

5 March 2026

**The Hon. Chris Bowen MP**

Minister for Climate Change and Energy  
Parliament House, Canberra ACT 2600

**| SUBJECT: Urgent Request to Invoke the Liquid Fuel Emergency Act 1984 and Establish a Senate Inquiry into National Fuel Security**

Dear Minister Bowen,

I write to make two urgent, specific requests:

- That the Government immediately declare a National Liquid Fuel Emergency under the *Liquid Fuel Emergency Act 1984*, activating the National Liquid Fuel Emergency Response Plan (NLFERP); and
- That the Senate immediately establish an urgent inquiry into Australia's liquid fuel security, given the Government's rejection of Senator Hanson's recent motion to that effect.

## **1. Why This Cannot Wait**

Every day of inaction weakens Australia's capacity to respond. Stocks are being depleted, replenishment timelines are extending, and the window for effective pre-emptive action is narrowing. A convergence of real-time disruptions as of 5 March 2026 has materially increased the risk:

- Strait of Hormuz: Tanker transits have fallen approximately 80–94% in recent days (from a daily average of 79–135 vessels to 3–7), with major carriers—Maersk, Hapag-Lloyd, CMA CGM, MSC and others—suspending all cargo bookings and rerouting via the Cape of Good Hope, adding weeks to transit times and imposing war-risk surcharges.
- Brent crude has surged to approximately USD\$82/bbl amid escalating Middle East conflict and supply fears, with analysts warning of \$100+ if Hormuz constraints persist.
- Singapore and Asian refinery crack spreads are soaring, directly increasing the landed cost of Australia's refined product imports.
- Kuwait has imposed a one-month ban on all food commodity exports (effective 1 March 2026), signalling that regional instability is already extending beyond the energy sector.
- The instability is currently centred on the Middle East. Instability spreading to Asia—which cannot be discounted—would directly threaten Australia's Singapore-sourced fuel supply. We must prepare now, not after that threshold is crossed.

## **2. Australia's Structural Vulnerability**

These disruptions strike Australia at a point of documented structural exposure:

- 97% import dependency: Australia sources approximately 97% of its transport fuels from overseas refined products—up from 55% in 2000—following the closure of all but two domestic refineries (Geelong and Lytton). We are now entirely a price-taker in the global refined products market.
- Sub-IEA stockholding: Current reserves of approximately 34–36 days are significantly below the IEA’s mandated 90-day minimum, making Australia one of the least-prepared IEA member states by this measure.
- Road freight dependency: Australia is one of the most road-freight-dependent nations on earth. Trucks carry approximately 249 billion tonne-kilometres of freight annually, with heavy trucks relying on diesel for 99.8% of fuel consumption (~151,000 barrels per day). A diesel disruption is, in practice, a food and goods supply disruption.
- Mining sector exposure: Australia’s mining industry—particularly iron ore and coal operations in the Pilbara—consumes approximately 9.6 billion litres of diesel annually, powering haul trucks, excavators, drills and haulage equipment that represent approximately 51% of the sector’s energy needs. Diesel shortages would cause immediate mine shutdowns, slashing export revenues and national economic output.
- Agriculture and food production: Australian farming is almost entirely diesel-dependent. Tractors, harvesters, headers, irrigation pumps, grain augers, and the refrigerated trucks that move produce from farm to market all run on diesel. There is no short-term substitute. A fuel disruption during planting or harvest season would be catastrophic—crops left unharvested in the field, livestock unable to be fed or watered, and the domestic food production system grinding to a halt within days. Rural and regional communities, already far from fuel distribution hubs, would be among the first to lose access. This is not a secondary concern—it goes directly to national food security.
- Remote communities and electricity supply: Over 28 First Nations communities in the Northern Territory alone—and numerous others in WA and Queensland—depend almost entirely on diesel generators for electricity and cannot be reached by grid power. Diesel for remote electricity generation accounts for approximately 9 Mt CO<sub>2</sub>-e in annual emissions from mining and remote sites; current solar-battery hybrid programs have only reduced diesel reliance by 15–50% in select areas. A fuel disruption means immediate blackouts for Australia’s most vulnerable communities, with no alternative and no rapid fix.
- Singapore supply chain concentration: The majority of Australia’s refined fuel imports originate from Singapore and North Asian refiners. This entire supply chain passes through or adjacent to the affected region.

### **3. Consequences of Continued Inaction**

If no action is taken over the coming weeks and months, the Australian people face escalating and cascading risks:

- Food shortages: Supermarket shelves could empty rapidly as diesel-dependent long-haul trucking halts. Road trucks move the vast majority of non-bulk goods including fresh produce, with rail and sea playing minimal

roles for time-sensitive items. Urban, regional and remote communities would all be affected, with remote areas worst hit.

- Total supply chain collapse: Mining, manufacturing and essential infrastructure would grind to a halt. Construction, water pumping and distribution systems, sanitation, and other diesel-dependent services would experience severe breakdowns, with cascading economic failures and massive unemployment spikes.
- Healthcare crises: Hospitals could lose backup generator power. Ambulances and medical transport would be grounded. Supply chains for medicines and equipment would fail—potentially costing lives during both emergencies and routine care.
- Defence vulnerability: Australian Defence Force operations would be severely constrained by fuel shortages, limiting our ability to respond to threats, natural disasters, or border security needs at precisely the moment regional instability is elevated.
- Social unrest: Inflation from black markets, isolated communities cut off from essentials, and widespread shortages could spark panic and civil disorder as daily life becomes unsustainable. Minister Bowen has himself warned against panic buying—yet public reassurance without coordinated action increases, rather than reduces, the risk of exactly that outcome. Every day without a credible government response is a day closer to the slippery slope to catastrophe that this inaction risks.

#### **4. What an Emergency Declaration Would Enable**

Invoking the Liquid Fuel Emergency Act 1984 is not a symbolic act. It triggers specific, practical powers unavailable under normal administrative arrangements:

- Mandatory fuel allocation and rationing authority across states and territories;
- Power to direct fuel to priority sectors (hospitals, food supply chains, emergency services, defence);
- Coordination authority to procure emergency stockholding from international partners and the IEA emergency reserve system;
- Coordinated government-industry action and a clear public signal that Australia is responding decisively—which moderates panic and hoarding behaviour more effectively than reassurance without action; and
- Activation of the National Liquid Fuel Emergency Response Plan (NLFERP) and its government-industry coordination protocols, which cannot be efficiently stood up after a crisis has fully materialised.

#### **5. What a Swift Government Response Enables — Domestic Industry Action**

A prompt emergency declaration does not merely manage the immediate crisis—it creates the regulatory and funding environment for Australian industry to mobilise alternative fuel supply capabilities that currently sit underutilised or underfunded. The following are practical, near-term responses that government can unlock:

- **Expanded ethanol production from grain and sugar crops:** Australia has existing ethanol blending infrastructure and established grain and sugar industries. Emergency measures to mandate and incentivise higher ethanol blend rates (E10, E85) would reduce petrol import dependency at scale relatively quickly, drawing on domestic agricultural feedstocks and existing distillery capacity.
- **Accelerated coal-to-liquids (CTL) technologies:** Where viable, Australia's substantial coal reserves offer a pathway to synthetic liquid fuel production. CTL is not a long-term decarbonisation solution, but in a national emergency context, fast-tracking feasibility assessment and pilot investment is a legitimate sovereign resilience measure that warrants urgent government attention.
- **Scaled-up biodiesel production:** Australia has existing biodiesel producers—including Eco Tech Biodiesel and Just Biodiesel—drawing on canola oil, beef tallow, and used cooking oil. Current production is a fraction of capacity. Government offtake guarantees, feedstock incentives, and streamlined approvals could rapidly scale domestic biodiesel output, directly substituting imported diesel in agricultural and transport applications with minimal engine modification required.
- **Natural gas vehicle conversions for fleets:** Australia is the world's largest LNG exporter yet barely utilises natural gas as a domestic transport fuel. A funded government program to support CNG and LNG conversions for heavy truck fleets, bus networks, and agricultural equipment would directly displace diesel demand at scale, drawing on a fuel source Australia has in abundance and does not need to import.
- **Accelerated electric vehicle adoption and charging infrastructure:** For light vehicles and urban fleets, rapid EV adoption reduces long-term liquid fuel dependence and frees up petrol reserves for priority uses. Emergency incentives, accelerated government fleet electrification, and fast-tracked charging infrastructure rollout along key freight and commuter corridors would contribute meaningfully within 12–24 months.
- **Fast-tracked exploration and drilling for additional domestic oil reserves:** Australia's domestic crude oil production has declined significantly since the peak of Bass Strait output. Fast-tracking exploration approvals, reducing permitting delays, and providing investment certainty for new drilling programmes—particularly in the North West Shelf, Bonaparte Basin, and underexplored onshore basins—would begin to reverse the structural decline in domestic supply over a 3–5 year horizon.
- **Distributed micro-refinery network across Australia:** Rather than relying solely on two large refineries (Geelong and Lytton) and the shipping lanes that supply them, Australia should invest in a network of smaller, regionally distributed micro-refineries capable of processing locally available feedstocks—crude oil, biomass, waste oils, and gas condensate. This would provide distributed resilience: regional supply continuity even if major port infrastructure or import routes are disrupted, and a sovereign manufacturing capability that does not depend on uninterrupted access to Asian refining capacity.

## 6. The Case for an Urgent Senate Inquiry

Independent of the emergency declaration question, Australia requires urgent parliamentary scrutiny of its fuel security posture. The Government and Greens' rejection of Senator Hanson's Senate inquiry motion has increased, rather than reduced, public concern. A properly constituted Senate committee inquiry would:

- Independently verify current reserve levels against the Act's declaration criteria;
- Assess the adequacy of the Fuel Security Package (2021) given subsequent refinery closures and the changed supply chain environment;
- Report publicly on contingency plans for a prolonged Singapore supply disruption scenario, and give Australians confidence that the risks are genuinely understood and planned for.

## 7. Specific Questions for Response

I respectfully request a written response by 20 March 2026 addressing:

- What are the current verified reserve levels (days of cover) for petrol, diesel, and jet fuel respectively, and at what rate are they being depleted.
- Has DISR formally assessed the impact of current Hormuz disruptions on Australia's expected replenishment schedule and updated reserve projections accordingly?
- What specific steps is the Government taking to activate IEA emergency stockholding coordination mechanisms?
- Will the Government reconsider supporting a Senate inquiry into fuel security in light of the materially changed circumstances since the Hanson motion was defeated?

It is better to be safe than sorry. It is the solemn and non-negotiable duty of this Government to safeguard the safety, security, and survival of its citizens from foreseeable national threats. With reserves declining each day, replenishment routes now materially disrupted, and the window for effective pre-emptive action narrowing, the cost of acting now is small relative to the cost of acting too late. If it is mishandled, this is a slippery slope to catastrophe for every Australian.

Those in positions of power will be held fully responsible—politically, publicly, and in the judgment of the nation—for every preventable hardship, every life impacted, and every day of dangerous inaction. I urge the Government to treat this as the genuine national security matter it is and to respond accordingly.

Yours sincerely,

**Brett Murrell**

Moral Majority Party (MMP) — Australia

0406 852 054 | @oneleftshoe | @moralmajorityMM