



Speech by
**Mrs NITA
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MEMBER FOR BUNDABERG

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FUEL PRICES

Mrs NITA CUNNINGHAM (Bundaberg— ALP) (7.06 p.m.): The Leader of the Opposition can go on and on trying to beat up a scandal, but rising fuel prices are the biggest problem facing Australians today. The Leader of the Opposition supports a Prime Minister who continues to say that he cannot do anything about it.

In my electorate, for years spiralling and fluctuating fuel prices have been a major concern to Bundaberg motorists, and all we ever hear are those same excuses from the oil companies. The Petrol Price Watch in Bundaberg showed that unleaded fuel was 82.9c a litre when the GST was introduced on 1 July. Three weeks later, motorists in Bundaberg were paying up to 91.1c—9c a litre more. Today in Bundaberg, unleaded fuel varied in price from 85.9c per litre to 93.9c per litre—a difference of 8c per litre on the same fuel on the same day in the same regional city. This has nothing to do with world prices.

Spiralling petrol prices are causing havoc throughout our communities—to motorists, business and industry. Recently, Queensland Canegrowers said that rising fuel costs were having a crippling financial effect on the State's canegrowers and that uncontrolled fuel prices are hammering another nail in the coffin for those growers and harvesting contractors who are already stretched to their financial limits.

Last week, a small crops grower in Bundaberg said that diesel was now costing him \$1.06 per litre and his diesel fuel bill is now \$270 a week more than it was a month ago. This same crisis exists throughout Australia. The Federal Government should move quickly to listen to the thousands of petitioners who are calling on it to hold an inquiry into petrol prices. Early in September the Courier-Mail reported—

"Brisbane's dream fortnight of low petrol prices ended yesterday as oil companies 'forced' the costs of unleaded fuel back towards last month's record highs."

That report went on to say—

"BP led the charge early yesterday by withdrawing price support to service stations"—forcing petrol up 7c per litre. The report went on to say—

"By lunch-time the other major companies had followed BP's lead."

Did this price hike of 7c per litre have anything to do with global oil prices, the average price of crude or barrel prices? No! It had everything to do with making massive profits by rorting prices for Australia's motorists and Australia's service station operators and it had everything to do with charging as much as they could get away with.

In fact, independent price monitors Fueltrac said that the high prices "could mean the oil companies believed motorists had stopped watching the prices". We have all heard the cries from oil companies and the Federal Government that world prices bring about the rises, but that is not so. Certainly, the GST has added to the problem and oil prices do influence market prices, but there is something very wrong when in August one Bundaberg service station was forced to pay 92.9c a litre for unleaded fuel while another was selling it for 84.9c—over 6c a litre cheaper than his competitor could buy it for. Until recently, Bundaberg's new discount outlets were being supplied by Shell tankers yet were selling fuel cheaper than the Shell service stations.

A full national inquiry is long overdue. It is time that oil companies were made to operate with transparency. It is time they had to face up to why they are manipulating prices and why they are mercilessly sending service station operators to the wall and closing them down, with the staff being paid off, as happened in Bundaberg recently.

Questions must be asked about why some oil companies are supporting their service stations and helping them to compete while others are flatly refusing to. How can oil companies justify the different cost prices to different service stations with special deals being offered to some? How can they possibly now be considering another 5c rise? A full inquiry is long overdue and it is the responsibility of the Federal Government to do something about it.
