



Media Release

Senator Alan Eggleston

Liberal Senator for Western Australia

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Fuelwatch scheme puts Karratha under the pump - Eggleston

WA's Fuelwatch scheme has put added pressure on local business owners in Karratha while providing no relief to motorists in the North West, according to WA Liberal Senator Alan Eggleston.

Yesterdays Senate Economics Committee hearing in Karratha revealed that local business owners and community representatives saw no benefit in the Fuelwatch scheme, despite the Federal Labor Governments proposal of a national rollout of the program.

As Deputy Chair of the Committee, Senator Eggleston said the hearing not only confirmed that the fuel watch scheme didn't work, but that small local service station owners were left at a disadvantage.

A local service station owner gave a submission during the hearing, claiming the only reason fuel prices have lowered in WA was due to the shop-a-docket scheme introduced by Coles and Woolworths.

Senator Eggleston said this was consistent with the views of the independent think tank, the IPA. They claimed it was the entry of Coles and Woolworths into the retail petrol market at the same time Fuelwatch was established in WA which had stabilized WA petrol prices, and that Fuelwatch had played no part in keeping prices down.

Another witness from the Pilbara Regional Council, Adrian Ellison, expressed concern that Pilbara fuel prices were significantly higher than those in Perth, when fuel in the north of WA was actually imported from Singapore where production costs were lower.

In view of this, Senator Eggleston suggested that the ACCC be asked to investigate whether Pilbara consumers were being charged unreasonable prices.

Liberal WA Senator Mathias Cormann, who also attended the hearing, said the evidence heard in Karratha suggested Fuelwatch had made no impact in putting downward pressure on petrol prices in Karratha.

"We came to Karratha to hear first hand what the effectiveness of WA's Fuelwatch scheme had been in this important regional area in Western Australia," Senator Cormann said.

"Based on the experience in Karratha there is no evidence that expanding the WA Fuelwatch scheme nationally as proposed by Labor would lead to lower petrol prices across regional Australia," he said.

The Economics Committee hearings provide an opportunity for Industry stakeholders to raise their concerns about how the impacts of the Rudd Labor Government's policies are affecting them.

The Committee will be travelling around Australia over the next 7 weeks to conduct up to 28 hearings; however yesterdays hearing in Karratha was the only one to be held in regional WA.

Ends