Dear Fuel Companies

There is serious concern among Northern Territory motorists that they are not getting a fair deal at the petrol bowser. The Alice Springs pump price is usually 37 cents above the southern states, Tennant Creek is 35 cents higher, Darwin is 33 cents higher and Katherine is 25 cents above the average southern price. The differences are even higher in the bush. Territorians are rightly asking why.

Of course we understand that fuel companies, like all businesses, need to make a profit to survive but I am committed to ensuring the price of fuel in the Northern Territory is fair in a competitive marketplace.

Fuel companies have a responsibility to justify their prices directly to Territorians to gain a social license to operate. I don’t believe this is happening.

The NT Commissioner for Consumer Affairs is currently considering whether there is scope for the Price Exploitation Prevention Act to be applied to fuel, but while that is occurring, I want to start an open and transparent dialogue with fuel companies and supply chain stakeholders about their price and how they are calculated.

To this end, I am convening a Northern Territory Fuel Price Summit at Parliament House in Darwin on October 7 to give companies an opportunity to explain their prices to Territorians.

I have also asked the Attorney General to draft a new Fuel Price Disclosure Bill which will require fuel retailers to publish details of their bowser price breakdown – including profit. This legislation will ensure price settings are transparent and help motorists make informed choices. All suppliers are on notice that the NT Government is prepared to use any measures it can to create the level of competition required to force down prices.

The outcome of the Fuel Price Summit will undoubtedly guide future decisions about your industry so I encourage you to attend and give your Territory customers the answers they deserve. Please confirm your attendance and participation by emailing ntfuelsummit@nt.gov.au.

Yours sincerely

ADAM GILES