



Speech By Michael Crandon

MEMBER FOR COOMERA

Record of Proceedings, 25 May 2016

NORTH STRADBROKE ISLAND PROTECTION AND SUSTAINABILITY AND OTHER ACTS AMENDMENT BILL; NORTH STRADBROKE ISLAND PROTECTION AND SUSTAINABILITY (RENEWAL OF MINING LEASES) AMENDMENT BILL

Mr CRANDON (Coomera—LNP) (8.50 pm): Before I progress to my contribution on the bills, I would like to acknowledge all of those people in the Finance and Administration Committee secretariat who worked to put this report into the House. It was a huge job, a very demanding job and one that they continued to do right through to the last day with enthusiasm.

Also, at the outset, on behalf of the non-government members of the Finance and Administration Committee, I would like to acknowledge and thank all of those individuals who so willingly gave their time to assist the committee in the evidence-gathering role. Many of you spoke up in the face of threats of intimidation and retribution. Having witnessed some of the overt intimidatory and openly bullying behaviour firsthand, we non-government members of the Finance and Administration Committee understand your genuine concerns for your families and for your own wellbeing. We fully understand why you asked for confidentiality with regard to your testimony and we are confident that the steps the Finance and Administration Committee has taken to maintain that confidentiality will reduce the likelihood of you being targeted. On that, I would like to table for the record a copy of a statement of concern—a report, if you like—that outlines some of the details about issues confronting the transition of North Stradbroke Island.

Tabled paper: Document, undated, titled 'Non-government members statement of concern in relation to the inquiry into North Stradbroke Island bills and proposed economic transition strategy and workers assistance scheme' [779].

I rise to make a contribution to the debate on the North Stradbroke Island Protection and Sustainability and Other Acts Amendment Bill 2015 and the North Stradbroke Island Protection and Sustainability (Renewal of Mining Leases) Amendment Bill 2015. At the outset may I say that the titles of these two bills are so far off the mark, so inaccurate in their description of what would actually happen to North Stradbroke Island, that they may as well be referring to mining on the moon because mining on the moon would have no direct effect on anyone. These bills will have a direct effect on many people.

Those titles infer that these bills are intended to protect and sustain the island. Well, protecting and sustaining North Stradbroke Island is about protecting and sustaining every aspect of North Stradbroke Island, having no direct negative effect on a society, having no direct negative effect on the livelihoods of or of the lifestyles of something like 2,500 residents, having no direct negative effect on the enjoyment that those residents experience because of the life they live on one of the most unique and amazing islands on this planet.

That is a point that has been completely missed by those opposite, completely missed by two ministers, completely missed by others who are relying on a premise that a 'promise' was made to one group by the then opposition leader, now Premier of this state—and that is just not true. It is, as we say here so as not to offend standing orders, an untruth. We all know that out there we would describe it very differently, as we would describe some of the evidence provided to the committee.

You may be able to say to those who are uninformed that certain things are facts, but when you come before a parliamentary committee—in this case, the Finance and Administration Committee—the things you say have to be backed up with evidence. When you do not produce that evidence, you have in fact proven your untruth. We saw that occur right from the outset numerous times. Let us look at some of what was said.

What is being said is that a promise was made by the official spokesperson for Labor, in opposition, to wind back sandmining on North Stradbroke Island to 2019. That is just not true. A letter was written by retiring deputy opposition leader Tim Mulherin, a letter that purported to speak on behalf of the Labor opposition three days before the election—three days before the election, with no consultation with any of the stakeholders other than QYAC. That letter was so wrong in some aspects of what it said that a second letter from Tim Mulherin had to be written to the Redlands City Council correcting the inaccuracy.

The first letter said, and I paraphrase here, that the Redlands City Council was responsible for providing essential infrastructure to the community of One Mile on North Stradbroke Island at a cost that some estimate to be in the order of \$20 million—and that is not true. A second letter a day later—just two days before the election—had to be written to correct that statement. It was not the Redlands City Council's responsibility; it was the state government's responsibility to provide that infrastructure. We have a retiring member in the then opposition overstepping his authority three days before the election, having consulted with no-one other than QYAC, having to hurriedly correct a \$20 million error. This was the start of a sorry saga, a saga that has put the people of North Stradbroke Island into limbo ever since that mistake was made on 28 January 2015.

How did it come about? As best as we can establish, the secretive QYAC—that is, the Quandamooka Yoolooburrabee Aboriginal Corporation—wrote to the retiring member at an earlier date proposing that the opposition should make \$20 million available to wind back sandmining to 2019. The \$20 million was for a transition strategy, not One Mile. We are not talking about One Mile. Let us not confuse the two. There is no money offered for essential services. This is for a so-called transition strategy.

Here is another untruth from those opposite—the Labor government said it came up with the \$20 million sum after consultation with stakeholders. We now know—our committee now knows—that there was no consultation with those people who were directly impacted. We know that, for example, the Australian Workers' Union had no contact whatsoever, and they represent those miners on that island. No, the government did not come up with that figure. QYAC have given us evidence that it was them who came up with that \$20 million suggestion, that it was them who put that recommendation and suggestion to the opposition at the time. That \$20 million was not the government's idea after consultation with anyone. That \$20 million was all about what QYAC wanted to sell out the rest of the island.

Depending on who you talk to, the amount needed is somewhere between \$56 million and \$200 million. That is not the \$20 million that they are talking about and another \$8.5 million in bits and pieces. It is somewhere between \$56 million and \$200 million. In fact, it could be as much as \$285 million. That last suggestion came from the Australian Workers' Union. They suggested that a zero needs to be put on the amount being offered—and that amount was about \$28.5 million, including workers' entitlements as well.

This \$200 million figure is supported by Deloitte Access Economics in a report that they gave to this government, a report that we had to fight for, a report that we got just some weeks before we had to table the report in the House. In a report prepared on behalf of the government in September 2015, they reported that the impact of ceasing sandmining was as follows. They calculated that there would be an annual loss of direct economic activity on North Stradbroke Island, represented as gross value add, of between \$55 million and \$86 million if sandmining ceased. That is each year, every year for 16 years.

They went on to say that this amounted to a direct economic impact or loss of between \$563 million and \$880 million over the 16-year time frame from the closure in 2019 on Straddie to 2035 in net present value terms using a 10 per cent nominal discount rate. That is how we come up with that number. However, if you use—and they used as a sensitivity analysis—a lower discount rate of seven per cent, if it was adopted, the impact or loss increases to between \$673 million and \$1,052 million over 16 years.

I table a *Courier-Mail* story on that specific issue because, interestingly, they focused on that—a very important part of our report.

Tabled paper: Article from the Courier-Mail, dated 5 May 2016, titled 'Stradbroke Island sand-off costs \$1b' [780].

Those opposite are offering a \$20 million transition strategy through, it would seem, the secretive QYAC. Why do I refer to QYAC as secretive? It seems strange to me that the few people we have had an opportunity to speak to who represent QYAC keep telling us that the ILUA is confidential. Let us accept that. The committee asked, 'What are they going to do during the proposed economic transition?' 'That is commercial-in-confidence.' Let us accept that. We asked, 'What about employment?' They told us that since 2011 they have created 40 jobs in the steps they have taken to transition North Stradbroke Island. These 40 jobs are, according to QYAC, across three entities. Forty jobs in five years. We asked, 'Can you give us some detail around those figures?' At first it was, 'Yes, absolutely.' Then it was, 'We can give you some of the detail but not all of it.' 'Why is that?' we asked. It seems that businesses they are partners with may not want to provide the data. They are partners in the business but they might not want to provide the data. There is something secretive about this. 'Can you try?' we asked. Yes, they will try.

What did we get? We got some of the information marked 'confidential'. They cannot release it. They cannot bring it into the marketplace, with a suggestion the rest would be delivered before we were due to report. We are still waiting for the rest of the information. We have an organisation, QYAC, that purports to represent, if not all, most of the Indigenous people on North Stradbroke Island—an organisation that tells the committee it has created 40 new jobs but is unwilling to provide the evidence to back it up and the information that is provided is in confidence. This is salary and wages information, for goodness sake.

They have learnt well from the Labor Party. The Labor Party did some work on the island to gauge support for the so-called economic transition strategy and wages assistance strategy. Guess what? It disappeared into the cabinet-in-confidence realm. I see the people from the department looking very embarrassed sitting over there listening to this, because we asked many times for the information but, sadly, they had no choice but to—

Government members interjected.

Mr CRANDON:—this is my turn; you will have a turn later—say those words yet again and again, 'I'm sorry, it's cabinet in confidence.' You guessed it, we have been denied access to it. We have not seen it to this day. On the one hand, we have a secretive government that withholds information gathered between early December 2015 and early February 2016, withholds information that would prove, I suggest, that QYAC is not the representative of all Indigenous residents, withholds information that would confirm the residents of North Straddie are against the early closure of sandmining on North Straddie and withholds information that would inform the committee on a wide range of matters important to that report. On the other hand, we receive scant information from QYAC—information that could prove the truth of what they were saying if they were prepared to give it to us.

Contrast that with the information provided by so many other stakeholders. Before we go on to those stakeholders, let us discuss very briefly the contribution of the Green groups. Their position for the most part was, 'We support QYAC.' That is all very well, but what is your position? What are you arguing about? We know what QYAC's position is. Their other position was they wanted to close the mine not in 2019 but now in 2016. They do not care about the people on the island. They do not care about 2½ thousand residents on the island or the Indigenous population on the island who are earning an income from that island. Shut it down now because we do not care about any of them.

The position for the most part was that we support QYAC and close it down in 2016. Sadly, when they provided material to us, it was based on very old data and/or it was their opinion. Unfortunately, it was not backed up by science or other evidence. The accusations made by them were sent to the department for assessment. The department reported back to the committee dismissing all of those unproved accusations. The department advised that recent audits confirm the accusations made have no substance to them whatsoever. Remember, this is the department charged with the responsibility of ensuring our precious environment is protected. This, in turn, proves that the mining company is doing the right thing.

Who are the other stakeholders? Of course they are Sibelco, a sandminer that is employing well over 100 people on the island and another 50 or 60 people on the mainland at Pinkenba and other areas. The Straddie Chamber of Commerce represents around about 100 businesses, from memory. There is the Redland City Council; the two ferry services, Stradbroke Ferries and Stradbroke Flyer, which are the umbilical cord for the island community; and individual business owners. The most important stakeholders are the community of North Stradbroke Island made up of so many different people—sandminers, both Indigenous and non-Indigenous; community groups from the footy club, the volunteer marine rescue and all of the clubs in between those two; the families who love their island; all of those who work in very diverse areas like child minding, education; the nursing home Moopi Moopi Pa; the small businesses that provide goods and services; and the already established tourism industry that includes accommodation providers.

Interestingly, we were told that during peak season accommodation providers are completely booked out. Evidence was provided that the island could not cope with any more tourists at these times. Speaking of these individuals, their stories were from the heart. They talked about their lives, their families and the generations of their families who called North Stradbroke Island home. In so many cases it was because of sandmining they could live on North Stradbroke Island, and we have just heard that from the minister earlier today. Without sandmining and an alternative that is shovel ready, they fear for their future. These people, these families, like all of us in our communities, have ties to their local communities and they are fearful they will have to move away from that community because of this ill-timed closure of the mine that is being proposed. They have financial responsibilities. They have a history and with sandmining until 2035 they also have a future. Listen up: they also have a future if we can push that through to 2035.

They have an opportunity to plan for themselves and for their children. They have a real chance of transitioning from the current economy to a new sustainable economy that only time can deliver. They need enough time to do it properly for everyone on the island, and that includes QYAC. If QYAC want to lead that transition they can, but they need to bring the whole community with them, not just 20 per cent of the community.

Ms Farmer interjected.

Mr CRANDON: You will have your turn later. Once again, time will guarantee that transitions will succeed without the pain early closure would bring.

I want to turn to the contrast I spoke about earlier—the difference between the information and evidence provided to the committee by this Labor government. Let us be clear: I am not talking about departmental staff here—those given responsibility for implementing these changes. They are just doing what they have been told to do based on the false premise of an election promise—a promise that has been proved to not really exist; a promise made by a retiring opposition member; a promise in a letter with a \$20 million error of fact in it.

I am talking about these Labor ministers and the withholding of information by them using cabinet in confidence. I am talking about QYAC with their stories that are not backed up with evidence. I am talking about those Green groups that have opinions and views but once again no provable scientific facts. Whatever we asked for from the business community as it related to evidence and hard numbers, we got it—plausible and provable facts and figures. These were facts and figures that we were freely able to use and include in our discussion with others. This allowed what the business community was saying to us to be tested. Importantly, we included it in the report for everyone to see and appreciate the benefit of keeping sandmining going until 2035.

Just on that, it is worth noting—and members will find it in our report—the reality is that sandmining will in fact all but cease around 2027 under the existing arrangements, giving the miner the abundance of time needed to properly do their job of repatriation and revegetation between then and the absolute end of their tenure in 2040. Over that time, more and more of the island will transition from sandmining to other sustainable activities.

Members should say no to both of these bills. Protect what we have now. Vote for the transition strategy that has time on its side and that will protect and sustain North Stradbroke Island for the future generations of North Stradbroke Islanders and all Queenslanders.