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Call for fuel retailers to pass on savings to struggling Tasmanians

RACT is calling on fuel retailers to pass on the benefits of plummeting oil prices and not cause more pain for Tasmanians who are already being hit hard by the global economic downturn and concerns around COVID-19.

“Right now, with the cost of oil falling, Tasmanian motorists are paying on average \$335,000 a day more for fuel than we believe they should be,” RACT Group Chief Executive Mark Mugnaioni said.

“We’ve been watching the wholesale price fall rapidly, and very little movement in the retail price, which is disappointing.

“In the past week, on average Tasmanians have paid more than \$2.3 million more than we believe they should be at the fuel pump.

“Tasmanians already have enough going on in their daily lives with the impacts of COVID-19 without the unnecessary pressure of paying too much for fuel.

“This is unacceptable and we are asking retailers to address this immediately.”

Federal Government figures show that in 2018/19, Tasmanians used 426 million litres of fuel – petrol and diesel.

“That means for every 1 cent per litre extra Tasmanians pay for fuel, they are forking out a whopping \$4.26 million a year.

“With motorists currently paying on average 29 cents per litre more than what we believe they should be, that’s more than \$335,000 a day.

“Given current market conditions, we believe an average price difference of about 14 cents per litre between wholesale and retail is acceptable.

“What we’re seeing now from retailers is simply not good enough.”

Mr Mugnaioni said the process of calling on motorists to shop around for the best prices and share them on available online platforms clearly wasn’t enough to pull retailers into line.

"We need to do more to ensure a fair price for all motorists, and the only way we can do that is through legislated real-time fuel price reporting," he said.

"We would like to see the government respond on budget and timeline for implementation of a real-time fuel reporting system similar to FuelCheck in New South Wales."

Mr Mugnaioni said other Australian auto clubs had successfully lobbied for real-time fuel pricing in other states, with positive results.

"In Queensland, the Real Fuel Price reporting trial has seen motorists save \$122.8 million in 12 months. We want to see Tasmanian motorists make equivalent savings."