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The Royal Automobile
Club of Tasmania Limited
ABN 62 009 475 861

RACT House
179-191 Murray Street
Hobart, TAS 7000
Ph: (03) 6232 6300
Email: info@ract.com.au

Post to: GPO Box 1292
Hobart, TAS 7001

ract.com.au | 13 27 22



Mr Peter Graham
Executive Director Consumer, Building and Occupational Services
Department of Justice
PO Box 56
ROSNY PARK TAS 7018

Dear Peter,

I am writing to provide you with RACT's feedback in relation to the drafting of the Code of Practice for Fuel Price Reporting. Feedback has also been provided directly to the Minister.

RACT is pleased to see the Government taking steps toward introducing this important piece of legislation but while RACT welcomes the Department's work on this draft Code, we are concerned that the Code has been reduced from the tougher provisions contained within the NSW Fuel Check scheme. The RACT **would not be supportive** of the Code in its current format.

As you are aware, the RACT modelled its potential savings for motorists based on the NSW scheme. Any dilution of requirements on fuel providers has the potential to impact the effectiveness of the scheme.

Our feedback on the draft Code is as follows:

1. We are supportive of the requirement on retailers to report as they commence trading but RACT believes the two-hour allowance for retailers to report fuel price changes is too long and will result in inaccurate prices displayed for consumers.

The delivery of correct fuel prices two hours after implementation cannot be considered 'real time'. We do not believe that the change to immediate update of pricing places any additional burden on fuel retailers than the proposed two-hour allowance.

NSW Fair Trading, which manages the Fuel Check Order, states that service stations must ensure the price of fuel on Fuel Check matches the price at their service station **at all times**.

In considering the Department's desire to ensure Tasmania's scheme aligns with Fuel Check in NSW, RACT requests that the Tasmanian Code of Practice dictates retailers must report any changes to their prices **immediately**.

2. The draft Code of Practice also makes no mention of how the Department will address non-compliance, specifically relating to retailer penalties for inaccurate information or not registering for the scheme.

The NSW Fair Trading Act states that a retailer is guilty of an offence if it is not registered, or if the fuel price on offer is different to the price on Fuel Check.

NSW Fair Trading also has a monitoring system where staff check price accuracy weekly to ensure compliance, with consumers able to report inaccurate prices. The penalty is \$550.

RACT believes it is important that the Department monitors and provides penalties in instances of non-compliance through inaccurate prices or failure to register. Without this inclusion there is the potential for fuel retailers to disregard the Code which will undermine the effectiveness of accurate real time pricing.

3. The Code of Practice does not discuss the commitment from the Tasmanian Government regarding price capping legislation. While potentially outside the requirements of the Code, RACT is interested to understand how this will be enacted if necessary.
4. Lastly, as is the case in NSW, RACT would like to see clear guidance and instructions for retailers, to ensure there are no issues relating to the interpretation of the Code.

This could be provided in a similar form to the information available on NSW Fair Trading found at - www.fairtrading.nsw.gov.au/help-centre/online-tools/fuelcheck

Thank you again for involving us in this consultation and your work on the program to date. We look forward to seeing the appropriate amendments to the draft Code and would welcome discussion on future implementation timelines and approach.

Yours sincerely,



Mark Mugnaioni
Group Chief Executive Officer