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Media release

Regional strategy identifies how to future-proof fuel shocks

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Strategic fuel storage and distribution, remote energy resilience and support for highly exposed sectors and communities are among the recommendations of the FNQ Fuel Impacts Roundtable delivered this week ahead of the next Roundtable in October.

Regional Development Australia (RDA) Tropical North Board Chair Hurriyet Babacan said 30 representatives from across tourism, aviation, freight and logistics, agriculture, small business, local government, health and community services, remote retail and food security, First Nations service delivery, infrastructure and government had contributed to the findings.

“An important function of RDA Tropical North is to pull together the region’s various sectors to inform the Federal Government of how best to meet Far North Queensland and Northern Australia’s needs,” Professor Babacan said.

“These outcomes were shared with Federal Regional Development Minister Kristy McBain during her recent visit, Member for Leichhardt Matt Smith, Senator Nita Green and Federal and State Government stakeholders.

“Many opportunities to strengthen our region’s challenges have already been identified in the Tropical North Queensland Economic Development Strategy 2024-2029 reinforcing the value of progressing the priorities of this collaborative regional blueprint.

“The impact of fuel supply fears has been similar to the impacts of natural disasters and once again serves to highlight the vulnerability of regional and remote areas facing the cumulative impact of consecutive disasters, increased cost-of-living and housing pressures.

“The FNQ Fuel Impacts Roundtable confirmed that physical fuel supply was largely maintained in the early months of the Middle East crisis. However, it did not prevent significant economic and service impacts across the region.

“These impacts could escalate with the region remaining vulnerable to future fuel price and supply shocks as the conflict continues.

“Several key impacts were identified including significant reduction in tourism demand and visitor expenditure, unharvested produce where costs exceeded expected returns, and delayed recruitment across small business.

“Local government resources were redirected from maintenance and capital works, there were disproportionate impacts on remote and First Nations communities, and uncertainty around essential service priorities.

“Higher fuel and freight costs, price volatility and uncertainty are compounded by Far North Queensland’s distance from major markets, reliance on road, air and marine freight, limited transport alternatives and diesel dependence in many remote communities.

“To strengthen our region’s resilience, governments need to consider not just physical supply, but also affordability, confidence, service continuity, preparedness and longer-term energy resilience.

“The first Roundtable was held in July while the Australian Government’s temporary fuel excise reduction measures were in place, but next month’s will be looking at the impact of much higher fuel prices following the excise returning in full in August.

“Individual industries and organisations gather their own data on issues such as fuel supply and RDA Tropical North provides the mechanism to bring this intelligence together across the region to ensure all voices are considered in government decision making.”

The public is invited to contribute their insights or concerns via the RDA Tropical North feedback portal on the website. (rdatropicalnorth.org.au)

Regional Development Australia Tropical North Inc is an independent organisation driven by community leaders to broker regional development solutions that will create jobs and grow the Far North Queensland economy.

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