

Updated National Victoria Manufacturing

# ‘Nowhere to go’: Devastated workers vent over closure of Altona fuel refinery

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Updated February 10, 2021 – 4.28pm, first published at 5.01am

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It’s been a key feature of Altona’s skyline for more than 70 years. But the Mobil fuel refinery, a symbol of Melbourne’s working class western suburbs, will soon be no more.

ExxonMobil has announced it will shut the facility, putting hundreds of jobs in peril and ending a long history of fuel production that dates back to 1949.



The refinery shutdown looks set to put up to 300 people out of a job. JASON SOUTH

Maintenance fitter Tim Tomlinson, 52, stood outside the gates of the refinery on Wednesday after attending a staff meeting with management to discuss the decision.

It was still unclear when the refinery would close, he said, with workers told it would operate for at least another six months before being turned into an import terminal.

“It’s devastating, definitely, this is the second time I’ve been through this,” he said.

“I used to work at another refinery in West Footscray until that shut down 10, 11 years ago. It’s not good, we don’t know what the future is here.



Maintenance fitter Tim Tomlinson says he is devastated by the decision. JASON SOUTH

“Manufacturing’s just about gone in this country. What do we do? Where do we go now? Highly skilled jobs, and we’ve got nowhere to go.”

Australia had seven refineries in 2010, but will now have just two after ExxonMobil’s move on Altona followed BP Australia’s decision to shutter its [Kwinana site in Western Australia](#).

Viva Energy’s plant in Geelong and Ampol’s site at Lytton in Queensland are the two refineries that remain open. The decision has sparked [warnings about fuel security in Australia](#), with the Altona plant producing half of Victoria’s refined fuel needs.

Mr Tomlinson was unsure what job he could transition to given the dwindling number of refineries.



Crane operator Gavin Carney speaks after the announcement that the Altona fuel refinery will close. JASON SOUTH

“This is all I’ve ever done – 36 years I’ve been in this industry, oil and gas,” he said. “It’s all I’ve ever known. There’s not many places left.”

The number of refineries operating in Australia will have halved since last year’s federal budget [unveiled a \\$2.3 billion support program](#) amid concern about the nation’s fuel security. That budget scheme was accelerated in December, with funding brought forward by six months.

At the time, Energy Minister Angus Taylor said the strategy would create 1000 jobs.

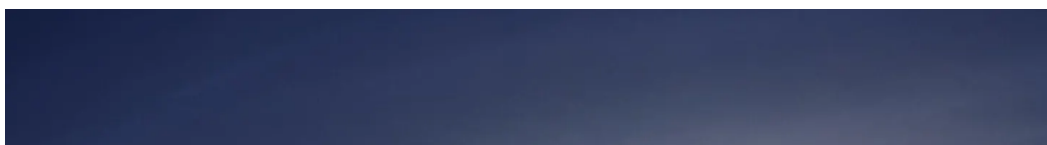
Crane operator Gavin Carney, 51, said he believed more could have been done to keep the essential industry alive.

“You just sort of wonder what the future is for heavy industry like this, things have been shutting down, closing down. You wonder what the future holds,” he said.

“There’s just no need for us anymore, pretty much.”

United Workers Union national secretary Tim Kennedy said there were 260 workers employed at the site and many specialised contractors who depended on it.

“It is a key piece of Melbourne’s and Victoria’s and Australia’s advanced manufacturing structure,” he said.





The ExxonMobil refinery in Altona. JESSICA SHAPIRO

Mr Kennedy said major manufacturers such as plastics producer Qenos relied on the Altona refinery and would now likely have to source material from China, which was less reliable.

In a statement, ExxonMobil the refinery was no longer “economically viable” and would be converted to an import terminal following a review.

ExxonMobil Australia chairman Nathan Fay said “we are grateful for the tremendous efforts by our employees to improve the viability of the operation”.

“We extend our thanks to the federal government for the significant support offered to Altona and other refineries. Our decision to convert our facility to a terminal is not a reflection of those efforts.”

The government has announced \$211 million dollars will be invested into building domestic fuel storage to retain local stock and keep local refineries open.

The Energy Minister said on Wednesday, the decision to close the refinery was “extremely disappointing”.

”ExxonMobil has made clear that the impacts of COVID-19, declining crude production and other commercial factors have significantly impacted their earnings, leading to today’s decision,” he said.

Mr Taylor said the closure would not affect Australian fuel stockpiles and that the government was supporting the sector through JobKeeper to maintain operations and protect jobs.

He said the government support package would boost “onshore diesel stocks and protect motorists and industry from future higher fuel prices”.

“The government will continue to work with the sector to support Australia’s refining capability and fuel security, which will support our farmers, miners and truckies into the future,” he said.

Mr Kennedy said the support could not make up for the lack of plans for energy and for advanced manufacturing and the fact that BP and ExxonMobil had both decided not to take it up showed it was insufficient.

“It’s lazy thinking and reckless with taxpayer money, it is kicking the can down the road,” he said.

Mr Kennedy said it was likely the plant would close in about October as ExxonMobil looked to quickly focus its attention elsewhere in its global operations.

Some workers might secure redeployment into ExxonMobil’s upstream oil operations, but the future for those businesses, including in Bass Strait, was not bright either, he said.

“This company has made it quite clear it doesn’t see a future in Australia,” he said. “The oil component will run down to dry in Bass Strait in five years.”

Construction of the Altona refinery began in 1946 and it commenced operation in 1949.

ExxonMobil had not publicly stated whether it would seek support from the government to keep the plant open.





ExxonMobil's Altona refinery in Victoria looks slated for closure with the loss of up to 350 jobs. LUIS ASCUI

Mr Kennedy said he believed Lytton was also likely to close, but declined to comment on the prospects for the Viva plant in Geelong.

A [Commonwealth parliamentary library report](#) published in December noted local refineries were “relatively small and old and have to compete against larger and more efficient refineries in the Asian region”.

The report also noted there were concerns in some quarters that the loss of refining capability could leave Australia vulnerable to supply disruptions.

Deputy Labor leader Richard Marles said it was a “tragic day” for the refinery workers and Australian industry as a whole.



Workers at the Altona refinery on Wednesday JASON SOUTH

“This is an absolute crisis,” he said. “This is a government that does not have a plan for manufacturing in this country.”

Local federal Labor MP Tim Watts said the news was a "jobs disaster" and questioned whether local chemical businesses that relied on the refinery would now be under a cloud.

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