



Speech by  
**Marc Rowell**

**MEMBER FOR HINCHINBROOK**

Hansard Wednesday, 10 November 2004

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**LIQUID FUEL SUPPLY AMENDMENT BILL**

**Mr ROWELL** (Hinchinbrook—NPA) (9.02 p.m.): I have never heard so much codswallop on ethanol in all my life as I have heard from the two government members—two ministers of the Crown. Really, members opposite surprise me. I want to read a little bit from an article in the *Courier-Mail* by the Premier. The article says that Premier Beattie will push for an ethanol blended fuel to be sold from a single bowser in every Queensland service station after conceding the chance of a national mandate getting into position. He goes on to say that we have to use a partnership with Brazil and Queensland to build up the ethanol capacity of Queensland producers to slowly start being able to provide for exports—for God's sake, for exports! Firstly, we have to get an industry going and then we will be able to compete against Brazil for exports. I have never heard so much rubbish in all my life.

**Mr Pitt:** Work with Brazil. You have got it wrong.

**Mr HOBBS:** That is what it says here. We are going to export it before we go into the domestic market. I cannot believe it. Here we have the Minister for State Development who did not know about fuel cards this morning. There are supposed to be fuel cards—

**Mr McGRADY:** I rise to a point of order, Madam Deputy Speaker. The comment that the member has just made is totally wrong. I referred him to the correct minister to whom the question should have been directed. What the member has just said now is totally wrong.

**Madam DEPUTY SPEAKER** (Ms Male): Order! There is no point of order. I call the member for Hinchinbrook.

**Mr ROWELL:** I want to clearly point out that the minister has been promoting the use of ethanol in government vehicles and he did not know that the fuel cards that the government vehicles have are not suitable for getting ethanol-blended fuel at service stations. Something is wrong. I am quite clear about our intentions regarding ethanol in this state. The government talked about the situation as far as the Solicitor-General is concerned. Would the minister be prepared to table that advice?

**Mr DEPUTY SPEAKER:** Order! I remind the member for Hinchinbrook to direct his comments through the chair.

**Mr ROWELL:** Through you, Madam Chair, would the minister be prepared to table the advice? Because a precedent has been set. When I asked for Crown Law advice on the dairy industry, the minister, Henry Palaszczuk, provided that Crown Law advice. So there should be no problem whatsoever. I would like to ask if the minister, through you, Madam Chair, would be prepared to table this Crown Law advice. The advice basically concerns section 92 of the Constitution and mutual recognition, as far as I understand it, because that has always been the issue that has been raised. But I do not hear any comment from the minister and I can only presume that he is not prepared to do it. There is no comment. He is not prepared to do it.

Petrol at the present time is in excess of \$1 per litre. It is getting to a point where there should not be any problem as far as manufacturing ethanol is concerned. Two-thirds of the world's oil supply is in the Middle East. We are very dependent and are becoming increasingly dependent on imports. Mandates are

required for business confidence. I can assure the minister that, unless we get a mandate in this state for an ethanol plant, nobody will loan the money to that organisation. It costs about \$1 million for a million litre a year plant. So an 80 million litre a year plant would cost about \$80 million, and I know damn well that there is no interest by the financial organisations in this state and beyond to lend money to people who want to put an ethanol plant in unless there is a mandate.

Queensland uses about four billion litres of petrol each year. The amendment is all about a 10 per cent mandate on ethanol, and that would mean there would be 400 million litres of ethanol required annually. If we take 65 per cent of that, it ends up at about 260 million litres per annum of ethanol. The consumers would then have a choice as far as the E10 blend is concerned. I heard the Minister for Communities saying that we have to learn from the Brazilians. We have had a plant here in Queensland for about 40 years at Sarina. There is nothing new about this technology. We had a chap by the name of Bibb Swain—

**Mr Pitt** interjected.

**Mr Springborg** interjected.

**Mr ROWELL:** This is supposed to be the Smart State. We had a chap by the name of Bibb Swain out from Delta-T the other day who is bending over backwards to get plants up and going in Queensland.

The other important issue with regards to the mandate is that, in the event that people are not able to obtain ethanol, they would be able to get an exemption. That is so important because if people are unable to buy the ethanol to mix with the petrol that would be put into the unleaded fuel—and it mixes very easy, I can assure the House—then they would not be forced to pay an exorbitant price and would receive an exemption. I think that is pretty damn important. That is one of the criteria that has been used in the US and in Hawaii. This concept of a mandate that I am talking about came from Hawaii. It has put legislation in place for an 85 per cent usage of an ethanol E10 mandate. What we want is an industry with a usage of about 65 per cent, which would be 260 million litres per annum of ethanol, for which we could get about five to six plants depending on the size of the plants. That would be good for the sugar industry, it would be good for the grain industry and it would be a major beneficiary for flagging economies in this state.

Right throughout north Queensland we have councils which embrace ethanol. They are using it in their fleets, and I do not think they have cards that cannot be used at ethanol bowsters. They have it a bit better organised than the way it is organised in this state at the present time. The minister is not supposed to know everything, I understand that. I probably should have gone to the Minister for Public Works, Housing and Racing because it comes under his jurisdiction. The minister made the statement about the fleet of government cars using an ethanol blend. There is one little problem: their cards do not actually match the bowsters they go to for the E-10 blend. Is that not a fact? I would like the members opposite to check it out. I will certainly provide an apology to the member if he will provide an apology to me about the accuracy of what I am talking about.

We need to look at ethanol because it is an oxygenate. It helps fuel to burn so much cleaner. In fact, if we had a 10 per cent blend in Queensland, over the year we would reduce the levels of carbon going into the atmosphere by a million tonnes. That is very, very considerable. For anybody who lives in city areas in Queensland or in New South Wales, those figures are particularly important. The member is saying that they are going to do something about ethanol. It is a lot of froth and bubble. The Brazilians have been over here. The Premier has gone to Brazil. He took people over there. They looked at how they make it over there. We have plants in Queensland that are currently making ethanol. Sir Jack Brabham will be endorsing ethanol. Ethanol does not need to be endorsed. Half the world is well aware of what ethanol is. It does not necessarily have to be sold to Australians. We have done a lot of promotion. There are some prospects—

**Mr McGrady** interjected.

**Mr ROWELL:** I am not saying that Jack Brabham is not a good guy. The government is using him for some froth and bubble to promote something that it has no idea what to do with. The government is like a dog chasing a car. If it ever caught it, it would not know what to do with the damn thing.

**Mr McGrady** interjected.

**Mr ROWELL:** He might be a real icon; nobody is disputing that. All I am saying is that the government is running around in circles, making a lot of noise and beating the drum with no effective outcome. That is particularly detrimental to people in this state who are hoping to depend on ethanol in the future. It is good for the economy. It is good for the atmosphere. It is renewable energy. The member is not going to disagree with anything like that.

**Mr McGrady** interjected.

**Mr ROWELL:** Yes. All those things are very important and, yes, I did go and see Ethyl when it came through. Of course I went and saw it, and I did not do it for a picture opportunity.