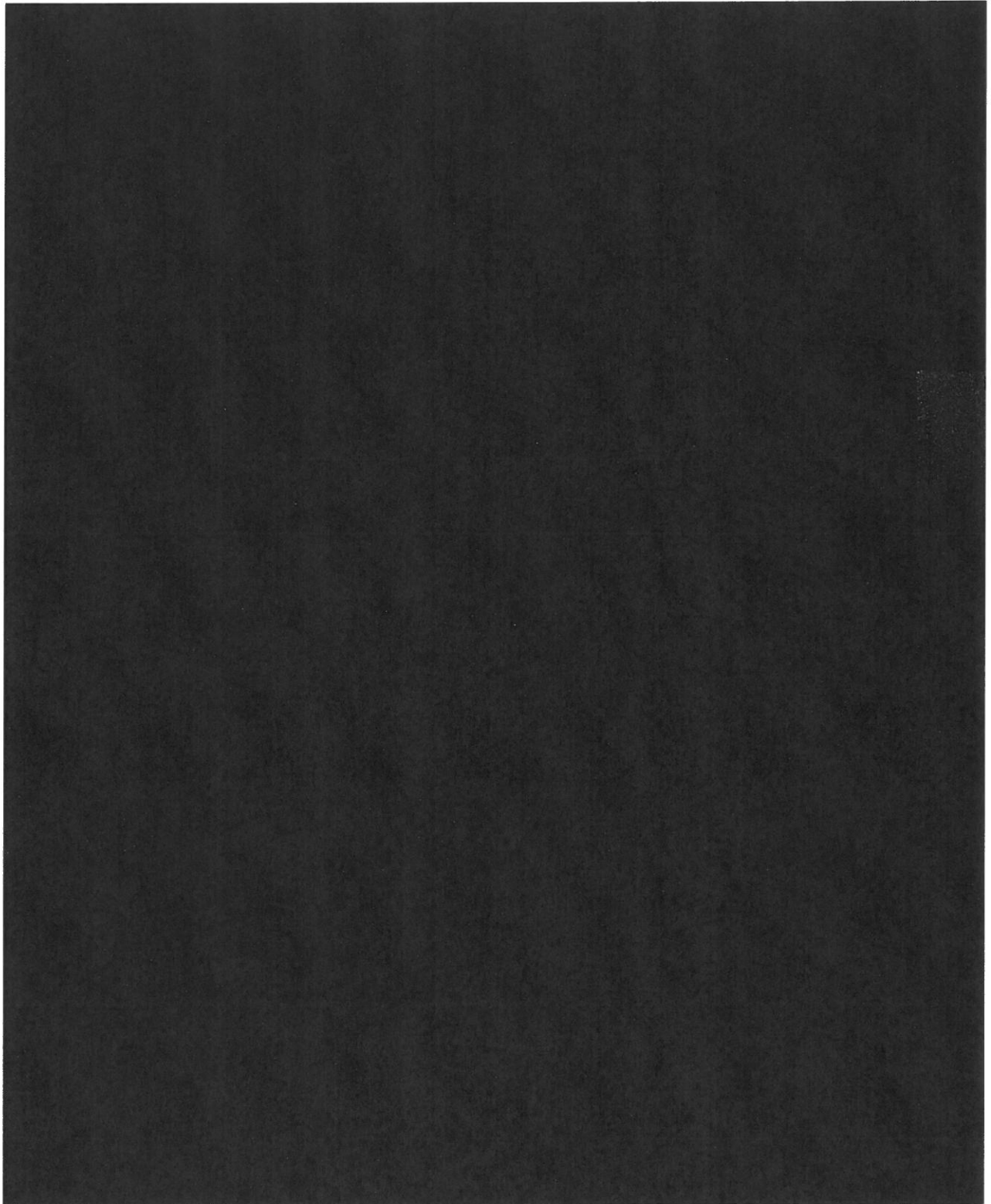


**BRIEF FOR BUDGET ESTIMATES -
JUNE 2014: EOG ACT**

Petrol – Informed Sources


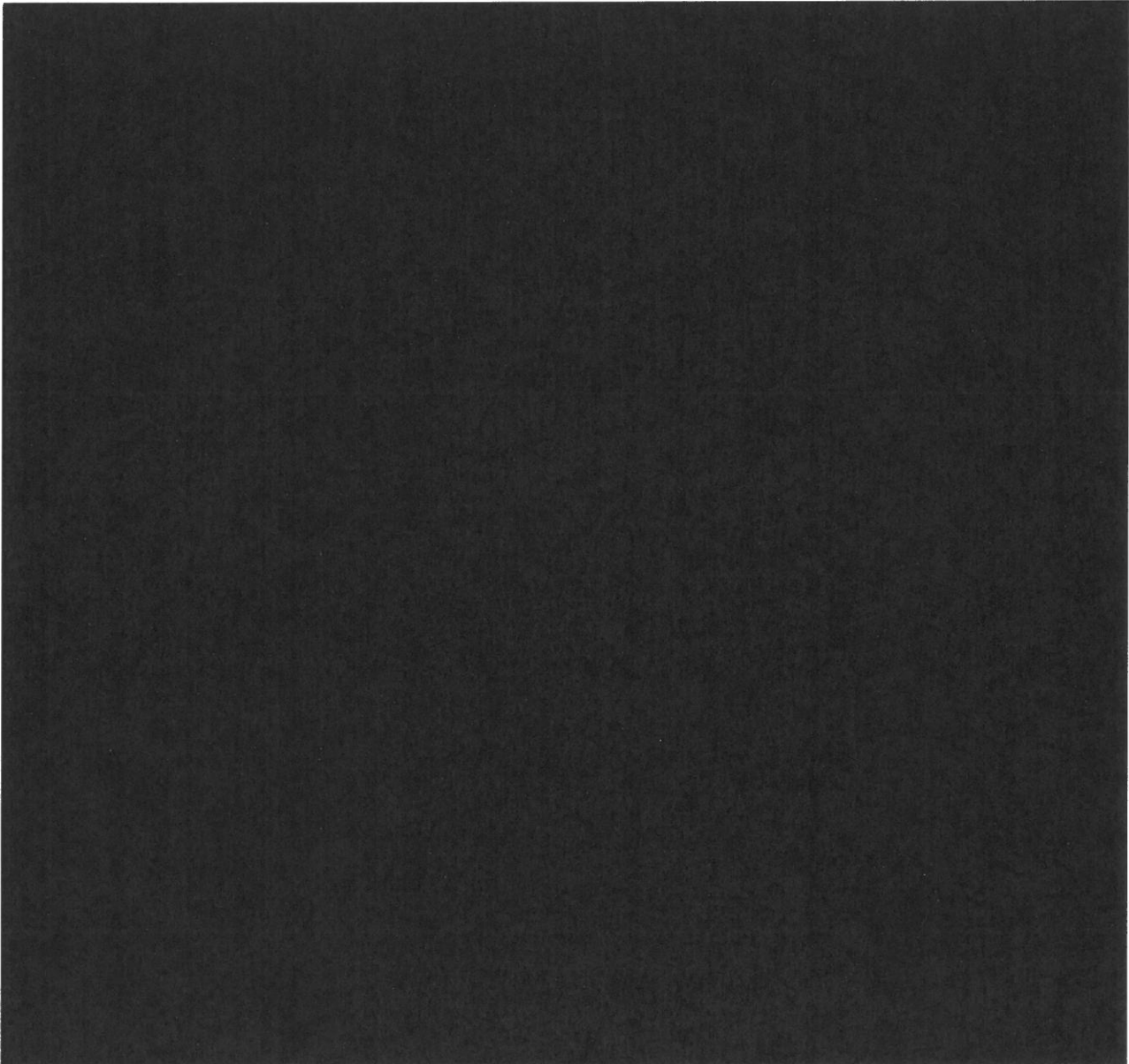
Issue

The ACCC's investigation into Fuel Retailer Agreements



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- In response to the ACCC report, the government announced the establishment of a National FuelWatch Scheme to promote competition and transparency in the petrol market. However, the legislation to establish FuelWatch did not pass Parliament in late 2008.
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Motormouth

- Informed Sources may approach members to argue that the ACCC's action will remove petrol price information being available to the public through Motormouth (a website run by Informed Sources).
- Motormouth publishes petrol price data twice daily with a 45 minute delay. Data is primarily obtained from the OPW service with a small amount manually collected by Motormouth drivers and submitted directly by service stations.
- The OPW service makes prices available to subscribers every 15 or 30 minutes. Consumer groups cannot become subscribers to the OPW service.
- Recent changes to the Motormouth smartphone application mean that some of the data previously available on the Motormouth website is now available through the Motormouth app. These changes do not mitigate the ACCC's concerns.

Would competition concerns arise if the pricing information was publicly available?

- Senator Pratt and Senator Xenophon have used Budget Estimates hearings to query whether the same concerns would exist should the Informed Sources Data be made public.
- Competition concerns are raised by the current arrangement which allows for the highly frequent information exchange between petrol companies.
- Providing information to the public on petrol prices is a good thing and can assist motorists. However, making the information public may not necessarily address the competition concerns arising from the information exchange arrangements.
- Information currently available to the public is not of the same frequency or timeliness as the information exchanged by petrol companies.

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Petrol price information in Germany

- We understand that in Germany, petrol stations are required to report price changes to the competition authority's Market Transparency Unit for Fuels (MTU), within 5 minutes of a price change. That information is then transmitted by the MTU to consumer information providers who make it available to consumers on websites or via apps. Petrol retailers do not have access to the data set from the MTU.

