



Speech By  
**Hon. Cameron Dick**


**MEMBER FOR WOODRIDGE**

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Record of Proceedings, 17 August 2022

## MINISTERIAL STATEMENT

### Coal Industry

 **Hon. CR DICK** (Woodridge—ALP) (Treasurer and Minister for Trade and Investment) (9.45 am): The ongoing strength of Queensland's resource sector has again been underlined by strong financial results recently reported by big mining companies.

**Opposition members** interjected.

**Mr DICK:** I take the interjections from the members of the opposition. I thank them for voting for progressive bipartisan coal royalties twice. In this House, that is a national—

**Opposition members** interjected.

**Mr SPEAKER:** Order! Members to my left, this is the appropriate time for ministerial statements.

**Mr DICK:** We look forward to building that hospital in Moranbah. I would particularly like to congratulate the workers of BHP on the company's impressive results released yesterday. Thanks to the hard work of BHP's workers, excluding Woodside, the company posted a record \$30.4 billion underlying profit for the financial year. It is the second biggest profit ever achieved by BHP. Today it makes the case it is the miner's high point, given its asset portfolio is smaller today than it was in 2011. BHP shareholders will receive \$23.2 billion in dividends for the year to June. A substantial proportion of those dividends can be attributed to the tripling of BHP's coal revenues, which have risen from \$7.3 billion to \$22.1 billion. It just goes to show how much coal is delivering to BHP and its shareholders.

I also note the public commentary about BHP's Blackwater South proposal. It is important to note that BHP's own documentation demonstrates the Blackwater South mine would not commence until 2029 at the earliest, so a financial investment decision is many years away. I can also confirm for the House that the Office of Queensland's Coordinator-General has confirmed with BHP that they are proceeding with regulatory approvals for that mine at pace.

Whatever decision BHP makes in relation to that project, it must be viewed in the context of BHP's 20-year process of withdrawing from coal. Independent analysis released by Bank of America prior to the introduction of new bipartisan progressive coal royalties confirms that 'BHP has no plans to invest in new met. coalmines or growth projects to increase production'. Only last year, well before the introduction of new bipartisan progressive coal royalties, BHP put two new mines on hold, at Saraji East and Red Hill. Just a few weeks back, BHP announced an early closure of the Mount Arthur coalmine in New South Wales.

When it comes to companies that have been increasing their investment in coal, Queenslanders can be confident that bipartisan progressive coal royalties are no obstacle. Since the new royalty regime was introduced, Whitehaven Coal has confirmed that their new mine at Winchester South is unaffected.

Peabody Energy has confirmed that their proposed North Goonyella mine is very financially attractive. The share price of companies like Bowen Coking Coal have traded higher than in May 2022, before new royalties were announced.

Stanmore Coal has just stumped up over \$400 million in cash to acquire the last 20 per cent of BHP's former joint venture with BHP Mitsui Coal. They are not alone. Last month Whitehaven Coal told the ASX it was expecting a profit for last financial year in the order of \$3 billion. The investment community describes Whitehaven Coal as 'printing cash', calling the company's earnings 'staggering'.

Queensland's coal industry is in good health, with strong profits being made, and I do not begrudge these companies their windfall profits. They are entitled to reap their fair share, just as the people of Queensland are entitled to reap their fair share as well.