



Speech By  
**Glenn Butcher**


**MEMBER FOR GLADSTONE**

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## **PRIVATE MEMBERS' STATEMENTS**

### **Southern Oil Refining**

 **Mr BUTCHER** (Gladstone—ALP) (2.52 pm): I rise to speak about a fantastic win for the state of Queensland and my electorate of Gladstone. A few weeks ago in Yarwun, I joined the Premier, Minister Lynham and Minister Bailey at Southern Oil Refining's refinery in Yarwun to announce that a \$16 million advanced biofuels pilot plant will be built in my electorate. If successful, the pilot plant will be expanded to a large commercial-scale refinery, costing \$150 million and producing over 200 million litres of advanced biofuel annually, suitable for military, marine and aviation use. The plant will be Australia's first commercial-scale advanced biofuels production facility.

A fully-fledged biofuels industry has the potential to play a key role in our economic future and this pilot plant is a giant step towards reaching that goal. The pilot plant is essentially the launch site for a Queensland biofuels industry. If we can develop the plant into a large-scale refinery, it will mean jobs in Gladstone and could also see new investment and job creation opportunities around Queensland. The Palaszczuk government has not only secured this investment but also taken it out of the hands of New South Wales, which makes this announcement even sweeter.

The Palaszczuk government is committed to supporting the industry of the future. As a testament to this, we will deliver the biofuels road map and tenure action plan by midyear 2016. Southern Oils refinery manager, Tim Rose, said that making the decision to put this important piece of technology at the Wagga Wagga plant in New South Wales or the new refinery in Gladstone was made a lot easier with the announcement of the Palaszczuk government's road map. He stated that the road map 'is the only forward-thinking policy in Australia for this critical industry'. The pilot plant is expected to be operational by later this year and, within the next three years, aims to have produced one million litres of fuel for use in field trials by the US Navy as part of its Great Green Fleet initiative and also by the Australian Navy.

Southern Oil Refining currently operates a waste lube oil refining plant in the Gladstone State Development Area, as a joint venture with J.J. Richards & Sons. The \$70 million plant is the only waste lube oil refining facility in Queensland and has the potential to process all of the state's 100 million litres of waste lube oil produced annually. The advanced biofuels pilot plant will be co-located within the Yarwun refining facility. The plant will use biomass materials such as sugar cane as feedstock for the production of biocrude oil, which will be then distilled into saleable kerosene and diesel products.

Queensland is positioning itself to be the biofuels industry leader. The foresight of the previous Labor government brought cutting-edge technology and industry into Gladstone with the LNG project and this is another example of the forward thinking that is at the heart of our Labor government in Queensland.