

Transport Affordability Amendment Bill 2026

Submission No: 031
Submission By: John Richards
Publication: Making the submission and your name public

Petrol prices should be regulated in a way that prevents both sudden spikes and sudden drops, giving motorists and businesses a fairer and more predictable system. One approach is a daily movement cap, such as limiting price changes to no more than 5 cents per litre per day. This would stop the extreme volatility where prices jump 30–40 cents overnight, only to fall slowly over weeks. A controlled, gradual adjustment keeps the market functioning while protecting consumers from shock pricing and the psychological "gotcha" effect that currently dominates the weekly fuel cycle.

Another option is a cost-based trigger, where stations can only change their pump price once they have actually purchased new fuel at a different wholesale rate. This ties retail prices directly to real supply costs rather than opportunistic timing. It would prevent situations where stations raise prices immediately when global oil rises, but delay passing on savings when wholesale prices fall. By linking price changes to actual stock turnover, the system becomes more transparent, more honest, and easier for the public to understand.