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22nd April 2026

Ms Helen Burnet MP
Independent Member for Clark
Via Clerk of the House of Assembly
Hatabledpapers@parliament.tas.gov.au

Dear Ms Burnet

Thank you for raising your question in Parliament on 25 March 2026, on behalf of your constituent Ms Sue Stack, regarding Tasmania's fuel supply. As Minister for Energy and Renewables, the Premier has requested I respond, as the matter falls within the energy portfolio.

Firstly, I want to provide clear assurance that Tasmania's fuel supply remains secure, with deliveries continuing through established supply chains and shipments arriving as expected. At a national level, supply into Australia remains stable, and we are working closely with the Australian Government and fuel suppliers to monitor forward supply.

I recognise that global events such as the recent conflict in the Middle East will raise concerns and questions about the security of our fuel supply, along with questions like Ms Stack's about whether Tasmania should be taking action to reduce our reliance on imported fuel. However, it is important to recognise that there is no practical pathway to materially reduce Australia's reliance on imported fuel in the short, medium or longer term.

Australia's two remaining refineries process imported crude oil, and more than 80 per cent of national demand for refined petroleum products is met through imports. This reflects the reality that Australia does not hold a comparative advantage in the production of refined petroleum products, and underscores the national, rather than state, nature of fuel supply arrangements.

Within this context, responsibility for sovereign refining capability and fuel security settings rests primarily with the Australian Government. This includes national mechanisms such as the Fuel Security Services Payment, which provides a production-linked subsidy to domestic refiners when international market conditions render refining commercially unviable. We are continuing to work closely with the Australian Government as the current situation evolves, including participation in national governance forums, to ensure that Tasmania's fuel supply remains secure.

At the State level, the Government is focused on measures that can, at the margin, reduce Tasmanians' exposure to fluctuations in global fuel markets. This includes supporting the transition to broader electrification, including the uptake of electric vehicles. Providing stamp duty and vehicle registration incentives, building recharging stations, and providing support for e-mobility device purchases are all examples of actions by the State government that will, at the margin, reduce individual Tasmanian's exposure to imported fuel. These measures do not remove reliance on imported fuels but can gradually reduce exposure over time.

In relation to the question of reducing non-essential travel or prioritising fuel, there are currently no circumstances that warrant such interventions. Tasmania is not experiencing a constrained fuel

supply situation, and there is no need at present to alter travel behaviour or impose prioritisation arrangements for fuel use. However, we recognise the impacts that higher fuel costs are having on Tasmanians, and we have made all public transport free until 1 July 2026.

We also understand the importance of planning ahead and contingency planning is in place to ensure preparedness, should conditions change. This planning is designed to ensure that, if required, critical sectors and essential services would be supported, with appropriate prioritisation informed by real-time data and engagement with relevant industries and agencies.

Should circumstances ever require escalation measures, including fuel prioritisation arrangements, these would be implemented transparently, clearly communicated to industry and the community, and designed to ensure the continued operation of essential services and industries.

In summary, while Tasmania cannot materially alter its reliance on imported fuel due to the structure of national and international fuel markets, the Government remains focused on supporting resilience and reducing exposure at the margins through practical, long-term measures.

Thank you for raising this issue and I trust this information is useful to both yourself and Ms Stack.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Nick Duigan', with a long horizontal line extending to the right.

Hon Nick Duigan MLC
Minister for Energy and Renewables