



Speech by

**Miss FIONA SIMPSON**

**MEMBER FOR MAROOCHYDORE**

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Hansard 7 November 2002

**LIQUID FUEL SUPPLY AMENDMENT BILL**

**Miss SIMPSON** (Maroochydore—NPA) (9.20 p.m.): In supporting this bill, I find it most disturbing that a number of Labor members seem to believe that market forces should prevail and that government has nothing to do with facilitating and encouraging the development of industry in this state. I am disgusted. I have had a gutful of listening to Labor members saying that they care about regional development. Only last week I spoke to people who are about to lose their jobs. They are not all canefarmers, some of them work in the mills. That is why when I have been listening to Labor members laughing and joking when we have been talking about the adversity in the sugar industry it has made me sick. This bill is about more than just the sugar industry, it is about grain growers and a range of industries. We are also talking about industries that are facing adversity, such as the sugar industry.

Members opposite have been laughing and joking as if somehow this does not matter. This bill is about trying to get governments to do something positive and take hold of this issue. It is about getting the state government to take responsibility and be a leader in helping to develop an industry. This issue needs leadership from the state government. I would have thought we would have heard something positive from members opposite.

Many bills receive bipartisan support. The opposition often supports government bills when ideas have merit. Yet when the opposition puts forward ideas that have merit, that are solidly researched and welcomed by industry, we find churlish partisanship from government members. How long do we have to wait to see the state government take leadership in relation to the development of the ethanol industry in this state.

I wish also to address some of the comments from government members, whose speech notes were probably handed to them by ministers and who have not even bothered to read this legislation. There are mandating provisions in this legislation, but there are also exemption provisions, recognising that there has to be coordinated development so as to have the capacity to supply a 10 per cent ethanol blend. I am amazed to think that members opposite could stand up without having even bothered to read the legislation. We recognise that the capacity to meet the 10 per cent blend has to be developed in an orderly way and that is why there are exemptions. However, it needs to be mandated in the first place to ensure that it happens.

I wish to speak about the buck-passing from government members with respect to the sugar industry. Labor and the Democrats are talking about blocking the 3c a kilo levy. What hypocrites! The Labor Party is saying that it supports the sugar industry, yet its federal mates are talking about blocking a 3c a kilo levy aimed at helping this industry to get back on its feet so that it can develop and create jobs in the industry.

Over the past few years, the price of raw sugar has fallen from \$320 a tonne to about \$250 a tonne. There has been a huge drop in the world market price, yet have we seen a corresponding drop by the manufacturers of the price of the sugar products on our shelves? I do not think so! The government should not ask us to swallow that one. It should talk to its mates about supporting the sugar industry package and the 3c a kilo levy, which is very reasonable. I am amazed that we have not heard members opposite talking about going to their federal mates and trying to get them to change their minds.

Most of the Australian sugar product is exported. We know that the world price is corrupted. We know that many industries overseas are heavily subsidised. Our farmers in Queensland are efficient, but despite that they have to compete against a corrupt world price. The industry is facing adversity. There is an opportunity for change and transition, but we do not want to see the transition suddenly resulting in hundreds of jobs and livelihoods being thrown on the scrap heap because governments like this one did not want to be involved in facilitating a process of change.

Ethanol will not be the answer for everybody. Other products have been proposed that have potential for regional markets. But we need governments not to wash their hands of their responsibility. At the state level there is a need to look at mandating, as we have proposed in this legislation.

I wish to speak about the sugar industry on the Sunshine Coast. Last week in Nambour I co-hosted a rally with the member for Nicklin, Peter Wellington, because some 400 jobs are affected in that area. I know there is a bit of ignorance on the part of members on the Labor benches—some of whom have been chuckling throughout this debate—as to the impact of losing the sugar industry. On the Sunshine Coast there are about 160 farmers. More than that number are non-farmers who are employed in other associated industries, such as harvesting and trucking and also at the mill. There are many blue-collar workers in various roles in that industry. There is a huge number of direct jobs and also a large number of indirect jobs. I acknowledge that tonight there is a canegrowers meeting as a result of another meeting with Bundaberg Sugar. We are hopeful that the mill can be kept open in the short term so as to enable the best long-term options to be decided upon.

Ethanol is one of those industries that the Sunshine Coast or Moreton canegrowers, as they are known in our area, are considering. But we need to know that governments such as the state government are willing not to shirk their responsibility; that they are willing to drive these projects and acknowledge that these industries are major job providers in regional Queensland. We hear the government talking about the Smart State and number plates, yet it is not looking at some of the traditional industries that need to make a transition. It is time the government woke up to the fact that this is about more than just canefarmers but a lot of other jobs in our regional towns.

An area like the Sunshine Coast, which has 10,000 hectares of land currently under sugarcane production, is pumping about \$80 million through the local economy. The Sunshine Coast has one of the highest unemployment rates in Queensland. A lot of the jobs growth that we have seen in recent times has been based in Brisbane. It is time that we had a state government that accepts its responsibility for regional development and job development in the regions and acknowledges that in these areas there is a role for appropriate government assistance in a timely way to make the transition. We are seeking government assistance to help mediate a resolution for the sugar industry on the Sunshine Coast.

Ethanol is an industry that has been ventured into in some areas, but it needs coordination and a driving force. It needs the state government not to keep washing its hands of its responsibility and try to have Queensland governed from Canberra. All levels of government, from local government through to federal government, must be involved in the development of industries, particularly when we are talking about land use issues. It is the state government's responsibility as well as the federal government's responsibility. The Labor Party's attitude is that if it has not put legislation to the parliament first it does not want to know about it. It is willing to bag legislation but unwilling to read it and support a good idea.

A previous speaker was trying to bag the environmental benefits as well as the impact of this fuel upon vehicles. We are talking about a 10 per cent blend; we are not talking about an 80 per cent blend, a 40 per cent blend or a 50 per cent blend. There is plenty of documentary evidence that suggests such a blend has been successful. There is also plenty of documentary evidence about the very dirty fuel mix that Australians are currently using in their vehicles. There is an environmental need to change that mix. We need to look at the additives which will give us a cleaner renewable source of energy. That is why we are keen to see the ethanol industry get off the ground with the support of the state government.

Let us talk about the environmental benefits of this additive. Ethanol acts as an oxygenate in fuels and increases the fuel octane level. It effectively adds more oxygen to the fuel combustion process to produce a cleaner, faster burn, whilst at the same time reducing greenhouse gas emissions. We have been talking about E10; we have not been talking about the higher levels that have been successfully grappled with overseas. This is a reasonable bill and a moderate bill. Members opposite have been going to extremes in this debate. They have been bagging this new industry because they did not think of it in the first place.