



Speech by

**Andrew Cripps**

**MEMBER FOR HINCHINBROOK**

Hansard Thursday, 17 November 2011

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## **QUEENSLAND NICKEL; NORTH IRON & BRASS FOUNDRY**

 **Mr CRIPPS** (Hinchinbrook—LNP) (8.30 pm): What is it about Labor governments and taxes? The Gillard Labor government deceived the people of Australia when it said before the last federal election that it would not introduce a carbon tax but then proceeded to do so, supported by the Greens and Independents. The carbon tax legislation involves an elaborate system of industry compensation to try to cover up for the fact that it will be a disaster for jobs and investment, particularly in regional Australia.

At the southern end of my electorate, the Australian owned Queensland Nickel refinery at Yabulu, just north of Townsville, has been advised that the Gillard Labor government will treat it differently from the Australian based operations of other similar but foreign owned companies following the introduction of the carbon tax. Owing to the bureaucratic guidelines of Labor's carbon tax legislation, the nickel refinery at Yabulu has been unfairly classified under the scheme and will be seriously disadvantaged. Unbelievably, the Australian owned Queensland Nickel will receive only 30 per cent compensation against its additional tax burden of \$30 million, while foreign owned competitors such as BHP Billiton and Glencore will receive windfalls of between 70 per cent and 110 per cent of their carbon tax bill. I find it extraordinary that the Gillard Labor government would actively seek to undermine the viability of this important North Queensland minerals processor, which employs almost 1,000 people in the Townsville region.

At the northern end of my electorate the Australian owned Northern Iron & Brass Foundry at Wangan, just south of Innisfail, has indicated that its ongoing economic viability has been made more difficult following the recent introduction of the Bligh Labor government's waste tax—another policy that is part of Labor's preference deal with the Greens. The Northern Iron & Brass Foundry is not a big multinational company. It employs 89 people in the Innisfail district. However, it is a very important local business as it significantly diversifies the economic base of the local area.

Over the past 12 months—from September 2010 to October 2011—the Northern Iron & Brass Foundry paid for the responsible disposal of 57 loads of industrial waste, totalling 949 tonnes, from its operations. With the implementation of the Bligh Labor government's waste tax, the cost of responsibly disposing of this industrial waste will increase by a massive \$33,215 per year.

The Northern Iron & Brass Foundry has been able to survive, notwithstanding the significant increases in environmental compliance costs under the Beattie and Bligh Labor governments over the past 13 years. It was looking forward to being strategically placed in North Queensland to service the imminent expansion of mining activity in the hinterland areas behind the Great Dividing Range between Cairns and Townsville. It was hoping to be able to increase its employment of locals and actively compete with imports from China. Why is Labor in Queensland and in Canberra undermining Australian owned businesses and jeopardising local jobs in my electorate of Hinchinbrook with its punitive and destructive taxes?