Media Release

Adam Giles
Chief Minister of the Northern Territory

Fuel price disclosure laws to be introduced into NT Parliament this week

7 February 2016

Fuel companies will be forced to disclose fuel costs and profits each month under fuel price disclosure laws to be introduced into the Northern Territory Parliament this week.

Chief Minister Adam Giles said the Northern Territory Government was committed to ensuring petrol, diesel and gas markets in the Territory were competitive and that pricing was as transparent as possible.

“Territorians deserve to have confidence that the price they are paying for fuel is fair and reasonable,” he said.

“While the Country Liberals Government’s 2014 Fuel Summit combined with the threat of fuel disclosure laws and media pressure helped drive down petrol prices, I am concerned about a return to historic behaviour by fuel retailers, particularly in relation to diesel and gas.

“Like many Territorians, I’ve lost patience and this legislation will force fuel companies to show their hand.

“The legislation we will introduce sets out a framework for retailers in to disclose their fuel costs and profits to the Commissioner for Consumer Affairs each month, who can publish the information after checking the data and compiling it in a consumer-friendly format.

“This will help give consumers a clear picture of what profits are being made and drive competition by allowing motorists to make informed choices about where they fill up.”

The Bill 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.

Mr Giles said a draft Fuel Price Disclosure Bill was scrutinised by a cross-bench Parliamentary committee, who made a number of recommendations, including that the laws be put on hold until the Australian Competition and Consumer Commission finalised its investigation into the Darwin fuel market.
“That ACCC report was finalised at the end of last year and it found that Darwin fuel retailers in 2013/14 experienced net profits which were 10 times the Adelaide average,” he said.

“The report suggested increased transparency and more competition could help drive down fuel prices.”

While the Bill is being introduced into Parliament as originally drafted, the Government is working on amendments in light of recommendations made by the Fuel Price Disclosure Bill Scrutiny Committee and the ACCC report.

Mr Giles said the Northern Territory Government was also working to stimulate competition in the fuel market through the establishment of a fuel stop and transport service hub at Berrimah. ‘Truck Central’ will incorporate a fuel station, 24 hour restaurant, rest/fatigue facilities and a large road train trailer parking and assembly area.

Local civil construction company Ostojic Group was selected to develop the fuel stop after a detailed assessment process run by the Land Development Corporation and commercial negotiations are continuing with the proposed operator.

Initial bulk earthworks commenced late last year and the truck stop is expected to be operational in the first half of 2017.

“This fuel stop is another way the Country Liberals Government is working to reduce the fuel burden on Territory families and drive down the cost of living,” Mr Giles said.

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