



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

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Petrol Price Inquiry should be broadened

The 46th official inquiry into petrol pricing should be broadened to look at all aspects of petrol pricing and not just oil companies possible 'gouging' practices according to the Independent Member for New England, Tony Windsor.

Mr Windsor believes that if Australia is going to have cheaper petrol, any inquiry must take into account other factors that make up the final price people pay for petrol at the pump.

"This 46th inquiry into petrol prices should be broadened to look at taxation structures in relation to fuel excise both for fossil fuel and alternative renewable fuels such as ethanol and biodiesel.

In doing so, the inquiry should look at the contribution that renewable fuels can make in the broadest possible terms that would include the value to our economy of import replacement, real growth opportunities for regional economies, job creation across the sector, the contribution to our overall productivity and not just look at the oil companies' possible gouging practices," Mr Windsor said.

Mr Windsor points out that about 40% of the price of fuel in Australia is tax in one form or another and is concerned about the message sent to the renewable fuels sector.

"What sort of mixed messages are we sending to the renewable fuels sector when on the one hand the Government says it is keen to pursue renewables but then it has a policy in place that will tax producers of biofuels from 2011.

If we are serious about reducing fuel prices, we must have all the options on the table including the Government's own tax take.

The Government raises \$14B from fuel excise annually and has spent less than \$3B annually back on roads and transport infrastructure," Mr Windsor said.

Mr Windsor believes that the Government needs to make some basic decisions with regard to fuel pricing in Australia.

"The Government must decide whether it wants cheaper fuel in Australia.

Does the Government want greater domestic fuel security and does the Government want to encourage renewable Biofuels as part of a transport fuel mix?

If it does, then it should broaden this inquiry to get a meaningful result rather than just that there is no proof of oil company gouging for the 46th time," Mr Windsor said.

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