



NSW Legislative Assembly Hansard (Proof)

Public Sector Employment and Management Amendment (Ethanol Blended Fuel) Bill

Extract from NSW Legislative Assembly Hansard and Papers Thursday 22 September 2005 (Proof).

Second Reading

Debate resumed from 15 September 2005.

Mr ANDREW STONER (Oxley—Leader of The Nationals) [10.00 a.m.]: This private member's bill is aimed at stimulating the market for ethanol-blended fuel by requiring the New South Wales Government to take the lead in putting E10-blended fuel into its State fleet of some 24,500 vehicles because of the many benefits that come from ethanol-blended fuel. Prior to my second reading speech being interrupted last week, I was speaking about the other countries around the world that pursue ethanol very strongly. Recent developments show that other countries are certainly going down this track. I wish to quote from an article in the *Lloyd's List Daily Commercial News* of 31 August 2005 under the heading "New Zealand targets 3% use of biofuel". It reads:

The New Zealand Government is setting up a sales target for biofuel after months of consultation with oil companies, the automobile industry and biofuel producers.

The Government is focusing on promoting bioethanol blended with petrol, and biodiesel mixed with diesel.

An Energy Efficiency and Conservation Authority report issued yesterday (Tuesday, August 30) said 3% of New Zealand's petrol needs could be met from bioethanol from forestry waste, straw and waste paper.

Transport Minister Pete Hodgson said biofuel could help improve the security of transport fuel suppliers and other health and emissions benefits.

Biofuels are already used in Australia, US, most European countries and Canada.

Biofuels are a success in these markets as fuel and vehicle manufacturers have endorsed their use.

So New Zealand has cottoned on to what The Nationals in New South Wales have been saying for a long time. I am informed that Thailand is also moving down this track strongly, and that PTT Public Company Ltd, which is Thailand's largest oil and gas company, is planning to import 18 million litres of ethanol. So that country is certainly taking up the benefits of ethanol. There may be opportunities for Australian ethanol producers in terms of exporting the product, but first we must establish a marketplace to encourage investment in the ethanol industry in Australia. Also, I quote from a news release issued by General Motors in Scottsdale, Arizona, on 2 August. It reads:

General Motors today announced that it would provide E85-capable Chevrolet Avalanches for use in 28 member states of the Governors' Ethanol Coalition, a bipartisan group of governors devoted to the promotion and increased use of ethanol. The announcement was made today at the Renewable Fuels Association's annual National Ethanol Conference.

In the United States of America vehicles are being driven around with a fuel blend of 85 per cent ethanol. Obviously the United States has seen the many benefits of ethanol-blended fuel. So even as and we speak, developments are occurring in other jurisdictions that are going down this track.

I now turn to the provisions of the Public Sector Employment and Management Amendment (Ethanol Blended Fuel) Bill. The object of the bill is to amend the Public Sector Employment and Management Act 2002 to require the use of ethanol-blended fuel in cars owned, leased or operated by the Government of New South Wales or that are part of a public sector remuneration package. It is a very simple bill, with two main features. Schedule 1 [1] inserts new section 130A, which requires the Public Employment Office, when determining employment conditions and benefits, to ensure that, as far as reasonably practicable, any petrol-driven motor vehicle that is part of a remuneration package uses fuel containing at least 10 per cent ethanol.

Schedule 1 [2] inserts new section 143 (2), which provides that regulations are to establish a scheme to ensure that, as far as reasonably practicable, all petrol-driven motor vehicles owned, leased or operated by the Crown, a public sector service or State-owned corporation use fuel containing at least 10 per cent ethanol. It is a very simple but powerful bill. It sends a message to other motorists and fuel producers that one of the largest fleets in the State, if not the largest fleet, is getting behind a product that is extremely beneficial to the State in so many ways.

Mr Gerard Martin: Why won't the Federal Government do it?

Mr Joseph Tripodi: You should sort this out with your Federal colleagues first.

Mr ANDREW STONER: The Minister for Roads and the honourable member for Bathurst continually want to debate Federal issues in this Parliament. They do not want to talk about what the New South Wales Government can do to promote the uptake of ethanol.

Mr Joseph Tripodi: You can't buy it in this country.

Mr ANDREW STONER: The reason you cannot buy ethanol in this country is that your Government has not promoted it. It is being produced in Manildra and Gunnedah.

Mr Joseph Tripodi: It is because of your friends in Canberra, mate. You're a fool.

Mr ACTING-SPEAKER (Mr John Mills): Order! The Minister for Roads will cease interjecting. He will have an opportunity to respond later.

Mr ANDREW STONER: For the Minister's information, the Federal Government has established a biofuels target of 350 million litres by 2010. It has moved to limit the ethanol blend—

Mr Joseph Tripodi: You should just withdraw the bill.

Mr ANDREW STONER: The Minister wants me to withdraw the bill. That is because the Government does not want to do anything to promote ethanol use. The Minister is happy to see people die of lung cancer, he is happy to contribute to greenhouse gas emissions, he is happy to see regions struggle for employment and economic benefits, and he wants me to withdraw the bill. He is a joke!

Mr Joseph Tripodi: You should sort out your own party.

Mr ANDREW STONER: Today the Prime Minister is to make an announcement about ethanol, mate. So stay tuned. But what can you do? You can get behind this bill and require the use of ethanol-blended fuel in State vehicles. Are you going to do it? Are you going to support The Nationals bill? No. You just want to play politics. You are absolutely pathetic, Joe. Unlike the bill that has been put forward by a couple of Independents at the Federal level, which would require ethanol to be imported to Australia, The Nationals bill proposes a realistic scheme that will promote market acceptance and promote the availability of ethanol-blended fuel. From that point on, the industry will be able to invest because it will have some certainty as a result of knowing that the Federal target of 350 billion litres by 2010 will be achievable. That is what we need to do in New South Wales and that is the challenge for the Government.

I call for a non-partisan approach to this issue. I have spoken of the many environmental benefits of ethanol as a result of huge reductions in greenhouse gases and the public health benefits of a 30 per cent to 50 per cent reduction in cancer causing particulates as a result of the 10 per cent ethanol blend. I have spoken also about creating employment in Australia instead of exporting jobs to foreign oil-producing countries. I have spoken about regional development benefits of establishing ethanol plants throughout country New South Wales and the benefits for farmers in having a diversified market for their products, and I have stipulated what those products will be. I have also spoken about reduced reliance on foreign oil cartels, which will assist in either reducing or placing a cap on fuel prices in Australia. I am not interested in playing politics. I note that the honourable member for Kiama has made many public statements in support of ethanol.

Mr Joseph Tripodi: We like the idea. Get your guys in Canberra to co-operate.

Mr ANDREW STONER: Will the Minister for Roads support this bill? This is New South Wales legislation.

Mr Joseph Tripodi: We cannot buy something that is not available.

Mr ANDREW STONER: It is available. Has the Minister spoken to people in Manildra?

Mr Gerard Martin: Yes, we have.

Mr ANDREW STONER: Plenty of ethanol is available, but the New South Wales Government will not show any leadership. The honourable member for Kiama, Matt Brown, was quoted on Wollongong Wave FM radio news on 9 September as saying, "Ethanol could be the answer to high petrol prices", and he also said, "Ethanol is back on the agenda." It is on the agenda because The Nationals put it on the agenda, and it is up to members of the New South Wales Government to support it. All they have to do is indicate their support for this bill. I understand also that Bill Shorten and the Australian Workers Union strongly support ethanol because the union can see its many benefits.

Government members should stop playing politics and stay tuned to the news when today the Prime Minister will make a strong statement in support of ethanol, consistent with the other strong support that the Federal Government has shown, including taxation benefits for ethanol. But for the New South Wales Government, the challenge is to actually do something, for a change, instead of playing politics. Government members should support the bill.