




Speech By
Robbie Katter

MEMBER FOR MOUNT ISA

PRIVATE MEMBER'S STATEMENTS

Royalties for the Regions

 **Mr KATTER** (Mount Isa—KAP) (3.34 pm): The government has a strong role to play in ensuring that there is a net sovereign benefit from any growth in the mining industry—not just monetary benefits from royalties but also benefits in terms of reinvigorating communities, particularly in remote areas. Sadly, continuous neglect in this area has seen mining development in Queensland with very limited benefit at all going to many of our remote towns. In many cases any benefits coming from new mining developments can be offset by the deterioration in the social fabric in the same community. I refer to a case in point. Last week in Cloncurry I visited the owner of the only coffee shop in town, located in modern premises and in a good location. Sadly, the owner reported to me that she has started staring down the barrel of closing the doors in the next four or five weeks. Cloncurry is a booming town with two new major mines on the verge of becoming operational. Cloncurry should expect to be booming. This coffee shop owner also indicated that in the last couple of months the only fish-and-chips shop in town a few doors up has closed and the gift shop next door has just closed.

Members might ask how business in Cloncurry could be going backwards despite there being a boom. How could this happen? More significant than taxes or red tape, it is the numbers through the door of this coffee shop. Why are there not numbers through the door? Because the majority of the workforce in Cloncurry are now FIFO and sitting in work camps. Why is the majority of the workforce FIFO? The first answer to that question is the lack of leadership from government over an extended period in no longer placing adequate conditions on mining leases for percentages of a permanent, locally based workforce. The second answer is that more tax incentives for permanent resident workers are required from the federal government. The third answer is to reinvigorate local communities through the government subsidising the cost of development for local infrastructure. This should be the basis for a true royalties to regions program, not the mickey mouse regional vote-stealing program that is currently in place.

The Western Australian Royalties for Regions program delivers 25 per cent of royalties back to where they are derived. The existing government program in Queensland contributes a paltry estimated four per cent over four years.

Mr Cox: They haven't got a \$60 billion debt.

Mr KATTER: It should also be noted that the Western Australian government, which is also heavily debt burdened, realises that it is imperative that, for the development of the state, the regions that produce the wealth get a leg-up. The member for Thuringowa better check out the debt levels for Western Australia.

Royalties need to be returned to the region where they are produced. Accordingly, Cloncurry should have assistance to build a decent water supply and to build the last 30 kilometres of bitumen road to the Incitec mine. It should have the money to facilitate more housing. Under the existing

program, that area is lumped in with 14 other regions to win a contest in report writing and it could end up not getting one red cent from the program.

The Cloncurry shire is the third largest contributor of royalties from resources in this state, contributing approximately \$118 million for 2011-12. That area did not get a dime from the last rollout. In many cases the development of mining in remote areas such as the Cloncurry area represents the one shot that such towns and communities ever have of getting ahead. I firmly believe that the role of government is to ensure that these towns are better off for the mining boom having occurred in their region.

(Time expired)