



## **Impact of Petrol Pricing Select Committee**

### **Chair**

Mr Andrew Fraser MP  
*Member for Mount Coot-tha*  
Office Tel: 07 3368 3208  
Mobile Tel: 0437 116 466

### **Members**

Mr Michael Caltabiano MP  
*Member for Chatsworth*  
Mrs Liz Cunningham MP  
*Member for Gladstone*  
Mr Simon Finn MP  
*Member for Yeerongpilly*  
Mr Michael Horan MP  
*Member for Toowoomba South*  
Ms Rachel Nolan MP  
*Member for Ipswich*  
Mr Craig Wallace MP  
*Member for Thuringowa*

### **Inquiries to the Committee Secretariat:**

Impact of Petrol Pricing  
Select Committee  
level 6  
Parliamentary Annexe  
George Street  
BRISBANE QLD 4000

Tel: **1800 504 022**  
Fax: (07) 3406 7070  
Email:  
[petrol@parliament.qld.gov.au](mailto:petrol@parliament.qld.gov.au)

Internet:  
<http://www.parliament.qld.gov.au/petrol>

*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**

## **Fuel Costs in Regional and Rural Queensland**

The Impact of Petrol Pricing Select Committee report tabled in the Queensland Parliament today includes a call for the Prime Minister to abandon plans to cease two federal government programs that provide cheaper fuel to rural and regional Queenslanders.

The non-partisan committee has recommended that the Premier write to the Prime Minister to call for the continuation of schemes which reduce the impact of GST on fuel prices in regional and rural areas and subsidise the cost of freighting fuel to these areas.

The Fuel Sales Grants Scheme and the Petroleum Products Freight Subsidy Scheme are due to cease on 30 June 2006.

The Fuel Sales Grants Scheme provides a rebate of one CPL to two CPL in most of Queensland to compensate for the impact of the GST.

The scheme was put in place because fuel prices are higher in rural and regional areas, which results in a higher GST charge (eg GST on fuel costing \$1.00 in the city is 10c, while GST on fuel costing \$1.10 outside the city is 11c).

The current cost of this program is around \$250 million per year.

The Petroleum Products Freight Subsidy Scheme provides grants to fuel companies to reduce the cost of freighting petrol products to remote areas and assists in reducing the price differential between city and country prices. Around \$3.5 million each year is provided for this program.

The Inquiry found that the impact of higher petrol prices was particularly acute for rural, regional and outer-metropolitan Queenslanders and primary producers. These groups are the direct beneficiaries of the Fuel Sales Grant Scheme and the Petroleum Products Freight Subsidy Scheme.

*For further information see Chapter 4 of the report of the Impact of Petrol Pricing Select Committee. The report is available at [www.parliament.qld.gov.au/petrol](http://www.parliament.qld.gov.au/petrol)*

### **For interviews:**

**Call Andrew Fraser MP on (0437) 116 466.**