

**Name:** Grant Berry  
Submission : Impact of Fuel Pricing

Australia already has a cheaper "Alternative Fuel" – its called LPG.

A growing portion of the Commercial sector are now using this 'alternative'. Nearly all taxis run on LPG, and a high proportion of Trade/commercial vehicles are now using this option particularly because of the heavy-consumption engines.

Every business sets a budget forecast for the year ahead, and sets its pricing accordingly. Some businesses even have their pricing regulated by Government, (eg taxis) and are unable to set their own pricing despite increasing input costs beyond their budgeted prediction.

The businesses that run a fleet of LPG vehicles build the cost of operating that fleet into their planned expenditure for the year. A year ago, LPG was around 25 cents per litre, whilst petrol was around 85 cents. Recent fuel price increases have seen LPG prices rise disproportionately to Petrol; Petrol now at \$1.20 and LPG at 50 cents.

That represents a 40% increase in petrol prices, and a 100% increase in LPG prices.

It is outrageous that LPG prices have doubled, especially given that Australia has its own Gas reserves/fields, and those production costs have not increased any. What it amounts to is rank profiteering by the Fuel Companies.

When a business has budgets for it's annual fleet operational costs, it may extrapolate an increase of up to 50%, but never as drastic as 100%. This catastrophic increase will send many users of LPG to the wall, and at the very least severely undermine the profitability and viability of their businesses.

Imagine the huge outcry there would be if petrol/diesel had increased by 100% ! . There would be a massive objection from the public, and the knock-on effects on Consumer pricing would amount to economic sabotage.

That the Government has allowed the Fuel companies to profiteer from extortionate LPG increases compared to petrol/diesel increases demonstrates that the Government has taken its eye off the ball in its initiative to promote LPG as a more environmentally and economically friendly fuel. Meantime the LPG users are facing viability issues.

Thank you for this opportunity to comment.

- Mr Grant Berry  
Zillmere,  
Brisbane,  
QLD 4034