




Speech By
Hon. Scott Stewart

MEMBER FOR TOWNSVILLE

Record of Proceedings, 4 December 2020

APPROPRIATION (PARLIAMENT) (2020-2021) BILL

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 **Hon. SJ STEWART** (Townsville—ALP) (Minister for Resources) (10.58 am): Mr Deputy Speaker Kelly, before I start my speech today, I would like to acknowledge your ascendance to the role of Deputy Speaker. I congratulate you on that. I know that, from your role as temporary Speaker with me in the last term of government, you will conduct yourself with utmost dignity. I look forward to working with you over the coming years. As I have already said to you, you have a big set of double pluggers to fill, but that is another story.

I rise today to speak in support of the Palaszczuk government's 2020-21 state budget as I know this budget will go a long way to supporting the resources sector, which is critical for regional communities, like my home town of Townsville, as well as for all Queenslanders. As we know, the resources sector played a key role in keeping the Queensland economy running throughout the COVID-19 pandemic, and it will continue to lead the way as we embark on our road to recovery. The Palaszczuk government understands just how critical a role this industry will play throughout the recovery process—from the \$34.3 billion it brings to the Queensland economy to the more than 60,000 people it employs, particularly in regional Queensland.

Our recovery begins with maintaining exploration to lead to new discoveries of minerals and gas for our pipeline of future resource projects. We are backing exploration with more than \$29 million invested into exploration grants, initiatives and COVID support for explorers and miners. We are backing the hunt for in-demand new economy minerals with a \$9 million investment. These are the minerals that power our batteries, our phones and the electric vehicles that we heard the member for Burleigh talk about. Renewable energy technologies will play a big part in the gadgets, devices and technology that we use in the years and decades to come.

To help get into the new economy global chain faster, we have already fast-tracked a \$2 million investment earlier this year to understand the potential for rare-earth minerals. Furthermore, we will pump in another \$11.7 million to keep explorers on the hunt for those new economy minerals for the next three years and to deliver jobs and prosperity for the future. To help keep explorers' boots on the ground we are reducing their operating costs, waiving \$9.8 million in rent along with freezing exploration fees and charges at their current rates until July 2021.

Through our Strategic Resources Exploration Program we are investing another \$3.3 million to help boost gas and mineral exploration. Another \$845,000 budget investment will also make data collected from exploration projects freely available from January 2021 via a government geological database. Everything learned from exploration projects will be shared with the whole sector, helping to stimulate more mines, more exports and, most importantly, more jobs for Queenslanders.

Our coal industry will continue to be the pillar of Queensland's resource sector. As outlined at page 45 of Budget Paper 2, coal exports are expected to recover by 9.75 per cent in 2021-22 as the global economy begins to recover and demand for coal rebounds.

One of the areas that will play a big role in mining new economy minerals is the North West Minerals Province, and that is why we are backing this sector with real investment. There are opportunities in traditional metals like copper, lead and zinc, but there are also great opportunities in emerging resources like cobalt, vanadium and scandium. Rare-earth minerals will be a key part of a low-emissions energy future. We have developed a strategic blueprint for Queensland's North West Minerals Province and we are implementing that plan. This blueprint is backed by our \$13 million New Economy Minerals Initiative, which was launched late last year. The works under this initiative include a strong focus on assessing the potential of former mine sites to test their potential for new supply. Mr Deputy Speaker, you only need to look at New Century Resources and the amazing work they have done with processing tailings at the old MMG Century mine near Mount Isa to see the potential.

We have also provided a \$10 million boost to the Collaborative Exploration Initiative over the next four years, which will help explorers discover new economy minerals and support future jobs in Queensland's resource sector. There are real jobs in the resource sector and North West Minerals Province. When this part of North Queensland is strong, so is the rest of the state. There are thousands of people already directly employed in this area, but it also creates jobs in other parts of Queensland. Through the Townsville Regional Recovery Action Plan the Palaszczuk government has supported the continued operation of the Mount Isa Mines copper smelter. This financial support underpins more than 1,000 manufacturing jobs in North Queensland, including the smelter itself, the Townsville copper refinery and Incitec Pivot's sulphuric acid plant in Mount Isa.

In Townsville the port is going through a \$193 million upgrade, which will help our resources sector grow. We are also backing the Mount Isa-Townsville rail line with major resources, which helps get our valuable resources from the North West Minerals Province to market.

Mr Bailey: Hear, hear!

Mr STEWART: Thank you. I take that interjection. As we heard from the Premier this morning, this government is also supporting CopperString 2.0, a project that my colleagues from Townsville and I are very passionate about. Not only will it create hundreds of jobs during construction; it will also provide cheaper and more reliable power for miners in the North West Minerals Province, which will help new mines and smaller mines open in the future along with those already operating. The Palaszczuk government is backing regional Queensland and the resources sector like we always have.

Our \$70 billion gas industry also continues to go from strength to strength. In this state we are doing the heavy lifting with gas production, both domestically and for export. We have always backed the LNG sector and we continue to invest in the industry. The Palaszczuk government is also committed to ensuring there is an adequate supply of affordable gas for the domestic market, which is critical for energy supply and advanced manufacturing.

In August, we announced a concept study into new gas transmission lines which may assist unlocking gas reserves in the Bowen Basin, examine the collection of fugitive emissions from coalmines and bring new gases to domestic and export markets. The Palaszczuk government will invest \$5 million into this study, and if the study finds that the project stacks up there are potentially 1,000 construction jobs available and countless opportunities for other industries. Not only would it boost the development of new gas production in the Bowen Basin; it would also make gas more available to Queensland manufacturers.

Gas is an essential part of Queensland's economy and it will continue to be so into the future. Despite the challenges of 2020, our gas industry has continued to perform. Just last month Origin Energy announced record production for the last financial year. In October, Senex Energy also announced its expansion of gas production at the Roma North project. This will see gas production from the project increase by 50 per cent with additional capital expenditure of around \$20 million. Earlier this year we welcomed Arrow Energy's commitment to its \$10 billion Surat Gas Project with 800 construction jobs and 200 permanent jobs. This is Queensland's largest gas project to start since 2011.

These projects demonstrate the importance of the natural gas industry to Queensland. Throughout 2020, to support the development of future gas projects the Queensland government has continued to make land available for gas exploration through competitive tendering. In May and June this year we released 17 areas for petroleum exploration across nearly 8,300 square kilometres of land. Five of these areas are subject to the requirement that the gas produced is to be supplied exclusively to the domestic market. These land releases create new opportunities for more gas projects to come online, aid our economic recovery and support jobs in regional Queensland.

This government's commitment to the resource sector is clear. We back all parts of it. We know that the resource industry has played a key role in keeping people in work during this global pandemic. Now, because of our health response we are able to focus on our economic recovery and the resources sector, and gas has a major part to play in this.

Mr Deputy Speaker, you have reviewed and approved my speech for incorporation, and as such I ask that the remainder of my speech be incorporated into *Hansard*.

The speech read as follows—

Townsville

The people of Townsville will also benefit from this budget in many ways.

Townsville has been through ups and downs in the last five years.

Last year we dealt with the devastating floods which ruined hundreds of homes and caused millions of dollars in damages. The city also dealt with the closure of Queensland Nickel in 2016.

Just as real optimism was returning to Townsville, like everyone around the world, we've had to deal with this destructive global pandemic. The way forward though is job creation.

This government has made no secret that our focus is on creating jobs and that's what this budget is all about.

In Townsville we're investing into road and transport infrastructure. Not only will this make our roads safer, but it will create jobs, which is essential to our economic recovery.

Mr Speaker, in this budget we are investing in Townsville Ring Road Stage Five, Riverway Drive Stage Two, which I know the member for Thuringowa will welcome, continued work on the Haughton River Floodplain as well as money for the second Bruce.

This equates to jobs, jobs and jobs, Mr Speaker, which Townsville, North Queensland and the entire state needs.

But we won't stop there for Townsville, the Palaszczuk Labor Government is backing DriveIT NQ with a \$10 million investment.

There is a huge motorsport community in Townsville and North Queensland. By backing this long-awaited project work will be created not only during construction but also through the lasting economic and tourism impact. The chairman of DriveIT NQ Greg Fitzgerald has said 147 jobs will be created when the facility was fully operational and \$1.4 billion injected into the Townsville economy over its 40-year lifespan.

DriveIT NQ will support a range of businesses like mechanical and tyre companies to Townsville's hotels.

There is huge potential for DriveIT to attract people to Townsville.

It will be a world class facility and there is serious upside for not just Townsville but all of North Queensland.

I was incredibly proud to work with the member for Thuringowa to advocate for this project and secure its funding.

Not only will DriveIT NQ benefit the motorsport community but it is an investment in road safety.

There will be opportunities for training Defence and emergency services personnel now in North Queensland.

Instead of having to head to Brisbane, driver training will be able to done in the north now, which is important.

This funding will also drive North Queensland's events and adventure destination aims, especially after the NQ Dragway closed in 2012 and the Speedway in 2007.

Tourism, along with resources and industry is a major part of helping create jobs and helping Townsville grow.

That's why we're investing in the jewel in Townsville's crown: Magnetic Island.

In this budget we will invest \$3 out of \$7 million on improving Horseshoe Bay Road on Magnetic Island.

We are taking a collaborative approach and working with Townsville City Council.

Magnetic Island is not just a tourism destination. This solution will benefit everyone that lives on the island.

Local drains can become blocked up and often there's nowhere for the water to go, so when the big wet hits, it creates havoc on local roads. With this investment, our government can work with council to undertake some emergency repairs and look at a longer-term overhaul of the drainage systems on this part of the island.

This is in addition to the upgrade at Forts Junction on the Island, where work has already begun at the hugely popular spot.

Magnetic Island is a major drawcard for visitors to North Queensland and it's encouraging that more and more people are getting out and exploring their own backyards during this global pandemic.

With investment in important infrastructure like this road, it will benefit everyone on the island locals and tourists—now and into the future.

This is a government that backs Townsville and backs North Queensland with real investment and vital infrastructure.

We have a laser focus on creating jobs for people in Townsville in different ways.

That's why we're continuing to invest in the Townsville Hospital and Health Service too.

Already Townsville has world class health facilities, but we are backing in the Townsville Hospital and Health Service in this budget with \$16.7 million towards \$62.1 million worth of construction projects to improve facilities at the Townsville University Hospital site.

At Townsville University Hospital we are investing \$17 million for a new, state-of-the-art hybrid theatre, along with \$4 million to upgrade the Persistent Pain Management Service and the same amount to upgrade the outpatient department.

We are also looking to the future for Townsville University Hospital. This includes \$1.5 for a preliminary business case for a future major expansion of the hospital.

The Palaszczuk Government has a clear vision for Townsville, and we are backing it with real investment into vital services like health.

This is about making our community more liveable but it's also about helping our economy recover.

There will be construction jobs through all the projects and there will be ongoing jobs too at these new state-of-the-art facilities.

Conclusion

Mr Speaker, the Palaszczuk Government has a proud record in supporting both the resources sector, and my electorate of Townsville.

We've built a new stadium that has been a massive drawcard for the city and we've stepped up and backed both stages of the Haughton Pipeline after the Federal Government's poor handling of this crucial piece of water infrastructure.

We're also backing the Port of Townsville and we will continue to back both our traditional and emerging strengths in the resource sector. That's how you get Queensland back on the road to recovery, Mr Speaker.