



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

QON 2

SELECT COMMITTEE ON FUEL PRICING

Ms Tara Cheyne MLA (Chair), Mr Mark Parton MLA (Deputy Chair), Mr Andrew Wall MLA

Inquiry into Fuel Pricing

Matters raised at public hearing on 8 May 2019

By Tara Cheyne MLA

ANSWER TO QUESTION ON NOTICE #2

Asked by Ms Tara Cheyne MLA:

In relation to: Inquiry into Fuel Pricing

To ask: Chief Minister Andrew Barr

Question: In its submission to the committee the NRMA ACT suggested introducing a target to increase the proportion of independent retailers in the ACT fuel market, suggesting a minimum target of 20 per cent. How effective do you believe a target would be in attracting a greater portion of independent retailers to the ACT and what are the possible consequences of introducing one?

CHIEF MINISTER: The answer to the Member's question is as follows:-

The Independent Competition and Regulatory Commission (ICRC) acknowledges the important role played by large and medium-sized independent chains in driving market competition in its draft report on motor vehicle petrol prices in the ACT released on 8 May 2019.

The ICRC also notes it is not just the number or the percentage of independent retailers that is important, but also their competitive behaviours. For example, while the Northern Territory has the largest proportion of independent retailers and Tasmania has more than every other state apart from NSW, both jurisdictions have higher retail petrol prices than the larger states and prices that are similar to the ACT. This suggests that a greater number or proportion of independent retailers is not always effective in delivering lower fuel prices for motorists.

There is no doubt, however, more fuel discounters would benefit the ACT fuel market, particularly outside the Fyshwick/Majura Park/Airport area. The NRMA advised the Committee several independent retailers are interested in coming to Canberra. The ACT Government would welcome discussions with independent and/or discount fuel retailers seeking to establish a presence in Canberra to explore the barriers and opportunities with them.

Approved for circulation to the Select Committee on Fuel Pricing

Signature: *Andrew Barr*

Date: 30.5.19

By the Chief Minister, Andrew Barr MLA