



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

Parliamentary inquiry to examine rises in fuel freight surcharges

A parliamentary hearing in Toowoomba will investigate the impacts of rising fuel costs and freight surcharges on primary producers and truckies.

"We are keen to look at the fuel surcharges freight companies are charging" says Chair of the Queensland Parliament's Impact of Petrol Pricing Select Committee, Andrew Fraser MP. "What was a five percent surcharge a year ago is now 13 percent of the total freight bill. This is a huge cost increase for primary producers and effectively siphons money out of regional economies. People in places like Toowoomba should be worried where fuel surcharges are headed."

"While the principle of charging more to meet extra costs is a sound one, I am concerned that some companies collect surcharges but aren't paying their sub-contractors any extra. Their sub-contractors who actually pay the extra costs are usually owner-drivers and smaller transport companies."

"We need to consider how rip-offs can be prevented. Anyone concerned about freight surcharges should challenge their freight forwarder to explain where the extra money goes."

"The hike in fuel costs has been the last straw for many owner drivers and transport operators already reeling from low freight rates and could change the structure of the industry forever. A lot of owner drivers are getting out of the business. Many are buying more than 80,000 litres of diesel a year. With their fuel costs rising by a third, it is not hard to work out why they are in trouble."

"The committee hearing will also examine the viability of alternative fuels such as ethanol. E10 blended petrol has been well received in Toowoomba. With two grain-fed ethanol plants proposed for Dalby and Millmerran, ethanol will be a hot topic at the hearing."

The Toowoomba public hearing will be held from 9.30-11.30am on Monday 7 November in the Empire Church Hall, 56 Neil Street, Toowoomba. A further seven hearings are planned for centres across Queensland during November. The committee will take written submissions until 2 December 2005.

For interviews call Andrew Fraser MP on (0437) 116 466.

For background information about the inquiry, please call Rob Hansen on 340 67669 or (0403) 792 881.

IMPACT OF PETROL PRICING SELECT COMMITTEE

During their inquiry, the Impact of Petrol Pricing Select Committee will examine and report on:

- the extent to which current petrol prices increase the competitiveness of alternative fuels such as E-10;
- the economic and financial consequences of current fuel prices, with a particular emphasis on regional Queensland and outer metropolitan areas;
- practical ways that consumers can reduce their petrol bills;
- whether existing information on the fuel efficiency of different makes of motor vehicles is sufficient;
- the extent to which recent fuel increases could be moderated through enhanced domestic competition;
- how the Australian Competition and Consumer Commission's powers could be strengthened to deliver enhanced competition;
- whether Queensland receives its fair share of road funding;
- the capacity and benefits of the Federal Government reducing fuel excise to ameliorate the impact of high fuel prices on families and business;
- whether Queensland motorists are receiving the full benefit of the 8.354 cents per litre subsidy; and
- the efficiency of administration for the bulk end users scheme.

FOR FURTHER INFORMATION

Information about the inquiry is available from the web at www.parliament.qld.gov.au/petrol or by calling the committee's secretariat staff on **1800 504 022**.

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