

## **Topic: Future of Qld Resources – Contribution of Qld Resources to State Economy. Importance of Qld Resources to regional Queensland**

Good afternoon everyone, it certainly is a pleasure to be able to be here with you at this important time in Queensland's history as we face an election at the weekend to put in place a government to lead us out of the COVID-19-induced economic downturn.

It's clear from the election campaign that the resources sector will play a crucial role in that recovery, with Labor and the LNP both signalling supportive regulatory environments for the sector.

We can only hope that we have a government that can properly govern, without being beholden to an anti-mining minority.

But, I am upbeat about the future of this great state.

I'm upbeat because our resources sector continued to do the heavy lifting for Queensland's economy through the COVID-19 emergency.

I'm upbeat because this sector's spirit of grit and innovation has enabled it to get on with the job and not just survive but thrive.

This is evident in what can only be described as the beautiful set of numbers we released just this week. (with apologies to Paul Keating who coined the phrase – though I'm sure he would have to agree).

The state's resources sector now supports more than 420-thousand Queenslanders with an additional 50-thousand jobs created over the past financial year. This was an increase of 13 percent.

Of these, almost 53-thousand people are directly employed in resources and a further 367-thousand-493 jobs are supported by the sector. These include the jobs of people such as large mining machinery suppliers Hastings Deering here in Rockhampton, to accounting and legal firms, right down to small mum and dad businesses.

Mining, gas and energy companies added almost \$83-billion-dollars to Queensland's economy in 2019-20, \$5-billion more than the year before.

This means that one in every five dollars in Queensland's economy and one in six jobs is due to the state's mining and gas sectors, benefiting all Queenslanders.

It demonstrates the significant flow-on benefits to the wider community from having a strong resources sector in Queensland.

And, as Queensland businesses continue to battle the headwinds of COVID, a strong resources sector is more important than ever.

The number of Queensland businesses directly supported by mining, gas and energy companies rose by 5 percent over the past financial year, from just over 14-thousand to just over 15-thousand with companies reporting a 19 percent increase in spending by their mining customers during this period.

In your local region for example our latest economic data shows Queensland's resources sector supported 32,250 jobs and contributed more than \$6.1 billion – representing a 114 per cent increase - to the Rockhampton and Gladstone region's economy over the past financial year.

This includes 5,409 direct full-time jobs (up almost 8 percent) and 26,841 indirect full-time jobs across the electorates of Rockhampton, Keppel and Gladstone – which represented an increase of 1 percent.

You might have noticed our Protect Your Job campaign in the lead up to Saturday's election. We want to make sure people are aware of the economic importance of resources to all Queenslanders, and to encourage them to back candidates who will protect jobs and support the mining and gas sectors. You can see a full list of the responses we received from candidates on our website.

On top of the billions of dollars resources contribute to the state economy each year, our companies also pay Australia's highest royalty tax rates, which generated \$4.5 billion last year for the Queensland Government.

This money goes directly into the state budget to fund teachers, nurses, doctors, hospitals, schools and roads so that gives billions of reasons for voters to back candidates who support the resources sector.

And this is why we weighed into the election campaign – somewhat controversially – to let people know that this could be in peril if the Greens have sway over the next Queensland government.

A key election policy of the Greens is to impose an additional \$50 billion in extra taxes on the state's resources sector over the next four years to fund green initiatives, effectively lifting the tax rate on resources by four to five times its current rate.

This extreme Greens' policy would have a devastating impact on the viability of the resources sector and the state's economy and cost tens of thousands of Queenslanders their jobs.

They will effectively kill the goose that lays the golden egg, which of course is their aim.

We are hopeful however, that the good people of Queensland will use their vote to protect their jobs and back local candidates who value and support the resources sector.

With a Queensland government supportive of our sector, we can also continue to do the heavy lifting to bring in export dollars.

The Queensland resources sector has again delivered 80 percent of the state's export earnings over the past 12 months, despite the disruptions to international markets and commodity prices, according to the latest trade data.

Over the 12 months to August 2020, the resources sector delivered total export earnings of \$71-point-3 billion- dollars.

Queensland export earnings have been impacted by COVID-19, with total export earnings down by \$16 billion compared to the previous 12 months, but we've still contributed 80 percent of total exports.

Exports sales are critical to our prosperity at home in Queensland. As a result of the men and women working in resources following COVID-safe practices, our industry is keeping the Queensland economy strong and continuing to contribute to a resources-led COVID recovery.

The world needs what Queensland has, but we also need to have long-term, stable policy and royalty settings to ensure the resources sector can continue to invest, employ and export at the level we currently do, and on which our state economy depends.

Queensland's resource exports across key commodities over the 12 months to August 2020 were led by metallurgical and thermal coal at \$33-point-2 billion, liquefied natural gas at \$13-point-8 billion and minerals at \$9-point-5 billion.

To protect the wealth that provides so much for Queenslanders, we also stand shoulder to shoulder with Queensland's other important industry sectors, namely agriculture, tourism, property and timber.

Together, the QRC, AgForce, the Queensland Tourism Industry Council, the Property Council of Australia and Timber Queensland call on the next state government to prioritise the Three R's to ensure a strong post-COVID recovery.

Not reading, writing and arithmetic, but Revenue, Regions, and Regulation.

At a time when Queensland has recorded Australia's highest unemployment rate, with forecasts it will rise to nine per cent, we have established common ground and a united front for our sectors and the community they serve.

We call on the next Queensland government to commit to developing the state's regions, stabilising the Budget and collaborating effectively with industry bodies on regulation.

We agree that regional Queensland is the engine room of the state's economy and needs appropriate policy settings to be able to deliver maximum value for all Queenslanders.

Each of us shares the view that keeping Queenslanders earning, working and contributing to the state economy is the best way to respond to and overcome the challenges of COVID-19.

We're asking the next government to work closely with all of us for the benefit of all Queenslanders to create more jobs and stimulate a strong economic recovery from COVID.

As I mentioned earlier it's been reassuring to hear both the LNP and Labor take notice of the importance of our sector to the wellbeing of all Queenslanders.

For example, last week The Queensland Resources Council welcomed the LNP's commitment to unlock the North West Minerals Province to fast-track projects, investment and jobs with the appointment of a dedicated Deputy Coordinator-General.

The LNP responded to the QRC's request for the role to be created to address the constraints identified in reviews into the future development of the North West Minerals Province.

The request was contained in a joint QRC and Association of Mining and Exploration Companies' Resources Industry Recovery Agenda.

Queensland has globally significant reserves of copper, nickel, zinc, graphite, and molybdenum and major deposits of cobalt, rhenium, scandium, tantalum, niobium, lithium, rare earths and vanadium.

The development of the North West Minerals Province will put Queensland ahead in terms of providing the critical minerals for battery and renewable technologies and advanced manufacturing.

The North West Minerals Province will not only deliver for Queensland, but for the nation with the insatiable global demand for these minerals.

Last year, QRC worked with the Queensland Government on the development of its \$13-point-8 million five-year package to encourage new discoveries of critical minerals to attract more overseas investment, drive more international trade and create more local jobs and economic prosperity.

The LNP's commitment followed its earlier commitments to the QRC on behalf of the resources industry, including:

- a 10-year freeze on resource royalty rates and thresholds
- a faster approvals process, with key performance indicators tracked and published to restore industry confidence in the Queensland Government
- \$8 million for minerals exploration and a promise to cut crippling electricity costs faced by the mineral sector
- support for the development of the CopperString 2.0 high voltage transmission line connecting the NWMP with the National Electricity Market in partnership with the Federal Government.

The QRC has been urging the ALP for some time to match the LNP's commitments in these key areas, as well as the LNP's commitment to immediately approve New Hope's New Aclands mine. Now **there** is a shovel ready project that will both save and create jobs in Queensland.

Our sector needs to dramatically improve its competitiveness compared to other resources investment locations in Australia and overseas, so offering a longer period of royalty certainty could be the difference between getting a major new project off the ground and missing out.

However, credit where it's due – a key area the ALP got right in its campaign launch was to commit to free TAFE and apprenticeships for Queenslanders under 25 years, which will be welcomed by the state's critical and growing mining, equipment, technology and services (METS) businesses.

The QRC and AMEC's joint Resources Industry Recovery Agenda had proposed the next state government work with industry to address resources-related skills gaps and training needs to ensure an adequate supply of skilled workers, including statutory ticket holders, so this is great news for our sector and we congratulate the ALP on this policy.

I'd also like to mention here the importance of our sector in providing skilled and well-paying employment to Indigenous Queenslanders.

We recently welcomed the extended commitment from the Department of Aboriginal and Torres Strait Islanders to work with QRC and its members to boost employment opportunities for our state's Indigenous people.

The department's extended commitment to the partnership, first forged 12 years ago, will help ensure the resources sector continues to be a leader in providing opportunities for Aboriginal and Torres Strait Islanders.

Our members, whether they are coal, metal and gas explorers and producers or their suppliers, are providing more opportunities for Indigenous Queenslanders not just for a job in resources, but for a fulfilling career.

I am proud to say that the proportion of Indigenous Queenslanders working in the resources sector is on par with the proportion of Aboriginal and Torres Strait Islanders living in Queensland at 4%.

It's important that we have the continued support of the next Queensland government, and the department. We look forward to continuing to build upon the resources sector's proud record on Indigenous employment.

Our annual QRC Indigenous Awards will be held on 30 November. The awards celebrate the contribution of Aboriginal and Torres Strait Islander people to the Queensland resources sector and set up ongoing networking and career opportunities for applicants and award winners.

The future of our sector relies on a skilled workforce and playing an important role in ensuring the skills pipeline into our sector is the QRC's education arm, the Queensland Minerals and Energy Academy – QMEA, which partners with 80 schools across the state.

In fact, there are a number of QMEA schools right here in Rockhampton: North Rockhampton State High School, Rockhampton Girls Grammar School, Rockhampton State High School and The Cathedral College.

Supported by the Queensland Government, but with most of the \$1-million-plus annual funding coming from our members, it is paying dividends, with a higher proportion of QMEA students entering science, technology engineering and Maths (STEM) and trade careers than non-QMEA schools.

We look forward to working with the next Queensland government to continue this valuable program.

We have also worked closely with successive Queensland governments through their Office for Women to improve the gender balance of our workforce. Through our Women in Resources Action Plan and collaboration with Women in Mining and Resources Queensland, we have increased the proportion of women in our sector from just 6 percent in 2006 to 16.5 percent today. Clearly, we have a long way to go, but it's very pleasing to see that Queensland women are now increasingly directly sharing in the wealth of our sector through highly-paid careers.

Ladies and Gentlemen, I started this speech by saying I'm upbeat about our future with a strong resources sector, about the wealth that it provides and will continue to provide for the people of Queensland.

And I'll end it by saying that I am upbeat about the people of Queensland and the choice they have to make on Saturday.

Regardless of the outcome, our sector will continue to work with the government of the day to make sure regulation and policy settings provide a clear path for the continued wealth generation capability of our mighty Queensland resources sector.

Thank you, ladies and gentlemen.