



FAMILY FIRST



Steve Fielding **Family First** Senator for Victoria

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BIG OIL GIANTS SQUEEZE INDEPENDENTS

Lack of wholesale price transparency means independent petrol retailers will be squeezed out of the market

Back in 2006, Labor decided to 'side with the big oil companies' when they agreed to allow changes to the Oilcode without increasing wholesale price transparency.

"The independents should be allowed to collectively bargain and buy in bulk at the same discounts available to the big oil giants", Family First leader Steve Fielding said today. "But because the bulk discount pricing is secret independents are left in the dark about how much they need to buy to gain the same discount.

"Independent retailers rely on the oil giants for petrol supply. Family First wants the oil giants to make it clear how wholesale discounts are determined, so independents can band together to get the volume of orders necessary for discounted petrol.

"How many times have we heard of independent retailers having to buy petrol from the wholesaler at a price higher than it is sold at the oil giant petrol station down the street?

"With the current review of Oilcode, the Rudd Government has the chance to fix the problem and improve competition in the retail petrol market to ensure we get the lowest possible petrol prices for families.

"In 2006 Family First moved a number of amendments in the Senate to prevent further domination of the market by the oil giants, but both the Coalition and Labor sided together in what the Prime Minister might describe as a 'cosy relationship with big oil'.

"Independent service stations play a vital role in keeping petrol prices as low as possible. To have real competition the market needs strong independent service stations. The petrol market is dominated by Coles and Woolworths.

"If the Rudd Government was fair dinkum about ensuring families get the lowest petrol prices he would back Family First's calls for a level playing field by:

- ensuring no company can own or operate more than 25 per cent of service stations;
- disclosing the breakdown in wholesale petrol prices, including discounts, as well as how service stations qualify for them;
- giving service stations the automatic power to collectively bargain with the oil giants for the best petrol price and guaranteed supplies."

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