



TRANSPORT AND PUBLIC WORKS COMMITTEE

Members present:

Mr SR King MP (Chair)
Mr CE Boyce MP
Mr RI Katter MP
Mrs JR Miller MP
Mr BJ Mellish MP
Mr TJ Sorensen MP

Staff present:

Ms D Jeffrey (Committee Secretary)
Ms M Telford (Assistant Committee Secretary)

PUBLIC HEARING—INQUIRY INTO TRANSPORT TECHNOLOGY

TRANSCRIPT OF PROCEEDINGS

MONDAY 25 FEBRUARY 2019

Brisbane

MONDAY, 25 FEBRUARY 2019

The committee met at 9.32 am.

CHAIR: Good morning. I declare open the public hearing for the committee's inquiry into transport technology. I acknowledge the traditional owners of the land upon which our parliament stands. My name is Shane King and I am the member for Kurwongbah and chair of the committee. The other committee members with me here today are Mr Ted Sorensen, the member for Hervey Bay and deputy chair; Mr Colin Boyce, the member for Callide; Mr Robbie Katter, the member for Traeger; Mr Bart Mellish, the member for Aspley; and Mrs Jo-Ann Miller, the member for Bundamba. The committee's proceedings are proceedings of the Queensland parliament and are subject to the standing rules and orders of the parliament. The committee will not require evidence to be given under oath, but I remind witnesses that intentionally misleading the committee is a serious offence. You have previously been provided with a copy of the instructions to witnesses, so we will take those as read.

The proceedings are being recorded by Hansard and you will be provided with a copy of the transcript. To assist with clarity, please identify yourself when you first speak and speak clearly and at a reasonable pace. To those joining us on the phone, please say your name when you speak so that Hansard can record it.

The purpose of today's hearing is to assist the committee with its inquiry. Media may be present and will be subject to the chair's direction at all times. The media rules endorsed by the committee are available from committee staff if required. All those present today should note that it is possible you might be filmed or photographed during the proceedings. I ask everyone present to turn mobile phones off or to silent mode. I also ask that if witnesses take a question on notice today, they provide the information to the committee by 4 pm on Monday, 4 March 2019.

This hearing is the fifth that the committee has held for the inquiry. The committee may conduct more hearings on the inquiry, with information to be updated to the committee's web page as it becomes available.

BARGER, Mr Andrew, Policy Director, Economics and Infrastructure, Queensland Resources Council

BRADY, Mr Mike, General Manager, Infrastructure Services Group, Toowoomba Regional Council (via teleconference)

BRUCE, Mr Greg, General Manager, Sustainability and Environment, City of Townsville (via teleconference)

CUNNINGHAM, Mr Tom, Policy Manager, Economics and Local Content, Queensland Resources Council

KAYE, Mr Michael, Traffic and Infrastructure Planning Engineer, City of Townsville (via teleconference)

KEENAN, Mr David, Chief Executive Officer, Southern Downs Regional Council (via teleconference)

STEINE, Mr Matt, Head, Digital City Strategy, City of Townsville (via teleconference)

TAYLOR, Councillor Carol, Deputy Mayor, Toowoomba Regional Council (via teleconference)

WALKER, Councillor Les, Deputy Mayor, Townsville City Council (via teleconference)

CHAIR: Joining us on the phone we have representatives from Southern Downs Regional Council, Toowoomba Regional Council and Townsville City Council. Representatives from the City of the Gold Coast may turn up. I also welcome representatives from the Queensland Resources Council who are here with us today. Would you like to make an opening statement?

Mr Barger: Thank you, Chair. We did not make a submission to the inquiry initially, but we appreciate the opportunity to come and meet with the committee this morning. Obviously, for an industry like resources, transport is a critical issue. We are a member of the Ministerial Freight Council and are really interested in the work that Main Roads is doing on its Queensland Transport Strategy. Although the terms of reference focus on personal electric vehicles and the uptake of those, I thought it would be interesting to provide some broader context about the resource industry.

When you look at the structure that is used to transport people, commodities and supplies to market, quite a lot of the resource industry's processes are already electrified. It is interesting that as we see the carbon intensity of our electricity system reduced naturally, the footprint of the industry is reducing. If you look at Aurizon, their coal fleet is largely electrified, replacing diesel trains and even things you would not necessarily usually think of, such as slurry pipelines, gas pipelines and conveyor belts. They are all powered by electricity. Of course, there are also a lot of other transport users, whether they are trucks, planes to move workers around or ultimately the ships that tend to be diesel or LNG.

We are really interested to read the submissions from other parties that have more detailed technical knowledge, particularly about the passenger vehicle and the gradual electrification of the transport task, but we do not have any particular recommendations for the committee in our opening statement. Do you want to add anything to that, Tom?

Mr Cunningham: No, you have covered it quite well, Andrew.

CHAIR: Southern Downs Regional Council, would you like to make an opening statement?

Mr Keenan: The mayor and deputy mayor offer apologies, as they are in a briefing at the moment. Council put in a submission to the committee. That submission identifies that we are probably going to attempt to leverage as much as we possibly can in the partnership that we have with the University of Queensland in relation to the \$125 million solar farm being established to the east of Warwick. The council is committed to looking at where there are opportunities for sustainable development in the future. We also would like to see how electric vehicles could be put into the overall transport system, similar to what was said before: is there an opportunity to have some sort of solar train for public transport and is there an option for using more electricity for heavy vehicles that are obviously moving some of the agricultural products out of this region? I will leave it there.

CHAIR: Toowoomba Regional Council?

Mr Brady: We are here to listen, as much as anything. In regard to the four dots points in your terms of reference, we have a few things that are linked in to that. We currently have an agriculture and transport logistics working group, and council has been progressive in a regional perspective for the past few years, looking at quite a number of elements of what you cover off in some of the areas in your terms of reference. We have also shown interest in becoming part of the Commonwealth government location-specific road user charging trials and the business case that it wants to go forward with. We have shown interest in being involved with that. That is very much to look at it from the change in technologies to electric heavy vehicles, as much as electric light vehicles, and what that means from a road user charging model versus fuel excise and those sorts of things.

From council's perspective, we have various developments of what we call our mobility program, which is linked not only to the iPads and so on but also to how we link that into plant and equipment, and even in the medium and longer term future into robotics and how we undertake various activities for council and the region. Those are the sorts of areas of interest that we are currently exploring ourselves.

CHAIR: Thank you very much. I will go to the City of Townsville.

Councillor Walker: We have nothing specific to say, but we are here to listen and have input throughout this public hearing.

CHAIR: Thank you for that.

Mr BOYCE: The Auditor-General's report tabled in parliament last week recognises a projected \$9 billion shortfall in the maintenance funding of the road network throughout rural and regional Queensland. Would you care to comment on how this will affect your areas in relation to the provision of electric vehicles into the future?

Mr Brady: We have been on a journey in the past few years where we have presented to the National Local Roads and Transport Congress on our First and Last Mile Project. That has also progressed, as I said, where we are linking into what the Commonwealth is now looking at with the road user charging trial business case development that it wishes to go to. That is really looking at how you can move from a pure excise model to a road user charging model that can also bring funding back into the network, whether it be the federal, state or local government network, with the local government having 75 to 80 per cent of the road network across Australia. Whatever changes there are in any model, obviously local government needs to give its fair share of investment. I note the shortage in funding.

CHAIR: Do any other councils wish to comment? No.

Mr BOYCE: The RACQ has also released a report that basically identifies that the ownership costs of running a small electric car will be similar to those of owning a high-end luxury fossil fuelled car. In the future, if we are to have electric heavy transport, for example, how do the councils see the accessibility to those vehicles among businesses and people in your areas? Will they take up those cars and vehicles, owing to the cost of them?

Councillor Taylor: I think you make a very good point. I believe that in our CBD, in the city, we have quite a few electric cars now—probably 20, which is not that many really. I think the cost will be the impediment, and the ability to recharge them will be an impediment as well. I do not think there will be a great take-up in the region of our council. We have a city and 36 townships—a large region. We straddle both. My thought is that in the city, yes, there will be a certain uptake but out in the region not so much.

CHAIR: Do you have any feedback in terms of the electric superhighway and charging stations that run from the Gold Coast to Cairns and Brisbane to Toowoomba? Have you heard any feedback or can you give us any feedback on any benefits or detractions from that?

Councillor Taylor: I have heard there is very little use of them.

Councillor Walker: We have two high-speed chargers, one paid for by the state and one paid for by Townsville City Council. We have five other smaller chargers for the city. Two on the superhighway have minimal use. However, they are free to use to encourage people to come into the city to recharge. It is all about educating and having the opportunity to do that with the new models coming online. It is still a chicken-and-egg sort of process. It is a transitioning process. We put ourselves in that space so we can accommodate those who wish to invest in those types of vehicles.

Mr Keenan: There are two about to be installed within the CBD of Warwick as part of the superhighway. I am glad to see that we are still included as part of the superhighway. It is about trying to attract more people to shop while their vehicle is getting charged up. I note there is already a motel in Warwick that operates an electric charger for those people using electric cars up and down the highway. It would assist a great deal if there was more promotion about the superhighway going through. I am under the impression that the responsibility for the delivery of the superhighway has changed within government at the moment, if I am not mistaken.

Mr SORENSEN: I come from Hervey Bay. We have done a lot to recharge scooters that go along the walkway on the esplanade. Is there anything you could learn from what happens with those scooters and what types of vehicles could enter the inner-city parts of your cities? We have the electric golf buggies that can trot around golf courses. Do you see them coming into inner-city areas, especially if they could be recharged and if the speed were reduced? Do you see those sorts of vehicles playing a part in the future?

Mr Keenan: I will throw my five cents in from the Southern Downs perspective. We already have a charger for what I think you are referring to. They are gophers that come in and out of the CBD with people going around the CBD. I guess there is an opportunity for gophers in the longer term as we have an ageing population. Unfortunately for the Southern Downs, we are classified as one of the more obese and overweight areas. One would think that, for personal mobility that can be supported by electric and affordable vehicles moving around the town, that is something that could be considered. It just needs to be further considered how those vehicles will interact with other forms of transport around the town. We do not have any scooters like Brisbane has at this point in time.

Councillor Taylor: There are trials already happening in Australia for a small vehicle which is a little like a golf buggy but different. They are electric. I suggest we probably all have a look at what is happening there. I see those as being the thing that the CEO of Warwick is talking about. They would probably be very appropriate to have in the inner-city areas.

Mr Keenan: Madam Deputy Mayor, do not forget I am CEO of not just Warwick but also Southern Downs. We will get in trouble with the people from Stanthorpe.

Councillor Taylor: I do apologise. I am sorry.

Mrs MILLER: At present it includes Stanthorpe.

Mr MELLISH: I am interested in the difference, in terms of resources, between the manufacture of a regular car and the manufacture of an electric car and the opportunities that provides to the Queensland resources industry into the future.

Mr Barger: It is an interesting one because clearly the components are different. A lot of that goes to the battery in particular, which is a big concentration of metals and mine products. There has been a lot of discussion in recent times about the global availability of lithium, which is the base for the lithium ion batteries or what Tesla cars use. To the extent of my limited chemistry, they are broadly similar to a mobile phone.

At the strategic policy level there has been a lot of focus on where the world's supplies of lithium are and where some of the rare earths that make those components are situated. There are a lot of other common ones. They are all important. There are good opportunities for Queensland. We are highly prospective in terms of a lot of these minerals. There is a lot of interest on the ground. We have seen investment in exploration companies directly because people are wanting to diversify the global supply. Queensland is seen as a secure market based location if those commodities can be produced. There is the new frontiers aspect of commodities that we are not necessarily producing at the moment.

As well as that, there is an enormous opportunity for the commodities we currently produce. You need about four or five times the weight of copper in an electric car compared to a fossil fuel one. That is clearly an enormous opportunity for Queensland. The weight of cars is important. We are seeing a blending from steel to aluminium—again, something Queensland has a long suit and long history of producing.

The electric vehicle is potentially a really important market. We are already seeing it shape investment decisions—where you are seeing car manufacturers and producers invest directly in exploration and production companies in trying to encourage the supply. That is somewhere Queensland is well placed. As well as that, in the background there is a steady year-on-year growth in demand for a lot of commodities that we produce. There is a lot of blue sky for us as a state in that global growth.

Mr MELLISH: I suppose that would be focused around the north-west minerals province for copper and Weipa and Gladstone for aluminium?

Mr Barger: The other area they are looking at is in North Queensland—the Atherton Tablelands. What was historically a tin-mining province is highly prospective for some of those rare earths. There is a lot of work being done looking at the prospectivity there. You are right: primarily we are focused on the north-west.

Mr MELLISH: What are your thoughts on how technology broadly—transport technology, electric vehicles, automation and that sort of thing—will affect the resources industry going forward?

Mr Barger: I think we are just starting to see the impact. A lot of the automation that has been taken up so far in the industry has been driven by safety. They have automated shot firing, for example, to reduce the risk of working near explosives. Rio Tinto and BHP are running driverless trains. They call them the world's biggest robot—two-kilometre-long ore bodies hurtling through the bush. What we are starting to see now are some really clever advances around automation. It is even the case with the train signalling system. They have the ability to run a more precise operation and get their timetabling down so that they get more productivity out of their trains.

The other really quickly growing space is around drones and remote sensing—for example, the ability to manage your rehabilitation and check your infrastructure remotely. The volume of information that came out of Townsville and the north-west with the flooding event recently was extraordinary. It was almost real-time. You could fly those lines with drones and have a much better sense. You did not have to wait until the water receded and it was safe for engineers to drive in and have a look. The speed and the volume of information that is coming in from some of those technologies is really shaking up the way the whole industry operates.

Mr MELLISH: I have a question for Southern Downs Regional Council. I note in your submission that you talk about the solar farm east of Warwick and how you are looking to establish electric vehicle charging infrastructure on or nearby to the site. Could you elaborate on that and outline the benefits you see in putting that adjacent to the solar farm?

Mr Keenan: There are two places the chargers will go. There will be two chargers located in the Warwick CBD and another charger and an interpretation centre established at the solar farm. The solar farm is solely funded by the University of Queensland. We have another solar farm that is likely to go in the same vicinity. Coming out of that, we have already established more relationships with the University of Queensland on some other projects, which we are pretty happy about. We think there is an opportunity to link some of the practices around electric vehicles back into Morgan Park. Morgan Park is probably one of the better raceways for motorsports—I can say that because there is no-one for Ipswich here—

CHAIR: I have Lakeside.

Mrs MILLER: No, I am here.

Mr Keenan: It is one of the better places at the moment. We see that maybe there is opportunity for even racing electric cars in the future, not on the basis of who can last the longest before running out of juice but more around who can get the highest, most competitive speeds. We see all of these as opportunities that can be built on.

Again, it is not without its challenges. Certainly even the establishment of the solar farm on the east side of Warwick was met with some community angst, but most of that has been overcome and the works are underway. We see a number of opportunities there. It may also be an opportunity for council going through the appropriate procurement processes to move some way to becoming carbon neutral at the same time.

Mr MELLISH: Well done on the electric vehicle focus of Morgan Park Raceway. That sounds like a great proposal.

CHAIR: It sure does.

Mrs MILLER: David, Bundamba is in Ipswich, for your information.

Mr Keenan: I know.

Mrs MILLER: And I am sure you know of me as well. In relation to the Southern Downs Regional Council, it is true that your solar farm has been highly controversial in the community and yet it appears that a lot of the benefits from the solar farm are for the council and not for the people of Southern Downs. Would you like to comment on that?

Mr Keenan: The council went above and beyond and undertook community consultation in relation to the development application. It was not necessarily required to do this as it could have been approved without advertising, but the council chose to do that and engage in appropriate community consultation, receiving large amounts of feedback and responding to some of that feedback as well. The benefits of the solar farm will not just be for the council. The residents will be able to, should they choose to, charge up at no charge either at the facility located at the solar farm or in town. There will also be a number of scholarships made available to the residents of Southern Downs to undertake courses at the university.

There will also be employment created through the 100 jobs that are now being undertaken at the solar farm which was done in a joint partnership between the council, the University of Queensland and Lendlease. We had three different workshops to get contractors in and people who were prepared to work at the solar farm, which has been highly successful. There are number of different ways in which the solar farm has provided a benefit to the whole community.

Mrs MILLER: Will any of these charge-up stations be in Stanthorpe?

Mr Keenan: The national rollout which has been coordinated does not have Stanthorpe on the list at this stage. The electric superhighway that was determined by the different state governments had one located at Tenterfield, another one located at Warwick and then the next one located at Aratula. As I understand it, the one at Aratula was not necessarily required, but they had concerns about whether some of the electric vehicles would have enough charge to get up the hill, so to speak—the Great Dividing Range.

Mrs MILLER: In relation to the controversy which is the solar farm, you are saying that locals are able to charge up their electric vehicles for free. They can do that if they are in Warwick but they cannot do it if they are in your other centre, which is Stanthorpe. Will the council by itself put in a charger in the Stanthorpe CBD?

Mr Keenan: The council has not planned to do that, although I believe there are conduits available.

Mrs MILLER: You would be aware that there are some tourist centres within Stanthorpe that have their own charge-up facilities on site.

Mr Keenan: I agree. I am also aware that they are in Stanthorpe and they are in Warwick.

Mrs MILLER: Yes, but my understanding is that the people of Stanthorpe would probably want to see some benefit of this solar farm, which many of them describe as a backward step for your regional council. They would like to see some benefit of it by at least the council putting in charge-up facilities there.

Mr Keenan: I am unaware of any of the submissions that actually are from Stanthorpe.

Mrs MILLER: I am talking about people I talk to in Stanthorpe. It has nothing to do with submissions. I can ask questions in relation to any of these matters before the committee, Mr Keenan. Anyway, would you like to comment on that?

Mr Keenan: I believe I answered the question that was put forward.

Mrs MILLER: In relation to solar panels—you are in this business partnership with the University of Queensland—out of interest, does the Southern Downs Regional Council have solar panels on any of its buildings?

Mr Keenan: We have put in funding applications to have solar put on top of the wastewater treatment plant and also the various municipal buildings around the council region, and we are awaiting the outcomes of those.

Mrs MILLER: So the council will not fund it themselves?

Mr Keenan: We are looking at the options of trying to access funding, and that would be a co-contribution of funding.

Mrs MILLER: In relation to the council trying to encourage more people to drive their electric vehicles into the Southern Downs Regional Council area—for example, it is about 2½ hours from Brisbane and 2¼ hours from the Gold Coast, which I understand are the major centres where tourists come from, and the major time for tourism is in winter in Stanthorpe and Warwick. You are saying that there is a charge-up station in Aratula to get them up the hill and also there is one in Warwick, but when they go to Stanthorpe and regional areas such as Ballandean and Amiens et cetera, for them to charge up they would have to go back to Warwick at present. Is that right?

Mr Keenan: Or they could go to Tenterfield. As I say, the charging stations were selected by the state government.

Mrs MILLER: What benefit will electric vehicle charge-up stations be to locals in the Southern Downs Regional Council area? They have to have an electric vehicle to be able to charge up for free anyway, don't they?

Mr Keenan: People would need to purchase electric vehicles, and I believe the marketplace is slowly changing in that regard. What would be good would be to attract electric vehicle manufacturers to Queensland to start manufacturing more affordable electric vehicles to increase how many vehicles are actually out in the community. That would be beneficial.

Mrs MILLER: In conclusion, in your submission you said—

- The possible supply to SDRC of clean energy from the project at a competitive price to power Council's facilities and to help reduce Council's operating costs.

Has the council thought of allowing the residents of Southern Downs Regional Council to also take advantage of that, not through the council—in other words, to themselves at their own homes?

Mr Keenan: I think that would be a good idea and it would be one worth following, probably through a demand aggregation model.

Mr BOYCE: I have a question to the Queensland Resources Council. I want to go back to the subject you raised around the production of rare earth metals to go into electric motors and so forth. I am sure you are aware that there are significant problems with the production of these rare earth metals in highly toxic by-products, radioactive by-products—those sorts of things. There are significant deposits of these rare earth metals in Queensland. Has enough been done to understand the problems that we will create by accessing these resources? How do we mitigate having a rare earth metals mine, for example, at a place like the Atherton Tablelands, which is a highly productive food area?

Mr Barger: Thank you for the question. That covers some pretty comprehensive issues. You are right: the metallurgy of rare earth metals is complex. It is not like mining for coal or copper. It is not visible. It is a trace element. There is a fair bit of processing required, and often it does coincide with radioactive isotopes. There is an existing framework around how that would be managed. Clearly

not just the immediate neighbours but also the state as a whole are going to take an enormous interest in how that process is assessed up-front and then, if it gets approval to proceed, how it is managed. It will need to be run fairly carefully.

I think for Queensland, though, as a mature mining jurisdiction with a very good global reputation, if you are a Tesla or a BMW looking at sourcing rare earth metals, I think you would probably take a fair bit of comfort from looking at those resources being carefully produced to the highest environmental standards here in Queensland rather than somewhere else around the world.

You are right: those operations, particularly where we have not had a history of them operating before in Queensland, will be intensely scrutinised, but I think the quality of our regulatory system is part of the appeal for customers. We are starting to see a lot of work go into blockchain technologies in terms of provenance. If you have lithium, did it come out of the Democratic Republic of the Congo or did it come from a source where it has been produced with greater environmental sensitivity? Part of Queensland's opportunity lies in the rigour of our regulatory system.

Mr BOYCE: Do you think the general public are aware of these problems that will arise if we open up to mine these resource materials in Queensland? Do you think the general public have knowledge of this?

Mr Barger: I think the general public would probably see it as hypothetical until there is a specific proposal on the table. I think it is easier once you have, 'Here is an ore body in a location. Here is what we know about the geography and the environment. Here is what we know about the metallurgy—what we might need to process this.' That is when I think the community will start to take a real interest—through that assessment process. I would agree with your point: at the moment people do not really think about where high-tech commodities come from. People think batteries just drop from a Christmas tree somewhere. They do not think about the mining—particularly the embodied energy.

We were talking about solar farms. There is an enormous amount of refinement and energy that goes into creating those high-tech products. Wind turbines and electric vehicles are the same. I think one of the challenges for the industry is to explain, as the member for Aspley was asking earlier, the volume of resources and the energy and the intelligence. The amount of manufacturing that goes into those products is a really important part of people understanding the industry's contribution. Sorry, I strayed a long way from the question there.

Mr BOYCE: That is all right. Thank you for your comment.

Councillor Taylor: In terms of the inquiry into transport technology, we seem to be throwing all our eggs into EVs. We have hybrid vehicles and technology that we have not talked about, except as far as the electric charging of vehicles is concerned. In agreeing with the member for Callide, are you looking at hybrid vehicles and hydrogen? A lot of taxis have just been put into Paris with hydrogen fuel. It would be a mistake to limit this inquiry to electricity alone. There are a lot of things that should be looked at by this committee, I believe—how autonomous vehicles would work and different types of charging for cars, not just electricity. The terms of reference mention 'hybrid'. I have not heard any mention of it yet. I do apologise that I have not been over it all. Is this committee looking at hybrid vehicles or hydrogen charging of vehicles? What are we looking at as far as technology in vehicles is concerned?

There is also road user charging. As the road owner, local government, as Mr Brady has mentioned, owns 70-something per cent of our roads and we are at the bottom of the funding pile now. The more electric vehicles we have, the less funding of roads comes back to us from the federal government. If we are totally electric, we will have no guaranteed source of funding in local government. We need to be looking at this as a whole. I agree with the member for Callide: in the country it will not be possible for everyone to be using electric vehicles.

CHAIR: Thank you for that. That point has been taken. There is nothing in the terms of reference limiting where we go with this inquiry. We have had public hearings before and at one of them we delved into drones a fair bit. We will no doubt be having more hearings. The submissions we receive are wide and varied; I can say that. I think you can take some comfort that there is nothing in the terms of reference that limits what we are looking at. Thank you very much for your input.

Councillor Taylor: Is the committee aware of the hydrogen taxis that have just been put into Paris?

Mrs MILLER: Yes.

CHAIR: Yes. We have been made aware of it. Thank you for refreshing us on that. We do appreciate it.

Mr SORENSEN: In the future you cannot supply free electricity to everybody on the road. How are we going to afford that? How are we going to make customers pay for that electricity in the future?

Mr Keenan: I guess there are other ways of looking at charging—whether electric vehicles get picked up through higher registration costs and passed on. I know this is in the very early stages. People at the University of Queensland are looking at how the value proposition needs to be sold to the community about the impacts of the electric vehicles. I agree with the comments that were made before. It needs to look at the whole of life associated with the vehicle and the different components within the vehicle as well.

We are in a similar situation to where the different parts of the automotive industry go through change. We have seen it go through change before, with the change from super to unleaded fuel and the emergence of LPG going into the whole system. As the deputy mayor from Toowoomba pointed out, whether it be hydrogen or whether it be natural gas in the future, there may be other options that come into play as well.

Mr Brady: I would like to add to that. On the freight side, we have been looking at higher productivity vehicle access and what could come out of that with road user charging, particularly as it moves from fuel excise based models to road user charging. There are some options there that are worth looking at and discussing more broadly.

Mr SORENSEN: Would Townsville like to comment on that question?

Councillor Walker: Can you refresh my memory on the original question?

Mr SORENSEN: If councils are going to put up free electricity charging places, how will they pay for it in the future? As you know, a vehicle has to run on electricity or some sort of energy. Would you give it out free or will you end up charging for electricity if you put those things in?

Councillor Walker: It is transitioning, so we have to educate people into refuelling. We are encouraging them to come into the city in the first instance so we know that when they do a recharge there is an economic uplift whilst they are here. It is an education process to make people more aware of the electric vehicle industry. We are sympathetic in that space, encouraging them to purchase those vehicles and knowing that they have the ability to recharge locally.

Keep in mind that people have invested in that space already with their home energy pack or power packs in their home where they do their own recharge now. In Townsville we have had 10 older cars converted from fuel, or petrol, to electric. That was a business that was started here in Townsville where older cars could be cost-effectively changed over to electric vehicles. We can use solar energy or 240-volt power outlets in the home. It is cost effective. People are doing this now in Townsville. It is an emerging industry. It is something that we need to take seriously because it is new jobs and new investment, and how we get old rolling stock, for want of a better description, into the marketplace for younger people to be more budget aware and more environmentally aware. If they want us to be environmentally aware, then give them an opportunity to be in that space in a cost-effective way.

Townsville has invested in a battery plant. It is very early days but we wanted to be in that space because of the rare earth and some other opportunities that will come our way. We wanted to show that we are open for business. We want investment in that space because the economy is shifting into electric vehicles and other electric industries. It is not just the vehicles; we need to look at the battery component. We also need to look at the batteries that are coming out of that economy that have to be recycled. We do not want them straight back to landfill. We need to be more dynamic, we need more lateral thinking and we need to be open for business to engage with the rest of the world. The days of being insular and thinking locally, statewide or nationally are done. We need to move on and make sure we are very aware of what the market is looking for. We are in that space now. We want to make sure that we are in the clean energy space and we have started the clean energy hub here in Townsville.

Mr SORENSEN: Can you speak a bit more about the recycling of batteries?

Councillor Walker: It is an emerging industry. I do not know the full technology behind it, but we have to make sure that we are more agile in that space. It is no good manufacturing something if you cannot do the whole cycle. We need to be in that space to make sure that we do the closing cycle from manufacturing to recycling and putting them back into the chain. It is important that we can embrace that technology as it emerges with our investors into the future.

Mr SORENSEN: Thank you.

Councillor Walker: Chair, can I go on to add that we were the first solar city in Australia to be appointed in 2007 as No. 1 on merit? That went from 2007 to 2013. We basically became the biggest solar farm in the city, with solar panels on a lot of roofs here in the city of Townsville. We also had a trial on Magnetic Island to minimise our carbon footprint and to educate people in remote areas that solar was cost effective, efficient and great for the local environment. We demonstrated that by not just talking the talk but by walking the walk, not only ourselves but in partnership with electricity suppliers like Ergon.

Councillor Taylor: My son lives in Italy—he is in the car industry—and I travel overseas a bit. I understand getting people, as we are now, to embrace EVs and having free recharging stations, but in Europe you use your card and then you plug your car in and it fills up. In the future, if the take-up of electric vehicles is such, how can a community afford to give out free electricity? I understand that we are all trying to get people to embrace it but, once there are the numbers, why should our community subsidise a section of the community when we are struggling to give our community what they need now?

CHAIR: It is really for you to comment on that. The member for Hervey Bay asked a similar question. If your council wishes to comment on that, please do. We can take the question as a comment if you wish.

Councillor Taylor: It is a comment, really, because I see that as it grows it might be very difficult to take away. It is a user-pays society and it is becoming more so. Encouragement and discounts are very good, but once it becomes de rigueur I think it is pretty hard to sustain.

CHAIR: I am looking at the terms of reference. For your own comfort with your concerns earlier, the terms of reference include identifying trends and changes in fuel type usage in the sectors of personal transport, freight transport and public transport such as the increasing uptake of hybrid and electric vehicles. To give you some comfort, that is one of the terms of reference. There are no other questions from committee members and there were no questions taken on notice. Thank you all for your attendance at today's hearing.

Councillor Taylor: Mr Chair, is the committee looking at the possibility of replacing excise with road user charging? I have not heard anything from any other councils. We are one of the biggest producing areas here in the Toowoomba region and we are trying to find a better way. Even the professional parts of the transport industry are on board in going forward with this. Is this committee looking at that?

CHAIR: We would welcome a submission if you have information on that, but this has been discussed in previous public hearings. Maybe have a look through the transcripts and, if you wish to, we would welcome a submission from you on that.

Councillor Taylor: Thank you very much. I was going to ask if it was too late to put a submission in.

Mr Keenan: Is the state government using electric vehicles at present?

CHAIR: You would have to ask the state government and the Public Service about that. We are here to ask questions to try to write a report on this very interesting topic. The member for Bundamba has a comment on that.

Mrs MILLER: Under the doctrine of separation of powers, David, the government is totally separate to the parliament. Even if we did know the answer, it would not be appropriate for us to comment on that.

CHAIR: Thank you for your attendance at today's hearing. A transcript of these proceedings will be available on the committee's parliamentary web page in due course.

The committee adjourned at 10.23 am.