

that the Senate support the introduction of a national Fuelwatch scheme, it also recommended that the Government undertake close liaison with independent fuel retailers to monitor the operation of Fuelwatch.

The impact on the competitiveness and market share of independent fuel retailers should be an important part of the one-year review of Fuelwatch which the Government has already promised.

The opposition senators on the standing committee prepared a dissenting report that highlighted the concerns of independents, noting that "The only independent to endorse Fuelwatch believed it would increase fuel prices for the consumer."

On 12 November 2008, the Senate defeated the Fuelwatch proposal. Senator

Nick Xenophon joined the opposition and voted against the introduction of the scheme.

Although not publicly happy with the outcome — "Malcolm Turnbull will from here on carry the millstone around his neck of having sided with vested interests and the oil companies over Australian motorists," said Assistant Treasurer, the Hon Chris Bowen — it would seem the Fuelwatch scheme will be binned.

The government had the support of the minor parties, and Senator Xenophon holds strong views against the idea.

"If you want to drive down fuel prices you need to tackle the big four fuel companies in the wholesale market," he said. "We must find better ways to help motorists but Fuelwatch is not the way. ■"

Award modernisation – moving forward with fairness



By Nic Moulis, General
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The Award Modernisation process is well under way and there is no doubting the strain it is placing on the resources of the Australian Industrial Relations Commission (AIRC). It is a mammoth task when you consider that there are some 4300 odd awards alive and well in Australia – many of which overlap and create complexities for employers and their employees.

As Minister Gillard has said: "Too many businesses that compete across state borders are finding themselves caught up in a complex web of existing state-based industrial relations laws, leading to unnecessary legal bills and time-wasting uncertainty."

The main objective of the process is to simplify and rationalize the award system as we have known it over many years. The new system must also be economically sustainable and promote flexible modern work practices and the efficient and productive performance of work. As one

can imagine, there will be many varying positions being taken by a range of parties within the system, including ACAPMA, as the AIRC attempts to work its way through the maze.

Exposure drafts of priority awards have been released for some time and the arguments will no doubt continue. But this exercise has been extremely helpful to all as we move forward.

Of course there will be argument and counter argument and there will be those who will want much of the status quo to remain simply because it is a comfort zone. And it is in this area we need to reflect where we see the Commonwealth Government's workplace relations system heading. Let's refer to it in simple terms as the elements of the three F's.

- **Forward** is the way we need to move and award modernisation is an important feature of this;
- **Fairness** for employers and their employees in having a simpler system – a system that will enable them to be able to pick up an award and be able to understand both intent and meaning; and then there is the third element:
- **Freedom** of association in its most basic form. Not freedom of association with a caveat that says to business and employees, you have freedom as long as you associate with us.

The Minister, Julie Gillard, has made it clear in a number of public statements that the government's expectation is that modern awards will be fewer in number, simpler to understand and easier to apply in the workplace. Now, that's fair.

Nic Moulis is the General Manager of the Australasian Convenience and Petroleum Marketers Association (ACAPMA). ACAPMA is an employer association representing the interest of distributors and retailers in the Petrol and Convenience industry.

Food versus Fuel: an Australian perspective

There has been considerable media attention paid over the past 12 months to the issue of biofuels being the main cause of higher food prices in the world. This has been added to recently by the United Nations FAO in a recent report, with comments expanded to include the assertion that biofuels do not reduce greenhouse emissions.

The Biofuels Association of Australia (BAA) considers these statements to be no more than assertions, especially in the Australian context. CSIRO, for instance, in its August 2007 report The greenhouse and air quality emissions of biodiesel blends in Australia stated that greenhouse emissions (using Australian feedstocks) are reduced by 75% when one litre of petroleum diesel is replaced by one litre of biodiesel, and by 15% in B20 (20% biodiesel) blend. Moreover, it is hard to see how the biodiesel feedstocks of tallow and used cooking oil contribute to competition with the food industry.

Feed grain Vs human consumption

Similarly, the Australian ethanol industry uses mostly waste starch and molasses. The new ethanol plant at Dalby, to be commissioned later in 2008, is to use sorghum which is a feed grain and not a direct input to the food markets for human consumption.

Indeed it is arguable that farmers will now plant more sorghum than they could afford to when feed lotters alone bought their grain. As well, nearly 30% of the grain throughput is returned to the feed lotting industry as distillers' grains.

These UN assertions paint a gloomy picture for the worldwide biofuels industry, which is at odds with the recent inaugural BAA conference in Melbourne on 8-10 November 2008.

The mood at the BAA conference was decidedly upbeat with strong industry support for its greenhouse credentials, as well as recognition of industry investment in second generation feedstocks and technologies. The Australian biodiesel industry is investing in algal biodiesel production and Pongamia trees for biodiesel, with Wilmott Forests investing in cellulosic ethanol.

Reports exaggerated

The BAA also believes that the international food versus fuel debate has been exaggerated and this is supported by the recent UK Gallagher Report which states that biofuel demand is responsible for only 1% of the world's cropping land.

It would appear that the newest kid on the block is being blamed for many of the other factors that are present in food markets around the world. This view is supported by the fact that corn prices in the USA have recently fallen substantially but ethanol production is continuing at constant levels.

Recent research indicates that, as in other commodities, high corn prices have been driven to a significant extent by speculators rather than demand in physical markets.

And let's not forget why the strong world interest in biofuels – there are not many possibilities for fuel that can reduce greenhouse emissions, can produce a healthier alternative for oil when world supplies are finite, and can be used in existing infrastructure with only minor changes.

Bruce Harrison, Chief Executive Officer, Biofuels Association of Australia, Peak Body for the Australian biofuels industry.

www.biofuelsassociation.com.au

(For UN viewpoint, see page 41: UN warns biofuels threaten fuel security.)

OPW Fueling Components 2008-09 Product Catalogue

OPW Fueling Components, leading commercial and retail fueling equipment provider, has announced the availability of its 2008-09 Product Catalog.

The catalogue provides insight on the thousands of high-quality fueling products and systems that are offered by OPW's five operating units - Dispensing Products, Environmental Systems, Fueling Containment Systems, Fuel Management Systems and Clean Energy/Fueling Products.

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