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**Territory Government could reduce fuel prices by 8c a litre**

The Territory Government collected about $56 million in GST from fuel sales last year and could afford to reduce the price of petrol and diesel by about 8c a litre, according to the Opposition Leader Jodeen Carney.

Ms Carney said the Queensland Government effectively subsidised that State’s fuel prices by returning the GST component to the customer.

“The Territory Government is being hypocritical about the price of petrol,” Ms Carney said. “While we have the government complaining about high petrol prices, it goes on merrily spending the GST income.

“If the Territory Government was serious about helping motorists, then they would do what the Beattie Government does in Queensland and return just over eight cents a litre to consumers. At current prices this would mean that most, though not all, of the GST would be effectively returned to the customer.”

The $56 million figure is based on volumes of ULP, diesel, lead replacement and premium unleaded petrol sold in the Territory during the fiscal year 2005. An average Darwin ULP price of 109.9 cents a litre has been used as the basis of the calculation, with premium and lead replacement fuel both about four cents a litre more expensive.

“The Chief Minister has been very vocal about the high price of fuel,” Ms Carney said. “This is her chance to prove to Territorians that she means what she says.”

Ms Carney said figures from the *Australian Petroleum Statistics* issue of June 2005 gave the volumes of the different types of petroleum products sold in the Territory for 2004-2005.

“Our calculations show that an estimated $16 million of GST was collected from petrol sales in 2004-2005,” Ms Carney said.

“Accepting that there is about 2 ½ times more diesel sold than that of automotive petrol and assuming a similar price per litre, we estimate that the amount of GST collected from diesel last year was around $40 million, adding up to $56 million overall.”