




Speech By
Bryson Head

MEMBER FOR CALLIDE

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**PROGRESSIVE COAL ROYALTIES PROTECTION (KEEP THEM IN THE BANK)
BILL**

 **Mr HEAD** (Callide—LNP) (12.37 pm): Coal is incredibly important to Queensland. I back the coal industry and I back Queenslanders every single day of the week. The LNP absolutely backs Queenslanders. This is a pathetic political stunt by the Treasurer, who has the worst record of any treasurer in history. Never have we had a Treasurer who has taxed more, spent more or borrowed more. You would think a bill from the Treasurer would be something sensible that improves the financial state of the government's coffers or the Queensland economy. Instead, this bill does not change a single cent of taxation. A vote for or against this legislation does not change the coal royalties. It does not help Queenslanders deal with the crises facing them—crises of Labor's own creation.

Queensland had some of the best quality coal in the world. We are one of the world's largest exporters, contributing over a third of the world's coal exports. The coal industry is incredibly important in terms of the wealth it brings to our state. This bill amends the Mineral Resources Act 1989 to introduce a coal royalty rate floor and requirements for legislative change prior to any decrease to a coal royalty rate. What does this mean? It means Treasurer Dick, or any future treasurer, can increase royalties with the stroke of a pen and that is the new legislated floor. With the stroke of a pen we can tax an industry out of existence, change the taxation without any consultation, create investment uncertainty and put generations of good trade relations at risk.

It was reported in this year's budget that Queensland's revenue saw significant growth which was driven in part by coal royalties from coal producers. I do note how inaccurate were the forecasts by the Treasury when it came to the new coal royalties regime. I believe that in the first 12 months they made what they were modelled to make over a four-year period, such was the Treasury's faulty modelling.

Coal royalties provide billions to the Queensland economy and should be used in nation-building measures, but instead we have a Labor government playing politics and offering cash splashes around the state as a ploy to buy votes from Queenslanders. Their cash splashes do not address the fundamentals in the cost-of-living crisis that is of Labor's own creation. Rather than trying to fix the many crises facing Queenslanders, here we are wasting precious parliament time debating something that does not change a single cent or improve the Queensland government coffers. That is right: this is a bill from the Treasurer. I note this is the Treasurer who said 27 times in the lead-up to the last election that there would be no new or increased taxes, yet he has brought many new taxes into this place—and I am sure he has plans for many more.

In a submission, the Australian Institute for Progress noted—

While the government obviously thinks this is smart politics, it is dumb economics and over time will lead to erosion of the benefits the Queensland state budget receives from coal royalties. It also undermines the government's proposed energy transition as coal is necessary for that transition ...

This is called the 'keep them in the bank' bill, so what is the plan here? Is it to tax companies out of existence and just deposit the money into the bank and not invest it back into Queenslanders? What a ludicrous name for a piece of legislation before this parliament.

If a mining company is looking to expand, it will look at each of its investments in different states and countries and make the best decision for them and their business interests. It has been widely reported that strong trading partners now shiver at the thought of investing in Queensland thanks to the disdain with which Labor have treated their industries. Much of Queensland has been built off foreign investment and it is necessary for an economy the size of Queensland's to work with trading partners to build world-class assets and to grow our economy. Now all that is being put at risk. What effect will this have on Queensland's economy, jobs and mining towns with the continued lack of uncertainty and disdain with which Labor treats these critical industries? They are packing up and walking out the door.

The electorate of Callide contributes roughly a whopping \$2 billion in royalties in a financial year. I certainly would have loved to get the precise figure on this, but when I asked the Treasurer the question on two different occasions he made up excuses as to why he could not provide that information. I am sure that he can easily get that information, but he does not want to be honest and transparent with Queenslanders. I would suggest that that means it is a lot more than \$2 billion in royalties it contributes every year.

In contrast, as I mentioned in my budget speech, what does Callide get in return for that couple of billion dollars in royalties it contributes a year? A fraction over one per cent of the government's royalty take was allocated to new projects in the Callide electorate. Meanwhile they are happy to pork-barrel and shore up their own electorates such as in Gladstone where they spent about \$34 million on new projects for only a small number of schools when Callide has 60 schools but got a pitiful amount. It is a disgrace that Labor treats Queenslanders with such disdain. Callide contributes a huge chunk to state revenue and in return gets crumbs for road upgrades, new hospitals and new health facilities, and our schools have been known to be in a state of disrepair. Our rural communities like the many in Callide deserve to see benefits from fortunes in their own backyard and deserve world-class facilities.

Let's not forget what happened when these new royalties were first introduced. The Minister for Resources hardly had any notice and, from memory, it was when he was asked in estimates. The budget was handed down in the third week of June and the Minister for Resources did not know about these new royalty rates until 7 June, only a couple of weeks prior. By that point, the budget would have been pretty much locked and printed. That shows not only that the Labor government do not consult with the industry, but they do not consult with their own cabinet about these major changes to royalty regimes in Queensland.

I do know it was an LNP government that brought in tiers in coal royalties in a previous government. What did we do? We worked with industry, we worked with Queenslanders, we worked with all stakeholders and we found a sensible position in the best interests of Queensland. The Mining and Energy Union stated in their submission that they wanted to draw attention to the extremely poor condition of public roads in Queensland mining regions. Further, they went on to say—

There have been no major repairs or upgrades for decades, with recent road repairs only patchwork in nature.

I fully agree with these statements by the MEU. In my travels throughout the Callide electorate I have seen that the roads are frequented by heavy haulage transport, increased by mining operations in the region, and these roads are often not wide enough for dual traffic, hence, my recent petition to upgrade the single lane sections of the Mundubbera Durong Road to improve road safety for all users and improve access and logistics in the North Burnett with road train access. Many drive-in drive-out workers use this road and they deserve to travel to work on better and safer roads.

The Leichhardt Highway, which is used to cart large amounts of heavy mining equipment, is an absolute disgrace. I note the Minister for Transport said he is coming to Central Queensland. He is certainly welcome to reach out and I can take him for a good trip around some of the great roads of Callide that his government has left in a state of disrepair.

Mr HARPER: Madam Deputy Speaker, I rise to a point of order on relevance. This has nothing to do with the bill.

Madam DEPUTY SPEAKER (Ms Lui): Member, I encourage you to stick to the long title of the bill.

Mr HEAD: I certainly would enjoy seeing more of the coal royalties reinvested into the roads of Callide such as the Leichhardt Highway. If I was to name every road in Callide that is in a state of disrepair and is, frankly, unsafe and a disgrace, I would be here for a very long time. Again, I call on the government to reinvest these coal royalties in key areas where they are needed and support the communities that are actually key in digging up coal and making money for Queenslanders.

The LNP will treat people's money with the respect it deserves if elected on 26 October and we will be tackling the major crises facing Queenslanders. There is the health crisis, the crime crisis, the housing crisis and the cost-of-living crisis, and there are many other challenges that have been ignored by Labor for far too long. The LNP is completely focused on addressing these crises and getting Queensland back on track. Meanwhile, what do we get from a checked-out, tired and third-term Labor government? We get a Treasurer who is more focused on tussling for the top job of Labor leader and a health minister—and we saw that article on the weekend—who is wasting precious time when there are all these crises that need fixing. This money should be reinvested in fixing these crises. The only way to change Labor's chaos and crisis is to change the government on 26 October. Show Labor the door in 2024.

(Time expired)