



# FAMILY FIRST



Steve Fielding Family First Senator for Victoria

## Senator Steve Fielding Family First Leader

### Question Without Notice: Petrol Prices

13 March 2008

**Senator FIELDING** (2.30 p.m.)—My question is to Senator Sherry, the Minister representing the Minister for Competition Policy and Consumer Affairs. Minister, petrol prices jumped 15c a litre overnight in Melbourne, Sydney and other areas. Australian Competition and Consumer Commission Chair Graeme Samuel said, ‘I’m not convinced that I am convinced as to the explanations provided,’ in relation to the explanations of the petrol giants as to why there was such a gap between the international price and the retail price of petrol in December and January. Will the government agree to give the ACCC any reasonable power necessary to get to the bottom of whether there is petrol price gouging in Australia?

**Senator SHERRY**—Thank you, Senator Fielding, for your question. The Rudd Labor government is acutely aware of the impact of higher petrol prices in the community, particularly the continuing impact of the increasing cost of oil in the Asian market, against which we are benchmarked. There is considerable consumer frustration about higher petrol prices, price fluctuations and the perceived lack of transparency in prices. The Rudd government has been doing everything to put downward pressure on petrol prices to ease the cost of living pressures on working families. That is part of and is in tandem with our five-point plan to win the fight on inflation. On previous occasions I have talked about the importance of winning the fight on inflation. The Rudd Labor government is committed to promoting further competition and transparency in the Australian petroleum market.

On 16 February 2008, the Minister for Competition Policy and Consumer Affairs, my colleague Mr Bowen, announced that Mr Pat Walker would be the government’s nominee for the new role of petrol commissioner within the ACCC. The minister will be asking the ACCC and the petrol commissioner to have a renewed focus on the informal monitoring of LPG and diesel prices and to

[www.stevefielding.com.au](http://www.stevefielding.com.au)

advise him on whether any further powers in this area are necessary or desirable for the ACCC. In response to recent ACCC reports on petrol prices, the government has firstly given the ACCC the power to conduct formal petrol price monitoring and have it provide an annual report on its price monitoring. They have tasked the ACCC with exploring whether there are any infrastructure bottlenecks in the wholesale petrol market through an audit and ongoing monitoring of terminals and facilities and continuing to look seriously at the options raised by the ACCC, including measures to increase retail price transparency and competition.

**Senator FIELDING**—Mr President, I ask a supplementary question. Maybe the original question should have been taken on notice. The Sensis consumer report, issued today, says that the price of petrol is the top concern of Australians. Petrol price increases hit those least able to afford them, especially families in the mortgage belt in outer suburban and regional Australia. These families are in areas that do not have good public transport and are reliant on their cars. So far there has been a lot of talk but the government has done nothing to reduce the price of petrol. Minister, if the ACCC needs telephone tapping powers to get to the bottom of whether there is petrol price gouging, will the government give them to the ACCC?

**Senator SHERRY**—The issue of telephone tapping powers I will refer to the minister, Mr Bowen, for consideration. So I will take that on notice. I and the government and, I think, everyone in this chamber will be very well aware of the pressures on family budgets as a consequence of higher petrol prices against the context of the increasing world oil price. I do not have the statistics in front of me at the moment but I do know in general terms that the oil price has been increasing significantly and there is a range of reasons for that. We are very well aware that petrol for travelling to and from work and for recreational use is generally a fixed cost, particularly for people who do not have the alternative of public transport. I am very well aware of that. That is why the responsible minister in this area, Mr Bowen, and the Rudd Labor government intend to pursue the actions I have outlined.