



PARLIAMENT OF VICTORIA  
Economic, Education, Jobs and Skills Committee

## **MEDIA RELEASE**

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# **Local competition is the key to reducing regional fuel prices**

Regional residents are more vulnerable to high fuel prices according to the Victorian Parliament's Economic, Education, Jobs and Skills Committee, which tabled its report on fuel prices in regional Victoria today.

The Committee found that while the difference between average petrol prices in Melbourne and regional Victoria has narrowed in recent years, some regional locations have unusually high prices compared with nearby areas.

"The reasons for price discrepancies are local market factors, such as the level of competition between service stations, and price lags due to lower stock turnover," Committee Chair Mr Nazih Elasmr said.

"Unfortunately we were limited in our recommendations because most of the retail fuel price consists of the international benchmark price and Australian Government taxes," Mr Elasmr added.

"Instead, we looked into fuel price comparison apps and websites and other ways to stimulate competition between service stations."

During the inquiry, the Committee heard that fuel price comparison apps are not always complete or timely. Automobile clubs such as the RACV and NRMA supported the introduction of mandatory fuel price reporting, where fuel retailers report their prices to a government authority, which then publishes the information for consumers.

"When we investigated mandatory fuel price reporting schemes operating interstate and overseas, we found no evidence that they had reduced fuel prices. In fact there were suggestions that these schemes discouraged heavy discounting among fuel retailers," said Mr Elasmr.

The Committee recommended other measures to promote competition in regional markets such as encouraging the use of fuel price apps among regional residents and reviewing any barriers for new entrants into regional fuel markets.

"Improving the fuel price information available to regional Victorians helps them to make informed decisions about when and where to purchase fuel. We recommend that the Victorian Government encourage the use of fuel price apps and support the RACV's efforts to improve its app by using crowdsourced data from its members," Mr Elasmr said.

The report is available from the Committee's [website](#).

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