

Govt addresses public concerns on petrol price hike

Government says it has taken note of the nation's concerns regarding the petrol price increase, which came into effect at midnight last night.



(Image: GCIS)

"The Department of Energy is aware of the public concern at the impending fuel price increase that takes effect at midnight today. Indeed, the fuel price increase will impact negatively on all South Africans who have no choice but to engage in their normal economic and household activities which require the use of fuel.

"However, the reality of the situation is that government does not have control over the fuel market prices," said Energy Minister Dipuo Peters on Tuesday, just hours ahead of the price hike.

Last week Friday, the Energy Department announced that the retail price of 95-octance petrol would increase by 71 cents in Gauteng and 66 cents at the coast. The retail price of diesel (0.05 percent sulphur) will rise by 47.6 cents at the coast and 51.9 cents in Gauteng.

From midnight last night, a litre of petrol rose to R11.94 in Gauteng.

The price of illuminating paraffin (wholesale) increased by 20.6 cents at the coast, while it rose by 26.6 cents in Gauteng.

Peters said as a non-oil producing country, South Africa was a price taker and depended on imports.

Market prices are set in accordance with developments beyond the control of the South African government.

"Fuel prices are dictated by issues such as global political developments among oil producing countries and the big economics of the world.

"While global developments and activity are more promising than a year ago, other issues such as the tensions between the United States of America and some of the oil producing countries have contributed to higher crude prices."

Locally, the annual 20 cents and 8 cents per litre increase for the Fuel Levy and Road Accident Fund respectively announced by Finance Minister in his budget vote speech as well as the Transnet Pipeline tariff increase are impacting on the current fuel price rise.

The minister advised motorists to be economical in terms of their fuel use, given the increasing prices.

"These increases are not within government's powers to prevent. The department encourages all citizens to take steps to ease the impact of the fuel increase.

"You are encouraged to prioritise fuel efficiency in all your daily activities with the aim of reducing fuel consumption. Avoid speeding and use public transport whenever it is practically possible to do so."

The minister also said encouraged the utilisation of lift clubs as she said this could go a long way in reducing the transportation costs for individuals.

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