



29 July 2019

Fair Trading Regulation 2019  
Better Regulation Division, Regulatory Policy  
McKell Building  
Level 5, 2-24 Rawson Place  
SYDNEY NSW 2000

Via email: [ptr@finance.nsw.gov.au](mailto:ptr@finance.nsw.gov.au)

To whom it may concern

**Re: RIS, Proposed Fair Trading Regulation 2019**

Thank you for the opportunity to comment on the *Regulatory Impact Statement (RIS) Proposed Fair Trading Regulation 2019*.

The Australian Institute of Petroleum (AIP) presents this Submission to the Committee on behalf of AIP's core member companies:

- BP Australia Pty Ltd
- Caltex Australia Limited
- Mobil Oil Australia Pty Ltd
- Viva Energy Australia Pty Ltd.

AIP's comments in this submission relate exclusively to the proposed amendments to the "Fuel price signage information standard". AIP has no views on any of the other proposed amendments.

AIP welcomes efforts to reduce the regulatory burden on operators in the retail fuel sector, in particular to better align regulation across jurisdictions in Australia. Currently, there is consistency in Price Board regulations across South Australia, Victoria, Queensland and the ACT in relation to the requirement not to post discounted prices on the Price Board. These regulations also stipulate the process for making changes when prices are increased, and when they are decreased, consistent with long standing industry practices. The regulations in these States, however, do not stipulate the number of fuel types where prices must be displayed.

AIP notes that the NSW Fair Trading amendment aims to provide "*greater flexibility to service station operators and is consistent with the approach taken by other jurisdictions with an equivalent fuel price information standard.*" AIP supports this objective.

Unfortunately, the proposed amendment is not entirely consistent with the other jurisdictions.

While AIP supports the removal of the requirement to post the price of specified fuel types, AIP strongly encourages Fair Trading to fully align the regulation with the aforementioned jurisdictions and remove the requirements relating to four fuel types where four or more fuel types are sold.

AIP also supports the explicit inclusion of a provision that allows fuel retailers to advertise discounts or special offers, but not post the discounted price. For example, the legislation in Victoria states “*A fuel retailer may display information about discounts and special offers on a price board so long as only normal fuel prices are displayed.*”

AIP would also encourage Fair Trading to remove the requirement to display the Octane Rating of petrol at the pump. AIP is aware, through member company market research, that there is inadvertent consumer confusion and misunderstanding when faced with the wide variety of octane ratings across 91, E10, 95 and 98. This primarily relates to the relative quality and performance characteristics of the different fuel grades, as well as the suitability of a fuel for the consumer’s vehicle. The requirement to display the octane rating of fuel is not a requirement in other jurisdictions and therefore cross-jurisdictional alignment is supported.

Thank you for the opportunity to comment on the RIS. AIP welcomes Fair Trading’s intent to provide greater flexibility and to align with other jurisdictions which will ultimately result in reducing red tape for industry and simplifying operations. AIP therefore strongly encourages amendment of the Fair Trading Regulations to be fully aligned with South Australia, Victoria, Queensland and the ACT.

Yours sincerely

Peter Gniel  
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