



Impact of Petrol Pricing Select Committee

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The Impact of Petrol Pricing Select Committee was appointed by the Queensland Parliament on 25 August 2005 to examine a range of issues regarding petrol pricing in Queensland.

Media Release

Committee hearing in Maroochydore to look at Sunshine Coast fuel prices

The head of a parliamentary inquiry urges Sunshine Coast businesses, community groups and residents to come to a hearing on Friday to have their say about high fuel prices.

Chair of the Queensland Parliament's Impact of Petrol Pricing Select Committee, Andrew Fraser MP, says volatile fuel prices this year have winded many small businesses and families, and continue to threaten the state's drive tourism industry.

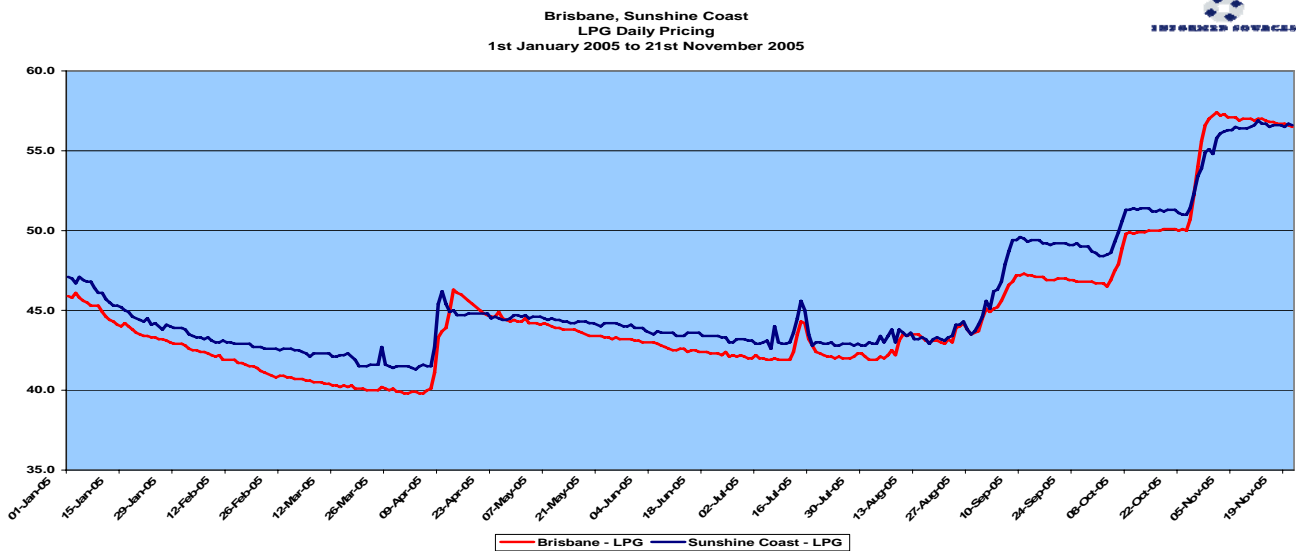
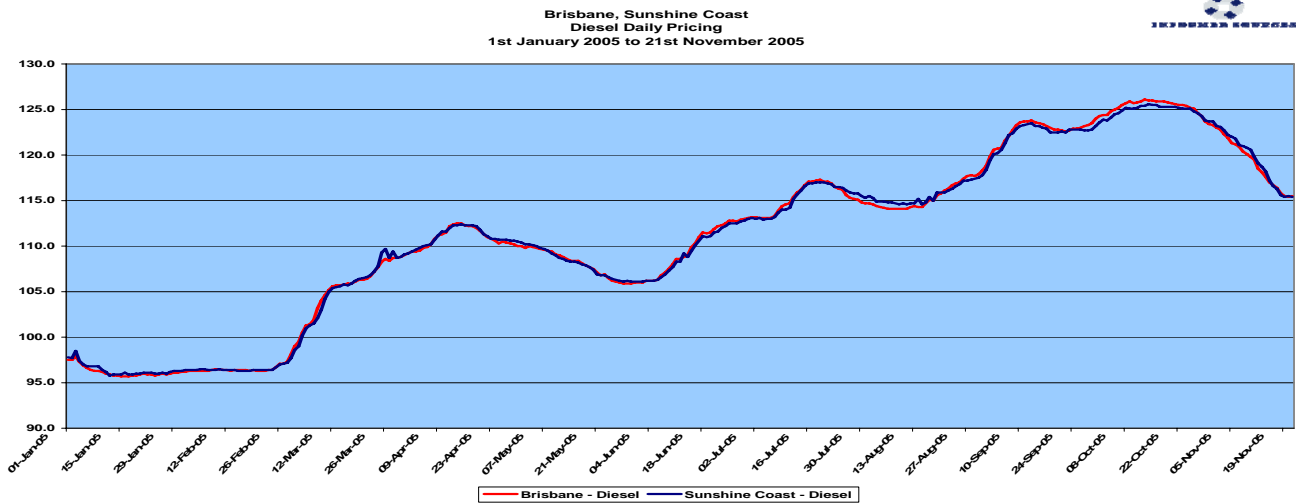
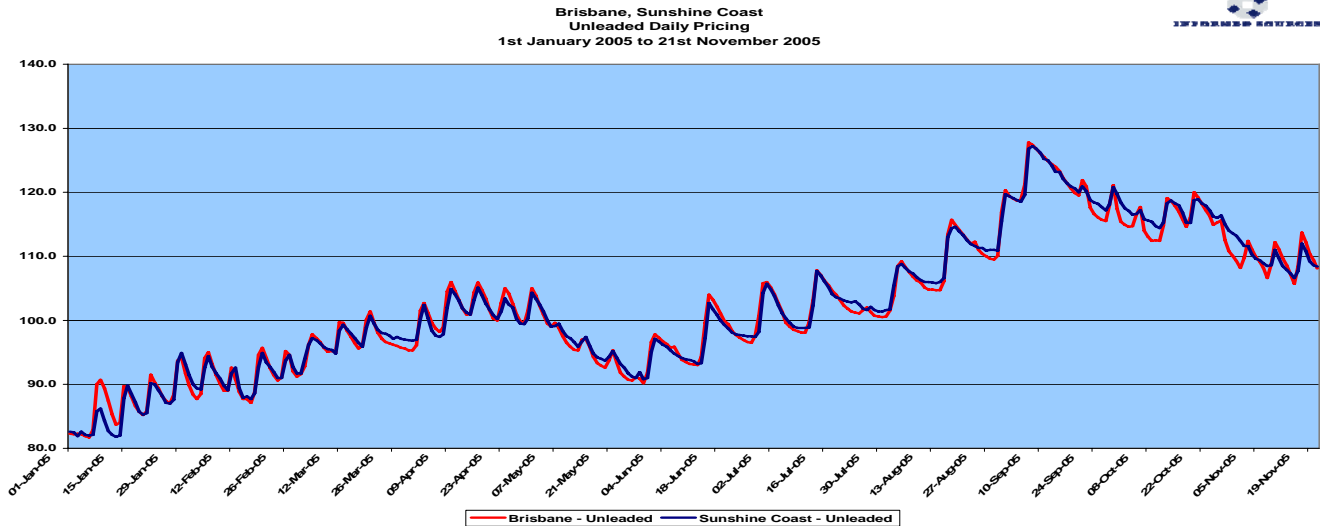
"The hearing on Friday at noon in the Sands Tavern in Maroochydore will be our thirteenth public hearing for our work on fuel prices in Queensland. Every community we have spoken to has raised different issues, though some of the messages have been universal. Everyone wants greater transparency in the way prices are set."

"Unleaded petrol prices on the coast rose over 50 percent during the year. It was selling for 82 cents per litre in January, peaked at 126.8 cents per litre in September and fell to 106.6 cents. Diesel prices rose 30 percent and LPG gas prices by 37 percent over the same period. Fuel price rises of this magnitude over a relatively short period king-hit those least able to absorb them. Pensioners small businesses, grass-roots community groups and farmers are among the most vulnerable people who have spoken to us. We have also heard from fuel companies and retailers caught in the middle of spiralling prices."

"Secondary flow on costs could pose a greater threat to the Sunshine Coast region. It is only a matter of time before businesses start raising their prices to cover their extra spending on fuel and transport. Many businesses locked into fixed price contracts have been absorbing the costs, but this will not last. Tourist areas like the Sunshine Coast could be facing a lean holiday season as tourist come for their holiday but cut their spending on extras like day trips, shopping, dining out and souvenirs. Businesses that depend on tourism to bring customers may already be feeling the effects. Ultimately, this could affect employment and the whole economy."

"As part of our inquiry we will consider whether the Federal Government's excise on fuel should be reduced to soften the impacts of high fuel prices. The viability of alternative fuels such as ethanol, LPG and bio-diesel will also be covered. We want to hear from people about these issues."

For interviews call Andrew Fraser MP on (0437) 116 466. For background information, call 1800 504 022.



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