURAT BASIN RAIL (INFRASTRUCTURE DEVELOPMENT AND MANAGEMENT) BILL**

**Mr MULHERIN** (Mackay—ALP) (Deputy Leader of the Opposition) (8.05 pm): The opposition will be supporting the Surat Basin Rail (Infrastructure Development and Management) Bill but I need to raise a few issues here. The Surat Basin Rail project has received strong support from the former government, which the Deputy Premier recognised. It will deliver a 214-kilometre rail line between Wandoan and Banana that will act as a southern missing link opening up thermal coal exports in the Surat Basin. It is a project that will support a thousand jobs during construction and 44 during its operation, and it has the potential to unlock about \$300 million in royalties per year. Most importantly, the Surat Basin railway provides a model for the private sector, rather than the taxpayer, to fund railways to support the coal industry. That is \$1 billion that this government will not have to spend thanks to the work of the former government.

The previous Labor government set up an exclusive mandate process with the successful consortium consisting of Australian Transport and Energy Corridor Ltd, Xstrata Coal Surat Basin Rail Pty Ltd and QR Surat Basin Rail Pty Ltd. As part of this process, we will also ensure that this rail corridor will be open to third-party access, meaning that competition for the export of thermal coal from the Surat Basin will not be restricted. It is Labor that supported the emergence of the LNG industry in Queensland through a mandatory gas target that led to exploration that showed an industry was viable. It was Labor that laid the foundations for the opening of the Surat Basin for thermal coalmining as well. We acknowledge the importance of this project for the future of Queensland's economy and for creating jobs.

While the opposition supports the intent of the legislation, there are practical issues that are not explicitly resolved. These issues have also been raised in the recommendations of the committee, and the opposition is strongly supportive of proposed amendments to clauses 14 and 15 to require a reasonable effort to consult with landholders—this is at recommendation 3 of the committee. It was pleasing to hear the Deputy Premier say that the government will support that. We are also particularly supportive of recommendation 2 to develop a memorandum of understanding between affected landholders and the rail proponent. We are disappointed that the government has not accepted that recommendation, but I note that the minister believes the intent is there within the legislation. Further, I believe recommendation 7 in the committee's report—to make legislative amendments at part 4 to require consultation in relation to diverting or constructing watercourses—should be supported, and I am pleased that is now occurring.

I would like to commend the work of the committee in relation to this legislation. This is probably the first time a committee report has come to this chamber where the government has listened to most of the recommendations, so that is an encouraging sign and I hope it will continue. AgForce Queensland raised a number of concerns in their submission to the committee. These include the issue of certainty on what consultation will be required prior to a proponent entering adjacent land to carry out activities or to demolish, destroy and remove plant equipment, workshops, sheds, buildings or roads on adjacent land, or to divert a watercourse.

Part 2 of this bill removes the application of section 67(3)(a) of the Land Title Act and section 121 and part 8, division 3 of the Property Law Act. This means that the proponent and the Coordinator-General can amend the lease boundary without having to go through the process of applying for a new lease. It is noted in the explanatory notes that these provisions are inconsistent with the principles of natural justice. While the proponent is protected through commercial arrangements in the Surat Basin Rail operating agreement, this also raises an issue of uncertainty for adjoining landowners in the event there is some realignment of the corridor. Once again, the minister said that the Coordinator-General has powers to place restrictions on the extent of the authority to access adjacent land and to impose conditions on access.

I also note that the Coordinator-General has imposed a time frame for an authority to carry out railway works of no longer than three years and for investigations of no longer than a year. This should help to at least limit the time frame of uncertainty for adjacent landholders. However, consultation with landholders must be guaranteed through the Coordinator-General prior to any amendment of the lease boundary. All of these matters require the Coordinator-General to establish a clear process whereby the landholders are properly notified and consulted and through which they have an avenue of representation.

As AgForce have also set out, landholders should be provided with an ability to appeal to the Coordinator-General to have any structures removed from their property that have been built and are no longer required by the rail infrastructure proponent. There is also no clear mechanism in the legislation for compensating an adjoining landholder if a rail crossing is closed during construction impacting their operations. Tonight, we heard the Deputy Premier give some assurance that that issue of compensation can be addressed. I encourage the government to work closely with the Coordinator-General to ensure that there are adequate notification, consultation and potential compensation mechanisms for regional landholders.

Under section 40 of the legislation, the Coordinator-General can compel adjoining landowners to remove a build-up of water. The government should not allow instances whereby a landowner is compelled to remove a build-up of water on their property at their own cost where the build-up of water is a result of changing hydrology from the construction of the railway. I note that, once again, the Deputy Premier gave some assurances around that: the Coordinator-General would look at whether the construction of rail infrastructure would cause that impact and then would be able to give some direction. Consideration should be given to the extension of the notification time frame beyond seven days at clauses 16 and 24 where an authorised person is entering an adjacent landowner's property to carry out construction works on that land. This ought also apply to works by the proponent under section 20(2)(e)(vii) that involves demolishing existing infrastructure on adjoining land.

Furthermore, adjoining landowners should be notified well in advance where a proponent decides to locate any chemicals on their land. As AgForce point out, if a landholder is not properly notified, they could be left unknowingly in breach of a national vendor declaration in relation to their produce. While the bill mandates that compensation would likely cover such an event, there are also reputation issues for many agricultural producers in relation to vendor declarations, particularly the Queensland beef industry, the majority of which is an export market. The concerns raised by AgForce are genuine and require close monitoring by the government and the Coordinator-General. I urge this government to take on board the concerns of AgForce as the Surat Basin railway project progresses. I do this because there are already too many examples to name here of the government turning its back on regional Queensland communities.

In its submission, the Murray-Darling Committee requested that the government ensure that national and state biodiversity strategies are considered during construction and that this project does not adversely impact on native vegetation and the surrounding landscape. I urge the government and the Coordinator-General to closely monitor compliance with the environmental impact statement conditions as this project progresses and that the vegetation and biodiversity target intentions of the Murray-Darling Committee are recognised. The Murray-Darling Committee outlined in their submission—

The potential for multi-use easements/corridors must also be considered in order to reduce the impact on vegetation and agricultural land.

The opposition is supportive of this submission and the need to minimise the impacts on prime agricultural land in the Surat Basin. With the progression of a number of new rail lines opening up the Galilee Basin and the Surat Basin, it is important that hydrological impacts are mitigated and closely monitored and that prime farming and agricultural land is not turned into flood plains and wasteland. Already we have seen the LNP government turn their back on a commitment of the previous Labor government to legislate to restrict mining around regional communities. We are yet to see what the LNP will do to the strategic cropping land that the previous government reserved for future agricultural production.

The opposition will be supporting this legislation, as I said. I would like to congratulate the chair, the member for Mirani, Mr Ted Malone, on the way that he and the other members of the committee acted during the public hearings. I also commend the public servants from the Office of the Coordinator-General for their willingness to be frank with the committee. I found the whole process refreshing. I would also like

to thank the committee secretariat for their hard work and effort in making sure that we were able to meet the deadline imposed by the government. I would also agree with the member for Mirani that in all of this it really comes down to developing relationships. We can put legislation in place that provides a framework for all parties to work, but that framework can only really be used when there is a dispute. The best thing is for the proponents to sit down with landholders, listen to their concerns and work with them. If they do that they will get great outcomes. I commend the bill to the House.