

Manildra had 20 meetings with NSW ministers before new ethanol laws introduced

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EXCLUSIVE



Premier Mike Baird and Energy Minister Anthony Roberts met with Manildra before last year's election. Photo: Edwina Pickles

Ethanol producer Manildra secured 20 meetings with NSW ministers and donated more than \$160,000 to the Coalition in a ferocious lobbying effort before the introduction of new laws set to benefit the company, but which critics say will increase petrol prices by as much as 8 cents a litre.

Diary disclosures reveal Manildra representatives including chairman Dick Honan secured the meetings in the 15 months before cabinet backed changes to require small petrol retailers to sell an ethanol blend, E10, for the first time.

They show Premier Mike Baird and Energy Minister Anthony Roberts met with Manildra on February 24 last year, shortly before the March 28 state election, after the company poured \$35,000 into NSW Liberal Party coffers during the previous nine months.

Mr Roberts had four other meetings with Manildra before the election – one of which saw him take a tour of an ethanol plant – and one immediately afterwards.

Election funding authority records show the overwhelming majority of the donations were made to the NSW Liberals' federal election campaign account, where the state-based caps of \$5000 a year to parties do not apply.

Deputy Premier and NSW Nationals leader Troy Grant had seven meetings with Manildra representatives before and after the state election as the company donated \$120,000 to the Nationals' federal and NSW divisions via state and federal campaign accounts.

Again, the bulk of the donations went to the federal campaign account, which is not subject to strict NSW political donations caps.

More recently, Better Regulation Minister Victor Dominello, who introduced the legislation on Wednesday, met with Manildra five times since June last year.

The minister also held a meeting with stakeholders – but not Manildra – in December, shortly before he announced the intention to change the law.

Manildra met with Opposition Leader Luke Foley last February and Mr Honan met with him last June and on February 12 this year.

During 2014-15, Manildra donated more than \$53,000 to federal Labor and almost \$8000 to NSW Labor and NSW Country Labor.

The NSW Greens have previously pointed out that Manildra, Australia's largest ethanol producer, has donated \$4.3 million to the Liberals, Nationals and Labor since 1998.

In NSW, major retailers must try to ensure ethanol accounts for 6 per cent of all petrol sold, via the E10 blend, while retailers owning fewer than 20 sites are exempt.

Despite this, ethanol accounts for only about 2 per cent of all petrol sold in NSW.

The government's legislation is expected to require smaller retailers to sell E10 for the first time to reach the 6 per cent mandate.

Mr Dominello has said there will be exemptions and it is understood the changes are not targeting "mum and dad" petrol station owners, but smaller operators who might sell large volumes.

But the Australasian Convenience and Petroleum Marketers Association (ACPMA) warns that small retailers will be forced to increase the price over three years to recoup the cost of equipment upgrades.

However, the NRMA has welcomed the reforms, arguing they will lead to cheaper petrol.

A Manildra spokeswoman said the company has "never sought or had any expectations on returns to our contributions to public or charitable organisations".

A spokesman for Mr Baird said he and all ministers "regularly meet with a range of stakeholders and all such meetings are publicly disclosed".

A spokeswoman for Mr Grant said "all donations are handled by the NSW Nationals head office and have no bearing on the Deputy Premier's decision to meet with any particular stakeholder."

Mr Foley said the donations had not influenced his approach to ethanol, but noted the ALP had supported the mandate for more than a decade. Shadow cabinet had yet to decide its position on the legislation.

<http://www.smh.com.au/nsw/manildra-had-20-meetings-with-nsw-ministers-before-new-ethanol-laws-introduced-20160316-gnkefz.html>