

MEDIA RELEASE

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Petroleum Industry Response to Announcement of National FuelWatch Scheme

The Australian Institute of Petroleum (AIP) advises that AIP member companies will cooperate with the Government's proposed implementation of a National FuelWatch Scheme.

AIP Executive Director, Dr John Tilley, said today, "the key industry objective will be to help ensure that a truly competitive fuel market is maintained, while ensuring that the compliance burden for the industry is not onerous".

In designing and implementing the National FuelWatch Scheme, it will be important for the Government to ensure there are no anti-competitive effects nor unintended consequences such as:

- a reduction in consumers' ability to access discounted fuel;
- excessive administrative and compliance costs - especially for small site operators; and
- a lack of predictability for consumers in the fuel price cycle.

The Government has announced a review of the Scheme after 12 months of operation.

Dr Tilley said, "as part of this review, we would expect there will be a rigorous analysis of the costs and benefits of the National FuelWatch Scheme. Such analysis would include the impact of the Scheme on fuel prices and the discounting cycle in all markets and local areas where FuelWatch will operate".

AIP encourages governments and the ACCC to ensure that the objectives of the National FuelWatch Scheme, and the likely consequences, are clearly understood by fuel consumers – particularly those consumers who are currently benefiting from significant savings on low price days of the week. AIP urges consumers to carefully assess whether the benefits claimed from the introduction of this Scheme do, in fact, materialise.

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