




Speech By
Lachlan Millar

MEMBER FOR GREGORY

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**LIQUID FUEL SUPPLY (MINIMUM BIOBASED PETROL CONTENT)
AMENDMENT BILL**

 **Mr MILLAR** (Gregory—LNP) (6.18 pm): I rise to make a contribution to this bill, which proposes amendments to the regulation of ethanol fuels in Queensland. As deputy chair of the Transport and Resources Committee, I was an active and interested participant in the committee's review of the proposed legislation. I can say that the bill is clearly founded on the best of intentions, namely, to further strengthen the use of E10 fuels in Queensland. However, in my considered opinion, I cannot support the bill because it needs more work. To me this bill looks at more regulation on small- and medium-sized retailers in rural and regional Queensland. The people who supply the fuel are the wholesalers yet there is more regulation on the retailers.

I take the point of the member for Hinchinbrook's analogy about going to the pub and buying a can of VB that is supposed to contain 4.2 or 4.5 per cent alcohol but which contains only one per cent. It is not the publican's fault; it is in the can that came from the wholesaler, so he should be at fault.

In 2015 this parliament passed the Liquid Fuel Supply (Ethanol and Other Biofuels Mandate) Amendment Bill with the relatively modest goal of increasing the use of biofuels to four per cent of other liquid fuels used across Queensland. As this bill's sponsor, the member for Hinchinbrook said in his introductory speech—

Using E10 in your vehicle can reduce ... tailpipe emissions by ... 28 per cent.

In the US, 98 per cent of all unleaded fuel contains at least 10 per cent ethanol. The government's target of four per cent of Queensland liquid fuel sales containing ethanol was a very modest target which should have been achievable, yet this bill is being presented because that mandate is clearly failing. Despite the mandate being in operation since 2017, we have lifted E10 fuel from only 1.5 per cent to 2.9 per cent of fuel sales. Pre mandate, we also had two biofuel plants running in Queensland, one in Dalby and one in Sarina. Since the mandate was put in place, the Dalby plant has ceased its operation. I acknowledge the member for Condamine, who knows that plant very well. I absolutely understand what he said about the Darling Downs crop this year and going into next year being very small, with obviously the fear of a La Nina coming on. There is a lot of pressure on grain supply to feedlots and also grain being supplied into ethanol.

Fuel supply in regional Queensland is dominated by small and medium service station operators who often supply other vital mechanical services, spare parts and tyres to their communities and to their travellers. They are the foundational part of a viable community in a state as big as Queensland. Our regional service stations across Queensland tend to be owned by owner-operators or family businesses. As I said at the start, the last thing I would want to see is more regulatory paperwork and onus put on these people, given that the wholesaler is the one who supplies the fuel—not the retailer. The retailer sells the fuel. I know that a lot of those service station owners have a lot on their plate, not only fuelling up cars but also with mechanical work and windscreen repair. They employ local regional

people. They are big employers. Putting more onus on these people is sometimes a little unnecessary. I think the penalties contained in this bill are quite high for these retailers. It could play a significant role in them going forward. I think that is unfair on those retailers.

I will talk to another issue that bugs me. I have seen this happen in legislation when it comes to agriculture. The bill as it stands seems to require a reversal of the onus of proof. That is something that really does concern me. If the department charges your business, you would have to prove your innocence rather than the department having to show proof that you have committed an offence. That is something that does not work in legislation I have seen in this place—namely, vegetation management legislation, where the farmer has to prove his innocence. It is the same thing here. The regional fuel retailer—small or medium—would have to prove that they were innocent, and the department does not have to gather evidence prior to prosecute the person. I have no confidence when it comes to the reversal of the onus of proof in the bill. There is the issue with the retailer.

The other issue simply is: why are we introducing more regulation? I am for less regulation of business and less government interference. We also have not been able to work out how this would operate. Who is going to police it? What will be required by the department? Does that impact on the fuel retailers? Who is going to pay for it? Someone has to pay for it. As I said at the start, I congratulate the Katter party on bringing this to us—the intent is there—but I think it needs more work.