



INQUIRY INTO AUSTRALIA'S OIL REFINERY INDUSTRY

The House Economics Committee will inquire into and report on Australia's oil refinery industry.

According to Australian Institute of Petroleum figures, in 2010-11 domestic refineries supplied around 74 per cent of petroleum products required by Australia's major industries and service stations. More than a quarter of total petroleum product consumed is imported, primarily from Singapore.

The planned closures of the Clyde and Kurnell oil refineries in Sydney will leave Australia with five domestic oil refineries by the end of 2014. These facilities will be converted to import terminals.

The Committee Chair, Julie Owens MP, said that it is timely for the Committee to examine Australia's domestic refinery capacity, and potential impacts of declining capacity on the economy, energy security and employment. The Committee will:

1. Identify the current international and domestic trends and pressures impacting on the competitiveness of Australia's domestic oil refineries.
2. Investigate the impact of declining refinery capacity in Australia on the economy. This should include analysis of:
 - a) current supply chains and their effectiveness in meeting Australia's liquid fuel requirements;
 - b) import price outcomes for consumers from the current arrangements;
 - c) direct and indirect employment impacts;
 - d) any relevant information on the impact of the closure of Australian refineries, including on downstream activities.
3. Identify any potential issues for Australia's energy security from possible further closures of oil refinery capacity, noting the findings of the National Energy Security Assessment (December 2011).
4. Consider the implication of refinery closures on the associated workforce, including age profile, alternative employment opportunities and labour force mobility.

Stakeholders, interested people and organisations are invited to make **submissions to the inquiry by Monday, 19 November 2012.**

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