



MEDIA RELEASE – COUNTING THE COST OF BYPASSING THE GALILEE BASIN

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Royalties and taxation revenue totalling more than \$10 billion will be passed over by future governments if the Galilee Basin is closed to coal and gas projects, according to new research commissioned by Greater Whitsunday Council of Mayors (GWCoM).

“That revenue is the equivalent of two Cross River Rail projects in Brisbane, with its hefty price tag of \$5.4 billion, Melbourne’s \$10 billion airport rail link or the new \$11 billion Western Sydney Airport,” said GWCoM chair, Isaac Region Mayor Anne Baker.

“Those are the kind of economic opportunities our resources sector can provide and those are the kind of nation-building projects future governments will need to find another bucket of money to fund if they pull down the shutters on the Galilee Basin.”

GWCoM, the peak advocacy body representing the councils of Isaac, Mackay and Whitsunday regions in Central Queensland, engaged leading consultancy Synergies to study the economic benefit of future resources activity in the Galilee Basin.

It found that coal and gas projects in the Galilee Basin had the potential to generate more than half a billion dollars in royalties and payroll tax annually.

“Over the two-decade operating life of a project, that’s well over \$10 billion to fund government services and critical infrastructure, the better roads, public transport, schools and hospitals demanded by those in our cities,” Mayor Baker said.

“Those who reap the benefits of our toil here in Central Queensland are the same people who continue to preach that we must stop one mine and pull the pin on developing the Galilee Basin.”

Whitsunday Region Mayor Andrew Willcox said the research by Synergies found that coal and gas projects in the Galilee Basin had the potential to generate almost \$4 billion in economic activity annually and support more than 13,000 jobs in the Greater Whitsunday region by 2030.

“The Galilee Basin is a vast untapped resource of coal and gas which will yield billions in economic output and create tens of thousands of jobs,” Mayor Willcox said.

“There is the potential for additional economic activity of more than \$1 billion per year, supporting 2400 jobs, is projected during the construction phase of Galilee resources and infrastructure developments over the next decade.

“Under a medium development scenario, the regional economy could grow by \$3.9 billion by 2030, directly contributing to regional economic growth. Importantly, this economic activity will support some 13,400 jobs across all sectors of the region.

“Development of the Galilee Basin will be an absolute boon and we are tired of two-word slogans from activists who belittle the contribution of this region to the economy and seek to deny future generations access to the prosperity they have enjoyed by pulling the ladder up.

“But what we are yet to see a significant change in the environmental drain created by our cities.”



Mackay Region Mayor Greg Williamson said as part of the GWCoM research, Synergies completed a comparative analysis of the carbon footprint of one of nation's biggest capitals versus a coal mine.

"CO₂ emissions generated per hectare by the population of Melbourne was modelled at 402 tonnes annually, whilst the CO₂ output of an operating thermal coal mine was 172 tonnes annually," Mayor Williamson said.

"Before we arbitrarily shut down an industry which effectively powers our cities and affords urbanites their comfortable lifestyle, let's start talking about the environmental impact created by those in our cities and how they are planning to deal with that.

"What we do need is a genuine national conversation about charting an achievable and sustainable path to a future energy mix that is more than just a target and a date.

"But all we are hearing is the need for our resource sector workers and communities to reskill for a transition to the new economy. Is that the same new economy that is providing opportunities for our displaced car industry workers in Elizabeth and Geelong or have we already forgotten about the impact of shutting down an Australian industry?"

University of Queensland economics researcher Professor John Mangan said the stimulus to the regional, state and national economies from the development of the Galilee Basin would be very significant.

"Economic modelling by Synergies Economic Consulting confirms the very large economic benefits that would flow to the Central Queensland, Queensland and Australian economies if these resources were developed," Professor Mangan said.

"These benefits flow from both the construction activity required in Central Queensland as well as the export value of coal and gas. Benefits flow across the economy in wages, profits, export earnings and Government revenue.

"Any high-level economic modelling of the impact of large projects is indicative but, despite the conservative approach, the results confirm very large benefits for the region and the State.

"Failure to pursue these mining projects will represent a large opportunity cost to the Central Queensland – foregone income and jobs."

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