



Speech By  
**Hon. Mark Bailey**


**MEMBER FOR YEERONGPILLY**

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## **MINISTERIAL STATEMENT**

### **Biofuels Industry**

 **Hon. MC BAILEY** (Yeerongpilly—ALP) (Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply) (9.58 am): The Palaszczuk government's pro-jobs biofuels mandate was introduced as a key element in the transition to a clean energy economy, to attract investment and create regional jobs across Queensland's biofuels industry. Queensland's agriculture industry will have a new market as biofuel demand increases along with the growth of our clean energy economy.

The biofuels mandate will assist in providing certainty so that industry can invest, innovate and create jobs. Already Queensland has two ethanol plants at Dalby and Sarina, plus a biodiesel refinery at Narangba. They use sugar cane and sorghum so the benefits of increased production will flow to farmers and regional communities as there may be an alternative buyer for their crops.

Already, the Palaszczuk government has landed a \$16 million advanced pilot biofuels plant which could become Australia's first commercial scale advanced facility at Northern Oil's Yarwun plant in Gladstone. If successful, the pilot plant will be expanded to a large commercial scale refinery producing 200 million litres of advanced biofuel annually, suitable for military, marine and aviation use. That will mean jobs in Gladstone and could also kick off a new wave of investment in job creation right across regional Queensland.

To get ready for the Palaszczuk government's ethanol mandate, which comes into effect on 1 January, we have launched the E10 OK consumer education campaign, led by E10 OK ambassador, V8 Supercars champion and Bathurst winner Mark 'Frosty' Winterbottom. Mark is a strong supporter of biofuels and uses ethanol blended fuels in both his high-performance V8 Supercar and in his road car, a Ford Mustang.

The key tool in this campaign is a compatibility checker—that is, where motorists can instantly check, via the web on their mobile phone, using their registration number or the make and model of their vehicle, whether their vehicle is E10 compatible or, as we say, E10 OK. We know that 85 per cent of vehicles in the marketplace are.

We have had a huge community response since the launch of the campaign on 26 September, with more than 200,000 E10 compatibility checks already. The government is working across our departments. I thank Minister de Brenni who has put in place a policy which requires the drivers of E10 compatible Queensland government vehicles to use E10 wherever possible. The policy will be available on the website of the Department of Energy and Water Supply from today. The requirement to use E10 applies to all drivers of QFleet vehicles and Queensland government agency vehicles that use Queensland government fuel cards to purchase fuel—Queenslanders looking after Queenslanders. Minister de Brenni's Department of Housing and Public Works will communicate the requirement to all

fuel card holders through procurement guidance and QFleet publications. I would encourage those people who have not already done so to search E10 OK to check if their vehicle is compatible and they can buy more product from Queensland.

Our support contrasts with the approach of the federal LNP government which removed its ethanol production grants program for local producers last year and started increasing the fuel excise on ethanol from July this year. This is despite the member for Dawson, Mr George Christensen, being on the record saying that 'substantial investment had been made in the development of the ethanol industry based on the knowledge that a lower tax rate would apply to biofuel until 2021' and that if Canberra bureaucrats had their way and increased the tax on ethanol and ethanol projects this might never see the light of day and he would have grave fears for the future viability of the Sarina distillery. While the LNP's federal colleagues went back on their word to hamstring the ethanol industry, the Palaszczuk government will continue to back it in, expanding this Queensland industry and creating regional Queensland jobs.