

# MEMBER UPDATE

11 June 2026

## National Strategic Fuel Update: Member Briefing

### Introduction

The Australian Logistics Council attended the fortnightly National Strategic Fuel Update this morning with Minister Catherine King. Minister King advised that fuel supply has stabilised and is confirmed through to September. The Minister also noted that diesel and petrol prices have fallen from the peak of the crisis.

### Member Takeaway

Diesel supply has stabilised – forecast until September - but the cost position remains unresolved.

Wholesale diesel and petrol benchmarks remain above pre-crisis levels. Diesel remains the main risk for freight transport and freight logistics. Current pump prices are being reduced by temporary excise relief, which is scheduled to end on 30 June.

ALC will continue to engage the Government on fuel monitoring, support for essential freight and logistics users, and fuel security settings that recognise the role of freight in the national economy.

### Current Diesel Pricing

**Wholesale diesel has fallen from the March peak but remains \$0.47 per litre above the pre-crisis level.**

The benchmark price for Australian diesel wholesale - Singapore Gasoil 10 ppm - was:

- \$0.79 per litre before the escalation of the Middle East conflict
- \$2.09 per litre in the week to 31 March
- \$1.26 per litre in the week to 3 June

**Retail diesel remains \$0.33 per litre above its pre-crisis level, with the excise cut in place.**

Across the five largest capital cities, the average retail diesel price was:

- \$1.77 per litre on 20 February
- \$3.22 per litre on 31 March
- \$2.09 per litre by 3 June

### Current Petrol Pricing

**Wholesale petrol prices are lower than the March peak but remain \$0.37 per litre above the pre-crisis level.**

The benchmark for wholesale petrol prices in Australia - Singapore Mogas 95 - was:

- \$0.68 per litre before the escalation of the Middle East conflict

- \$1.30 per litre in the week to 31 March
- \$1.05 per litre in the week to 3 June

Across the five largest capital cities, average retail petrol was:

- \$1.71 per litre on 20 February
- \$2.57 per litre on 31 March
- \$1.73 per litre by 3 June

The ALC notes that retail prices across diesel and petrol do not fully reflect the underlying market cost and should be read in the context of the temporary fuel excise cut.

**The temporary fuel excise is scheduled to end on 30 June 2026.**

## **ALC Meeting Comments & Advocacy**

Dr Hermione Parsons asked Malcolm Roberts, Chief Executive of the Australian Institute of Petroleum, about the long-tail impacts of the fuel crisis and how long higher fuel costs may continue to affect Australian supply chains.

Malcolm advised that the destruction of fuel infrastructure has reduced global crude oil production by around 20 per cent. While the immediate supply position has stabilised, he noted that wholesale fuel prices remain above pre-crisis levels, the cost of increasing diesel storage is high (and takes time to rebuild), and the market is unlikely to keep pace with demand over the longer term.

**The impacts of the crisis are expected to be felt across Australia for the next three years.**

Hermione noted that one ALC member reported fuel costs increased from \$35 million in February to \$58 million in April – **an increase of 66 per cent over 3 months.**

This is why ALC continues to advocate for fuel security settings that recognise freight transport and freight logistics as an essential part of Australia's economic resilience.

Supply and cost stability are critical for business sustainability and supply chain resilience and productivity.

## **Background**

Minister King thanked Australia's fuel companies for working with the Government during the crisis and acknowledged their role in supporting supply stability.

Malcolm Roberts, CEO of the Australian Institute of Petroleum, supported the assessment that supply is confirmed through to September. He also noted that prices remain above pre-war levels.

The ACCC has noted that diesel rose faster than petrol after the conflict escalated, as the Middle East is a key supplier of both diesel and crude oil grades with higher diesel yields. Australia is also reliant on larger Asian refineries, many of which process Middle Eastern crude.

Australia's fuel market is linked to international refined fuel prices. The Singapore refined fuel benchmarks influence Australian wholesale prices and provide a clearer view of market pressure than retail prices alone.

Mr Roberts also outlined the cost of fuel storage in Australia, noting that it can cost around \$1 million for every 1 million litres stored.

This is relevant to the Federal Budget 2026–27 fuel security package. The Government has committed \$3.2 billion to establish an Australian Fuel Security Reserve of around 1 billion litres of diesel and jet fuel. But one billion litres is equivalent to one thousand x 1 million litres which requires a significantly greater budget.

The Budget also extends the Minimum Stockholding Obligation by an additional 10 days for diesel, petrol and jet fuel, with the objective of raising diesel and jet fuel reserves to 50 days.

In the immediate term, the Government has extended the temporary relaxation of baseline Minimum Stockholding Obligation requirements for diesel and petrol until 30 September. This allows suppliers to hold 20 per cent less diesel and petrol in reserve if they commit to delivering more fuel into the domestic market and regional supply.

The ACCC has been directed to continue weekly fuel price monitoring until 30 September 2026. This aligns with the Government's supply assurance and stockholding settings and reflects the need to monitor volatility, price pass-through, regional pressure and diesel exposure.