

May 2026

## Quick Facts: Diesel & Australian Coal Mining

In light of the ongoing global oil crisis precipitated by the Iran War, there is increasing interest in understanding sectoral diesel consumption within Australia. This short note focuses on the sector responsible for more diesel consumption than any other part of the economy, mining, and looks in particular detail at coal mining.

### What sectors drive diesel consumption in Australia?

The Australian Bureau of Statistics produces an annual estimate of what sectors of our economy are driving fuel consumption. Under the methodology of the Energy Account Australia, energy use is assigned based on an industry perspective. So, for example, diesel consumed hauling of mined coal by train to port would be assigned to the coal mining industry (rather than to transport). This approach provides the most comprehensive understanding of what industries are driving energy usage in Australia.

For the most recent year that comprehensive data is available:<sup>1</sup>

- **Mining was responsible for more diesel consumption than any other sector of the economy:** 11.8 billion litres or 35% of all Australian consumption
- **Coal mining alone was responsible for 5 billion litres of diesel consumption, 15% of all diesel consumed in Australia.**
- By comparison, all agriculture, forestry and fishing in Australia consumed 3.8 billion litres. So **mining used over three times more diesel than all farming and related industries, and coal mining used over 1.3 times as much.**
- **Coal mining used over twice as much diesel as all residential (household) consumption,** a third more than the construction industry and 50 times as much as healthcare and social assistance.

### How much diesel does coal mining consume in NSW and Queensland?

While the ABS' Energy Account provides the best understanding of what industries are driving diesel consumption in Australia, it does not provide state-level information. State-level data is available from the Australian Energy Statistics produced by DCCEEW. However, the methodology of the Australian Energy Statistics assigns consumption of fuels to the industry of the activity, not the industry of ownership – so residential vehicle diesel use is assigned to the transport industry, as is transport of mining and other products. Under this approach, the mining sector is the second largest consumer of diesel in Australia responsible for 24% of

<sup>1</sup> ABS (2025) Energy Account, Australia, 203-24. Table 4 Physical total use of selected energy products by industry, Australia, 2010-11 to 2023-24 and subdivisional data from Customised data for DCCEEW from the Energy Account Australia, 2023-24. All data and comparisons stated are for 2022-23 as this is the most recent year for which the ABS released subdivision data for coal mining.

diesel consumption (as opposed to 35% using the ABS approach). So interpretation should bear in mind that mining activity is responsible for a greater proportion of the state's total diesel consumption compared to that presented once activities such as the hauling of mined products is considered.

Table 1 (below) presents fuel consumption (in million litres) of industries for FY 2024 from the Australian Energy Statistics.<sup>2</sup> Coal mining is only quantified for NSW and Qld.

|            | Transport, postal & warehousing | Coal Mining  | Other Mining | Agriculture, forestry and fishing | Electricity, Gas, Water & Waste Services | Commercial and services | Construction | Manufacturing | Total         |
|------------|---------------------------------|--------------|--------------|-----------------------------------|------------------------------------------|-------------------------|--------------|---------------|---------------|
| NSW        | 5,616                           | 1,379        | 116          | 699                               | 104                                      | 203                     | 237          | 41            | <b>8,395</b>  |
| NT         | 456                             | n.d          | 92           | 17                                | 127                                      | 24                      | 13           | 1             | <b>731</b>    |
| QLD        | 4,631                           | 2,470        | 218          | 537                               | 304                                      | 268                     | 105          | 95            | <b>8,628</b>  |
| SA         | 1,305                           | n.d          | 154          | 188                               | 58                                       | 49                      | 42           | 19            | <b>1,814</b>  |
| TAS        | 406                             | n.d          | 55           | 100                               | 4                                        | 27                      | 8            | 7             | <b>609</b>    |
| VIC        | 3,831                           | n.d          | 66           | 266                               | 36                                       | 13                      | 218          | 58            | <b>4,487</b>  |
| WA         | 3,578                           | n.d          | 3,213        | 495                               | 501                                      | 247                     | 63           | 139           | <b>8,235</b>  |
| <b>AUS</b> | <b>19,823</b>                   | <b>7,762</b> |              | <b>2,301</b>                      | <b>1134</b>                              | <b>832</b>              | <b>686</b>   | <b>360</b>    | <b>32,898</b> |

**Table 1:** Fuel consumption (in million litres) of industries FY 2024 (Australian Energy Statistics)

Looking at the two major coal producing states:

- **Coal mining diesel consumption is 16% of NSW's total consumption and 29% of Queensland's** (this is without considering the haulage of coal to port and power stations)
- **Coal mining in Queensland alone uses more diesel than all agriculture, forestry and fishing in Australia.** [adding in NSW coal mining makes it well over 165% all Australian farming, fishing and forestry]
- **Coal mining in NSW uses almost two times as much diesel as agriculture, forestry and fishing in that state** (or any other state given that NSW agriculture, forestry and fishing uses more diesel than all other states)
- **Coal mining in NSW and Qld uses over 5 times more diesel than the construction industry.**

<sup>2</sup> DCEWW (2025) [Australian Energy Update 2025](#) Table F Diesel converted from energy to physical units using 38.6 PJ/kL

## How much diesel do individual mines and miners use?

Some major mining companies disclose their annual liquid fuels consumption as part of their ESG reporting. Finding data on the fuel consumption of Whitehaven<sup>3</sup>, Yancoal<sup>4</sup> and BHP<sup>5</sup> is straightforward and standardised data on all three is presented in the table below. Glencore, however, does not disclose diesel consumption at the Australian level or indeed internationally (it only states that its global operations directly consumed 81PJ of mineral oil in 2025).

| Diesel Consumption (ML)         | FY24  | FY25  |
|---------------------------------|-------|-------|
| BHP AU Total (operations)       | 1,819 | 1,640 |
| BHP AU Coal Mining (operations) | 933   | 785   |
| Yancoal (equity)                | 310   | 315   |
| Whitehaven Coal                 | 206   | 356   |

Therefore:

- **BHP's operations use more diesel mining in Australia than all agriculture, forestry and fishing in Queensland, NSW, Victoria and Tasmania combined**
- **In FY 2024, BHP's operations used more diesel than South Australia**
- **BHP's coal mines use more diesel than all agriculture, forestry and fishing in any state**

The Environmental Impact Statements produced as part of the approval process provide insight into the amount of diesel that individual coal mining operations consume. The table below aggregates data for some of the largest coal mining operations. It presents average diesel consumption estimated by proponents for the years during which coal will be extracted at full production rates.

| Project                                         | Annual diesel use<br>(ML / annum) |
|-------------------------------------------------|-----------------------------------|
| Mt Arthur Coal Mine Modification 2 <sup>6</sup> | 207 ML                            |
| HVO Continuation Project <sup>7</sup>           | 192 ML                            |
| Mt Thorley Warkworth <sup>8</sup>               | 182 ML                            |
| Maules Creek Continuation Project <sup>9</sup>  | 110 ML                            |
| Mt Pleasant Optimisation Project <sup>10</sup>  | 94 ML                             |

<sup>3</sup> From Whitehaven Coal [2025 Sustainability Databook](#), reported diesel consumption in energy units converted to volume using following factor: 38.6 GJ/kL

<sup>4</sup> From Yancoal [P4 Report 2025](#), reported Scope 1 CO<sub>2</sub>-e from diesel consumption converted to volume using emissions factor (scope 1 combined gasses) 70.2 kg CO<sub>2</sub>-e/GJ and energy content factor 38.6 GJ/kL

<sup>5</sup> From [BHP ESG Standards and Databook 2025](#), reported Distillate/gasoline energy consumption assumed to be 100% diesel and energy units converted to volume using the following factor: 38.6 GJ/kL. Note that BHP states total consumption for sites it controls (not just equity basis).

<sup>6</sup> Mt Arthur Coal Mine Modification 2 EIS (2023) [Air Quality Impact And Greenhouse Gas Assessment](#)

<sup>7</sup> HVO Continuation project EIS, Appendix G of the [Air Quality and GHG Assessment](#)

<sup>8</sup> Warkworth Continuation Project (SSD-6464) – EIS 2014 ([Appendix G](#)) and Mt Thorley Operations Continuation Project (SSD-6465) – EIS 2014 ([Appendix G](#))

<sup>9</sup> From Maules Creek Continuation Project Environmental Impact Statement – [Appendix J: Greenhouse Gas Assessment](#) (14 March 2025).

<sup>10</sup> From Mount Pleasant Optimisation Project [MACH Response to GHG Queries](#) (31 Mar 2022). From Mount Pleasant Optimisation Project [45. Appendix S - Greenhouse Gas Assessment](#) (11 January 2021).

Therefore:

- **Just four NSW coal mines use more diesel each year than all agriculture, forestry and fishing in NSW** (or any other state, given that this sector's consumption is highest in NSW)
- **The proposed HVO Continuation Project will use more diesel than South Australia uses for agriculture, forestry and fishing**

## What about fuel tax credits?

In Australia, diesel consumed by private individuals is subject to both fuel excise (52.6 cents/litre before the government temporarily reduced it in response to the Iran War) and 10% GST. Corporate diesel users can claim back the GST. In addition, those using diesel either in off-road applications (such as mining) or in heavy road vehicles can claim fuel tax credits against their fuel excise. In the case of off road diesel consumption 100% of the excise is relieved and for on-road heavy vehicle usage over 60% is refunded. In total, this measure is expected to cost \$10.8 billion in 2025-26.<sup>11</sup>

The ATO produces detailed data on fuel tax credit claims. In the most recent year for which data has been published (FY 2023-24):

- \$9.6 billion dollars of fuel tax credits were claimed
- The mining industry was responsible for \$4.5 billion in claims, almost half (47%) of the total
- **The coal mining industry claimed \$1.4 billion or 14% of the total**

---

<sup>11</sup> Australian Government (2025) Budget Paper 1, p 136, [https://archive.budget.gov.au/2025-26/bp1/download/bp1\\_2025-26.pdf](https://archive.budget.gov.au/2025-26/bp1/download/bp1_2025-26.pdf)