




Speech By
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MEMBER FOR DALRYMPLE

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

 **Mr KNUTH** (Dalrymple—KAP) (7.57 pm): I move—

That the North Stradbroke Island Protection and Sustainability (Renewal of Mining Leases) Amendment Bill be now read a second time.

I introduced the North Stradbroke Island Protection and Sustainability (Renewal of Mining Leases) Amendment Bill 2015 into parliament because I believed this issue had been a political football since time began. I wanted to play a part in resolving that political issue.

For many years there have been discussions, decisions and debates about the issue of mining. It has been a political football on North Stradbroke Island. As it stands, the permit for mining activities is proposed to last until 2035. The government bill proposes 2019. The residents, unions, workers and businesses, both large and small, are left with uncertainty about the viability and sustainability of their home, North Stradbroke Island. Many of these employees are paying off mortgages, are paying school fees and have family commitments.

My electorate does not come close to North Stradbroke Island, but it does share concern for the people of North Stradbroke Island and what they have to face, particularly with the closing down of mining operations in 2019.

The KAP is concerned about employment in Queensland and is committed to protecting jobs. Sibelco employs 110 workers on North Stradbroke Island, with about 20 per cent being Indigenous employees. The company also directly employs a further 50 workers in Queensland and generates \$130 million each year into the local economy. The AWU, which represents most of the Sibelco workers, has expressed to me that it is furious that no-one in the government is listening. As I stated in my first reading speech, sandmining is the single largest employing sector on North Stradbroke Island. It directly and indirectly supports between 500 and 750 residents of the total population. Sand has been mined on North Stradbroke Island for the last 60 years, since 1949. Sandmining has been the major tenant on North Stradbroke Island for many decades, supporting other businesses. For example, Sibelco comprises up to 30 per cent of business for the island's vehicle barge and ferry service and 26 per cent of Stradbroke Ferries' revenue.

In a small business survey carried out in July 2015 by the Straddie Chamber of Commerce, results showed that approximately 85 per cent of businesses favour sandmining to continue to at least 2025. The North Stradbroke Island Protection and Sustainability (Renewable of Mining Leases) Amendment Bill achieves a balanced approach to sustainably ending mining activities within a restricted mining path while supporting the Queensland government's vision for North Stradbroke Island. The bill

provides a realistic time frame for the proposed economic transition strategy. The Draft North Stradbroke Island Economic Transition Strategy sounds good, but allocating \$20 million to build on the island's capacity and economy and \$5 million for the workers' assistance scheme to help mineworkers to transition into new employment is all average news for the residents of North Stradbroke Island. However, by the government's own figures, the mine employs 18 per cent of the population and the draft plan has no clear plan of how this 18 per cent can find employment on the island, citing construction jobs on the mainland as a main source of income for the soon-to-be-out-of-work miners. Using the government's own best case figures, the loss of mining will result in 144 job losses—95 residential Stradbroke islanders—and the loss of between \$55 million to \$86 million annually to the North Stradbroke Island economy. In short, that is a loss of GVA as a contribution to the GRP of between \$563 million to over \$1 billion over the currently permitted 16 years.

The former LNP government passed legislation to permit mining activities in the North Stradbroke Island region until 2035. That permission went way beyond the reach of what it was supposed to and I opposed that legislation when it was introduced into the last parliament. The current Labor government planned to phase out mining activities in 2019. Basically, this bill provides a sensible compromise in that it is not 2035, it is not 2019 but proposes 2024. I truly believe that there will be no winners in this bill, but there are going to be no losers given that it is a compromise. The bill is a win for industry and workers as well as being a win for the community on North Stradbroke Island. It is a sensible compromise. For many years there has been public discussion and debate about the interconnected issues of mining, Aboriginal land rights and the environment on North Stradbroke Island. The bill is designed to respect the diverse points of view that exist for all parties. The bill is designed to provide a realistic time frame for an economic transition strategy to assist with diversifying the local economy by the Queensland government. AWU State Secretary, Ben Swan, has stated that mining workers are getting frustrated with successive Labor governments making decisions around North Stradbroke Island without consulting the mine company's workforce. He said—

In the past five years we have gone from 'we're going to shut it down' to an extension of the lease out to 2035 and now we're back to 'we're finishing in 2019'.

In addition to employment, Sibelco provides other economic benefits including royalties and taxes and the company has confirmed that it is committed to making substantial financial contributions to the economic transition strategy, assisting the Queensland government with diversifying the local economy to a future that is not reliant on sandmining. The KAP is committed to a sensible compromise by working with community, industry and the Queensland government. The KAP is also committed to securing jobs and diversifying the North Stradbroke Island economy to a future that is not reliant on sandmining. According to the Straddie Chamber of Commerce, North Stradbroke Island has a working population of fewer than 768 jobs—most are part-time roles—and limited developmental prospect due to ever-increasing national park, so the future of employment in this small region is under a cloud.

The Straddie Chamber of Commerce wrote to me and was disappointed that the only agreed recommendation from the committee was to reject this bill. It was advocating that all sides of parliament take a sensible approach to the resolution of these bills. It is supportive of KAP's attempts to find a more sensible date for the end of mining in its submission to the Finance and Administration Committee and it acknowledges our efforts and welcomes the common-sense approach shown by the KAP on this issue. The workers on Stradbroke Island need some assurance for their futures. The transitional plan does not offer that security. The loss of the mine with no other contingency plan will leave 18 per cent of the community out of work.

Smaller businesses in their submissions stated the same. The Stradbroke Ferries submission—submission No. 209—detailed that one-quarter of the revenue of Stradbroke Ferries on Straddie is directly invoiced to Sibelco. Up to 40 per cent of the revenue is associated with businesses, including those in sandmining. This was calculated not through a simple measure of foot traffic but cars and other related vehicles. This is a business that has 120 permanent and casual employees that will be gone. We can also talk about the direct benefit to the community from the presence of the mine. Sibelco advised the committee that it had spent an average of \$67.56 million per year over the last three years on goods and services from local South-East Queensland based businesses. This expenditure includes \$7.5 million to North Stradbroke Island based businesses and \$60 million per year to 641 South-East Queensland based businesses.

There is no doubt the immediate closure of any major industry or company in a region will have direct and indirect personal, economic and social impacts. Therefore, an early end of sandmining related revenue without substitute markets being established can result in the redeployment of fleet assets to other markets, the reduction in direct costs such as diesel and labour by the removal of services and subsequent reduced frequency of services, the direct reduction in office and associated

staff, the reduction in marketing spend and contractor services on the economic transition package, the loss of higher earners on the island, the loss of families, the loss of jobs, the loss of homes and the devaluation of homes.

This is what will happen if this operation is closed down in 2019. We introduced this bill because we wanted to resolve an issue that had been going on for quite some time and that has been, as I said, a political football. The LNP came in with 2035, but we hated the way it rammed that through and the approach it took. However, at the same time Labor has gone too far with 2019. There are winners with this bill, but they are not big winners. There are basically no winners, no losers and no big winners, but at least this is a balance even though everyone will not get their way. I ask the House to support this bill and I commend it to the House.