

THE AUSTRALIAN BLACK COAL INDUSTRY REPORT

SUBMISSION - FROM CR PAUL BELL
MAYOR
EMERALD SHIRE COUNCIL

PRESENTED TO - MR JOHN COSGROVE
PRESIDING COMMISSIONER
INDUSTRY COMMISSION

Coal mining in the Bowen Basin has, until the late 60s, been isolated to very small pockets of production and mainly associated with domestic opportunities in the steaming coal market. Small towns such as Ogmoo, Blair Athol and Bluff came and went with steaming coal opportunities.

The late 60s and early 70s saw the development of large coking coal mines in the Bowen Basin and this rapid and lucrative development brought with it new purpose built coal mining towns.

These towns were constructed by mining companies to house their new employees in close proximity to the mining development. This proliferation of new towns with 99% dependency on coal was, I believe, unique to Queensland and differed greatly from the experiences of New South Wales.

The New South Wales experience, I believe, has seen old established towns expand their rural base with coal mining development adding to communities with diversity in rural and general industry.

This situation is a far cry from the Central Queensland towns such as Moura, Blackwater, Tieri, Middlemount, Dysart, Newlands and Moranbah that owe their establishment to the black coal industry and which have total dependence on same.

To further complicate these towns ability to diversify, or assimilate as the local community centre, our new coal towns had special Lands Department leases over them restricting private investment and development.

All of these towns have been established by mining companies through capital contributions and set up - construction costs. The circumstances that forced mining companies to develop these towns was, I understand, a part of Federal and State Governments and Union requirements.

Local Government played a participative role in managing these new communities and, in the cases of towns such as Emerald, Capella, Clermont and Biloela, they also accepted dormitory provision for mine workers in their communities.

For its part in coal mining developments since the late 60s, Local Government has received support from mining companies but, due to the age of many of these communities and the land tenure that has been imposed, most towns have not been able to diversify to any extent. The facts are - Mining towns in the Bowen Basin cannot sustain major coal industry restructuring to the extent indicated in The Australian Black Coal Industry Report.

To examine the coal mining industry's feelings on the future of the industry a meeting was held in Emerald in April this year. Coal owners representatives, the Queensland Mining Council and two national coal companies gave presentations which mirrored the Industry Commission Report into Coal.

Present at that meeting were delegates from 7 Local Authorities in the Bowen Basin, all of whom have major coal mines in their shire area. Following the presentation it was resolved that a submission be presented to the Commission outlining the devastating effects that restructuring of the coal industry will have on our communities

The meeting also concluded that mayors of the local shires should meet with the Premier (a meeting has been sought at this time) to express our support for the need to gain efficiencies in the coal industry but also seek State and Federal Government support to help restructure our communities.

As the actions of the Federal Government in introducing industrial legislation to allow coal companies to restructure their work force and the call for the State Government to review rail freights and royalties have, or will, require positive actions of government, we and our communities, as casualties in this industry reorganisation, require the positive support of the Industry Commission.

The Local Government areas in the Bowen Basin require State and Federal Government departmental and agencies assistance to reconstruct our communities. There is no easy answer or simple formula but with the focused attention and support of governments, who have been reaping the benefits of the endeavours of coal companies, their employees and our communities, the mayors of the Bowen Basin region believe there can be a new future for our towns.

We seek a recommendation from the Industry Commission:- That State and Federal Government departments who have responsibility for economic development, work in partnership with the local authorities in the Bowen Basin to draft the future directions and implement the new opportunities for the towns and shires affected by the restructuring of the Coal Industry.

OFFICE OF THE MAYOR

Mr Rob Borbidge, Mla
Premier
Level 15, Executive Building
100 George Street
Brisbane Q 4000
28 April 1998

Attention: Appointment Secretary

The Emerald Shire Council coordinated a meeting between Queensland Mining Council, BHP Aust Coal and Shell (German Creek Coal) and seven Local Authorities in the Bowen Basin on Thursday 23rd April. Following this meeting representatives from the seven Local Authorities present at this meeting resolved to seek a meeting with you, Premier, preferably Monday 25th, Thursday 27~ or Friday 28th May.

Following the closure of Gordonstone Coal mine last year all coal companies in the Bowen Basin have undertaken a process of restructuring mine operations. To the detriment of our communities in the Bowen Basin this restructuring has meant the offering of a large number of redundancies causing economic instability and social discord within our towns.

As well as this, coal companies are indicating that they will be renegotiating their annual financial commitment to Local Authorities and this is of concern to those Councils affected.

The Industry Commission has completed a draft report on coal which indicates that between 8,000 and 12,000 jobs will be lost in the restructuring of the coal industry between now and the year 2003. Already indications are that 2,500 jobs or in excess of 7,000 people could be lost from our communities over the next twelve months.

Now more than ever there is a need for a whole of government response in partnership with Local Government to the issue of ensuring the coal industry in Queensland restructures to enable it to retain and improve international market share. Also there is a need to take a whole of government response with Local Government on how we respond to the issues facing local communities in the Bowen Basin.

Only you, Premier, we believe can coordinate the partnership role we as Local Government need with the State Government and we seek a meeting with you for approximately one hour. Representatives from at least seven shires in the Bowen Basin will be in attendance.

Paul Bell
Mayor, Emerald Shire Council