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Submission to the Inquiry into the price of unleaded petrol

I am a petrol consumer and have no "inside" knowledge of the workings of the petroleum industry.

The following are my own observations.

Section C:

Q31: Are there price cycles in overseas markets? If so, where? Please describe them. How do they compare with price cycles in Australia?

I emigrated to Australia from the UK just over 5 years ago. There is no apparent price cycling in the UK. Petrol prices in the UK rise when the oil price goes up, usually at about 6pm and it is often announced on the news. Motorists will often try to fill up before the rise. Prices seem to be more stable in the UK than in Australia.

Consumers in the UK, however, still complain that when the price of oil drops the fall in price is not reflected at the bowser at the same speed that it goes up.

I was surprised by "price cycles" when I came to Melbourne and it took some time to get used to.

It is something I still find strange that in the east of Melbourne the price of petrol will rise every Wednesday afternoon (about 3 – 4 pm). I am equally surprised that motorists seem to accept it, although many of us complain amongst ourselves about the price and price cycles.

Petrol seems to be the only commodity that fluctuates on a daily basis although many other commodities, including foods such as milk whose prices fluctuate at the farm gate, do not change on a day to day basis. I think that consumers would be up in arms if milk changed on a day by day basis in the way that petrol does.