

**PETROLEUM PRODUCTS PRICING AMENDMENT BILL 2019**

*Second Reading*

Resumed from 26 June.

**MR P.A. KATSAMBANIS (Hillarys)** [12.24 pm]: I rise to speak on the Petroleum Products Pricing Amendment Bill 2019. This bill has been brought in in anticipation of the opening of a new American-based retailer in Western Australia called Costco. It is a much-anticipated opening for many, many people. It is a very welcome opening because, firstly, it will provide new employment opportunities for Western Australians in what has proven in other places across Australia and around the world to be a very popular retail offering. It will also add competition to what is a narrow market of retailers in Australia and Western Australia, in particular in the grocery and food space. This is most welcome because historically we know that competition drives down prices for staple goods for families who are doing it tough in Western Australia. Therefore, that will be very welcome by all those families across the state who will have one more option available for them to do their family shopping, and hopefully drive down prices. We know that when we add more competition into markets, prices fall. No-one needs to tell that to the people of the Perth metropolitan area and various regional communities across Western Australia where another retailer, Aldi, has opened up in the last few years. They have seen prices fall in not just Aldi, but also the surrounding supermarkets that are in competition with Aldi. Competition is good for consumers. It helps provide competitive tension in a marketplace, which drives down prices.

Costco is also welcome because it is making a significant investment in Western Australia. It is providing jobs, competition and more choice. We often hear complaints about a narrow range of goods. The products that Costco sells are widely sourced. It also has its own range of private-label goods that are of good quality at competitive prices. All in all, it will help the competitive tensions that will be promoted within the Western Australian retail market. Costco has a wide range of goods. It is not just food, groceries, fresh food and packaged food; it also has clothing, electrical goods, hardware goods and manchester, and some of its stores sell jewellery. People can buy a bucket, a loaf of bread, a watch or a diamond ring all at this gigantic retail offering.

I speak from some experience as I have shopped at Costco while overseas, but also when it opened its first store in Victoria while I was still living there. I went there and found that its offers were quite good. It is not a place that I visited daily or weekly, but on the occasional visit I could find some absolute bargains, which helps everybody. It runs differently from other retailers and is not open to all. It runs a membership model. People have to buy a membership. I signed up when I was still living in Victoria and I think it cost \$60 or \$65 a year. But I understand that it also offers group memberships through businesses, through superannuation funds and perhaps through other arrangements with other businesses, so that some people can access membership at a discounted rate, or perhaps even for free. I do not know; I have not delved into it that far. I visited it only as a consumer, and I thought it was valuable enough for me to pay the \$60-odd for a year, as it was back then, and derive the benefits of savings across the whole year.

Costco is currently building its store—or warehouse, or large building, or whatever we want to call it—on land adjacent to the Perth Airport, not far away from the Direct Factory Outlet store. I have not visited that DFO store yet, although I know it is there, having passed it on a number of occasions. The area is becoming quite a hub of big-box retailers. As I said, I think it will be welcomed by Western Australian consumers. They will have one more choice. They will have a look at the store, and if it meets their requirements, they will sign up and start shopping there. Some of them will do their weekly shopping there, some will make occasional purchases, and perhaps some will simply go along for one big bargain—a television set, a watch, a diamond ring, or whatever they want to buy—and figure that the \$60 invested in a membership might be saved with just one purchase. That is what markets are about. That is what the freedom to shop is all about.

One of the products that the store will offer its members is petrol. My recollection of the Costco store that opened up in Melbourne when I was living in Victoria was that it was located in an inner-city area, on the edge of the Docklands, and I do not recall it selling petrol. Perhaps some other locations offer petrol, or it is an offering that has been added since the time I left and never visited again, but clearly petrol is one of the products that Costco provides to its members. Again, those members will have a choice. They will have a look around and find out what other fuel outlets are selling petrol for on the day that they want to fill up, and make a choice of whether to buy their fuel from Costco or from other retailers. In Western Australia, we know that one of the places that consumers can go to find out what fuel is being sold for on any particular day is the FuelWatch website. FuelWatch itself also communicates prices through media and other outlets. Western Australian consumers have become very used to logging on to the FuelWatch website—I do it myself from time to time—to check the prices of fuel around them.

I dare say that I do not think many consumers will be driving from the electorate of Hillarys or the minister's electorate of Butler to the airport on the off-chance that fuel down there might be a few cents cheaper than they can find it in

their own area, because the cost of the fuel expended in getting there and coming back might outweigh the savings. But perhaps people can time their visit to Costco, the airport, the DFO or whatever to coincide with a cheaper fuel cycle at those premises. In those cases it would be good for consumers to receive the usual information through the FuelWatch site about the petroleum offer being made at the time by Costco, as well as all the other fuel stations around the metro area and regional Western Australia. The current framing of the exemptions incorporated in the Petroleum Products Pricing Act 1983 would preclude Costco from being required to provide this information to FuelWatch by 2.00 pm daily, as all other petroleum retailers are required to do. The current exemption provides that, where there is an existing agreement or arrangement between a customer and the retailer, the retailer does not need to report to FuelWatch. That can be interpreted in many ways, but it could be interpreted in a way that has the unintended consequence of utilising the membership model to deem an existing arrangement between the customer and the retailer, and therefore provide an exemption for Costco from reporting this through FuelWatch.

I would like to think that Costco is a good corporate citizen. I do not know the company personally, but it operates in many parts of the world and in many other parts of Australia. I would like to think that it is a good corporate citizen and would report to FuelWatch anyway, and I would also like to think that it would see that as a particular marketing advantage. Its whole model is based on buying in bulk and selling cheap, so I would imagine it would want to be known for being extremely competitive in providing fuel to consumers in Western Australia. Irrespective, the government has seen fit to update the definitions and exemptions included in the Petroleum Products Pricing Act 1983 to make sure that Costco is covered and that it is obliged to report its fuel price to FuelWatch in the way that all other motor fuel retailers are obliged to do. That will create a level playing field.

At the briefing that the minister's staff provided for the opposition, it was indicated that, initially, Costco had been contacted by the department about the proposed change, but we did not get a definitive answer as to whether it had responded and indicated its broad agreement to the proposed legislative change. Given that it is the only stakeholder that is currently affected by the changes to be made by this bill, I would seek, perhaps in the minister's second reading response, information on whether there has been further communication between the department and Costco, and what its general sentiment is about being obliged to participate in this scheme. As I said, I would suspect that a good corporate citizen would want to be part of this anyway. I await some sort of indication from the responsible minister that there has been further communication, and whether Costco has responded to the department's correspondence and indicated that it is quite happy with the legislation. I leave it up to the minister to respond to that in his second reading response, unless he wants to do it by way of interjection now.

The bill deals with updating the old exemptions, which, as I said, refer to an existing agreement or arrangement between the customer and the retailer, by adding a new definition of an exempt sale. This is incorporated in clause 4 of the bill before us as proposed section 22H(2), and it has three limbs to it. It reads —

A retail sale of motor fuel at a particular place is an *exempt sale* if —

- (a) a business of hiring out, leasing out or selling motor vehicles is carried on at the place and the motor fuel is sold in the course of that business incidentally to a hire, lease or sale of a motor vehicle; or
- (b) the motor fuel is sold in bulk to be delivered or collected by tanker; or
- (c) the motor fuel is sold for fuelling a motor vehicle that is used for a business and not used for any other purpose.

They are the three new exemptions created by the bill. The first one seems logical or sensible in one respect. If a business hires, leases or sells motor vehicles and the fuelling is incidental, it is incidental. However, I think I can speak for a lot of members in this place and for many consumers in Western Australia generally when I say that hire car companies have been known to charge what I consider to be exorbitant and sometimes extortionate rates for refuelling if people dare deliver their hire car back to them empty or with a different petrol level. I understand that they are not in the business of selling fuel, so the cost for them to store fuel might be higher, but I have heard many reports of the cost being 50¢, 60¢ or 70¢ a litre more. They are exempt under this legislation from complying with the FuelWatch requirements.

The exemption if the fuel is sold in bulk to be delivered or collected by tanker also makes sense. FuelWatch primarily deals with the retail sale of motor fuel to consumers to fill up their cars. If a tanker is being filled, obviously it is understandable that there may be a different price for the bulk purchase, as it is not really a retail sale. The same applies to fuelling a motor vehicle that is used for a business and not for any other purpose.

I have one concern about the move from the old exemption, which applied to an existing agreement or arrangement between a customer and a retailer, to the new three-limbed exemption, and it is with the discounts that are often offered by petroleum retailers to corporate customers who use a fuel card, Motorpass card or whatever. We know that many fleet companies, both large and small, enter into agreements with fuel retailers. The drivers of those fleet cars, be they the staff of a business or those who have a pre-packaged deal through a novated lease and the like, hold a fuel card, and when they arrive at an appointed retailer, they will use their fuel card and the cost of

their fuel will be charged at some predetermined rate between the fleet company or the business and the retailer. Sometimes that might be a dollar amount, but in other cases it might be a discount on the advertised price for the day. I think it is a well-understood and longstanding arrangement. It may apply to vehicles that are used for business purposes, but those vehicles may not necessarily fit the definition of a vehicle that is used for a business and not for any other purpose. They may have a mixed use of 80 per cent for business and 20 per cent for private use, and it may attract fringe benefits tax and the like. There are all sorts of rather complex arrangements. I seek some clarity from the Minister for Commerce about whether this new definition of “exempt sale” will in any way interfere with those longstanding arrangements between fuel retailers and various businesses. It could be an agreement with BHP for its fleet cars; it could be with a fleet management company; or it could be with the Department of the Premier and Cabinet whose staff have been issued with a fuel card, and if they buy fuel at a particular retailer, the rate that the Department of the Premier and Cabinet is charged is different from the advertised rate promoted through FuelWatch. We want to catch Costco in the reporting requirements for FuelWatch for the obvious reasons of transparency, encouragement of competition and total clarity for consumers. They are all very good reasons to bring in Costco, but, at the same time, we do not want the definition to somehow impact on and have unintended consequences for those longstanding arrangements between all sorts of businesses and fuel retailers for how they buy their fuel. I would be interested in the minister’s response to that.

I would be very surprised if there is a direct policy intention to capture those types of arrangements that I have spoken about, but I think the definition that will be removed by the bill clearly encapsulated those existing agreements or arrangements between customers and retailers; for example, BHP, as the customer, and a fleet car company have an existing arrangement for fuel that costs a cent less than the advertised price or it might be a fixed price for a week rather than a day. It could be anything; we do not know. That is privity of contract stuff. That has been happening for a long time. That is not a membership-based issue as it is with Costco. It is more an agreement that has been reached between the two parties, which they are both happy with and has been going on for a long time. That is the genesis of the wording of the existing exemption in, I think, section 22I of the Petroleum Products Pricing Act 1983. I am almost certain—again, the minister can clarify this—that it is not the policy intention to capture those sorts of agreements with this amendment. It is really to capture Costco. It is really to capture the membership-based model. I seek that clarification, because I know that a lot of people will rely on this, some of whom have novated leases that include fuel in the arrangements, while others have salary sacrifice agreements with their employers with these types of fuel requirements. It would be—I am trying to choose the appropriate word—a travesty if an unintended consequence of this amendment was that it captured those arrangements and caused harm to people. That is why I seek clarity from the minister about that arrangement.

The principle of the bill is supported by the Liberal Party. It will provide better transparency for consumers, encourage competition and guide consumers to get the best deal. It will bring a new entrant into the well-established, well-used and well-supported FuelWatch regime in the Western Australian retail market, including the retail motor fuel market. That is all well and good. We like that. I just do not think that we need those possible unintended consequences of this change that I spoke of for those other longstanding arrangements and agreements.

The definition of “exempt sale” stands out to me. I cannot see how those private fuel card arrangements, as I will call them for shorthand purposes, between businesses and fuel retailers will fit into that new exemption, but I see exactly how they fit into the old exemption. That is why I seek some clarity from the minister around that. I am not sure whether that simply was not contemplated. I am not even sure whether I am looking at this clause in the wrong way. Perhaps there will be a simple answer and my query can be easily satisfied and we can progress to make the changes that are contemplated in this bill.

As I have said, the principle behind this bill is good. The intention is good. The eventual entry of Costco into Western Australia is not only good; it is fantastic. I certainly welcome it. I know the Liberal Party welcomes greater retail competition. It will be fantastic for consumers. Consumers will get a new range of goods. They will be able to buy in bulk. They will be able to make their own choices. If Costco does not suit their needs and requirements, they either will not sign up; or, if they sign up once, they will not sign up again at the end of the year. Costco has proved popular in other places. It has added the competitive tension that we need in markets to drive down prices. Many consumers in this state are struggling. We know that for many years—in fact, for over a decade—there has been low wage growth, increases in the cost of living, and unfortunate increases in the cost of government-provided goods and services. Since this government came to power, households have had to pay an additional over \$850 a year in government fees and charges. I acknowledge that costs were going up before this government came to power. Households are doing it tough. If householders can find a better deal somewhere, they will embrace it. If Costco can provide cheaper prices for its own goods, and drive other retailers in this country—in particular, the two large oligopoly retailers of food and groceries—to bring their prices down, that would be a good thing. We welcome that.

Mr Peter Katsambanis; Mr Simon Millman; Dr Tony Buti; Mr Donald Punch; Mr David Michael; Ms Janine Freeman

---

It is good that Costco's fuel prices are advertised on FuelWatch. Costco reports its fuel prices by 2.00 pm each day, and that applies from 6.00 am the following day until 6.00 am the day after. That provides clarity and transparency and enables consumers to make their choices. We welcome that.

If the minister could clarify the issue that I raised, that would be helpful in advancing the debate on the bill. As I have said, if we can get more retail competition in the area that is dominated by the two very large players in food and grocery sales, that will be very good for this state and this nation, and for Western Australian consumers. With those words, I indicate again that the Liberal Party supports this bill. We just do not want the unintended consequence that I have suggested might occur. I am sure the minister will give us a rational explanation for that.

**MR S.A. MILLMAN (Mount Lawley)** [12.54 pm]: I rise to speak in support of the Petroleum Products Pricing Amendment Bill 2019. Any new entrant into the petroleum market in Western Australia would be well advised to sign up to the FuelWatch system. The recent straw poll that I have done indicates that FuelWatch is well loved, well liked and well used by many Western Australian motorists. The FuelWatch scheme was introduced in 2001 to promote price transparency and encourage competition between fuel retailers, for the benefit of consumers. Any member here this afternoon who heard my contribution last night on the amendments to the Fair Trading Act will know that it is important to me that we stick up for small business and for consumers. The FuelWatch scheme was introduced following the release in October 2000 of the report of the Select Committee on Pricing of Petroleum Products, titled "Getting a Fair Deal for Western Australian Motorists". I speak for everyone in the chamber when I say it is important that we do everything we can to get a fair deal for Western Australian motorists.

Fuel retailers are required to notify FuelWatch of the retail price of their fuels, which are then fixed for a 24-hour period. Consumers can access the FuelWatch website to compare prices, make informed decisions and obtain the best deal of the day. Prices for the next day can be accessed any time after 3.30 in the afternoon. FuelWatch also issues media statements to give consumers advance warning of steep price rises caused by the fuel price cycle so that consumers can save money when filling up their motor vehicles. Anyone who has seen articles in *The West Australian* about imminent spikes in the price of petrol, or has seen the fuel prices shown at the end of the Channel Seven or Channel Nine news each evening, will know the fantastic media work done by FuelWatch in promoting competition in the petroleum market. Members have talked about the importance of providing competition in the marketplace. Any new entrant into the Australian retail fuel market would do well to sign up to FuelWatch. Markets also operate well when a light-handed government is providing the necessary regulation to protect consumers.

I now want to take members to the provisions of the act that this bill seeks to amend, namely the Petroleum Products Pricing Act 1983. The definitions in that act are contained in section 22H, which is in part IIIA, division 2, headed "Retail sale". This heading was inserted as a result of bill No. 73 of 2000. The only terms that are defined in that section are "kind of motor fuel" and "standard retail price". Clause 4 of the bill proposes to delete section 22H and insert a new section 22H. Proposed new section 22H(1) provides two new definitions, namely "business" and "exempt sale". Proposed new sections 22H(2) and (3) provide further detail of what constitutes a retail sale and what constitutes an exempt sale. The explanatory memorandum deals with this in sufficient detail for me not to have to go through it extensively in my contribution.

The fact of the matter is that irrespective of the particular circumstances that might be operating today, when we have regard to the policy position that government regulation in the market should provide a good outcome for consumers, we should always examine these types of legislation to see whether changes in the commercial environment warrant an updated legislative response. Irrespective of any individual entities that might enter the market, if changes are made to the way in which commerce is conducted or businesses are run, we need to ensure that the protections that we have put in place for consumers are still fit for purpose and will deliver what they are required to deliver. The proposed changes to the definitions in section 22H will help ensure that the act is contemporary and has the necessary flexibility to deal with new entrants in the marketplace, whoever they might be.

The remaining proposed changes to the act are to sections 22I and 22J. Those changes are consequential upon the significant amendment to section 22H. These provisions are currently a bit verbose or wordy. For example, section 22I(2) states —

If a kind of motor fuel is not available for retail sale at a particular place except in accordance with an existing agreement or arrangement between the customer and the retailer, subsection (1) does not apply ...

Should this bill, which I am speaking in favour of, pass Parliament, all that unclear language will be removed and replaced with, quite simply, "for exempt sale". Because of the substantive amendment that I referred to earlier, in which the definition of "exempt sale" is now incorporated into the legislation, that will make the whole operation of this particular provision much easier.

The very first thing that this legislation will achieve will be to bring our regulatory regime into a contemporary setting. It will then extend what the original legislation was designed to do—to protect consumers. If we look at the pain that people experience at the bowser when they spend hundreds of dollars a fortnight filling up their car, we see that anything we can do to cultivate a market that will drive down prices to alleviate some of that bowser pressure is worthwhile. Where we arrive at today is that the Petroleum Products Pricing Amendment Bill is a natural extension of legislation that was introduced in 1983—that is, the Prevention of Excessive Prices Act 1983. Over time, we have seen a significant evolution in competition and consumer law. In 1983, this Parliament was of the view that government regulation of the market to protect consumers was an appropriate endeavour. Unfettered capitalism does not work. We need sensible government intervention in the market to ensure that it operates appropriately. That is exactly why I am so happy to hear that the Liberal Party is supportive of this legislation.

When one has regard to the evolution of competition policy and consumer protection in Australia, it is unarguable that a lion of the evolution of competition policy is a son of Western Australia—Professor Allan Fels. He was a student of Melbourne, Monash and Oxford universities, former chair of the Australian Competition and Consumer Commission, and the dean of the Australia and New Zealand School of Government. He trained top level public servants and has conducted training programs for officials from a number of parties, has played a major role in mental health policies as the chair of the National Mental Health Commission, and has been involved in numerous public inquiries into taxis, parliamentary entitlements, the pay of top executives, underpaid migrant workers and the role of non-government organisations. I am quoting from the Melbourne University Press, which states —

Allan Fels has never been one to shy away from a fight, especially when the big end of town is exploiting small businesses or consumers.

Something that we on this side of the chamber will not stand for —

During his twelve years as head of Australia’s competition watchdog, he took on banks, airlines, supermarkets and big telcos to make sure Australians were getting a fair deal. Since leaving the Australian Competition and Consumer Commission in 2003, he’s continued to champion the underdog.

Again, a principle that we hold dear on this side of the chamber —

From fighting for the rights of those with a mental health disability, to overseeing the payment of millions of dollars in wages to illegally underpaid 7-Eleven workers, Fels has used his wily political skills and media savvy to get the job done. Along the way, he’s also helped radically transform Victoria’s taxi industry and investigated grossly overpaid corporate executives.

Helpfully, if any members are interested in reading more about Allen Fels and his passion for taking on unfair commercial practices, they can look at his wonderful new book, *Tough Customer*. What a great picture it is on the cover of the book, with him holding two bowser pipes, showing that he is always ready to fight for the battlers at the bowser, and this legislation brought forward by the McGowan Labor government does exactly that. Here’s to you, Allan Fels. I commend this legislation.

**DR A.D. BUTI (Armadale)** [1.04 pm]: It is nice to rise after that theatrical play by the member for Mount Lawley, which I will not attempt to repeat. I am not sure what more I can say to add to the always cogent argument, debate or contribution made by the members for Mount Lawley and Hillarys in support of the Petroleum Products Pricing Amendment Bill 2019. At its core, the Petroleum Products Pricing Amendment Bill, which seeks to amend the Petroleum Products Pricing Act, will ensure that with the introduction of a new player in the industry, Costco, it will be caught in the mandatory requirements for reporting the price of fuel, so that the consumer will have a clear understanding of the comparable prices and can shop around. I will talk briefly about the amendment and why it is important or why consumers think it is important that we have as much knowledge as possible for comparing prices for fuel in the metropolitan area or anywhere, for that matter, in the state.

Of course, the main clause of this bill, the most significant clause to amend the primary act, is clause 4, which the members for Mount Lawley and Hillarys mentioned. That is the definition clause, and will add two definitions, “business” and “exempt sale”, to section 22H of the primary act. The definition of “business” in proposed section 22H(1) includes —

- (a) a business not carried on for profit;
- (b) a trade or profession;
- (c) the functions of a public body, other public organisation or public office holder;

The definition now covers a range of business models, including membership schemes. This is important, because one of the major factors for the introduction of the amending bill is the issue of membership schemes. We also want to pick up businesses that may not be operating for profit. The other definition, of “exempt sale”, under proposed section 22H(1), is linked to proposed subsections (2) and (3), which specify what constitutes an exempt sale. A retail sale of motor fuel incidental to hiring or selling a motor vehicle, selling fuel in bulk or for fuelling

Mr Peter Katsambanis; Mr Simon Millman; Dr Tony Buti; Mr Donald Punch; Mr David Michael; Ms Janine Freeman

---

vehicles exclusively used for business purposes are exempt sales. In these circumstances, the seller does not have to comply with price notification, price fixing or price display requirements. Clause 4 amends the definition of “standard retail price” by removing the current text, which states —

... to a customer who is not the subject of any agreement or arrangement affecting price.

Clause 4 replaces that text with “without any discounts or special offers.” This definition will include membership schemes, but will avoid capturing discounts offered by retail fuel outlets. Clause 4 also includes a new provision, proposed section 22H(3), which states —

The regulations may prescribe other cases in which a retail sale of motor fuel at a particular place is an *exempt sale*.

The FuelWatch scheme was originally introduced in 2001 by the Gallop government to promote price transparency and encourage competition between fuel retailers for the benefit of consumers. When we have to refuel our vehicle, we want to know the prices at various petrol stations. For whatever reason—I have never really worked it out—Thursday used to be the cheap fuel day and now it is Monday. There is a significant increase from Monday to Tuesday. I think even now Sunday is often cheaper than Tuesday. I do not know the reason; it probably has something to do with when the supply of fuel reaches petrol stations. I am not 100 per cent sure. I remember when I was a young lad—which was a long time ago, member for Dawesville—we did not have FuelWatch. When I was first able to drive, we still had the Sunday roster. I am not sure when that was removed. Do members remember the Sunday roster? We would have to go around looking for one petrol station —

**Mr W.R. Marmion:** They would swap. When someone had done a swap, you had to drive another five kilometres to get to one.

**Dr A.D. BUTI:** Yes. Back in the day when I was 17 or 18 years old and did not have much money, it was very important to go to the fuel station that would give the best value for money.

**Mr D.J. Kelly:** You’d fill the tank up with \$2.

**Dr A.D. BUTI:** That is right; \$2, yes. I have done that. There was no credit card; it was cash.

**Ms A. Sanderson:** Coins.

**Mr D.J. Kelly:** They washed the windscreen for you as well.

**Dr A.D. BUTI:** They used to get aggressive if we got out of the car to put our own nozzle into the tank.

**Mr W.R. Marmion:** Don’t touch the pump.

**Dr A.D. BUTI:** Do not touch the pump.

Several members interjected.

**Dr A.D. BUTI:** Yes, the hand pump. A petrol station in Kelmscott was providing the full service until about two years ago.

**Dr D.J. Honey:** Nedlands had one about a decade ago.

**Dr A.D. BUTI:** The one in Kelmscott was there until a couple of years ago, actually. We look after our people more down that way than they do in the western suburbs.

**Dr D.J. Honey:** No waste in Armadale.

**Dr A.D. BUTI:** That is right.

I did not get my first car until I was about 19 years old. When I was still at high school, a very close friend of mine had a Hillman. At lunchtime we used to get in the car and go up to the Roleystone hills and go for a bit of a drive on the gravel tracks for about half an hour and then go back for period 5, which would have been economics or geography.

**Mr W.R. Marmion** interjected.

**Dr A.D. BUTI:** No, we used to get up the hill but on the way down my friend used to turn off the motor so that it would coast down. However, of course, he did not realise that that had a detrimental effect on the brakes. Coming down Brookton Highway was not often a very wise thing to do. I do not advocate schoolkids drive their cars up into the hills at lunchtime. However, that is what we did in those days.

It was really important that we found out the price of petrol at the various petrol stations. It was quite a challenge because they were not open 24/7, especially on weekends generally, apart from operating according to a roster. However, that was liberated and petrol stations opened for longer hours and many are now open 24/7.

Mr Peter Katsambanis; Mr Simon Millman; Dr Tony Buti; Mr Donald Punch; Mr David Michael; Ms Janine Freeman

---

I mentioned the difference in prices on Mondays, the cheapest day for fuel prices, but it used to be Thursday. Also fuel prices between petrol stations fluctuate greatly. The station that charges the cheapest fuel—I will not mention its name because it might give it a free plug—is in Maddington, right next to the office of Hon Matt Swinbourn. Its fuel is incredibly cheap. It amazes me that people queue up sometimes for 200 or 300 metres.

**Mr C.J. Tallentire:** It causes traffic congestion.

**Dr A.D. BUTI:** That is right, member. Is that in your electorate?

**Mr C.J. Tallentire:** Yes, part of it is.

**Dr A.D. BUTI:** Why do people queue up for 10 or 15 or even up to 20 minutes just to save a few cents a litre?

**Mr Z.R.F. Kirkup:** Probably because the government has increased fees and charges so much. I don't know.

**Dr A.D. BUTI:** Maybe 17 or 18-year-olds who are still at school or on a meagre income will queue up. Of course, under Labor's policy, people would earn penalty rates on weekends, but under the policy of the member for Dawesville's government, they would not be earning penalty rates so they would need to line up for 300 or 400 metres to get the cheapest fuel.

Seriously, it is important that this FuelWatch scheme is run properly and when there is a change in the industry, that legislation is brought to this house. Hopefully, it will be passed, as I believe it will be with the member for Hillarys' indicating support for it. This is a very wise, prudent and necessary amendment to the Petroleum Products Pricing Act 1983, which covers the FuelWatch scheme, which is all about promoting price transparency and encouraging competition between fuel retailers. That, of course, is for the benefit of consumers.

**MR D.T. PUNCH (Bunbury)** [1.13 pm]: I, too, rise to support the Petroleum Products Pricing Amendment Bill 2019. I do so with some trepidation following the contributions of the member for Mount Lawley and the member for Armadale because I never want to grapple with legal definitions with those two gentlemen!

This is an interesting opportunity to re-examine how FuelWatch has been operating. This particular amendment seeks to address the definition of a range of businesses covered by FuelWatch. It is driven by the introduction of Costco Australia, a membership-based organisation. I was reading a little bit in *The West Australian* about Costco as a retailer. As the member for Hillarys said, it provides an opportunity to buy anything from diamond rings and coffee to coffins and electronics. I cannot imagine buying a coffin in a supermarket chain, putting it on top of the car roof rack and driving out with it. I am not sure of the romance if I told my partner that I had just bought a beautiful diamond ring at downtown Costco. It would take away from the romance of the situation.

**Ms J.M. Freeman:** It is better than no diamond!

**Mr D.T. PUNCH:** Absolutely.

It is an interesting development in the retail space and the cross-linking of multiple products that can be bought from one location linked to memberships. I am sure if they linked their fuel offering to a discount option, when we go to buy the top-value coffin, we will get a very good discount on our fuel pricing when we fill up on the way out.

It is an interesting challenge. My understanding was that when the issue of Costco being brought under FuelWatch was raised with Costco as an independent membership-based organisation, it was quite supportive of that. However, I will leave that to the minister to confirm.

We have heard the contributions of the member for Mount Lawley and the member for Armadale about the history of FuelWatch. It takes us back to Adam Smith economics, the notion of providing perfect knowledge of the marketplace to consumers so they can use that knowledge to shop around and get the best deal possible. The internet provides the opportunity for that. Going online and seeing the whole spectrum of the marketplace, whether it is fuel, clothing or the accommodation market, provides the consumer with instantaneous knowledge and incredible market power about where they decide to shop. The member for Armadale mentioned that sometimes when a supplier offers a particularly low-priced fuel transmitted on FuelWatch, we find almost instantaneously a queue of vehicles down the street leading into the service station. There is a balance between whether we want to spend the time lining up and taking advantage of cheap fuel or just accept paying 1¢ or 2¢ down the road and get in and out fairly quickly. Working out the time and cost of running the car the extra distance to get the fuel can be a bit of a complex calculation.

It is interesting, because like many country members and many people in my electorate, I seem to spend an awful lot of money on fuel. As soon as there is a price spike, the price seems to increase enormously, and there is not a lot of understanding about what drives the market. Certainly, when fuel prices go up, it becomes a very topical issue in the bush because people rely on vehicles much more so than they do in the metropolitan area. There is some public transport in the Bunbury electorate, but as we move out of the Bunbury electorate, it gets pretty thin on the ground when people need to go shopping, to medical appointments or whatever. Their reliance on the motor

vehicle is pretty crucial and the costs associated with driving mean that when fuel prices increase, it becomes a very important issue for people in the bush, particularly people who are doing it tough.

I have been quite interested in fuel pricing in regional Western Australia because comparisons are always made between the cost of fuel in the metropolitan area and the regions. When I had a quick look at FuelWatch just before this contribution, I noticed that at Caltex Woolworths in Manjimup, unleaded petrol costs \$1.37.9. However, at Caltex Woolworths at Treendale just to the north of Bunbury, it costs \$1.46.9, so there is a 9¢ difference.

From talking to members of the transport industry, I know that the cost of delivering fuel is generally about 1¢ to 2¢ a litre over that sort of distance. In Manjimup, which is about 120-odd kilometres further from the terminal than Bunbury is, we pay a lot less for fuel. We see that reflected over a number of localities. On the one hand, that indicates the transparency of FuelWatch, which enables consumers to see that price differential, but on the other hand, it leaves them with the fundamental question: why does the differential exist and what does it mean? That question comes up repeatedly. It is not so much an issue of a comparison between regional and metropolitan prices; rather, it is why there are such variations, as revealed by FuelWatch, in regional areas that cannot easily be explained by a concentration of the market—consumer demand—or the transport costs associated with delivery of the fuel. Last year I ran a little survey and monitored this over a couple of months. I talked to people in my electorate and we produced a petition with just over 2 500 signatures, calling for an examination of this matter by the Australian Competition and Consumer Commission to see whether any industry conduct issues were associated with it. That petition was tabled in the Senate by Hon Louise Pratt, but, unfortunately, she did so just before the last federal election so it got a bit lost in the wash-up of that election—but I am onto it. We will be monitoring fuel pricing in our region fairly closely over the next few months. It was interesting because when we ran that petition and the issue got a lot of airplay in the media, we noticed that the differential between regional locations immediately around Bunbury narrowed considerably so there was no longer 7¢ or 8¢ a litre in favour of Harvey over Bunbury. It narrowed and evened up quite considerably. For some reason, public scrutiny of the issue had a big impact on pricing. I do not know what that reason was but I am sure that it is worthy of further investigation to get to the bottom of it.

The other issue with fuel pricing is that it is based on the notion of the standard retail price—that is, the price that fuel is offered at, not incorporating any discounts et cetera. Many times as I have gone past a fuel station, I have had to take a second look because of the series of published prices. I understand that there is the standard retail price, and then the price with the various shopper discounts or membership organisation discounts that are available, but it is very easy for a consumer to be confused about the actual price. In a sense, there is an oversupply of information that sucks a person in. When they get to the bowser, they realise, “Oh, this is the price”, but by then it is too late because they are committed, so they might as well just fill up. It is not good enough to say that FuelWatch is enough to protect consumers. We need to look at this whole area because fuel is such a fundamental part of household expenditure for many, many families, and for many of them, this makes a difference between being in the positive or in the black at the end of a fortnight.

Another anomaly in my electorate came to light just recently. In the regions we have the Country Age Pension Fuel Card, which is a contribution by the state government to pensioners in regional WA to the tune of about \$550 a year. Pensioners who present that fuel card to pay for their fuel are not able to also use a Shop A Docket coupon to claim the 4¢ discount. We have not got to the bottom of why pensioners are not able to do so. It does not seem to be a regulatory or eligibility issue; it seems to be a policy issue between the retailer of the fuel and whomever they are collaborating with in the discounting arrangement. At the end of the day, the consumer who has dutifully shopped with a shopping or retail outlet and built up their loyalty discount or who has joined the membership organisation and wants to claim that loyalty discount and use the discount fuel card and make the Country Age Pension Fuel Card go as far as possible is not able to do so. On the one hand, the transparency gives people the opportunity to have the knowledge to make decisions. If they are in an area that has multiple fuel outlets and it is easy to traverse from one to the other before deciding which one they will go to, the system works very well. However, that is not the case in regional WA, where the issues associated with geographic barriers make it uneconomic to go somewhere else or the funny pricing arrangement seems to suggest that the further away a person is from a terminal, the cheaper the fuel can be, and if they are in an area where there is a concentration of market demand, the fuel seems to be more expensive. Someone needs to look at that. We need to delve into this issue and find out what is driving it because consumers are paying for it. The Country Age Pension Fuel Card is an initiative directly designed to help people who are on low incomes, but they are not able to take advantage of the shopper discounts et cetera. That is a serious anomaly. On the one hand, the fuel card delivers fantastic benefits and puts transparency into the system. It means that fuel retailers are watching each other to see where they fit in the scheme of things. However, on the other hand, there are some serious issues that we need to take a solid look at.

The bill is very good. It will capture and refine FuelWatch, and it will do that in the face of the changing nature of the retail sector and the changing nature of alliances that are building up in that sector. It is a good bill from that point of view and I support it, but it also raises those questions that we face in regional WA in particular about the



Mr Peter Katsambanis; Mr Simon Millman; Dr Tony Buti; Mr Donald Punch; Mr David Michael; Ms Janine Freeman

---

conduct of industry with fuel pricing. We have to make sure that consumers are not disadvantaged simply by living in the bush. I commend the bill to the house.

**MR D.R. MICHAEL (Balcatta)** [1.25 pm]: I rise to support the Petroleum Products Pricing Amendment Bill 2019. I will talk about the importance of FuelWatch and maintaining its integrity. I was thinking back to when FuelWatch was introduced. I had a look at some *Hansard* from 2001. FuelWatch was an initiative of the Gallop government. Fuel was a big issue at the 2000 election when the Court government was in office. I was a candidate for Churchlands. The people of Churchlands obviously missed out.

**Mr Z.R.F. Kirkup:** How'd you go?

**Mr D.R. MICHAEL:** I came third because the Liberal Party ran a candidate against Liz Constable. I directed my preferences to the former education minister.

I remember that we had a petition running to introduce a fuel watch scheme. I think a few members in here from the class of 2001 will probably remember that. It was a big issue because fuel prices were out of control and fuel companies were getting away with charging us more for our fuel. I remember when the legislation came in. FuelWatch has obviously been an enormous success. I remember when the former Minister for Commerce—who is the current Minister for Mines and Petroleum—put out a media release in early 2018 that stated that an all-time record had been hit, with more than a million visits to the FuelWatch website in a month, which was incredible. We all know that FuelWatch prices appear on television all nights of the week. Whether it is BP on Main Street in Osborne Park or any of the other service stations in Balcatta, when the petrol price is low, there are queues. It is not because people have driven past and seen the price; rather, it is because they have worked out the cycle from FuelWatch or they get regular emails from FuelWatch. People can type in the suburb they live in or the route they take home from work to see where petrol is cheapest. It has been an enormous success. Maintaining the integrity of FuelWatch is very important.

I do not know a lot about Costco. During the debate so far, I have heard a few comments about how it works. I have to admit that I went onto its website. I am not 100 per cent sure how its fuel discounting works. It is not implicit on its website. My assessment is that it may need a new website if it wants to have a better business in Australia. It has been determined that Costco does not fall under the FuelWatch regulations. It is important that it is treated the same as every other fuel retailer, whether that be the big two or, importantly, the independent fuel retailers around the state.

Before the introduction of FuelWatch and while I was at university, I spent three good years working at Caltex Belmont, Caltex Morley, which is now an empty site, Caltex Wangara and Caltex Joondalup as a console operator. It was pretty rough and ready in those days. When I go to a service station these days, there is a lot of security and a lot of staff on duty. Back then I would do the odd midnight shift—I would work very late into the night. There were no security barriers and only one person on a shift. This was before FuelWatch so prices could change at any time. I remember when fuel prices were going up. I would normally work on a Sunday afternoon, and if the fuel price was quite low, the console would spit out a docket saying, “At the earliest opportunity, please put the price up.” The forecourt would be full of cars, and the system would not allow staff to change the price while people were taking fuel. We could not obviously change the price midstream and we could not have one bowser showing a different price from another bowser. The theory was, at a break in serving people, the member of staff would run out the back and find the big numbers, then run out to the signs at the front and change the numbers before they actually changed the price; otherwise, if the price was going up and the sign had a lower price than the actual bowser price, that would be false advertising. If a member of staff did that, hopefully, the higher price would dissuade motorists from coming in, and then they could change the bowser price when there was nobody on the forecourt. When there was only one member of staff on duty, that was easier said than done. A couple of hours later, Caltex would put up another thing on the screen saying, “Have you changed the price yet? We don’t think you have. Could you get onto it, please.” The member of staff would have a queue of customers waiting to pay for their petrol, there would be lines out the front, and they would say, “There’s nothing we can do.” The opposite situation to that was that when prices were going down, again, the member of staff would have to wait for the bowsers to be clear so that they could first change the bowser price before changing the price on the board. It was not the best system. I think the current system is a much better way, whereby fuel retailers have to alert FuelWatch in the afternoon, and then that price is advertised that afternoon and evening for the 6.00 am price the next morning.

At some point in this place I will probably return to my experiences at Caltex Belmont and Wangara. I was originally employed under the Court government’s workplace agreement, and I still have it at home, so if we ever discuss industrial relations in this place, I have exhibit A of why we should not go down that path. They were pretty bad arrangements.

I refer to FuelWatch. I think it is an extraordinarily popular concept for people to be able to find out the price of petrol at the places they need to go. I congratulate the Minister for Commerce and the Department of Mines, Industry Regulation and Safety for bringing this change. Obviously, Costco is somewhat of a disruption to this industry. I think

Mr Peter Katsambanis; Mr Simon Millman; Dr Tony Buti; Mr Donald Punch; Mr David Michael; Ms Janine Freeman

---

that making this change and getting ahead of the game is important because it means that other fuel retailers will not be disadvantaged when Costco comes in. I think that the previous government missed an opportunity—if it had treated the disruption to the taxi industry in this kind of way, got ahead of the game and fixed those disruptive changes to the taxi industry like we are fixing this disruptive change to the fuel industry, all those taxi plate owners would have been spared the suffering and hardship that they have had to endure. I commend the bill to the house.

**MS J.M. FREEMAN (Mirrabooka)** [1.32 pm]: I, too, rise to speak on the Petroleum Products Pricing Amendment Bill 2019. Western Australia's FuelWatch scheme is something of which we should all be proud. In fact, looking at this legislation and the history of FuelWatch, it can be seen to be a bit of a Western Australian institution, and something of which we should rightly be proud. FuelWatch was introduced in 2001 to promote price transparency and encourage competition between fuel retailers for the benefit of consumers. It is important that we make sure we have a level playing field, and that new entrants into this market such as Costco are captured under this bill. I note that the Australian Capital Territory Liberal Party has pledged to emulate WA's FuelWatch if it is elected to government. I understand the Australian Capital Territory election might be imminent, I am not entirely sure, but I did notice that the ACT Liberal Party has referred to introducing a FuelWatch scheme to combat some of the issues in the ACT, such as Canberra being the most expensive place in Australia to buy fuel. It talks about the importance of FuelWatch and the capacity for that 24-hour period when fuel prices are frozen. An article in *The Canberra Times* on 22 January 2019 refers to a report by the Australian Competition and Consumer Commission that looked into the outcomes of WA's FuelWatch and found that the scheme was helping to save motorists up to \$520 a year, although it included a disclaimer that Perth's petrol pricing is highly controlled by the FuelWatch price cycle, and that that saving was based upon a motorist who filled up their car with petrol once a week on Mondays, the lowest point of the city's price cycle, rather than at the high point on Tuesdays. That is when a motorist can save the most amount of money.

Under the FuelWatch scheme, petrol prices are sent to the website at 2.30 pm the day before, and that price comes into effect at 6.00 am the next day, whereas it used to be declared. The member for Balcatta gave a great personal history of how that occurred. In our office, we had a complaint from a customer who had used a 24-hour fuel station. The fuel station had put the prices on the board for that day for the 6.00 am start; however, the customer had gone in at ten to six and filled up their car, did not look at the price on the board, and ended up paying the price for the day before. The customer wanted to know how they could complain about that. They felt that that had been unfair advertising, because they had gone in and purchased on the day thinking that the price shown was Monday's price. Unfortunately, there was little they could do, because the pricing was from 6.00 am.

An interesting aspect of advertising is that, as we all know, on occasions, when we drive past a fuel station looking at fuel prices, a price for that day's fuel is advertised, we drive in, look at the board and realise that the price is based on the customer getting cheaper fuel by having a Shop A Docket coupon. The fuel companies are effectively advertising prices that rely on a Shop A Docket discount. A customer goes in thinking that they are going to pay a certain amount—I think this is the issue that the member for Bunbury raised—and they realise that that is not the actual price; rather, that would be the discounted price if they had a Shop A Docket coupon. Often, they fill up on the basis of that price, because they have committed to filling up by that stage.

I also noted that the Australian Capital Territory has recently introduced a ban from advertising misleading discounted fuel prices, which started on Monday, 26 August 2019, after a parliamentary inquiry around fuel prices in the ACT. Petrol stations in the ACT are no longer allowed to advertise discounted prices on their price boards, including prices that require a discount voucher or an instore purchase. They can still advertise, for example, 4¢ off a litre, but the price displayed must be the full price available to all motorists. It would be interesting to know whether that is the case for Western Australia. I do not think it is; I think that the prices that are advertised seem to reflect the lower discounted price, but I am happy to stand corrected by the minister that our FuelWatch and the prices that are put up on the boards are, indeed, the full price without any Shop A Docket discounts.

What we as members of Parliament all know is that the price of petrol is a major issue for many of our constituents. They will actively seek to find the best price for petrol for their cars, because petrol is a major expense in their weekly and daily budgets. We have conducted surveys in the area that I represent. I am constantly reminding people that my electorate does not have a rapid transport system that people can rely on. When Metronet comes in, people will be able to go to the Malaga station, which will enable them to use the rapid transport system; however, currently, car usage in the Mirrabooka electorate is very high.

The 2016 census shows a high usage of personal vehicles and motor vehicles in that eastern corridor, so the price of petrol has a big impact on that area. The Australian Competition and Consumer Commission's "Report on the Australian Petroleum Market" for the June quarter showed that the average petrol price across the five largest cities—Sydney, Melbourne, Brisbane, Adelaide and Perth—was 145.3¢, an increase of 15¢ a litre from the 2019 March quarter, and that while daily prices varied considerably, the annual average petrol price in 2018–19 was the highest that consumers had experienced in the last four years in real terms. Although this was predominantly caused by

the depreciation of the Australian dollar, it is certainly a considerable amount of money for shoppers to lose. It becomes very important for those people to then access cheaper fuel prices through FuelWatch and on the discount day. The crux of what I wanted to talk about today is the impact that that Monday—that one day of petrol stations reducing fuel prices for a competitive advantage—has on the Mirrabooka community that I represent. The Caltex service station in Mirrabooka has been an ongoing issue, so much so that I have written a number of letters to Caltex. It has never responded or written back to me. I have also raised it with the police, the City of Stirling and the minister, and I have had meetings with Main Roads Western Australia. Caltex Mirrabooka is situated on the corner of Yirrigan Drive and Farrier Road in Mirrabooka, Western Australia. The queues of cars at that petrol station obstruct the left and right lanes of Farrier Road. Access to the businesses just behind and also on the other side of the petrol station are blocked by the traffic queues. People are really concerned about the safety aspect of those queues. One of the fast-food restaurants has contacted me. It constantly suffers a significant reduction in its trade on Mondays when Caltex offers lower fuel prices. I was also contacted by a local real estate agent in October last year. He said that from 7.30 am onwards, all day long, cars are parked effectively waiting to get into the service station. He writes —

There are frustrated drivers and then aggression occurs, a sight that is quite familiar amongst the drivers on Monday afternoon.

For cars to come out of Farrier Road and onto Yirrigan Drive, the left lane is completely at a stand still forcing drivers to pull out onto the second lane as cars are approaching. The exit from the Mirrabooka shopping centre is also congested. This is an accident waiting to happen.

We have met onsite with the City of Stirling and we have discussed various issues. I have talked with the police. Everyone basically says that there is nothing they can do. I am the last person who wants to say to the people whom I represent that they cannot have cheap fuel and that while they are queuing for it, they should receive a traffic infringement. I do not think that this crazy process of having one day of cheap fuel is caused by FuelWatch. FuelWatch is a great system. It is caused by the way in which the fuel or petrol companies are working —

**Dr A.D. Buti:** The oligarchies.

**Ms J.M. FREEMAN:** Thank you, member for Armadale. It is caused by the oligarchies that are working to somehow restrict supply on a certain day and create certain behaviours. They want to make money on subsequent days. They want to create some sort of illusion that customers can make a significant cost gain on a certain day. If they can afford to set low fuel prices on a Monday, why can they not make the price consistent across the board? The ACCC should look into this matter. It cannot set fuel prices but it can certainly look into fuel prices. It is an issue of considerable safety in the community that I represent.

I want to read a response on this matter from the City of Stirling. I really feel for the City of Stirling; it is caught between a rock and a hard place. Its email states —

I can advise you that the City is well aware of this issue and it has been raised with the City on a number of occasions. Similar issues have also been reported for other petrol stations located on major distributor roads within the City, including Walcott Street/Fitzgerald Street ... and Karrinyup Road/North Beach Road ... to name a few.

The City has previously discussed this issue with both Main Roads WA and the WA Police to determine if there are any regulations under the Road Traffic Code or any precedent of action being undertaken against motorists and/or petrol station owners for this type of queuing. While it is obviously undesirable for queuing to extend in to the adjacent roadway, there is unfortunately little that can be done by the City (or MRWA or the Police) to prevent this from occurring. The City has actually been requested in the past to take action against petrol station owners for selling fuel at a price that is ‘too cheap’ —

Which obviously it cannot do —

While the reasons for this request are acknowledged, the petrol station owners are simply trying to increase their business ...

The city has investigated other options, but the frustration continues for motorists and the community.

On 2 October 2017, a constituent wrote a letter expressing her frustration with motorists using the roads surrounding the Caltex Woolworths petrol station on the corner of Yirrigan Drive and Farrier Road. She said that it occurs on a weekly basis and wrote about how she had contacted the police but that nothing could be done and it continued to be a nuisance.

One of the solutions that the City of Stirling came up with was to use pavement markings to delineate the right turn pocket to the median, which would try to encourage drivers to keep the kerbside clear for through traffic. Whilst

it would not prevent queueing, it would at least keep the kerbside clear for longer with some capacity for through traffic. Main Roads basically said that the city cannot paint the roads or use pavement markers solely to delineate traffic. It did not support the idea. I met with Main Roads about this matter. It was still not of the view that the city should respond in this simple way to solve what is a traffic hazard in the local community. This is an internal road. Main Roads does not deal with internal roads, but it can tell the city what it cannot do on an internal road. I find that somewhat mystifying. My point is that Main Roads then advised the city to construct raised traffic median islands. However, that would reduce the amount of queueing space and cause a greater hazard.

[Member's time extended.]

**Ms J.M. FREEMAN:** We have fuel companies carrying out this fuel-pricing practice that causes a traffic hazard, we have a response from the City of Stirling about putting some markings on the road, and we have a response from a state government department that will not allow that to happen. Frankly, I do not think that is helpful. I also know that the City of Stirling met with Caltex, and, as I said, I wrote to Caltex on 9 January 2019 and to Churchill Knight property managers and told them that I was really concerned about the safety aspect. I urged them to contact the City of Stirling to speak to the manager of engineering design. I am told that Caltex and the business owners met with the City of Stirling. Basically, they were against anything that restricted access to their businesses. They maintained that they have enough bays for the flow-through and they were not helpful. Therefore, we continue on with this difficult traffic hazard that, frankly, seems to be more about predatory pricing from our petrol companies to have discounted fuel on only one day of the week. That is an interesting aspect.

Some new apps such as the MotorMouth app are available. This app gives people the range of petrol prices in their area. If anyone wants to download the app, it is very handy. At the moment it shows that the cheap fuel in the northern suburbs—I am not looking at the southern suburbs—is consistently at the Caltex service stations. Although Caltex sells cheap fuel on Mondays, it is also selling cheap fuel today at \$1.33 a litre, when the average price is around \$1.57. The average price is significantly less at the moment. There is another app called PetrolSpy Australia, which does not look like it has come to Western Australia yet, and which also gives people this information. Maybe with the combination of FuelWatch and these new apps, which allow people to know the prices instead of waiting for them to come up on the television, there might be a greater response. My office tells me that petrol in my area is currently running at a lower price of \$1.33 a litre versus \$1.57 a litre, which is the average price marker.

The issue with Costco and this piece of legislation is that Costco relies on people being members. Therefore, anyone who turns up to Costco, which I understand is being built near the airport—the member for Belmont's area—even for a look, to try before they buy, cannot enter unless they pay \$60. They need to sink some cost in there, a bit like a gym where we all pay and have great expectations that we are going to save a whole lot of money and therefore we have the idea that we have to access it more often to save that money. There is some research that states that the big-box retailer membership way of doing things does not benefit all consumers. Those who have the advantage of it being convenient and accessible will have that, but for people who live further out, as I understand, the price discount is not offset by the membership. One of the interesting things about the petrol prices is that, as I understand, people will have to be members to access that reduced price. The news articles that I have read on Costco petrol pricing suggest that the prices are considerably less and it puts a considerable discount on the fuel as a way to bring people to the bigger facility. It is important that we understand what its pricing will be, and delivering that through FuelWatch will be very worthwhile because Costco using its petrol prices as an attractor, will and should, hopefully, reflect across the greater fuel prices.

I am interested to know from the minister whether petrol stations under the current FuelWatch legislation—I understand that they have to set their prices and keep them for that 24-hour period—can have discount prices on their advertising such that it has a misleading and bait-like aspect to the prices. I would appreciate hearing from the minister whether the FuelWatch legislation ensures that predatory pricing or price baiting is not a capacity under the Western Australia laws; and, if it is, whether there is an opportunity in the future to consider what occurred in the ACT to ban misleading discounted pricing. That was done so that people in Canberra were not lured into service stations by discounted, loyalty or Shop A Docket prices. My son uses Shop A Dockets. We save them for him, but there are limitations on those dockets. Sometimes he can be in a situation in which he has an expectation of paying a certain price and is not able to access that price, so I think that Shop A Docket pricing aspect needs greater assessment.

My greatest concern that I wanted to raise in this opportunity was the issue that needs to be resolved for the community of Mirrabooka, which is the queueing that happens on Mondays outside the Mirrabooka Caltex. It is a serious safety concern. I met with Main Roads and the police and I cannot believe that there is nothing that we can do to stop people from queueing on a road. It is like they are parking up on a road to go in. The difficulty we have is we end up saying to the residents and the community, “No, no, you can't access cheap fuel.” I do not want to seem like a scrooge who does not let people gain cheap fuel, because that would undermine it completely. It seems to me that we need to revisit and have continuing conversations with fuel companies about this very deceptive

Mr Peter Katsambanis; Mr Simon Millman; Dr Tony Buti; Mr Donald Punch; Mr David Michael; Ms Janine  
Freeman

---

process of cheap-fuel Mondays, which causes people difficulty if they cannot access fuel on that day and causes difficulty for the surrounding communities in terms of parking and in other areas. I note the contribution of the member for Balcatta about the bonhomie in the old days, when people would come and fill our cars. I will end by saying that in the days when we went to service stations and had attendants fill our cars, we also had low-skilled employment jobs in that area. I note that Anglicare released a report today about the shortage of low-skilled employment. We appreciate that many people get employment of a low-skilled nature in service stations. I want to commend the Nollamara petrol station in the electorate of the member for Morley, which must be the only one left where someone comes out and fills our car for us.

**Ms M.M. Quirk:** Do they fill tyres, too?

**Ms J.M. FREEMAN:** They can help. It is always a pleasure to go there. Although we recognise that it is a thing of the past, we also need to recognise that those entry-level jobs for young people are very necessary.

Debate adjourned, pursuant to standing orders.