



KURABY 4112.
15th November. 2005

Mr. Andrew Fraser M.P.
Petrol Pricing Select Committee,

Dear Sir,

I have been involved in primary production (farming) for more than 40 years. I have seen disasters, cyclones, hail storms, droughts, floods, low prices and some rewarding times. However current policies pursued by Governments both State and Federal, Labor, Liberal and National, free trade, competition policy, deregulation, tree clearing, environment, water and the list is almost endless, are all having a disastrous effect on primary industry which will eventually lead to politically generated hardship for rural families which we are yet to imagine.

In regard to the responsibility of your committee I would encourage your committee to investigate the following:-

Why must Australia continue with the ridiculous policy of world parity pricing, { A political decision }, of fuel for our own use? Cost of production with a reasonable profit margin should determine our prices.

Why is diesel fuel priced much higher than petrol? Until about year 2000 diesel fuel was never more than two thirds the price of petrol. Was the pricing of diesel a political decision?

Why is fuel so much dearer in country areas when oil companies are supposed to benefit from a transport subsidy paid to them by the Federal Government? Pay the subsidy instead to the end user by way of a tax claim / rebate.

Why does it take so long for fuel prices to fall with the advertised price of crude, when price rises are almost instantaneous with upward movements in the advertised spot price of crude? Disclosure should be required of the oil companies of the price of oil as regards their long term contracts.

Who has our 8.35 cents per liter which we have to pay on bulk deliveries to the farm, for fuel used off road. Since we can claim 8.35 cents per liter only on bulk fuel used on road, on this fuel we cannot claim excise. The fuel we use off road is eligible for excise claim. Is it the case that we receive the same excise rebate here in Queensland as do off road users in other states? If this is the case, who has our 8.35 cents?

Yours Truly,

Alan Stillern

