



PARLIAMENT OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

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## **MEDIA RELEASE**

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# **Government guillotines Fuel Tax debate**

## **Amendments frighten them!!**

Independent Member for New England, Tony Windsor believes that tactics used by the Coalition Government in Parliament today shows contempt of the Australian Parliamentary processes.

“The Government today shut down debate, refused to allow amendments and basically thumbed their noses at the Australian people’s place – our Parliament.

The Government using their numbers to stop the debate and consideration in detail of the Fuel Tax Bill 2006 to which I had proposed to move amendments, showed that they were frightened to have defend their Bill in light of the impact on the farm sector cash flows and their lack of commitment to the alternative fuel industry,” Mr Windsor said.

Mr Windsor’s amendments would have enabled farmers to continue to claim their fuel tax rebate as they have been doing rather than making it part of the Business Activity Statement (BAS) process and have to wait for three months to get their rebate back.

“The Government has only acted to change the current system because it fits their administration process better with no consideration of the impact on cash flow to farming businesses and the subsequent flow-on effect to fuel suppliers and other associated businesses.

My amendment on this was not just a two year ‘reprieve’ as agreed by the Government, but was to retain the current system that recognises the uniqueness of the farm sector requirements given the seasonal nature of their business and subsequent seasonal cash flow requirements.

A two year reprieve is just putting off the impact which will be just as great in two years as it is today.

A suggestion by farm groups that farmers can place their fuel orders to coincide with BAS reporting requirements so that they can reduce the impact on their cash flow is naïve in its simplicity.

Farm groups should understand the impact of high demand at one time on the ability of fuel distributors to deliver not to mention the impact on price the oil companies will charge when demand is higher,” Mr Windsor said.

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Mr Windsor was also disappointed that the Government has refused to even consider any extension to the hard won concessions to the alternative fuels industry.

“The Government granted an eight year excise exemption period from 2003 for renewable fuels like ethanol and biodiesels.

As a result of inertia in the big oil companies to accede to the voluntary blending of ethanol in petrol, new ethanol producers have struggled to get the necessary contracts for their product and therefore have experienced problems in building their plants.

We are now in 2006 – 3 years into the excise exemption period and 2 years from production of any new plants so the excise exemption concession that was won by the industry in 2003 will be of very little assistance to new players.

My amendment was to extend the excise exemption period for the 5 years that have been lost in the process thus far so that Australia’s fledgling alternative fuels industry at least had the full opportunity to establish itself before imported alternative fuels would be able to reach our shores.

As it stands now, our domestic alternative fuels industry is at risk of being overrun through the lack of commitment from the Government to do as it promised back in 2003,” Mr Windsor said.

Mr Windsor said that the relative importance placed on issues in the Parliament today was highlighted by the debates immediately after the suspension of the Fuel Tax legislation about new statues in the Parliamentary precinct and improvements to the Lobby Café at Parliament House.

“The Government has time to debate statues in the park but not statues in the Parliament on critical issues such as Australia’s future energy needs.

One must continue to wonder the hold that the global fuel companies have over the Government.

The fuel companies mustn’t have liked the coffee they had with the Prime Minister and perhaps demanded an upgrade to the Lobby Café for their voluntary inclusion of less than 1% of ethanol in their petrol,” Mr Windsor said.

**The following is part of the motion moved by the Leader of the House suspending standing orders to guillotine the debate on the Fuel Tax Bill 2006.**

**Mr ABBOTT** (Warringah—Leader of the House) (9.01 am)—I move:

That so much of the standing and sessional orders be suspended to enable the following to occur during the periods set aside in standing order 34 for government business on Wednesday 14 June and Thursday 15 June 2006:

- (1) in relation to proceedings on the Fuel Tax Bill 2006 at the conclusion of the second reading debate or at 10.30a.m. on Wednesday 14 June 2006, whichever is the earlier, a Minister to be called to sum up (for a period not exceeding 5 minutes) the second reading debate and thereafter, without delay, the immediate question before the House to be put, then any question or questions necessary to complete the remaining stages of the Bill to be put without amendment or debate and any Government amendment that has been circulated for at least two hours shall be treated as if it has been moved; and
- (2) immediately after proceedings on the Fuel Tax Bill 2006 have been concluded; the Fuel Tax (Consequential and Transitional Provisions) Bill 2006 to be called on and the immediate question then before the House to be put, then any question or questions necessary to complete the remaining stages of the Bill to be put without amendment or debate and any Government amendments that have been circulated for at least two hours shall be treated as if they have been moved together;