



Speech By
Tony Perrett

MEMBER FOR GYMPIE

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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 PERRETT** (Gympie—LNP) (10.02 pm): I rise to speak to the North Stradbroke Island Protection and Sustainability and Other Acts Amendment Bill. As a former member of the Finance and Administration Committee, it was made patently clear at public hearings and in submissions the serious impact that this bill will have on the economic viability of the community on North Stradbroke Island and in the adjacent communities. This legislation is a base appeal for green preferences. It certainly is not about improving employment in Queensland. It certainly is not about making Queensland businesses strong. As the Queensland branch secretary of the Australian Workers' Union, Ben Swan, said—

Nothing has materially changed on the island. I am unaware of any particular initiatives that have been undertaken by the government to gear up the island economy to contemplate a transition to tourism or any other activities that might support a transition away from sandmining.

There are a number of reasons I think this bill is flawed. It is flawed in that it makes a seriously significant decision that impacts on a region but makes only a cursory attempt to deal with the people affected. It is flawed because it is based purely on paying back the Greens—a party that seeks to undermine the Queensland industry and cripple our mining and agricultural industries. Whatever there is of a regulatory impact statement will remain subject to cabinet in confidence. There is no economic transition statement. There is a false belief that this government can transition a region's economy in three years. There is no acknowledgement that it will destroy the jobs of local Indigenous workers who have been well employed by Sibelco and replace them with fewer jobs and ones that pay significantly less. There is no consideration for the island's economy and those of adjacent mainland communities.

Sandmining should be extended on North Stradbroke Island to 2035, allowing rehabilitation of the mine site to 2040. That would allow an appropriate period for the local economy to transition from sandmining to other industries. It is appalling how much this government is willing to sacrifice in its blind support of the pursuit of green fanatics.

The committee hearings were a surprise. It was a revelation to hear the state secretary of the AWU, Ben Swan, slam this government. It was a revelation to know that the people spoke up in the face of threats of intimidation and retribution. It was a revelation to learn about some of the overt intimidating and openly bullying behaviour firsthand. All members of this parliament should read the report and they will discover the true extent that this government will go to secure those green preferences while undermining a viable industry and pushing people out of work. The workers have become collateral damage.

Mineral sands are used everywhere, including in the daily lives of all Labor Party members. They are used in silicon chips for computing, glassware, cells for solar power generation, pigments in paint, plastics, paper and latex rubber, cosmetics and pharmaceuticals, sporting and surgical equipment,

watches, aerospace components, welding rods, glazes on pottery, and in toothpaste, rechargeable batteries, engine parts and electrical fuses. Let me be very clear: sandmining will continue to go on elsewhere. It will continue in Third World countries where workers are paid paltry wages. It will continue in countries such as Mozambique, Sierra Leone, the Ukraine, Namibia, South Africa, Canada, Russia, China and India.

Let me go to a number of other points. Firstly, there is the farce that this bill is an election commitment. This is not an election commitment; this is a set-up. This is about the government members in inner-city seats being propped up with an appeal to green idealists. The basis on which this bill is claimed to be an election commitment is manufactured and flimsy at best. Let us be very clear: this government pays lip-service and cherry-picks what is a commitment. The so-called election promise was no more than a letter from a retiring Labor member of parliament written to one stakeholder three days before the election. It was not backed up by any correspondence or approval from the then opposition leader. It made significant factually incorrect claims, especially claiming that the Redland City Council was responsible for providing certain services. Yet despite correcting those claims two days later in a letter to the Redland mayor, and admitting state government responsibility, the government manipulates and manufactures this bill as an election commitment.

Let us go to the so-called consultation process. There are serious concerns and reservations about the manner in which the government conducted its investigations and consultation and with the information provided to the affected residents and workers regarding the economic transition strategy and the workers' assistance scheme. Let me be very clear: on no grounds of reasonableness could anyone say that there was adequate consultation. The seriousness of this issue is backed up by numerous submissions and the evidence of witnesses. The attempt to consult with all stakeholders on North Stradbroke Island was miserable, inadequate and unacceptable. Listening to one group under the false claim that an election commitment was made and then proceeding to tell other stakeholders what was going to occur is not consultation. Abrogating responsibility for conducting consultation to the committee process, but refusing to provide the committee with all the available information, is not consultation. Undertaking eight weeks of fact finding using external consultants and then hiding the results from the committee under cabinet in confidence rules is not consultation. In fact, it is further evidence of a lack of genuine effort to ensure that the North Stradbroke economy and the whole community were properly considered in the decision-making process.

According to the explanatory notes attached to the bill, the government undertook consultation between April and December 2015. Based on the submissions and witness testimony, it would seem that the consultation on the intent of the bill was undertaken with only the Quandamooka Yoolooburrabee Aboriginal Corporation. The current mining operation, Sibelco Australia, and the Straddie Chamber of Commerce likened their decisions to being told what was going to occur. The Australian Workers' Union, the Queensland Resources Council, the Straddie Chamber of Commerce and the Chamber of Commerce & Industry Queensland described the consultation to be tokenistic, disingenuous and designed to inform, not consult. The manipulation of this process is deplorable. The QRC submission pointed out that—

Page 10 of the Explanatory Notes states, 'In September 2015, Sibelco Australia Limited was consulted on a draft restricted mine path map. In October 2015, Sibelco Australia Limited was consulted on a version of the Bill.' It would perhaps be more accurate to say that the company was informed of the proposal to end mining within the timeframe nominated in the Bill, as opposed to being 'consulted'.

The AWU was very clear that they had not been consulted at all. Members should read the AWU submission, which makes very interesting reading in regard to their frank views of the government's so-called consultation. AWU secretary Ben Swan said—

I think the process has been abysmal. I have described it as shambolic and superficial. I am yet to be convinced that the process that has been undertaken to date represents best practice of any government, let alone a Labor government that should have the interests of workers at heart. We have had to kick and scream publicly to get the ear of the government and to even get the cursory sort of attendance of the Premier in front of members just to hear directly from them the sorts of impacts that the government's proposed legislation will have on their employment prospects, and I think that is highly unsatisfactory to be brutally honest.

...

I have been a member of this party for 27 years and I have been supporting Labor governments all my life, but I find it somewhat disconcerting that the very people who should be front and centre of consideration for very important pieces of legislation around this and the effects that this will have on their livelihoods are not actually going to be given active consideration.

...

I just find that an appalling lack of process, and this is an era where we have been promised much about accountability and transparency. This is an era where we have been promised consultation. Consultation does not mean being told what the end result is after the decision has been made.

He went on further to speculate as to the real motives of this government saying—

This has been a lockout of my union ... I do not understand it, but I can take a pretty good educated guess at some of the motivations that some people may have around that.

...

I do not appreciate the fact that when we did get around to meeting the Minister for Environment we were told directly that the reason that the union and its members were not consulted was because we were likely to be less vocal than the mining operator or the traditional owners on the island.

The message is loud and clear. When the government's own backers, the powerful AWU, is scathing in its assessment of the consultation process we know that the bill is a political stitch-up for left-wing members and an appeal to the green movement which is marching on Labor seats in Brisbane. The government is obviously willing to throw workers to the wolves as it tries to fend off the green movement.

The poor manner in which the government progressed its so-called planning and consultation includes: lack of consultation with the broader community; lack of consultation with the Indigenous community and native title holders individually rather than with QYAC; and lack of adequate and timely consultation with mine workers and their unions in ceasing sandmining and the related economic transition strategy and workers assistance scheme.

I wish to raise the inadequacies in failing to provide a reasonable and fair transition from a viable industry supporting the economy on the island and adjacent regions. Both the economic transition strategy and the workers assistance scheme lacked any substantial detail. There was no consultation on this, with the Straddie Chamber of Commerce, Redland City Council, Sibelco, representatives of the workforce and Walker Corporation saying that they had no input and were only told about it. The amounts discussed have been described by the AWU and the Redland City Council as woefully inadequate. Ben Swan of the AWU said—

The \$20 million that has been earmarked for assistance is a paltry sum in contrast to other things that this government is currently doing in the face of other crises,

...

That \$20 million needs another zero on the end of it. Some \$5 million for a workers' transition package is paltry. It is insufficient.

The Redland City Council identified more than twice that amount, proposing \$57 million was needed. When I asked the CEO of QYAC about his knowledge about this he acknowledged that the \$20 million for a transition strategy was their proposal and not determined by any analysis by Queensland Treasury. This is policy on the run. There are serious concerns that a regulatory impact statement was never undertaken in the preparation of this bill. This means that the decision to bring forward the end to mining has not undergone a formal cost-benefit analysis or any transparency in decision-making. What we now have after the event is subject to cabinet-in-confidence so is unavailable for inspection by the parliament and especially those people affected.

Ben Swan said—

It concerns me because it is precisely the issue about the effects that these bills will have on workers both on and off the island, workers both within and outside of the mine, businesses whose trade is reliant on this activity persisting at least for the next several years. It worries me that those sorts of things will not form part of the consideration of this committee or indeed of this parliament, notwithstanding the fact that the minister when he introduced the legislation identified the fact that these things are part of a three-pronged sort of strategy that the government has implemented. They heralded this on the record in *Hansard* notwithstanding the fact that these are explicitly referenced in the explanatory memoranda attending to the bills, and I actually find that quite disgraceful to be honest. This is an attempt at silencing—deliberately silencing—scrutiny and oversight of factors and considerations that should be at the absolute forefront of what members of this government should be doing.

Based on the government's own guidelines, and if applied to the issues uncovered by the committee, 90 per cent of the issues raised would apply to a RIS. Significant impacts include the economic impacts, competition impacts, social and environmental impacts and government impacts. All of the evidence provided indicates that this will have a severe and detrimental effect to the community. There are the losses in employment, local company expenditure, workers spending in the local economy and corporate donations and sponsorships, directly and indirectly supporting between 500 to 750 residents, workers, contractors, business owners and their families.

Mr Crandon: Over a billion dollars!

Mr PERRETT: That is correct. I will take that interjection from the member for Coomera. This includes the loss of an average of \$67.56 million a year that Sibelco spent on average from local South-East Queensland businesses, including \$7.55 million per year with 44 North Stradbroke Island based businesses and \$60.01 million per year with 641 businesses based in South-East Queensland. There is the loss of an annual wage and employment spend on the island of approximately \$13 million based on average annual remuneration of \$114,000 per employee, as well as \$3.5 million annual

employment that is spent in Brisbane. In a Straddie Chamber of Commerce survey 82 per cent indicated at least 30 per cent of their business is directly or indirectly from sandmining. A further survey conducted in February this year reported that more than 50 per cent of businesses attributed between one to five staff members to direct and indirect mining activity and expenditure. At least a quarter of the revenue of Stradbroke Ferries is directly invoiced to Sibelco. They estimated that up to 40 per cent of their revenue is associated with mining related businesses and transport. In the absence of replacement industries or economic activity to compensate for that 40 per cent, they advise that it will directly impact their ability to retain and maintain current employment levels of 120 full-time and part-time jobs. They also advise that it seriously impacts their ability to provide transport services to the island, saying, 'Take a quarter of our revenue out of our business and we cannot provide the same service we do today.' One submission stated—

... the island will not cope with the premature loss of funding and price rises i.e. ferry prices will rise making commuting even more expensive. Eventually choking the island of a required lifeblood from the mainland. A lifeblood that is nowhere near as critical whilst mining operations continue.

There are impacts such as trying to transition the majority of mining workers who are aged 40 to 59 years. We all know that older workers face more difficulty obtaining new employment and the jobs that are available are unsuited to their skill sets or are casual, temporary or part time at best. There is no guarantee that the skills of the current sandminers will translate into the hospitality and tourism sector. What is being proposed is grossly inadequate. Suggestions that the island will rely on a replacement tourist industry that competes with every other tourist attraction on the Gold and Sunshine coasts is fanciful. Of this bill AWU State Secretary Ben Swan said—

Government members interjected.

Mr PERRETT: He has it pretty right. I take the interjection. When he makes comments like this, he is on track. You might deny it.

Madam DEPUTY SPEAKER (Miss Barton): Order! Member for Gympie, you cannot say the word 'you'. You have to direct your comments through the chair.

Mr PERRETT: I notice the member for Stretton is not on the speaking list this evening. I am quite intrigued by that. If the member for Stretton does speak on the bill, I will be interested to hear his points.

Of this bill AWU State Secretary Ben Swan said—

... it is a brave parliament and a brave government that steps in actively to demolish and steamroll their way across an industry only to replace it with jobs that can best be categorised as intermittent, casual in nature and low paid. If that is the strategy for the future prospects of North Stradbroke Island, then I have grave doubts as to whether that vision will ever be realised.

In closing, I remind the House that the CCIQ has urgently written to all members, raising serious concerns and urging that the bill be rejected. It states—

Despite the state government's commitment to "jobs" the Bill will unquestionably remove 116 jobs on the Island with the potential to impact an additional 184 indirect jobs.

(This) loss ... comes at a time when the trend unemployment rate for Queensland is again on the rise increasing to 6.2 per cent in April 2016 and compares to a national unemployment rate of 5.7 per cent.

... the lack of consultation particularly with businesses on the Island, coupled with a withheld draft consultation report produced in reference to the Government's North Stradbroke Island Economic Transition Strategy, does not support a balanced and fair process assessing the likely economic impacts of the Bill.

I do not support the premature end to sandmining on North Stradbroke Island and, therefore, I do not support these bills.