




Speech By
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MEMBER FOR IPSWICH

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

 **Ms HOWARD** (Ipswich—ALP) (3.10 pm): I am pleased to support the Progressive Coal Royalties Protection (Keep Them in the Bank) Bill. The bill ensures Queenslanders will continue to benefit from a fair rate of return on coal royalties. More importantly, we are protecting Queensland's coal royalties from the LNP and their multinational coalmining mates. As Queenslanders, we own the state's coal. That is why we introduced the six-tier coal royalties regime in 2022, so that Queenslanders can be compensated fairly for the billions of dollars that coalmining companies make when coal prices are high. These royalties will be under threat should the LNP get into government. We know that the LNP are no fan of coal royalties. The LNP leader has called coal royalties 'a bad plan'. He said in a Sky News Australia interview in May that he wanted 'the mining industry to be free from a government that's constantly looking for new ways to tax and regulate them'.

His shadow minister for natural resources and mines said in 2022 that, if elected, the LNP would sit down with coalmining companies and consult with them about coal royalties. The LNP must be keen to get the ball rolling on these consultations, because from March to July this year they met with coal industry representatives a total of 33 times. The opposition leader told the coal lobby at an industry gathering earlier this year that when the LNP releases their tax and royalties policy for the election—I hope no-one is holding their breath—the coal industry could 'take it to the bank'.

The Miles Labor government wants to keep those royalties in the bank for Queenslanders. The revenue raised by those royalties has allowed our government to invest \$16 billion in critical infrastructure and essential services that have benefited Queenslanders all over the state, including in the coal-producing regions. That revenue has also been invested in our extremely popular cost-of-living measures—the \$1,000 energy rebate, 50-cent fares, the 20 per cent discount on car rego, free kindy, \$200 FairPlay vouchers and the doubling of the first home owner grant to \$30,000.

Like many others in this place, I have been speaking to a lot of people in my electorate who are very grateful for all of these measures, particularly the \$1,000 energy rebate and the 50-cent fares. They are grateful because they are struggling with inflation, rising interest rates, rental increases and higher insurance bills. For some families in Ipswich, the financial pressures of the last few years have been crippling. The cost-of-living relief they have received from the \$1,000 energy rebate means more money in their pockets for essential bills, for medications, for kids' school costs or for unplanned emergency expenses. Should the LNP win the election on 26 October, it will be a bad day for those struggling families.

I have no doubt that the LNP will repeal our progressive coal royalties. When that happens, the billions of dollars in coalmining revenue that currently fund our cost-of-living measures will go back into the banks of those multinational coal companies. This is why it is so important that we protect these royalties. This bill will introduce amendments to the Mineral Resources Act 1989 to introduce a coal royalty rate floor. That means any proposed decrease to coal royalty rates would need to be considered and assessed by the Legislative Assembly, thereby protecting our progressive coal royalty rates.

The LNP and their coal industry cronies would have you believe that progressive coal royalties will destroy the coalmining industry in Queensland. In July 2022, after we introduced our new six-tier progressive coal royalty regime, an article in the *Courier-Mail* reported the doomsday prophecies by various mining companies, lobbyists and investment banks. JP Morgan and the Bank of America said that our new coal royalties regime would jeopardise coalmine 'expansions, jobs and the viability of the region's resources supply chains'. The Bank of America said that the 'royalties would impact BHP, Glencore, Anglo American and Coronado operations' and that they would 'limit future investment in new mines in Queensland'. The former president of BHP Minerals Australia, Edgar Basto, said—

A new tax damages Queensland's reputation as a stable place to invest, and will make it harder for the state to compete against other global jurisdictions in attracting major new investments that would deliver longer term value to communities and the state economy.

Former Queensland Resources Council CEO Ian Macfarlane continued the doomsday prophecies by saying that royalties would halt coalmining expansion plans, affect employment and threaten the entire supply chain. On and on the article went, with more coal industry spokespeople and lobbyists claiming that our progressive coal royalties would mean the end of Queensland's coalmining industry; that they would collapse the Queensland economy; there would be unemployment; and that investors would abandon Queensland. In fact, what we have seen in the last two years is that that was all scaremongering nonsense. Over the last three years to the end of 2023-24, the value of Queensland coal exports totalled \$200 billion—up from \$108 billion in the previous corresponding period to 2020-21. Capital expenditure in the Queensland mining sector has grown to \$9.7 billion for the year ending March 2024, an increase of 4.4 per cent.

The value of coal exploration expenditure in Queensland rose 25.7 per cent to \$252 million in 2023-24. The number of workers in Queensland coalmines increased 1.3 per cent in the June 2024 quarter to 45,416 workers, which is 3.3 per cent higher over the year. The number of workers in Queensland's coalmines is now 19.6 per cent above the level of June 2022, just before we introduced the new progressive coal royalties. BHP—who said in 2022 that the new progressive coal royalties would damage Queensland's reputation as a stable place to invest—saw their underlying profit increase this year to \$13.7 billion, an increase of two per cent on last year. This year must have been especially successful for BHP because they tried to make multiple attempts to acquire Anglo American's coal assets.

Since introducing our new progressive coal royalties in 2022, a range of coalmining companies have made public statements or have taken actions that indicate clear plans to continue investing in Queensland's coal industry. Those companies include Whitehaven, Stanmore, Peabody Energy, Coronado, Thungela Resources, Bowen Coking Coal, Sumitomo, Pembroke Resources, TerraCom and Wintime. Last year Whitehaven Coal purchased BHP's Blackwater and Daunia mines for a combined cost of \$6.4 billion. They stated at the time that the acquisition was 'materially earnings accretive', which I am guessing is corporate jargon for 'profitable'.

While, admittedly, I am more of a supporter of renewable energy than fossil fuels, I believe that Queenslanders should reap the benefits from their state's non-renewable coal resources while they are still profitable and while we make the transition to a clean energy economy. It is Queensland's coal, and Queenslanders expect a fair share of the profits so that we can invest it into our communities, build hospitals, roads and schools and fund vital cost-of-living relief, which we are doing. I strongly believe that this would all be at risk if the LNP were to win government.

Finally, I want to acknowledge the Treasurer's hard work in putting together the new progressive coal royalties regime in 2022 and for the bill presented today which will protect those royalties from being repealed by the LNP. I commend the bill to the House.