Media Release

Adam Giles
Chief Minister of the Northern Territory

John Elferink
Attorney-General and Minister for Justice

Cross-bench committee to review fuel bill

21 October 2014

The Territory Government will tomorrow move a motion establishing a cross-bench Parliamentary Committee to scrutinise its draft Fuel Price Disclosure Bill.

“The draft Fuel Price Disclosure Bill was released for public comment last week but it is important that the Parliament also gets the opportunity to thoroughly review the proposed legislation,” Chief Minister Adam Giles said.

“We propose to do this through a special cross-bench committee which will provide stakeholders with a formal process for commenting on the legislation.

“I know how important fuel prices are to our cost of living and I want to make sure this legislation is as effective as possible in forcing fuel companies to disclose their price structure.

“Territorians were disappointed at the lack of transparency shown by many of the fuel companies which attended the Fuel Summit two weeks ago and this disclosure Bill is designed to get Territorians the answers they deserve about price and profit.”

The draft Bill sets out a framework for retailers in major centres to report their costs and profits to the Consumer Affairs Commissioner each month.

It also includes heavy penalties for failure to disclose the required information and wide-ranging investigative powers for the Commissioner and his team.

The Commissioner’s team of fuel officers would all have the power to enter or search premises and to inspect and copy documents. Failure to disclose the required information is an offence with a maximum penalty of almost $60,000 or two years imprisonment.

“The new Committee will enquire into the effect of the Bill in meeting its aim of better informing motorists about the price structure of fuel and promoting price competition,” Mr Giles said.

The Committee will also examine the ‘price motivator’ provision contained in the Bill.
“As an added encouragement to retailers to drop their prices, the bill currently allows for the use of a special ‘price motivator’ power,” Attorney General John Elferink said.

“Under this provision, companies can be exempted from disclosure requirements if they sell fuel within a certain price range. The Committee is charged with investigating mechanisms for setting the appropriate price range for this exemption to apply.”

The Member for Nelson, Gerry Wood, has agreed to chair this Committee which will also include three Government representatives (the Members for Blain, Daly and Arafura) and two Opposition Members.

The Committee is due to report back by the April 2015 Parliamentary sittings.

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