Submission No. 11
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Name: Peter Field

Please find the following submissions under the referenced categories from the "terms of reference".

Submission 1 The economic and financial consequences of current fuel prices with a particular emphasis on regional Queensland and outer metropolitan areas

In the UK, it was policy, that Service Stations could only increase/decrease the price of their fuel at the bowser when a new tanker load of petrol was delivered to the Service Station. This method of changing prices is fair in my mind for two reasons:
1) The bowsers are switched off while fuel is pumped into the Service Station underground tanks, meaning no-one can fill up while the delivery is taking place. The Service Station can then change the price of the fuel without a problem of 2 customers initiating a purchase less than 30 seconds apart and paying different prices.
2) If the cost of crude oil is changing on the open market, the manufacturer of crude oil to petrol/fuel, will purchase X barrels at that price, and then make the fuel for the consumer. Now, if that fuel is delivered to a service station with Y000's of litres, then the cost of each of those Y litres is the same and so if the price is changed by the Service Station before they have sold Y000's of litres, then surely that IS price fixing. If a Service Station is told to change the price ONLY when a new delivery takes place (as opposed to the time of the day or peak hour traffic flow or weekend/public holiday) then this is the true price of those litres of fuel and not the cost of an end product already manufactured being altered in price due to market changes in the price of raw material. Milk does not change in price if for a few days Dairy Herds produce less milk, but the price of fuel does seem to change for "random" reasons as directed by the manufacturer and not in line
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Further to this, if the cost of fuel can only be changed on each new delivery, surely this would promote even more competition between different manufacturers/suppliers, as they would want to make sure they sell all their fuel before they can change their price again, thus allowing motorists to shop around for the cheapest prices. This would benefit rural and regional areas of Qld as well, because the true costs of "delivery" would be more transparent, as shown in the price difference between metropolitan and regional prices.

If this rule of "price changes can only take place upon delivery of new supplies" were to be implemented it would certainly make manufacturers think twice about over charging for their fuel, as a competitor could shave cents of their own price and seel all their fuel faster and take a new delivery sooner and thus truly reflect the cost of supply and demand of crude oil versus fuel. Higher levels of competition would only benefit all sectors of Qld's economy, and price fixing or profiteering could be investigated easier because the prices at the bowser cannot reflect an increase in crude Oil that happened 5 minutes ago, and would truly reflect the cost of manufacture and delivery for each batch of fuel.
I hope that is clear.....Please accept my gratitude for the opportunity to make a submission to this commission.

Submission 2 The extent to which recent fuel increases could be moderated through enhanced domestic competition

Price changes only on delivery of new stocks to the Service Station. Therefore no changes are made on the day of the week, hour of the day, public holiday, inlfux of tourists etc but are only made on the true costs of manufacturer for each batch.

Submission 3 How the Australian Competition and Consumer Commission powers could be strengthened to deliver enhanced competition

The ACCC could more easily detect price fixing and profiteering if they knew the true fixed cost f manufacture of fuel, along with the costs of crude oil and also the profit made by the manufacturer of other fractionations of crude oil (e.g. light + heavy oils, Naptha, ethane, butane etc) and other associated by-products of crude oil to petrol process.

Yours Peter.