




Speech By
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MEMBER FOR TRAEGER

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MOUNT ISA MINES LIMITED AGREEMENT (CONTINUING MINING ACTIVITIES) AMENDMENT BILL

Introduction

 **Mr KATTER** (Traeger—KAP) (3.14 pm): I present a bill for an act to amend the Mount Isa Mines Limited Agreement Act 1985 to provide for continued mining activities in Mount Isa. I table the bill, the explanatory notes and a statement of compatibility with human rights. I nominate the Clean Economy Jobs, Resources and Transport Committee to consider the bill.

Tabled paper: Mount Isa Mines Limited Agreement (Continuing Mining Activities) Amendment Bill 2024 [731](#).

Tabled paper: Mount Isa Mines Limited Agreement (Continuing Mining Activities) Amendment Bill 2024, explanatory notes [732](#).

Tabled paper: Mount Isa Mines Limited Agreement (Continuing Mining Activities) Amendment Bill 2024, statement of compatibility with human rights [733](#).

This is the question that this bill asks the parliament: are we prepared to sit by and let a global mining commodities trader based in Switzerland determine the future of copper production in Queensland, or do we want this parliament on behalf of the people of Queensland to determine that? Clearly, the legislative mechanisms are not there at the moment to facilitate that, so let us put them in place to give this House the right. As was said by the Prime Minister, Anthony Albanese, let us exercise our sovereign rights over our minerals and engage in facilitating more mining of these critical minerals and copper. Here is an opportunity to do that. Mount Isa is the third largest copper mine in Australia and the global commodity has said, 'This is getting a bit tough for us. We're going to ship those jobs overseas.' There are people lining up to buy the mine, so here is an opportunity for us to address that and say to that global commodity, 'No, you don't make the decisions on the future of copper production in Queensland. We do.'

Mount Isa Mines had a special act created for it. It was the town initially and then the municipality eventually built up around it, but because the town was so integrated with the mine's functions the mine built a lot of the housing, the original stores and schools and what have you. One of the sewerage works in town is still owned by the mine, so there was a lot of integration with its own infrastructure. An act was created which gave the mine special conditions over things like environmental controls and the way it interacted with the community. Not many mines have had their own act created for them. Mount Isa Mines did, and at that time its staff were a part of the community. All of the managers lived in town, as did all of the permanent workforce. The mine helped provide housing.

It was part of building Queensland—so much so that at the Q150 celebrations the people of Queensland voted that the mine was the most significant business in Queensland's history. That demonstrates why it had its own act created. Sadly, it does not play that role in our economy now. Most of the managers do not live in Mount Isa anymore. The majority of the workforce is FIFO or contract. I am told that before I lived there the mine used to hold a Christmas party and all of the kids in town—it did not matter whether or not your parents worked at the mine—got a toy at the Mount Isa Mines Christmas party.

The mine built the sports ovals and donated everything and at every ball there were tables full of Mount Isa Mines staff. That is not the case anymore. The opposite is the case. It is just another mine that is extracting as much as it can until it gets difficult or it does not suit it. When a company has over 100 mines scattered around the world, including six other copper mines, when things get a bit tricky and its capital is better deployed somewhere else it will move its operations, as the mine's owners have done in Mount Isa. Some 1,200 copper-producing jobs in Queensland have been shipped offshore to its mines in Africa and South America. That is where it will get a better return on its investment now so that is where its operations have moved to, and we have let that happen.

This bill is about giving power back to the Queensland people so they cannot be exploited at the whim of a global commodity trader such as Glencore. Usually when a mine closes it activates environmental obligations, and that is problematic in Mount Isa because it has tangled all of the operations together—the zinc, the lead, the copper smelter and the copper mine. The mine operator has said that it has closed the mine down as it is depleted. That is what it told us months ago in its announcement, which sent the city of Mount Isa into shock. It said, 'We've run out of ore. The mine's had its life. It's had a good run. We're closing it down,' but that has not triggered any significant environmental obligations. There is an alleged \$2 billion worth of environmental obligations for it to commit to, but it does not need to because it has said that it is still operating as a mine, and that is not right. If it is going to shut down those 1,200 jobs and there are people lining up to get in on that mine to keep it operating, it should not be allowed to ignore that point. However, we are not addressing that point today with this legislation.

The identified problem here is that there are known reserves in Mount Isa. According to Glencore's annual report, there are enormous copper reserves in Mount Isa, which has a current high price nudging \$10,000 a tonne. All the talk in the financial papers is about how wonderful copper is and the future of copper. I have a fun fact: they say that in the next 25 years we will have to produce more copper than has ever been produced in the history of man. We are overseeing the shutdown of the third biggest copper mine in Australia when other people are saying, 'We can keep operating that mine.'

Members might not believe me on that, but Glencore disposed of all of its metal assets around Australia. Cobar was sold. Ernest Henry Mine was sold. This is among the last remaining assets, bundled together with McArthur River, that it has in Australia. It is a big thing for someone to buy. When they sold Ernest Henry Mine they told the community, as Glencore has done the entire time of its tenure at Mount Isa Mines, 'There's not much life left in this'—so don't go out and invest in the community. That is what they are insinuating when they say that. They would say, 'Look, we might operate for only another four or five years; just be mindful of that.' That is what they would say at all the community information sessions. Within 18 months of being the owner, junior Australian mining company Evolution—with pockets not as deep as Glencore—added another 17 years to the four years that Glencore said it had at Ernest Henry. A new Australian focused mining company—not a global commodities trader—wants to go in there, develop, drill, explore, expand, see what opportunities are there and raise the capital. That is what miners do.

A global commodity trader that owns six other copper mines around the world is not so interested. If they have big open pits in Africa or South America, where the labour and environmental conditions are not so 'bad', why would they deploy \$100 million—or whatever the number is—to keep Mount Isa going for the next few years? What do members think they would decide to do? We are endorsing those overseas wages and conditions by not putting the blowtorch on Glencore. It should not be allowed to sit on this resource.

I acknowledge that Mount Isa is a depleted resource. We know that. We know that it is getting difficult to mine. Again, all I can say is look at the annual report and look at the reserves. I can report to the House that multiple parties—not one or two—have been coming to my office. I am not an international mines broker, but they are saying, 'Mate, can you get us an introduction at Glencore? We would be really interested in talking to them. We think we can do something with this copper mine.' There are people knocking at the door trying to get access to this. Under the current laws, Glencore can sit on this for the next 30 years: 'Let's just wait until we need it.' That is not right. That is not doing the right thing by the people of Queensland. They are given the right to mine so long as they mine it. They are not given the right to mine only to sit on it as long as they want, until it suits them. That should never be the case, but that is what we are endorsing if we do not change things.

The mechanics of the bill are very simple. The minister must approve any change in operation, such as ceasing an activity, reducing the scale or closing a facility, if that change were to have an impact on the community of Mount Isa or the economy of Queensland. It is simply about giving the power back to Queensland. If they do not comply, they are forced to go out to tender. We are not even saying, 'Use it or lose it.' They would not lose it; they would just be forced to sell it on the open market. There are people lining up to buy it. We are not even being as harsh as we should be. We are not saying, as most

people say, that they should use it or lose it. This is better than the conditions we give the pastoral industry. Over 70 per cent of Queensland is leasehold, and a great majority of that is pastoral leases given to people on the condition that they continue livestock operations. If people discontinue livestock operations then they can be forced to or they are kicked off without remuneration. This measure is nothing different from the condition we apply to everyone in this country in relation to other commodities and production activities. It is simple mechanics.

We are talking about 1,200 jobs. I know the government could end up throwing out \$50 million with its grant packages, but \$50 million will not replace, year on and year out—or even over the next 10 years—those 1,200 jobs. That does not even scratch the surface. There is no alternative. There is nothing in the future to replace 1,200 high-paying mining jobs, not to mention the threat to copper production, the future of the copper smelter and everything else in that supply chain all the way to the copper refinery in Townsville and the fertiliser plant that takes the sulphur from the acid plant that comes off the copper smelter at Phosphate Hill. All of those operations rely on viability. There are very big stakes at play here, probably more to the detriment of the economies of Townsville and Brisbane. As I said, the majority of the workforce out there now is FIFO. This hits the state just as much as it does Mount Isa.

The Prime Minister is making grandiose statements about exercising sovereignty over our minerals, saying that we have to embrace critical minerals and the new economy. We cannot do that unless we expand copper production. We cannot expand copper production when we are overseeing the shutdown of the third biggest copper mine in Australia. If it was fully depleted and there was no-one wanting to buy it, fair enough, but we have buyers who say that they can operate that mine and that it is of great interest to them. The price of copper is nudging \$10,000 a tonne. We have one of the biggest mining deals in modern mining history with BHP trying to buy Anglo. That deal is all about copper and the future of copper. It has a bright future.

Members need only read the *Financial Review* or any mining magazine to know that copper is the hot one out there. However, we have the wrong owner of the wrong mine. They have the zinc and lead operations and, like I said, the smelter operations. They can passively sit on that and play games. They have over 100 mines around the world. They have six other copper mines. It is not really a big deal to them. When Evolution bought Ernest Henry Mine, they said, 'This is a very small mine to Glencore, but it is a big mine for us and we are throwing everything at it.' They did that and they put 17 years onto the life of that mine. We want another Evolution to come along and buy the Mount Isa copper mine.

It is a pretty simple ask that I put before the House: let's make these foreign owned companies, which are doing stuff-all for the community, either use it or lose it—although, like I said, we are not even being that tough. We are just saying, 'Use it or put it to tender and sell it.' It is a pretty good deal for them in that they would not be pushed out. We are just saying, 'Put it out to tender.' That would be at the whim of the minister. That is how it should operate in this state for all mines, but in this bill we are limiting this measure to Mount Isa Mines. I ask the House to consider the bill.

It is really important that we send signals to the global community that we are not just here to be exploited. In Australia, we are at risk of becoming a quarry as more and more of our value-add becomes less competitive, maybe, around our energy. I acknowledge that the investment in CopperString does help with our energy but, at the same time, we have to acknowledge that we are paying the highest industrial energy prices in the world right now in the North West Minerals Province. We are only addressing what was a terrible problem in the first place.

Madam DEPUTY SPEAKER (Ms Bush): Member, it has been brought to my attention that you have used unparliamentary language. I ask that you withdraw.

Mr KATTER: I acknowledge that, Madam Deputy Speaker, and I withdraw. Lastly, we should reflect on some of our great Queensland government heroes, such as Sir Leo Hielscher. When approached by a prospective bauxite miner, he said, 'Well, I am sorry; there has been a terrible misunderstanding. In Queensland, we do not issue mining licences for bauxite but we do issue licences for smelter and aluminium.' He was saying, 'If you are going to come to this country to mine, you will have to learn how to value-add as well because we want you to value-add, provide jobs and invest in the state.' We need more of that attitude for our miners in Queensland.

People cannot just sit on our resources at their whim. They cannot export jobs overseas at their whim. There is a lot being invested in the future of the North West Minerals Province. If they do not share our vision for the North West Minerals Province—there is \$650 billion worth of metals there—they can move on. We do not want them in this country. They can go and invest somewhere else. They can have a happy life in Africa and South America, but we do not want them in Mount Isa. Sell it to someone who is going to use it, provide wealth for the economy and the royalties that get sucked up

down here to build footbridges. Then we can all be a bit happier. This measure is about making sure those minerals are put to good use for the benefit of the people of Queensland. I ask members to seriously consider this for the future of Mount Isa and to send a signal to mining companies that we are not here to be exploited; we are here to take control of our future in copper production.

First Reading

Mr KATTER (Traeger—KAP) (3.29 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

Referral to Clean Economy Jobs, Resources and Transport Committee

Madam DEPUTY SPEAKER (Ms Bush): In accordance with standing order 131, the bill is now referred to the Clean Economy Jobs, Resources and Transport Committee.