




Speech By  
**Shane King**

**MEMBER FOR KURWONGBAH**

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

 **Mr KING** (Kurwongbah—ALP) (5.58 pm): I rise to contribute to the debate on the Liquid Fuel Supply (Minimum Biobased Petrol Content) Amendment Bill 2022, the private member's bill from the Katter party. The Transport and Resources Committee has inquired into this bill and has recommended that it not be passed.

As the chair of that committee, it is therefore not surprising that I am speaking against the bill today. While I am not opposed to some of the sentiment underpinning this bill such as good outcomes for consumers and better outcomes for the environment, it was clear to the committee that this bill was unlikely to achieve all of those goals. We found the legislation proposed to be unworkable, unnecessary and potentially unconstitutional in that it appears to seek to interfere with Commonwealth legislation that already mandates and monitors the amount of ethanol in petrol. Instead, the committee recommended that the minister consider promoting strategies to improve consumer confidence in fuels manufactured using renewable energy sources.

As the bill's explanatory notes acknowledge, the existence of the mandate has resulted in almost doubling in sales of E10 petrol. The increase is also due to an increase in the number of retail sites selling E10, with well over 800 service stations across the state on board, including most in my own electorate of Kurwongbah. Interestingly, data from January to March this year shows around 80 per cent of petrol sold in Queensland was bought from a service station where E10 was available. With the numbers suggesting that around three out of 10 motorists are choosing E10 over regular unleaded petrol, there are obviously reasons that other drivers are not choosing it. As a motoring enthusiast I have a lot of discussions with other enthusiasts, including mechanics, and unfortunately I know there is a community of people out there who will never use E10. A belief exists, whether it is right or wrong, that E10 can damage an engine over time. The belief extends to old classic vehicles with steel fuel tanks, as well as marine and small engine fuel tanks that could become rusty due to ethanol fuels attracting moisture and, depending on the price difference with regular unleaded petrol, E10 might not get you as far. This type of anecdotal evidence is touted regularly and was also ventilated when the committee I chaired in the 55th parliament introduced the Liquid Fuel Supply (Ethanol and Other Biofuels Mandate) Amendment Bill 2015. I am not here to argue the science, and one cannot argue the fact that customer demand is an essential factor in retailers meeting the mandate targets on ethanol blended fuels.

In an environment where overall retail petrol sales declined by around 10 per cent between 2017 and 2022, the overall sale of ethanol blended fuels increased by 12 per cent, which is an achievement we can all be really proud of. It is not hard to imagine that penalising retailers for not meeting targets dependent on consumer demand could backfire resulting in higher costs for and potentially deterring those consumers who do want to use E10. In addition, penalising retailers exempt under the condition

that the costs of E10 enabling infrastructure are prohibitive, would disproportionately affect smaller independent businesses in regional and remote areas, something I am amazed that the member for Hinchinbrook would want to see happen.

**Mr Dametto:** They are exempt by the bill.

**Mr KING:** As has been explained, in our understanding this bill would remove those exemptions. Instead of the big stick approach taken by the Katter party in this bill, our government has committed to a range of proactive approaches under our target for 50 per cent renewable energy sources by 2030 and the Queensland Energy and Jobs Plan. As part of the Energy and Jobs Plan we are developing a new, sustainable liquid fuel strategy for next year. An options and opportunities paper was released in May to inform the strategy and consultation on the paper closes very soon. I hope the member for Hinchinbrook has made a submission because it will be welcome.

As I said, retail petrol sales are declining thanks partly to incentives for motorists to go with greener options, coupled with the desire of commuters to save money and be more environmentally friendly. We must look elsewhere to find new markets for ethanol. There are growing opportunities for sustainable liquid fuels in Queensland industry and agriculture. As we move towards longer term decarbonisation and emissions reduction goals, where electrification and hydrogen will be heroes, we still need sustainable liquid fuels throughout the transition as well as long-term energy sources where cleaner alternatives are difficult or impossible to achieve, such as renewable diesels for heavy industries and sustainable aviation fuels, or SAF, for airlines.

Our government will continue to work collaboratively with a broad range of stakeholders, including consumers, producers and suppliers, to identify and realise these opportunities. I encourage the Katter party members to join us in that process. I commend the Katter party for introducing a private member's bill. I would encourage other parties in this place to do the same. I thank our committee—we always get through these inquiries collaboratively—and our hardworking secretariat who always back us up. I thank the Katter party members for the way they dealt with this and for the way they appeared before us and answered every question. I appreciate that. Unfortunately this bill is not the way forward to advance the sugar industry or grow biofuel consumption in Queensland and I cannot support it.