



COOK ISLANDS PRICE TRIBUNAL

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MEDIA RELEASE

MAY FUEL PRICE ORDER

The Price Tribunal has issued the May Price Order 03/2017 for Rarotonga and all islands with slight reduction in prices for petrol, diesel and LPG. For the first time, the new Price Order includes prices that are set for Aitutaki.

“It has been a very busy year for the Price Tribunal,” stated Price Tribunal President, Tatiana Burn, “with implementation of the new price arrangements that were introduced in July 2015 and subsequent and separate reviews of both Pa Enea margins and Aitutaki margins. This was an involved process that required discussions with Aitutaki and Pa Enea retailers, Island Governments and members of the public to ensure a fair process for fuel retailers and setting of fair prices for consumers”.

“Over the same period, a lot of effort has gone into ensuring that importers and retailers of fuel products have been able to understand and comply with their obligations under the Control of Prices Act 1966. There have been some issues but we have been able to work effectively with stakeholders to resolve issues. There is still some work to go in reviewing the international freight prices and their correlation to the costs incurred by our importers and we are hoping that we will be able to make some impact on this.”

The Price Tribunal has now completed its review on LPG Margins to the Pa Enea and Aitutaki. Release of review reports is expected over the coming weeks.

“In terms of the new price order, a review of all shipments over the past 2 months has resulted in the new May order reflecting slight price reductions which continues to reflect global price movements.”

There is a 5 cent per litre reduction in the maximum retail prices for petrol, 1 cent per litre reduction for diesel and a 3 cent per kilogram reduction for LPG. All products for all region have a maximum retail price except for LPG in the northern group. No maximum retail price is set for the Northern Group, as the majority of supply is for personal use, not retail, and imported directly from Rarotonga.

The new prices will take effect from 15 May 2017 and will remain in force for the next two months until the next price order is issued in July 2017. Price inspections will be carried out and breach orders will be issued where there is non-compliance.

Consumers should expect to see the new prices clearly displayed at service stations for these price controlled products. Service stations are obligated to ensure that the new prices come into immediate effect.

Full details of the new prices are contained in the new published price order and can also be accessed by contacting the Consumer Division of the Ministry of Internal Affairs.

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Ministry of Internal Affairs

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