



Member Advisory

Fuel Crisis Management and Contingency Plan



INTRODUCTION

Australia's paper, print, packaging, mail, and visual communications sector is operating in an increasingly uncertain global environment, with escalating conflict in the Middle East contributing to fuel market volatility, freight disruption, and broader supply chain instability.

For an industry that depends on the timely movement of substrates, consumables, finished goods and people, even moderate fuel disruption can have serious operational and commercial consequences. This advisory paper has been prepared to assist businesses across the Australian market to assess risk early, respond in a structured way, and protect continuity of service, workforce stability, and contractual performance during a period of heightened external pressure.

OVERVIEW

Fuel supply disruption presents a systemic operational risk to the visual media industry and potentially impacting:

- > The distribution of printed materials, particularly time-sensitive publications, and packaging supply chains.
- > Workforce mobility, particularly shift-based production roles.
- > Supplier reliability, including substrates, ink, and other consumables.
- > Contractual performance obligations.

PURPOSE

This plan provides a structured, practical, and defensible framework for businesses to manage operational, workforce and commercial risks arising from worsening fuel supply issues for medium to severe disruption scenarios.

This framework may require customisation to suit individual business requirements and circumstances, particularly in regional areas.

CRISIS FRAMING

Fuel disruption is a whole of business risk, affecting.

- > Logistics and supply chains
- > Workforce attendance and availability
- > Supplier reliability
- > Client delivery and contractual performance

CORE PRINCIPLE: Prioritise continuity of critical operations while managing legal and commercial exposure.



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IMMEDIATE ACTION CHECKLIST

FIRST 48-72 HOURS

1. Identify critical business functions.
2. Businesses should assess fuel dependency, including the following factors:
 - > % of operations dependent on fuel-based transport.
 - > Critical suppliers reliant on fuel-based transport.
 - > Workforce reliance on private vehicle commuting.
 - > Any fleet exposure.
3. Contact the following:
 - > Logistics providers.
 - > Suppliers.
 - > Major clients.
4. Establish a crisis team/lead.
5. Issue initial employee and client communications.



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TIERED RESPONSE FRAMEWORK

<p>Level 1 – Medium Disruption (1-3 months)</p> <ul style="list-style-type: none"> > Increased fuel costs. > Decreased fuel availability. > Delays in transport and deliveries. > Increased employee tardiness and or availability. 	<p>Response Actions</p> <ul style="list-style-type: none"> > Prioritise high-value contractual work. > Consolidate deliveries where possible. > Adjust production schedules where possible. > Engage alternative logistics providers. > Vehicle and fuel security.
<p>Level 2 – Severe Disruption (Supply constraints/rationing)</p> <ul style="list-style-type: none"> > Limited fuel availability > Inability to meet standard delivery timelines. > Workforce attendance materially impacted. 	<p>Response Actions</p> <ul style="list-style-type: none"> > Activate critical operations only approach. > Suspend non-essential production. > Renegotiate delivery timelines with clients. > Vehicle and fuel security. > Implement workforce flexibility measures (see below).

OPERATIONAL CONTINUITY FRAMEWORK

Production	Logistics	Supplier Management
Shift to priority-based production scheduling.	Consolidate routes and reduce frequency.	Engage suppliers early regarding delivery constraints.
Increase inventory buffers where feasible.	Explore third-party logistics pooling.	Identify secondary suppliers, even if at a higher cost.
Consider decentralised or localised production partnerships.	Prioritise contractually critical deliveries and time-sensitive outputs.	



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COMMERCIAL AND CONTRACTUAL RISK MANAGEMENT

Key Risks	Mitigation Strategies	Priority Approach
<p>Breach of supply contracts</p> <p>Failure to meet SLA's and related.</p> <p>Reputational issues</p>	<p>Review:</p> <ul style="list-style-type: none"> > Force majeure clauses. > Variation clauses. > Consider impact of supplier fuel surcharges (see below). <p>Proactively:</p> <ul style="list-style-type: none"> > Notify clients of delays. > Renegotiate delivery timelines. > Communicate with all stakeholders. 	<ol style="list-style-type: none"> 1. Critical contractual obligations. 2. Strategic clients. 3. Non-essential and discretionary work.

Suppliers may seek to implement fuel surcharges

Members should also anticipate that suppliers, particularly logistics providers and key material suppliers, may introduce fuel related surcharges or pricing adjustments in response to increased fuel costs or constrained supply. These may take the form of temporary levies, variable pricing mechanisms, and or revised trading terms.

Members should:

- > Review supplier agreements to understand the basis on which such any related surcharges or similar may be applied. Is there a contractual basis to vary pricing?
- > Assess whether increased costs can be passed through to customers under existing contractual arrangements.
- > Avoid automatically absorbing increased costs without considering the broader commercial impact.
- > Engage early with clients where pricing or delivery costs may be affected.

A consistent and transparent approach to managing supplier surcharges will assist in mitigating margin erosion, maintain client relationships, and reduce the risk of supplier and or client disputes.



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EMPLOYMENT CONSIDERATIONS

KEY PRINCIPLES

Stand Down	<p>s.524 of the Fair Work Act.</p> <p>Only if there is a stoppage of work and for which the employer cannot reasonably be held responsible.</p> <p>Fair Work Commission or Federal Court, or government may take a position on this issue.</p> <p><i>*Similar to the initial stages of COVID prior to the VMA obtaining critical status for the industry.</i></p>
Flexibility Measures	<p>This option would be preferable before implementing stand down provisions.</p> <p>Consider temporary changes to rosters, start/finish times, remote work locations, use of accrued leave.</p> <p>Consider if a car-pooling arrangement could be agreed between workers.</p>
Consultation Obligations	<p>Where changes impact workers, following the relevant modern Award and or an enterprise agreement if applicable.</p> <p>Provide clear reasoning, address concerns, and an opportunity for workers to provide input.</p>
Attendance Issues	<p>Where workers cannot attend due to fuel constraints avoid immediate disciplinary action. Assess reasonableness of non-attendance and any alternative arrangements that could be agreed.</p>



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DECISION MAKING TRIGGERS

TRIGGER POINTS

- > When fuel costs increase - [*insert a \$ or %*]
- > Delivery delays – [*insert number of days*]
- > Workforce absenteeism – [*insert a %*]
- > Supplier failure incidents occur.

RESPONSE ESCALATION

- > Trigger → internal review.
- > Escalation → Crisis team activation
- > Severe → operational scaling/stand down consideration.

COMMUNICATIONS STRATEGY

INTERNAL

- > Daily or weekly updates
- > Clear expectations
- > Transparency on business impacts

EXTERNAL

- > Early client engagement
- > Consistent messaging across.
 - Sales
 - Operations
 - Deliveries
 - Account management

CONCLUSION

While the extent and duration of current fuel and supply chain pressures remain uncertain, the risks to Australian industry are immediate enough to warrant active planning and disciplined response. Businesses that act early to identify critical functions, engage suppliers and clients, review contractual exposure, and implement practical workforce and logistics contingencies will be better placed to manage disruption and preserve business resilience.



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This paper is intended as a practical guide to support informed decision-making, reduce operational and legal exposure, and help the visual media industry navigate a complex and rapidly changing trading environment.

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