



# OILCODE

**ACCESS TO** petroleum products and certainty over price is set to improve for fuel retailers, with the introduction of the Oilcode on 1 March 2007.

Like the Horticulture Code (effective from 14 May this year), the Oilcode is a mandatory code of conduct designed to improve formal dealings between wholesale suppliers and retailers in the petroleum retail industry.

The Oilcode replaces two petroleum retailing Acts and introduces several conditions designed to provide fair access and clearer pricing for all those selling petrol products in the Australian market.

Under the Oilcode, those retailers who operate under a fuel reselling agreement will be given a disclosure document by the supplier before entering into such agreements. This disclosure document must include relevant information to help the prospective retailer to make an informed decision.

Prospective retailers will also be required to seek professional legal, accounting and business advice or waive their right to seek that advice before entering into an agreement with suppliers.

The Oilcode also affords protection to those who buy declared petroleum products at a spot sale without a fuel reselling agreement.

Those customers without fuel reselling agreements will still be able to buy declared petroleum products at the wholesale (also known as terminal gate) price.

Customers will have rights under the code which will require wholesale suppliers to post a daily terminal gate price that does not include discounts or extra amounts. Those discounts or other amounts should be displayed separately.

Wholesale suppliers will also not be able to refuse to supply fuel to retailers without a reasonable cause, such as having a low supply or reasonably believing that the customer is unable to pay for the fuel.

As part of the legislation, a dispute resolution service will be available as a low cost and quick alternative to the courts for settling disputes between parties.

The ACCC will enforce the new mandatory code under the Trade Practices Act and will also be active in informing oil companies and petrol retailers of their rights and obligations under the Oilcode and the Act.

The ACCC has published a guide to the Oilcode for those seeking extra information. This publication along with other useful information is available from the website on [www.accc.gov.au/industry\\_codes](http://www.accc.gov.au/industry_codes) or by calling the small business helpline. ●

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