

**Fuel is what drives
our nation**



**\$500
BILLION**

WHERE DID THE MONEY GO?

**Forty years of fuel taxes. Two refineries left.
One uncomfortable question.**

Purpose of This Book

This book examines how one of the world's great energy-producing nations became dangerously dependent on imported fuel. By tracing almost fifty years of government decisions, refinery closures, fuel taxation and growing reliance on international markets, it asks how Australia surrendered so much of its sovereign fuel capability — and what must now be done to rebuild resilience.

Its purpose is not simply to look backwards. It is to establish accountability, expose the consequences of decisions made across successive governments, and make the case that Australia's resources, infrastructure and energy policy must first serve Australia's national interest.

Introduction

Australia is an energy nation.

We export coal, gas, crude oil and condensate to the world. Yet today Australia operates just two major oil refineries and imports more than 80 per cent of the refined petroleum products we consume.

In 2024–25, 95.7 per cent of Australian crude-oil production was exported. At the same time, our two remaining refineries imported about two-thirds of the crude and other feedstock they processed. It is an extraordinary contradiction. Australia has petroleum resources. We have produced oil for decades. We once operated a substantial domestic refining industry.

But over almost fifty years, successive governments changed the rules governing how Australian petroleum was priced, where it could be sold and how much importance was placed on maintaining domestic refining capability.

Eight major refineries became two.

International markets increasingly replaced domestic capability. Through all of this, Australians continued paying billions of dollars every year in fuel taxes.

Across the forty years from 1986–87 to 2025–26, our reconstruction of published Commonwealth figures indicates that more than \$550 billion in gross fuel excise and excise-equivalent customs duty flowed through Commonwealth accounts.

That is not net government revenue. Billions were returned through fuel-tax credits, particularly to eligible business users. Nor does the figure include GST or attempt to count every other tax associated with Australia's petroleum industry.

It is a measure of the extraordinary scale of gross fuel duties collected during roughly the same period in which Australia's major refining network contracted from eight refineries to two.

Now, with Australia's fuel vulnerability exposed, taxpayers are being asked to pay again — for strategic reserves, increased stockholding, support for the remaining refineries, government-backed finance for imported fuel and investigations into rebuilding refining capacity.

So how did one of the world's great energy-producing nations get here?

And after more than half a trillion dollars in gross fuel duties over the decades in which our domestic refining capability disappeared:

Where did the money go?



The Australia we had

To understand what Australia has lost, we need to remember what we once had.

During the oil shocks of the 1970s, Australia was in a very different position from today. Bass Strait was producing large quantities of crude oil. Australia had a network of domestic refineries capable of turning crude into petrol, diesel and other petroleum products. The Commonwealth also exercised considerably more control over domestic petroleum pricing and allocation.

Until after September 1970, Australian crude prices were subject to government controls.

When the first global oil shock struck in 1973–74, Australians were not completely insulated from international events, but domestic production and regulated pricing meant the immediate effect on Australian petrol prices was considerably more muted than it might otherwise have been.

Australia had something we have progressively surrendered since.
Options.

We had Australian crude.
We had substantial Australian refining capacity.

And government retained policy mechanisms connecting those resources to the domestic market. That did not make Australia completely self-sufficient or immune from international oil shocks.

But it gave the country a degree of resilience that is difficult to imagine today.

Then the rules began to change.

Rules begin to change

In 1975, the Whitlam Government introduced a crude-oil levy. Australian petroleum was divided broadly between “old oil” from established fields and “new oil” from newer discoveries. New oil increasingly received prices linked to import parity, while the levy allowed government to capture some of the increased value created as domestic prices rose towards international levels.

The Fraser Government accelerated that process. The 1977–78 Budget began moving the price Australian refiners paid for domestic crude towards import parity. The following year, all “old oil” was moved to import-parity pricing.

There was an economic rationale.

Higher domestic prices encouraged exploration and conservation and reduced the distortion created when Australian oil was sold below its international value. The crude-oil levy also ensured that government captured part of the increased value rather than allowing the entire windfall to flow to producers.

But something fundamental had changed.

Australian petroleum would no longer necessarily protect Australians from international petroleum prices simply because it came from Australian ground. Treasury's own historical account later noted that moving domestic oil to import parity exposed Australia to the full effects of the second oil shock in 1979.

A barrel of Australian oil was increasingly becoming a commodity valued according to the international market.

That was the first major turn.

Hawke opens the door

The Hawke Government pushed the transformation further.

By late 1983, Australia was producing enough light crude to meet domestic requirements, but exports remained restricted. Producers were beginning to cut production because Australian refineries could not absorb additional output.

The government responded by loosening the system.

Export restrictions were progressively removed. Regulated domestic allocation arrangements began disappearing. Production quotas were subsequently abolished.

Again, there was an economic logic.

Why should an Australian producer leave commercially valuable petroleum in the ground simply because an Australian refinery did not require it at that moment?

Opening export markets encouraged production and allowed Australian petroleum to achieve its international value.

But petroleum is not merely another commodity.

It moves trucks.

It harvests food.

It powers mining and construction.

It fuels aircraft, emergency services and Defence.

The policy architecture that had connected Australian petroleum production more directly to Australian requirements was being dismantled.

Increasingly, petroleum would move according to commercial value rather than strategic national allocation.

The question was gradually changing from:

How much petroleum does Australia have?

to:

How much petroleum can Australia buy?

That distinction would matter enormously in the decades ahead.

Let the market decide

By the 1990s, the principle was becoming firmly established.

Let the market decide.

The Howard Government removed another major piece of petroleum regulation in 1998.

Before August that year, Australia's major oil companies were required to notify the regulator before increasing wholesale petrol and diesel prices. The Australian Competition and Consumer Commission calculated maximum wholesale prices using an

import-parity methodology.

The ACCC concluded that the notification system itself could distort prices and recommended deregulation.

The government accepted that recommendation.

From 1 August 1998, wholesale petrol and diesel prices were deregulated. Wholesalers were free to determine their own prices.

Australian petrol pricing became increasingly connected to international refined-product markets, with Singapore Mogas 95 becoming the key benchmark for petrol.

There was a coherent economic argument behind the change. Competition should determine prices.

Australian refiners should compete with imported fuel.

Consumers should benefit from efficient international supply chains. If an overseas refinery could manufacture petrol or diesel more cheaply than an Australian refinery, Australia could import the product instead.

But that model depended upon an assumption that would eventually become central to Australia's fuel-security problem: the imported fuel would always be available.

Australian refineries were ageing. Many were small by international standards. Maintenance and upgrades required enormous capital investment, while new Asian mega-refineries enjoyed scale advantages Australian facilities could not match.

The commercial case for maintaining every Australian refinery became increasingly difficult.

But there was another question governments needed to answer. Was a refinery simply a commercial asset?

Or did it possess a strategic value to the nation beyond the return it generated for its owner?

For years, Australia largely allowed the market to answer that question.



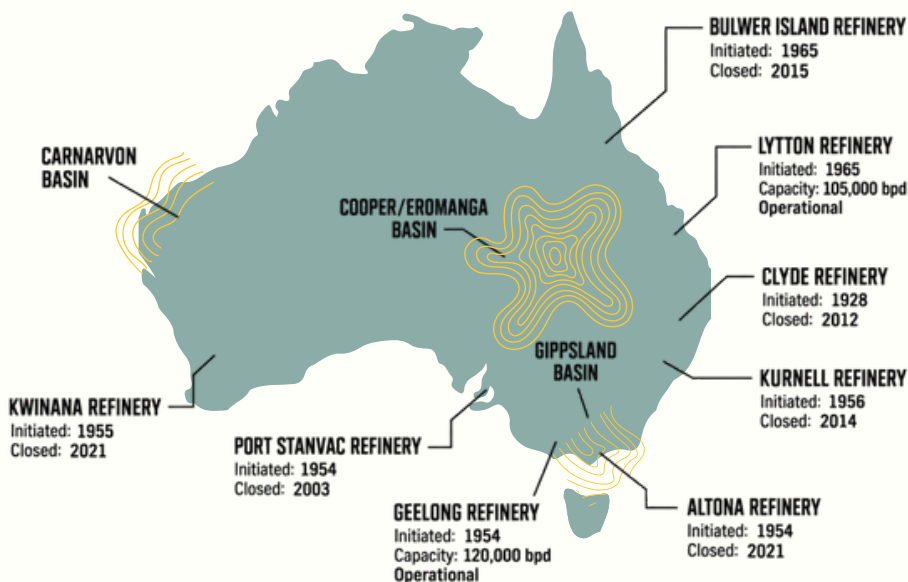
The refinery bodycount

Australia once had eight major operating refineries.

Between 2013 and 2022 alone, five Australian refineries ceased production. The closures did not mean fuel stopped flowing. Refineries could be converted into import terminals. Finished petrol, diesel and jet fuel could be manufactured overseas and shipped to Australia instead.

Commercially, there were compelling reasons.

Australian refineries were relatively small and ageing. They faced high operating costs and fierce competition from enormous,



Australia's oil refining network, showing the locations of the nation's remaining operational refineries, former refinery sites, and major crude oil basins.

modern Asian facilities. Maintaining and upgrading them required billions of dollars.

Commonwealth assessments repeatedly acknowledged these pressures and pointed to spare refining capacity in Asia. From a market perspective, importing finished fuel could make perfect sense.

From a national-security perspective, something else was happening. Every refinery closure reduced Australia's ability to manufacture its own transport fuels. The tanks might remain. The wharves and import terminals might remain. But the capacity to take crude oil and manufacture the next tank of diesel, petrol or jet fuel was disappearing, along with specialised infrastructure, technical expertise and workforce capability.

Australia could have decided that a minimum level of refining capacity was strategically important regardless of whether every refinery was commercially competitive.

It could have examined consolidation and modernisation.
It could have treated refining capacity as infrastructure worth paying to preserve.

That would have cost money.
So does losing it.

Australia is discovering that now.

They were warned

The decline was not unforeseen.

Government assessments were documenting the problem while it was happening. The 2011 National Energy Security Assessment anticipated declining Australian oil production, growing petroleum demand and increasing reliance upon imported refined fuel.

It also recognised competitive pressure on Australia's relatively small refineries from much larger Asian facilities. Longer international supply chains would create additional exposure to geopolitical events.

Yet the assessment concluded that these trends did not necessarily represent a deterioration in Australia's liquid-fuel security because international markets were expected to remain capable of supplying Australia.

That assumption became fundamental.

If an Australian refinery closed, overseas refining capacity could replace it.

If Australian crude production declined, crude or finished fuel could be imported.

If a particular supplier was disrupted, alternative suppliers could be found.

The system did not require Australia to manufacture most of its own fuel because the international petroleum market was considered sufficiently deep, diverse and flexible to supply us. Government modelling even examined scenarios involving multiple Australian refinery closures and pointed to spare Asian refining capacity as part of the answer.

The logic worked while international trade worked.

But functioning international markets are not the same thing as sovereign capability. War can disrupt production. Shipping routes can be threatened. Governments can impose export restrictions. Allies can suddenly require enormous quantities of fuel themselves, and countries with domestic production can prioritise their own populations.

Australia sits at the end of some of the world's longest petroleum supply chains.

Parliamentary inquiries and fuel-security reviews increasingly raised concerns about Australia's reliance upon imported petroleum and international shipping. Defence examined the resilience of its own fuel network. Questions were raised about Australia's compliance with international oil-stockholding obligations.

The warnings accumulated.

Meanwhile, Australia's potential petroleum self-sufficiency was deteriorating.

On a feedstock basis, Australia's potential self-sufficiency was around 70 per cent in 2010–11, falling to approximately 49 per cent in 2014–15, 41 per cent in 2019–20 and around 34 per cent by 2024–25. Those figures do not mean Australia could simply have converted all domestically produced crude into finished fuel. Refinery configuration, crude characteristics, geography and product requirements all matter.

But they show the direction clearly.

Australia was producing a shrinking share of the petroleum feedstock required to meet its needs while simultaneously allowing most of its refining capacity to disappear.

The decline in Australian oil production was substantially geological.

The decline in Australian refining was not.

Refinery closures were commercial decisions made within a policy framework that accepted international markets as the substitute for lost domestic capability.

Australia was warned what greater import dependence would mean.

The country proceeded anyway.



\$550 billion. Where did all the money go?

While Australia's petroleum capability was changing, one part of the system remained extraordinarily productive.

Taxation.

Fuel has been one of the Commonwealth's great revenue streams for decades. A Treasury Fuel Taxation Inquiry recorded that in 2001–02, fuel excise raised approximately \$12.2 billion, representing about 7.5 per cent of Commonwealth revenue. It was described as the largest indirect tax and the Commonwealth's third-largest tax after personal and company income tax.

Fuel excise receipts had already reached approximately \$5.2 billion in 1986–87.

By 2019–20, fuel-tax receipts exceeded \$19.5 billion.

In 2020–21, the Parliamentary Budget Office calculated that gross excise collected from manufacturers and importers on petrol and diesel alone was approximately \$18.8 billion.

The recent numbers are larger again. Commonwealth Budget figures show gross excise and customs-duty receipts from petrol, diesel and other fuel products running at more than \$25 billion a year in the mid-2020s.

Reconstructing the published Commonwealth series across the forty financial years from 1986–87 to 2025–26 produces cumulative gross fuel excise and excise-equivalent customs duty of more than \$550 billion in nominal dollars.

The qualification matters.

This is gross duty collected, not net government revenue.

Businesses can receive fuel-tax credits for eligible fuel use, meaning the Commonwealth's net revenue is substantially lower than the headline gross figure.

For example, the Parliamentary Budget Office calculated that in 2020–21 approximately \$18.8 billion in gross petrol and diesel excise was collected, while approximately \$7.3 billion was returned through fuel-tax credits, leaving net excise collections of about \$11.5 billion.

The \$550 billion figure also does not include GST, nor does it attempt to add company tax, petroleum-resource taxation or every other revenue stream associated with Australia's petroleum industry.

It is a narrower measure: the extraordinary amount of gross fuel duty that flowed through Commonwealth accounts during roughly the

same forty-year period in which Australia's refining network contracted from eight major refineries to two.

That distinction makes the question more important, not less. It does not mean government had a \$550 billion fuel-security fund and spent it somewhere else.

Fuel excise is general revenue.

It is not a dedicated levy that government is required to spend on roads, refineries, fuel reserves or energy security.

Treasury made this explicit more than two decades ago, noting that diesel excise was not a road-user charge directly linked to road expenditure. But Australians were nevertheless paying enormous sums through fuel taxation while the strategic infrastructure associated with that fuel was disappearing.

And when domestic refining was replaced by imported finished fuel, the revenue did not disappear with the refinery. Imported petrol and diesel attract excise-equivalent customs duty.

The economic activity could move offshore.
The strategic capability could move offshore.
The tax base remained.

There is no evidence that governments allowed refineries to close in order to protect fuel-tax revenue. That would be an entirely different claim, and the evidence does not support it.

But the durability of the revenue system is striking.

Australia could lose refining capacity without losing the government's ability to tax the fuel Australians consumed. Fuel excise was indexed to inflation from 1983, suspended in 2001 and restored in 2014. It is now indexed twice each year.

GST adds another layer. Unlike excise, which is imposed as a fixed

amount per litre, GST rises in dollar terms as the taxable price of fuel rises.

So the Commonwealth has maintained a remarkably resilient mechanism for collecting revenue from petroleum.

Australia did not demonstrate the same determination in maintaining petroleum resilience itself.

That brings us back to the central question.

More than half a trillion dollars in gross fuel duties flowed through Commonwealth accounts over roughly four decades while domestic refining capability declined from eight major refineries to two.

Now taxpayers are being asked to finance strategic reserves, additional stockholding, refinery support, imported cargoes and investigations into rebuilding capacity.

Australians paid while capability disappeared.

Now Australians are paying again because it disappeared.



The great contradiction

By 2024–25, the transformation was almost complete. Official Australian energy statistics show just how strange the system had become.

95.7 per cent of Australian crude-oil production was exported. At the same time, Australia's two remaining refineries imported about two-thirds of the feedstock they processed.

And 80.8 per cent of the refined petroleum products consumed in Australia were supplied by imports. At first glance, that seems absurd. Why would an oil-producing country export almost all its crude while importing most of its petrol, diesel and jet fuel?

There are legitimate commercial reasons.

Much of Australia's remaining crude production comes from offshore Western Australia, thousands of kilometres from the Geelong and Lytton refineries.

A significant proportion of Australian petroleum production is light crude or condensate. Refineries are engineered around particular crude characteristics and product outputs. Australia's remaining refineries were not designed simply to absorb every barrel produced domestically.

Meanwhile, enormous Asian refineries can purchase crude from multiple sources, operate at extraordinary scale and manufacture the particular mix of diesel, petrol and aviation fuel demanded by the Australian market.

That explains the commercial logic.

It does not answer the strategic question.

Why did Australia allow its refining system to become so poorly aligned with the petroleum we produce and the fuels we require? Australian crude can be refined in Australia.

The issue is that not all Australian crude can necessarily be processed efficiently, economically or in large quantities by the two refineries we have left. Government-commissioned analysis has found that, in an emergency, more Australian crude and condensate could potentially be processed domestically, although doing so could involve lower refinery throughput and changes to product specifications.

That is an important distinction.

The problem is not simply that Australia produces "the wrong oil". The problem is that we progressively lost the industrial system capable of giving ourselves more options.

Nor would redirecting every barrel of Australian crude solve the problem. Australia's potential petroleum-feedstock self-sufficiency has itself declined dramatically.

It was around 70 per cent in 2010–11.
By 2024–25, it was roughly one-third.

And our two remaining refineries have capacity equivalent to only about one-fifth of Australia's petroleum requirements.

We cannot simply turn off exports tomorrow and become self-sufficient. But that does not mean the present system was inevitable. We designed ourselves into dependency.

There was an enormous policy space between preserving every ageing refinery forever and allowing six of eight to disappear.

Australia could have established a minimum strategic refining capacity.

We could have modernised and consolidated facilities.

We could have built replacement capacity designed around Australian crude characteristics and Australia's growing demand for diesel and aviation fuel.

We could have maintained larger strategic reserves.

We could have developed alternative domestic liquid-fuel pathways.

Instead, the dominant assumption remained that international markets could supply what Australia no longer manufactured.

Then Kwinana and Altona announced the end of refining. The Commonwealth responded by explicitly recognising that the last two refineries possessed strategic value beyond their commercial return.

The Morrison Government introduced the Fuel Security Services Payment, providing financial support to keep Geelong and Lytton operating. Government policy now acknowledged that maintaining a sovereign refining capability justified direct public support.

The principle had changed.

Refining was no longer simply another commercial activity that the market could decide to relocate overseas.

It was strategic infrastructure.
The irony is difficult to ignore.

That strategic value existed when Australia had eight refineries too.

Storage is not refining

Australia is now spending billions increasing fuel reserves. That matters.

A larger reserve gives the country more time during a disruption. But a tank of diesel is a finite resource. Once it is consumed, the tank must be refilled. A refinery does something fundamentally different.

It manufactures the next tank.

The Albanese Government's 2026 response includes a \$3.2 billion government-controlled strategic fuel reserve of around one billion litres of diesel and jet fuel, alongside plans to increase mandatory stockholding by another ten days for petrol, diesel and jet fuel. It has also committed funding to feasibility work examining expanded Australian refining capacity.

That combination tells its own story.

Australia needs more storage because we depend heavily upon imports. And government is investigating more refining because storage alone cannot solve that dependency.

Australia is paying twice

For decades, fuel taxes continued while refining capability disappeared. Now taxpayers are funding support for the final two refineries, larger reserves, increased stockholding, government-backed financing for additional imported cargoes and investigations into expanded refining capacity.

We avoided paying for resilience when much of the infrastructure still existed. Now we are paying to reconstruct resilience after most of it has gone.

We had other options too

Australia's natural-gas resources created another potential pathway. Gas-to-liquids technology can convert natural gas into synthetic diesel and other liquid fuels using processes such as Fischer-Tropsch synthesis.

Australia examined this possibility decades ago.

In the early 2000s, proposals were advanced for a gas-to-liquids industry in Western Australia, including a project on the Burrup Peninsula reportedly worth around \$1 billion.

The government believed there were legitimate reasons those projects did not proceed. GTL facilities are enormously capital-intensive. They must compete against conventional petroleum refining and imported fuel, and their economics depend heavily upon gas prices, oil prices and plant scale.

When imported diesel is cheap and reliably available, spending billions manufacturing synthetic diesel domestically can look unnecessary.

But the calculation changes when resilience is included.

Australia exports almost three-quarters of the gas it produces. Diesel remains critical to agriculture, freight, mining, construction and essential services.

Even replacing a relatively small share of Australia's diesel requirements with domestically produced synthetic fuel could provide strategic value during a serious international disruption. It would not make Australia self-sufficient.

It would provide another option.

And options are what resilience is built from.

The cheapest fuel in normal times is not necessarily the cheapest fuel once the cost of dependency is included.

How expensive does imported diesel have to become before sovereign capability starts looking cheap?

The same question applies to refining, storage and alternative domestic fuels.

Resilience costs money.
And so does food security.

The question is whether we pay deliberately to maintain capability before a crisis, or pay far more trying to recover it afterwards. A resilient Australian fuel system does not require complete petroleum autarky.

It requires balance: domestic petroleum where practical, domestic refining, imports from diversified suppliers, adequate strategic reserves, alternative liquid fuels, and a realistic understanding that international markets are valuable but are not sovereign capability.

Then came 2026.

And suddenly the difference between price security and supply security stopped being theoretical.



The transition came before the replacement

There is another part of Australia's fuel-security story that cannot be ignored.

Australia did not make its petroleum decisions in an ideological vacuum. Over the same decades in which governments increasingly trusted international markets to supply our fuel, another policy objective was becoming progressively more influential: reducing Australia's use of conventional fossil fuels.

Eventually, the two collided.

The thinking began long before net zero

It would be inaccurate to blame Australia's earliest petroleum-policy changes on modern climate policy.

Fraser's move towards world-parity oil pricing in the 1970s came in the aftermath of international oil shocks, when conservation, exploration and economic efficiency were major considerations.

By the 1990s, however, environmental objectives were becoming embedded in Australian transport and energy policy.

Australia's first national communication under the United Nations Framework Convention on Climate Change documented governments actively encouraging fuels considered less greenhouse-intensive than petrol and diesel. Government fleets were being used to demonstrate alternative fuels, LPG and natural gas received tax advantages, fuel efficiency was being promoted and transport planning was being used to encourage alternatives to private motor vehicles.

This was no secret agenda. Australia was participating in an international policy framework aimed at reducing greenhouse emissions, and Australian governments were adopting many of the same objectives domestically.

The language changed over the years — alternative fuels, cleaner energy, carbon pricing, decarbonisation, electrification and eventually net zero — but the direction became increasingly clear. Conventional petroleum was something governments intended Australia to use less of over time.

International influence did not require instructions

It is too simplistic to imagine organisations such as the United Nations, OECD, International Energy Agency or World Economic Forum issuing instructions that Australian governments obediently followed.

That is not how policy influence necessarily works.

Australia participates in international institutions, signs agreements, sends ministers and officials to international meetings, contributes to policy processes and adopts commitments of its own. Australian policymakers also frequently share the underlying objectives being advanced in those forums.

The Paris Agreement provides the clearest formal example. Australia submits emissions-reduction commitments to the UNFCCC and subsequently develops domestic policies intended to achieve them. But the wider alignment extends beyond formal treaties.

The OECD has recommended that Australia accelerate electric-vehicle adoption, progressively tighten vehicle standards towards zero emissions, raise fuel taxes and reconsider fuel-tax credits. The IEA has repeatedly examined Australia's energy transition and recommended policy settings intended to produce a more sustainable, lower-emissions energy system.

Australian ministers also attend the World Economic Forum and other international gatherings not simply as observers, but to promote Australia's role in the global transition. In 2023, Assistant Minister for Trade and Manufacturing Tim Ayres said a key purpose of his attendance at the World Economic Forum in Davos was to promote Australia's emerging role as a "renewable energy superpower" and assist "the transition of the global economy to net-zero emissions."

This isn't evidence that the World Economic Forum ordered Australia to adopt particular policies. It demonstrates something more relevant.

Australian governments were increasingly participants in, contributors to and advocates for the same international energy-transition agenda.

They were increasingly on board.

Then fuel security and climate policy met

By 2009, the Commonwealth's own National Energy Security Assessment was warning that domestic refining capacity could rationalise under competition from larger Asian refineries.

It anticipated that declining domestic refining would increase Australia's dependence on imported refined fuel and recognised that increasing reliance on international oil would expose Australia to difficult geographical and geopolitical regions and potentially greater price volatility.

The assessment also specifically considered carbon pricing and said it would impose costs on fuel users and decrease refinery margins.

That should have presented government with an obvious strategic problem. Australian refineries were already struggling against larger overseas competitors, Australia remained profoundly dependent upon petroleum and domestic refining was vulnerable. Government was contemplating an additional policy-induced cost on that same domestic industry. The issue was visible before most of the refineries disappeared.

Government knew petroleum wasn't disappearing

The 2011 National Energy Security Assessment makes the subsequent policy sequence even harder to understand.

Treasury modelling examined how carbon pricing and alternative technologies could change Australia's transport-fuel mix. Its conclusion was unequivocal: even with a carbon price, conventional fuels were expected to retain a dominant share of Australia's transport-fuel mix over the long term.

Government therefore knew that the transition away from petroleum would not happen quickly. Farms, freight and mining would continue to depend heavily upon diesel.

Aircraft would still need aviation fuel. Millions of vehicles would still require petrol and diesel, while Defence and emergency services would remain dependent upon liquid fuels.

There was no replacement system ready to take over.

Yet the same assessment remained confident that increasing reliance on imported refined fuel could be managed through international markets and additional import infrastructure.

This is where the two policy philosophies begin to intersect. Government was prepared to encourage a long-term transition away from conventional petroleum while also accepting a progressive decline in Australia's capacity to manufacture conventional petroleum products domestically.

International markets were expected to bridge the enormous gap between those two realities.

Petroleum demand was still growing

There was another warning.

A government-commissioned examination of Australia's refining industry in 2012 found that Australia was unusual among developed economies because petroleum demand was still growing strongly. The problem was not that Australians no longer needed the product our refineries manufactured.

They needed more of it.

Australian refineries were disappearing because ageing and relatively small domestic plants were competing against enormous Asian refineries with economies of scale that Australia could not match.

That presented government with a choice. It could decide that some domestic refining capacity possessed a strategic value beyond its

immediate commercial return, or it could allow the market to determine how much refining remained and rely increasingly upon imports.

Government chose the latter.

The 2012 Energy White Paper made the philosophy explicit

The 2012 Energy White Paper may be one of the most important documents in this entire story.

It acknowledged that Australian crude production and domestic refining capacity were expected to decline, and that Australia's demand would consequently be met increasingly through imported crude and finished petroleum products.

Its conclusion was nevertheless that this was “not considered to affect our liquid fuel security” because Australia had access to mature, diverse and reliable international supply chains. The White Paper said announced refinery closures could be managed through an orderly transition towards increased import capacity.

At the same time, it described Australia's broader “energy transformation to a cleaner and more productive energy economy.”

Its energy-security framework included providing investment certainty through carbon pricing. Its liquid-fuels policy included pursuing alternative transport fuels. It also proposed examining a future fuel-tax regime based on the carbon and energy content of fuels.

These were not policies separated by decades. They appeared within the same national energy strategy.

Australia was consciously preparing for a cleaner, lower-carbon energy future while consciously accepting declining domestic

petroleum refining capacity.

The bridge between those two systems was international trade.

We knew the bridge was carrying almost everything

This is what makes the sequencing so difficult to defend.

In 2011–12, more than 95 per cent of the energy used by Australian transport still came from crude-oil-derived liquid fuels. A later parliamentary inquiry concluded that heavy road freight, maritime transport and aviation were likely to remain wholly or substantially oil-dependent for decades.

Even in 2023, the OECD reported that fossil fuels still supplied more than 95 per cent of Australian transport energy, while electricity accounted for just 1.7 per cent.

Yet by then six of Australia's eight major refineries had disappeared. The replacement system had not replaced petroleum. The petroleum system had simply become overwhelmingly dependent upon somebody else's refineries.

The international agenda kept moving

Meanwhile, international policy recommendations became progressively more ambitious.

The OECD's 2023 review of Australia called for a rapid transition to electric vehicles, stringent federal vehicle-efficiency standards progressively tightened towards zero emissions by 2035, higher fuel taxes and reconsideration of fuel-tax credits.

Australia's own policy moved in the same general direction.

The Morrison Government formally committed Australia to net zero by 2050 in 2021 and submitted that commitment internationally. The Albanese Government subsequently legislated emissions targets

and accelerated the transition through electric-vehicle policy, the New Vehicle Efficiency Standard, renewable-energy targets, sectoral decarbonisation plans and the Net Zero Plan.

By 2025, the Commonwealth's Electricity and Energy Sector Plan explicitly described the required transformation: use energy more efficiently, electrify and fuel-switch, and scale clean-energy supply. From 2030 to 2035, government policy envisages further decarbonisation of transport, buildings and industry through electrification and energy efficiency. From 2035 to 2050, it envisages accelerating the switch to clean energy across the economy.

There is no need to infer government's objective. It is stated in its own policy.

Australia wasn't merely following

The relationship with the international climate-policy movement also became increasingly reciprocal.

Australian ministers began promoting Australia internationally as a renewable energy superpower, while government described restoring Australia's international climate credentials as important to attracting investment.

At Davos, Australian ministers promoted Australia's role in helping the global economy transition towards net zero. At UN climate conferences, they promoted stronger climate action and Australia's renewable-energy ambitions.

The distinction matters.

Australia was not simply having an international agenda imposed upon it. Successive Australian governments increasingly shared it. That like-mindedness matters when examining the decisions governments made about infrastructure associated with the system they intended eventually to replace.

And yet the old system was still carrying the country

By 2018, the International Energy Agency was describing both sides of Australia's emerging contradiction.

Australia's energy system was undergoing a significant transformation towards renewable electricity while domestic oil production was dwindling and dependence upon imported petroleum products and their international supply chains was increasing. Energy-security concerns were rising alongside the transition.

Then, in 2020, government policy finally began to recognise that the old system could not simply be allowed to disappear.

The Morrison Government moved to establish minimum fuel stockholding requirements and financial support for the remaining refineries. By then Australia was heading towards just two.

We had finally begun paying to preserve what remained of a capability governments had spent years saying international markets could replace.

Now government calls electrification fuel security

The philosophy has now completed an extraordinary circle.

Australia's 2025 Transport and Infrastructure Net Zero Roadmap says electrification and domestically produced low-carbon fuels will improve Australia's fuel security by reducing reliance on imported fossil fuels.

That objective is understandable. Australia is extraordinarily dependent upon imported petroleum.

But government policy helped create the environment in which that dependency was accepted.

The Roadmap itself says around 90 per cent of Australia's liquid-fuel use is imported either directly as finished products or indirectly as imported crude.

The proposed solution is now to electrify transport and create a new Australian low-carbon liquid-fuels industry, with government committing \$1.1 billion to encourage domestic production.

The principles being invoked are domestic production, domestic capability, stronger supply chains, fuel security and sovereign capability.

They are precisely the principles Australia could have applied to conventional liquid fuels before six refineries disappeared.

The motive was stated openly

There is no need to invent a motive for this policy direction because governments have repeatedly told Australians what they are trying to achieve: reduce greenhouse emissions, meet international and domestic climate commitments, decarbonise transport, electrify economic activity, reduce fossil-fuel consumption, build renewable industries and reach net zero.

International institutions in which Australia participates have advocated many of the same objectives, and Australian governments increasingly embraced them themselves.

That does not prove climate policy caused each refinery closure. It does establish the policy environment in which governments decided whether preserving petroleum capability was worth paying for. Throughout much of that period, the answer was effectively no. The prevailing assumption was that international markets could provide the fuel more cheaply while alternative fuels developed, technology improved and transport gradually changed. In the meantime, Asian refineries could replace the domestic capacity Australia was losing.

The market, government believed, could manage the transition.

They transitioned the strategy before they transitioned the country

That is the failure Australia now needs to confront.

The problem was not planning for cleaner technologies. The problem was allowing existing sovereign capability to disappear before those technologies were capable of replacing it.

A genuine transition requires overlap. You maintain the system upon which the country still depends while building the system intended to replace it.

Australia increasingly did something else.

We accepted declining domestic petroleum production and refining capacity and increased our reliance upon international supply chains, while simultaneously pursuing policies intended to move the economy progressively away from conventional petroleum.

But the actual economy did not transition nearly as quickly as the strategy.

Trucks, tractors and mines still needed diesel. Aircraft still needed jet fuel. Defence and emergency services still depended upon petroleum. Australian families still needed petrol and diesel. The replacement technologies were nowhere near capable of carrying that load.

Australia transitioned the policy before it transitioned the country. For years, the consequences were disguised because international markets functioned normally. Imported fuel kept arriving. Prices moved, but the ships came, and the vulnerability remained largely theoretical.

Until it wasn't.

In 2026, the Government's own fuel-security material continues to demonstrate how heavily Australia depends on liquid fuels.

Australia is now spending billions strengthening conventional fuel

security while simultaneously describing electrification as part of the long-term solution. We are supporting the final two conventional refineries, building larger petroleum reserves, financing imported cargoes, investigating additional refining capacity and spending public money creating a new domestic low-carbon liquid-fuel manufacturing industry.

The transition may ultimately reduce Australia's dependence upon imported petroleum.

But that does not answer the historical question.

Why was Australia permitted to surrender so much of the system it still depended upon before the replacement system existed?

The international influences are documented. So are the policy alignment and the motive to decarbonise and electrify.

The continuing dependence upon petroleum was documented too, along with declining refinery capacity and the risks created by import dependence.

Government had all of those pieces in front of it.
What it failed to do was sequence them safely.

Australia did not have to choose between remaining permanently dependent upon petroleum and pursuing new energy technologies. It could have built the future while protecting the present.

Instead, successive governments placed extraordinary faith in international markets to carry Australia across the gap.

Today, one of the world's great energy exporters is discovering just how wide that gap became.



The bill comes due

For decades, Australian fuel-security policy rested on a central assumption: international markets would continue supplying the fuel Australia no longer produced or refined itself.

In 2026, international events put that assumption under extraordinary pressure.

Escalating conflict in the Middle East disrupted global petroleum markets and supply chains. Australia did not run out of fuel, but the Commonwealth began pulling almost every policy lever available.

In March, the government temporarily reduced the petrol and diesel Minimum Stockholding Obligation by 20 per cent, making up to approximately 762 million litres available to the market.

The reduction was subsequently extended and, on 19 September, extended again until 31 January 2027.

Government said the measure was intended to help ensure fuel availability through the grain harvest and summer travel period, while requiring suppliers taking advantage of the reduction to bring additional fuel into Australia and prioritise regional supply.

Government maintains that Australian fuel reserves remain healthy. But the contradiction is difficult to miss.

Australia is planning to increase mandatory fuel stocks in the future while allowing the existing petrol and diesel stockholding baseline to remain 20 per cent lower for more than ten months.

And the period now covered includes the grain harvest.

Fuel security is food security.

Diesel powers tractors, harvesters, freight, mining, construction and backup generation. The government itself has cited the grain harvest as one of the reasons fuel availability matters.

Then Australia went shopping overseas.

The Commonwealth established the \$7.5 billion Fuel and Fertiliser Security Facility, giving Export Finance Australia the capacity to use government-backed financial support to help secure additional fuel and fertiliser.

By October, Export Finance Australia reported that the facility had secured approximately 795 million litres of additional diesel and 155 million litres of jet fuel across 19 shipments, along with around 340,000 tonnes of agricultural-grade urea.

This is not \$7.5 billion worth of fuel sitting in Australian tanks.

It is government-backed financial capacity intended to help Australian buyers secure additional international cargoes. That distinction matters.

The facility can help Australia finance and compete for available fuel.

It cannot manufacture fuel.

If international production is seriously constrained or critical shipping routes are disrupted for an extended period, billions of dollars in government-backed finance cannot guarantee that additional diesel will exist to buy.

Temporary changes to Australian fuel standards were also introduced to broaden the pool of fuel available for import.

Again, the response was to widen Australia's access to international supply.

Then came the reserves.

The government announced a \$3.2 billion government-controlled strategic fuel reserve of approximately one billion litres of diesel and jet fuel.

Together with plans to increase mandatory stockholding by approximately another ten days for petrol, diesel and jet fuel, the policy is intended to create a substantially larger domestic buffer. That matters.

But it remains a buffer.

Storage buys time. It does not manufacture the next litre.

The government is also examining expanded Australian refining capacity. After decades of refinery contraction, Australia is now investigating whether it needs more refining. The response extends beyond petroleum.

In 2026, the government progressed Australia's first national

domestic gas reservation scheme. Under the current design, LNG exporters would be required to supply the Australian market with gas equivalent to up to 20 per cent of their annual export volumes. The scheme is intended to commence in 2027, with the domestic supply obligation expected to begin on 1 January 2028.

Government has described the broader policy in the language of energy sovereignty.

That language matters.

Australia is rediscovering the strategic importance of domestic access to resources it possesses in abundance.

The crisis did not create Australia's vulnerability.

It exposed it.

The refinery closures had already happened.

The import dependence already existed.

The international supply chains were already carrying most of Australia's petroleum needs.

The Middle East crisis simply forced government to confront what that system looks like when global supply can no longer be taken for granted.

We are spending billions to buy back resilience.

The lesson is that international trade and sovereign capability are not substitutes for one another.

A resilient country can trade extensively while still maintaining enough domestic capability to protect itself when trade is disrupted. Australia progressively allowed that balance to disappear.

You can buy fuel overseas only if somebody is able to make it.

Only if somebody is willing to sell it.

Only if you can compete for it.
And only if the ships can get it here.
That is not sovereignty.

That is dependency with a supply contract.
The vulnerability did not appear in 2026. So who was responsible?



Accountability: How did an energy superpower become fuel-vulnerable

Australia's fuel vulnerability cannot be laid at the feet of one government.

If anything, that makes this story worse.

The decisions that brought us here span nearly half a century and governments of both political persuasions. Some were made for defensible economic reasons. Some delivered genuine benefits. Many made sense when considered individually and under normal market conditions.



Fraser: Australians would pay the world price for Australian oil

The Fraser Government made one of the earliest fundamental changes.

The 1977–78 Budget began moving the price refiners paid for Australian crude towards import parity.

The following year, all “old oil” was moved to import-parity pricing.

Treasury’s own historical account says the policy brought domestic oil prices into parity with world prices, subsequently exposing Australia to the full effects of the 1979 oil shock.

There were reasons for the decision.

Higher prices encouraged exploration and conservation. The crude-oil levy captured some of the increased value for government rather than allowing the entire benefit to flow to producers. But the principle had changed.

Australian petroleum would no longer necessarily give Australians protection from international petroleum prices simply because it came out of Australian ground. A resource sitting beneath Australian territory had become increasingly subject to the same pricing forces as a barrel sitting on the other side of the world.

Hawke: open the market

The Hawke Government pushed the transition further.

By late 1983, Australia was producing enough light crude to meet domestic requirements, while exports remained restricted. Producers began cutting production because the domestic market could not absorb additional output.



The response was to loosen the system.

Export restrictions were lifted and regulated domestic allocation arrangements began to disappear. Production quotas were subsequently abolished.

Again, there was a commercial logic.

Producers should not have to leave commercially valuable petroleum in the ground simply because Australian refineries did not need it at that moment.

Opening export markets encouraged production and allowed Australian resources to achieve their international value. But it also weakened another connection.

Australian petroleum was no longer being organised primarily around the question of what best served Australia's domestic resilience. Increasingly, it would flow wherever the market valued it most.



Keating and Howard: the market model becomes entrenched

The market-oriented approach continued through subsequent governments.

Under the Howard Government, another major piece fell into place.

Before August 1998, Australia's major oil companies were required to notify the regulator before increasing wholesale petrol and diesel prices. The ACCC calculated maximum wholesale prices based on import parity.

The ACCC concluded that the system itself was distorting prices and recommended deregulation.

The government accepted that recommendation.

From 1 August 1998, wholesale petrol and diesel prices were deregulated and wholesalers became free to set their own prices. Australian petrol pricing became firmly linked to the international refined-product market.

There was now a coherent philosophy running through the system.

Australian crude could trade internationally.

Australian refineries could buy internationally.

Australian fuel prices could be benchmarked internationally.

And if overseas refineries could produce fuel more cheaply than Australian ones, imports could replace domestic production.

The market would decide.

Then the refineries started disappearing

Clyde stopped refining in 2012.

Kurnell followed in 2014.

Bulwer Island in 2015.

Kwinana in 2021.

Altona ceased refining in 2022.

These closures occurred under governments of both major political parties. They were commercial decisions by refinery owners, not government orders to close the plants. That distinction matters.

The refineries were ageing. They were relatively small. Asian refining competition was fierce. Maintaining and upgrading them required enormous investment.

But government policy determined the environment in which those commercial decisions were allowed to become national

outcomes.

Australia could have decided that refining possessed a strategic value beyond its balance-sheet return. It could have established a minimum level of refining capacity in the national interest, examined consolidation and replacement, or begun paying for strategic capacity before almost all of it disappeared.

Instead, closure after closure was absorbed into the international-market model.

The refinery could stop making fuel.

The site could become an import terminal.

Foreign refineries could replace the lost production.

The ships would bring the fuel.

Gillard: the warning was already on the government's desk

The 2011 National Energy Security Assessment makes the later refinery closures particularly difficult to treat as unforeseeable.

The assessment anticipated declining Australian oil production, growing



petroleum demand, increasing reliance on imported refined fuel and competitive pressure on Australia's relatively small refineries from much larger Asian facilities. It also recognised the longer supply chains and geopolitical exposure that would accompany greater import dependence.

Yet the assessment concluded that these trends did not necessarily represent a deterioration in Australia's liquid-fuel security because international markets were expected to remain capable of supplying us.

That was the central bet.

And it was not confined to one government.

The assumption that reliable international markets could substitute for domestic capability survived successive changes of government.



Abbott: two more refineries disappear

Kurnell ceased refining in 2014 and Bulwer Island in 2015.

Domestic manufacturing capacity fell while import infrastructure became more important.

The fuel still arrived.

From the perspective of an efficient market, the system continued to function. From the perspective of sovereign capability, Australia had lost another two options.

Turnbull: the warnings become harder to dismiss

By the second half of the 2010s, Australia's fuel-security position was attracting growing scrutiny.

Questions were being raised about Australia's international oil-stockholding obligations. Defence was examining the resilience of its fuel network. Parliamentary inquiries were

questioning assumptions about shipping security and Australia's ability to maintain supply during a serious international disruption.



The vulnerability was no longer buried in long-range modelling. It was becoming a live national-security issue.

Yet Australia still had four refineries. There was still time to decide that four was the floor. We didn't.



Morrison: recognition finally arrives

COVID-19 should have removed any remaining doubt about the fragility of global supply chains.

Then Kwinana and Altona announced the end of refining.

Australia was heading towards two

refineries. Government policy finally acknowledged that the commercial value of a refinery and its strategic value to Australia were not the same thing.

The Morrison Government introduced the Fuel Security Services Payment and legislated the Minimum Stockholding Obligation as part of a package explicitly intended to maintain a sovereign refining capability.

The remaining Geelong and Lytton refineries would receive financial support when market conditions met the scheme's requirements. This was an important change in policy.

The irony is impossible to miss.

That strategic value had existed when Australia had eight refineries. By the time government was prepared to pay explicitly for it, six were gone.

Albanese: paying to rebuild resilience

The Albanese Government inherited an extraordinarily import-dependent liquid-fuel system in 2022.

The Minimum Stockholding Obligation, legislated under the Morrison Government, commenced under Albanese on 1 July 2023, while support for Australia's remaining refineries continued.



But the fundamental structure did not change.

Australia remained overwhelmingly dependent upon imported refined fuel.

By 2024–25, imports supplied 80.8 per cent of the refined petroleum products consumed in Australia, while 95.7 per cent of Australian crude-oil production was exported.

In 2026, international events forced that vulnerability to the centre of national policy.

The government is now establishing a \$3.2 billion strategic reserve, proposing another ten days of mandatory stocks, supporting the remaining refineries, examining expanded refining capacity, using government-backed finance to help secure imported fuel and developing a national gas reservation scheme.

At the same time, the existing petrol and diesel Minimum Stockholding Obligation has been temporarily reduced by 20 per cent until 31 January 2027.

Some of those measures should improve Australia's resilience.

But they also expose the extraordinary position we have reached.

Fifty years, one direction

Look at the sequence as a whole.

Fraser moved Australian crude towards world pricing.

Hawke opened Australian crude more fully to international markets. Subsequent governments entrenched market-based petroleum policy.

Howard deregulated wholesale petrol and diesel pricing.

Rudd and Gillard governed while official assessments documented the coming decline in domestic oil production and increasing import reliance.

Clyde closed under Gillard.

Kurnell and Bulwer Island ceased refining under Abbott.

Warnings about fuel resilience intensified under Turnbull.

Kwinana and Altona ceased refining following decisions made during the Morrison years, prompting direct government support for the last two refineries.

The Albanese Government inherited the resulting system and is now spending billions responding to vulnerabilities exposed in 2026.

No single Prime Minister created this.

No single government can reasonably carry all the blame.

But neither can responsibility disappear simply because it is shared. For nearly half a century, governments repeatedly accepted the proposition that international markets could compensate for the loss of domestic capability.

The system became more efficient.
It also became more dependent.

This was not inevitable

None of this means Australia should have preserved every old refinery indefinitely.

Some were ageing, inefficient and expensive to operate.

Nor does it mean Australia should have attempted complete petroleum self-sufficiency regardless of cost.

There was an enormous range of policy choices between those two extremes.

Australia could have established a minimum strategic refining capacity, consolidated ageing refineries into fewer modern facilities, designed replacement capacity around Australian crude characteristics and Australia's fuel requirements, built larger strategic reserves earlier, developed emergency liquid-fuel capability using Australian gas, or required national-security considerations to form part of major refinery-closure decisions.

None of those choices would have been free.

Neither is dependency.

Instead, Australia repeatedly chose the cheaper normal-day option and left the abnormal-day problem for another government.

Eventually the abnormal day arrived.

The market did what markets do

It is tempting to blame "the market" for what happened. That misses the point.

Markets behaved exactly as markets are expected to behave.

Companies sought lower costs. Producers sought higher prices. Refiners invested where returns justified investment. Fuel traders sourced products from the most competitive suppliers.

If an Asian mega-refinery could manufacture fuel more cheaply than an ageing Australian plant, the commercial incentive was obvious.

The failure was expecting those incentives to protect Australia's strategic capability.

The market's job was never to guarantee Australian sovereignty. That was government's job.

The risk was always ours

The consequences of getting fuel security wrong were never going to remain confined to oil companies or government departments.

Farmers, freight operators, miners, construction companies, emergency services, Defence, remote communities and households all depend directly or indirectly upon reliable liquid fuel. When supply is threatened or prices surge, the cost moves through the economy.

Fuel security is food security, supply-chain security, economic security and ultimately national security.

Australia does not fundamentally lack energy.

We are one of the world's great exporters of coal, gas, crude oil and condensate.

What we have lacked is a coherent strategy for converting the resources we possess into the energy security we need.

Australians deserve an answer

This article began with a question about money.

More than \$550 billion in gross fuel duties flowed through Commonwealth accounts over roughly forty years while Australia's refining capability declined.

But the deeper question is not where every dollar went.

Fuel excise was general revenue. It funded government as governments chose to allocate it.

The deeper question is what Australia chose to value.

For decades, governments valued efficiency, competition, access to cheaper international refining and the ability to sell Australian resources into the highest-value markets.

Those choices delivered benefits.
But resilience has value too.

So does redundancy.
So does domestic industrial capability.
So does the ability to keep farms operating, trucks moving, aircraft flying and essential services functioning when the world is not behaving normally.

And so does sovereignty.

The events of 2026 have forced Australia to begin putting a price on those things again.

It is a price we could have been paying gradually for decades.
Instead, we are paying it now, after most of the infrastructure has gone.

Australia does not need to retreat from international trade.

It does need to decide what capabilities are too important to outsource almost completely.

Liquid fuel is one of them.

The question for government now is not whether every decision made over the past fifty years was wrong.

Clearly, most of them were.

The question is whether the cumulative result serves Australia's national interest today.

And if it does not, what are we prepared to rebuild?

Australia's resources should first and foremost serve Australia's national interest.

Because whatever benefits the old model delivered, it has left one of the world's great energy exporters worrying about where its next tanker of diesel will come from.



Conclusion: Government's first responsibility

Over the course of this article, we have followed almost fifty years of Australian petroleum policy.

Different governments made different decisions for different reasons. Some were economically rational when considered in isolation. Some delivered efficiencies and benefits.

But governments must ultimately be judged by what their decisions collectively produce.

And the result is confronting.

Australia is one of the world's great energy-producing nations, yet we import more than four-fifths of the refined petroleum products we consume. We export almost all the crude oil we produce. Eight major refineries became two.

Successive governments knew petroleum would remain essential for decades. They knew refinery capacity was declining. They knew import dependence was increasing. They knew longer international supply chains carried geopolitical risk.

They also knew the technologies intended eventually to reduce our dependence on petroleum were nowhere near ready to replace it.

Yet Australia continued surrendering domestic capability. That demands serious questions about the quality of government Australia has received.

This is what national security looks like

Fuel security is not an abstract argument about refineries and shipping routes.

It is the farmer putting diesel into a harvester, the truck carrying food across the country, the refrigerated vehicle keeping that food cold and the machinery operating at a mine or construction site. It is ambulances, emergency services, Defence and backup generators.

It is also millions of Australians simply trying to get to work.

When fuel prices rise, the cost travels through the entire economy. Australians are experiencing that now.

In Westpac's adverse scenario for a prolonged Middle East supply disruption, diesel could reach around \$3.07 a litre and petrol around \$2.68 a litre by the end of 2026.

That is not a prediction that those prices will occur. It is a scenario based upon a serious and prolonged disruption.

The fact that such a scenario is plausible should concern every

Australian.

And while households and businesses absorb higher fuel costs, government continues collecting revenue.

Fuel excise remains embedded in the price. GST is calculated on the final taxable price, meaning that when the underlying price of fuel rises, the dollar amount of GST collected rises with it.

There is an uncomfortable disparity here too.

Federal parliamentarians have access to Commonwealth-funded travel and travel allowances for eligible parliamentary business. For substantial parts of the travel required to perform their jobs, the people making national policy are effectively immune from the fuel-cost pressures ordinary Australians must meet directly from household or business income.

Fifty years demands accountability

No single Prime Minister created this vulnerability, and no single political party owns the entire history.

That cannot become an excuse for nobody being accountable.

Successive governments received warnings. They had assessments showing declining production, refinery pressure, increasing imports and Australia's continuing dependence upon petroleum.

They had opportunities to maintain a strategic refining floor, increase reserves, develop alternative domestic liquid fuels, modernise infrastructure and require national-security considerations to form part of decisions affecting essential energy capability.

Instead, governments repeatedly trusted international markets to fill the gap.

At the same time, Australia increasingly committed itself to a transition away from conventional petroleum before the economy

was capable of functioning without it.

We could have built the future while protecting the present.
We didn't.

Over fifty years, that ceases to look like an isolated policy mistake. It becomes a failure of governance. Australians are entitled to ask whether successive governments adequately protected the national interest.

They are entitled to question the competence of governments that allowed an energy-rich nation to become so dependent upon foreign refining.

They are entitled to ask whether international commitments, market ideology and political objectives were given greater consideration than Australia's resilience.

And they are entitled to ask whether governments demonstrated sufficient loyalty to their most fundamental responsibility: protecting the Australian people and the country they were elected to govern. Australia cannot control wars overseas. We cannot guarantee international shipping routes will remain open. We cannot force another country to sell us fuel when its own people need it.

That is precisely why sovereign capability matters.

Government's responsibility is not merely to manage the next crisis after it arrives. It is to ensure the country is resilient enough to withstand it.

For nearly fifty years, successive Australian governments allowed that resilience to deteriorate.

Now Australians are paying the price.

The first responsibility of an Australian government is not to an international market, an international institution, an ideology or a transition target.

It is to Australia and the Australian people.

Stand Up Now Australia