



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Clean Energy Legislation (Carbon Tax Repeal)
Bill 2013, Ozone Protection and Synthetic
Greenhouse Gas (Import Levy) Amendment
(Carbon Tax Repeal) Bill 2013, Ozone Protection
and Synthetic Greenhouse Gas (Import Levy)
(Transitional Provisions) Bill 2013, Ozone
Protection and Synthetic Greenhouse Gas
(Manufacture Levy) Amendment (Carbon
Tax Repeal) Bill 2013, True-up Shortfall Levy
(General) (Carbon Tax Repeal) Bill 2013,
True-up Shortfall Levy (Excise) (Carbon
Tax Repeal) Bill 2013, Climate Change
Authority (Abolition) Bill 2013, Customs Tariff
Amendment (Carbon Tax Repeal) Bill 2013,**

**Excise Tariff Amendment (Carbon Tax Repeal)
Bill 2013, Clean Energy (Income Tax Rates and
Other Amendments) Bill 2013, Clean Energy
Finance Corporation (Abolition) Bill 2013**

Second Reading

SPEECH

Monday, 18 November 2013

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Monday, 18 November 2013
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Questioner
Speaker Katter, Bob, MP

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Mr KATTER (Kennedy) (19:27): I rise to speak on the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 and associated bills. I find this place quite extraordinary really. The election was won on the basis of the debt that the ALP had rolled up of \$350 billion, and quite rightly so. The new government within eight weeks had raised that \$350 billion to \$500 billion. You run an election saying you are going to fix up this debt and then eight weeks later you increase the debt dramatically. The public are extraordinarily gullible to agree that this is a good thing to happen—that you say one thing before an election and then do something else after it. That was what happened with the carbon emissions: we had a Prime Minister, Julia Gillard, who, in my opinion, was never, ever in favour of a carbon tax. To become Prime Minister she had to enter into a coalition and the price of the coalition was imposing a carbon tax—as the member for Hughes has so ably expressed to the House—upon the Australian people. I can remember walking into this place and the interviewers said, 'You are completely out of step with your anti free-market policies.' I said when I walk inside that door I am most certainly a minority of one. On some issues I might have the member for Hughes and be a minority of two. That will put the mockers on you.

Out there in the public arena, 70 to 85 per cent in every single poll that has ever been done says that we should be protecting jobs. Similarly here, we have the Liberal Party coming into this place and acting like champions opposing the carbon tax. I hate to remind the government that the carbon tax was introduced into this place as a trading emissions scheme. I failed to be able to draw a distinction between a trading emissions scheme and a carbon tax. Please: I am a simple Cloncurry boy at the end of the day.

John Howard moved it with Malcolm Turnbull beside him. John Howard left as leader and he was replaced by—I am trying desperately to think who—and he was a good member of parliament who was very, very strong on carbon. So the second leader of the Liberal Party over these years was a very strong proponent of a carbon tax, and then Malcolm Turnbull became leader and of course he was the architect of the emissions trading scheme.

I am a very cynical person and ask: who benefits from a trading emissions scheme? Who is going to be richer and who is going to be poorer? Clearly, the people that are trading the emissions are going to be a hell of a lot richer. The fact of the matter is that Goldman Sachs are one of the principal people that will be benefiting from the emissions trading scheme.

It is still imposing a cost upon carbon emissions. Australia depends on resources for almost its entire income. There is gold and there is aluminium. Aluminium is being crucified by the highest electricity charges in the world. I cannot see how the aluminium industry can survive in Australia. The reason aluminium came here was supercheap hydropower in Tasmania and supercheap power in Queensland, where I had the very great honour of being the Minister for Mines and Energy. I deserve no credit for it. My great mentor Ron Camm took the overburdened coal from Utah under the Utah agreement, so we fuelled half of Queensland's power needs with free coal—reserved resource policy, which Western Australia has, which New South Wales most certainly has not and which Queensland most certainly has not. Not a single gigajoule of the gas in the Northern Territory or Queensland has been reserved for the people of Queensland or the Northern Territory.

We strained every nerve, muscle and sinew to ensure that we had the cheapest electricity charges in the world. When the socialists defeated the government—the government fell at the start of 1990—we had the cheapest electricity charges in the world. Australia has now amongst the highest electricity charges in the world. How could a country whose entire economy depends upon coal could be so stupid as to propose an emission tradings scheme which imposes a huge burden upon the carbon which is the coal industry? Have a look at the figures: 199 tonnes, the annual emissions from the electricity industry. The nearest to that is 94 million tonnes from stationary engines and 90 million tonnes from the transport industry. When we are talking carbon emissions, we are actually talking about the electricity industry and the coal industry. You mercilessly hammer the one industry that the country's economy depends upon: coal.

The Liberals have made a very big deal of their direct action. I have not even caught a hint of what direct action is, but the Liberals in New South Wales have taken direct action: they have already reduced the ethanol content from 10 per cent. Mr Iemma, when he introduced ethanol, said 'I cannot go another week with having the deaths of people in Sydney upon my conscience that simply do not have to die.'

The head of the AMA said more people die from motor vehicle emissions than motor vehicle accidents—not me, the leading medical person in the country. The head of the air quality control council said exactly the same when he was addressing the national air quality control annual conference. Petrol contains over 120 chemicals, but 23 of those chemicals are carcinogenic and the aromatics are highly carcinogenic.

When you say, as the leader of the National Party said in this place at the time, we cannot interfere with what goes into motor cars, people must have free choice. We were the people who took the lead out but then we would not order the motor companies to keep the aromatics out. We had a policy that was favourable to the oil companies but a policy that was going to cost lives in this country. The government at the time was either incredibly stupid—and successive Labor governments have been incredibly stupid—or callous to stand by the estimates for deaths in Sydney of 1,400.

Why did the world go to ethanol? Every single country on earth, except the oil-producing countries obviously—and I refer to the Macquarie Bank's investment potential in agriculture; there is the map—is now coloured in except Australia and Africa. Every single country is on ethanol except Australia and Africa. We are in good company.

Canada, the United States, Mexico, Colombia, Brazil, Peru, Argentina, Chile—the whole of North and South America is coloured in. Every single European Union country has signed up to 15 per cent. Britain was the last to sign and she signed at the start of this year. In Asia, China will have 15 per cent of all motor fuels on it by 2020. Also, there is India, Vietnam, Philippines and even Indonesia, which has a lot of oil, and Japan. The only country on earth without it is us.

For those who consider Mr Al Gore their patron saint—and there are many on both sides of the parliament who have quoted Al Gore on many occasions in this place—on page 172, but I might have that wrong, his book *An inconvenient truth* of he says that the first solution to the carbon problem is ethanol. I think there are some 23 reports in the congressional library in Washington DC on this and almost all of them invariably state there will be a 28 per cent reduction if you move to grain ethanol and a 72 per cent reduction if you move to sugarcane ethanol.

Take the No. 2 item on the list, transport. The Brazilian experience is 90 million tonnes. More than half of the petrol in Brazil comes from ethanol. There is a reduction of 72 per cent. So you are looking at a 40 per cent reduction in that figure.

I have the list here and it shows a reduction of six per cent with electricity. But if I were running this country there would be a whopping 40 per cent reduction in the transport item. That would dramatically pull down the amount of CO₂. I am not losing sleep like the people in the government, the Liberals. On numerous occasions they have stood up and talked about the carbon emissions problem and global warming. Many of them are very strong supporters of that point of view and their government believes in trading and emissions schemes. I do not. I believe that, if you introduce ethanol like every other country on earth has done, you will directly reduce the amount of CO₂ going into the atmosphere.

I believe in the new and revolutionary methods of processing sugarcane. I pay very great tribute to NQBE. They are in China at the present moment. Whilst we will die in this country from motor vehicle emissions, the Chinese government is acting with great aggression to reduce the emissions in that country. What touched all this off was a very long study that was done in California in the United States. It found that tens of thousands of people each year die from motor vehicle emissions. It is not so much the carcinogens in the petrol but the small particles that come out of the emissions. You do not get a very good burn with petrol because it has no oxygen. Ethanol contains 30 per cent oxygen, so you get a much better burn and you do not get the amount of small particles.

In fact, *60 Minutes* recently did a show on Sao Paulo, which is the cleanest city in the world. Sao Paulo has a larger population than Australia. Their population was 23 million when I was over there briefly on an ethanol tour—the only time I have been out of Australia. Their population is bigger than Australia's by one million. All those people are jammed into one city and it is the cleanest city on earth because 55 per cent of their petrol is ethanol.

I take my hat off to the oil companies. They are good! We are so gullible and so much in the hands of the oil companies that we believe the rubbish that they tell us. They told us our motor cars would break down if we used ethanol. We have all watched the movies made in Hollywood where they show the belt highway used by millions of cars every day. Do you see the belt highway held up with broken down cars? The latest figures show the production is now 50.3 billion litres a year over there. It would seem to me that they are on 20 per cent now. I have not noticed any cars breaking down there. Are all the cars breaking down in Brazil? Could that proposition be seriously put up in the parliament of Australia and actually believed by a lot of the people in here? There are a lot of people who believe what they want to believe and, if the oil companies are leaning on them, I know what they are going to believe.

I have a picture here of a very handsome person in a big white hat filling up his car in Sao Paulo. The price was 123 reais, which was 74c a litre when that photograph was taken in 2007. I lost my photograph showing me filling up in Minnesota at 84c a litre. When I came back to this country I filled up at 139c a litre in Sydney. I can tell you that we are paying a hell of a lot more than that where I come from. We do not have commuter transportation systems in the big cities in North Queensland. The answers are there and it is about time the government twigged to them. *(Time expired)*