

Coalition pledge to open up Taroom Trough and support new refineries

Seeking to capitalise on fuel security concerns and oil excitement

[Russell Yeo](#)

If elected the Coalition would make the Taroom Trough a National Strategic Priority Project and work with industry to develop new refineries.

The double barrelled announcement comes as the Coalition latches on to both concerns for the country's fuel security and excitement about the potential of what is considered in potentially transformational oil development.

Announced this morning, the opposition leader Angus Taylor also reiterated the Coalition's plans to abolish the Safeguard Mechanism, described as a "carbon tax that is costing Australia's two remaining refineries around \$165 million and undermining their competitiveness.

Vast potential

Earlier this month Queensland's premier David Crisafulli and leaders of the companies involved in the Taroom Trough, launched a PR-heavy push for Canberra to get involved and support the region's development.

Credits: Omega Oil and Gas

Speaking at photo-call, the sunshine state's premier called on the federal government to seize on the Trough's "vast" potential and use National Industry Assessment Pathway to ease the approvals bottleneck.

"I couldn't think of a more nationally significant issue at the moment than this. So together we can work towards getting this rolling," he said.

"Now I would argue there is a glaring example as to why that has to be included. There is nothing more in the national interest at the moment. It's the one thing that people are talking about and justifiably because we have seen how exposed we are. So let's get it right. Let's take the opportunity to say we are not going to waste this opportunity," he added.

However, environment minister Murray Watt has said – as recently as yesterday – that there has been no official contact from Queensland with his teams to progress the

approvals process.

"We have said repeatedly that we're open to considering this. We don't take an ideological position on these issues but of course we need to know what the project is. "The Queensland Government can't even tell us how many wells - oil and gas wells - there will be in this development. They can't tell us how deep they will be. They can't tell us what the impact on the groundwater would be. They can't tell us where the pipelines would be and what impacts that might have to transport the oil and gas to the coast of Queensland.

Murray Watt | Credits: CME

"These are pretty basic pieces of information that we need in order to make an assessment of this project, and that's what the Queensland Government should be focusing on rather than constant press conferences in high-vis where they talk about something that they haven't done the basic work on," said Watt yesterday.

Latching on to the notable gap between the Canberra and Brisbane, the Coalition says that if elected they would immediately designate the Taroom Trough as a National Strategic Priority Project.

Speaking at a press conference at Ampol's Lytton refinery, Opposition leader Angus Taylor said the Coalition has a clear plan to secure Australia's fuel future and keep the country moving.

"This is about one simple goal. I want your car filled up, the nation fuelled up, and our future powered up," Taylor said.

Federal opposition leader Angus Taylor | Credits: Angus Taylor/Twitter

"When a crisis hits, this Prime Minister is always last to lead and Australians are paying the price.

"We've put forward a clear, practical plan to deal with the crisis now and secure Australia's fuel future. The Prime Minister should pick it up today. No excuses. No delays," he added.

The Coalition's election pledge would ensure "the Commonwealth will get out of the way and trust the state to get on with the job."

Finally, the Coalition if elected they would bolster domestic refining by working with industry to ensure the Fuel Security Services Payment can support future investments in new and prospective refineries.

Shadow energy and emissions reductions minister Dan Tehan said the plan backs Australian industry and strengthen domestic fuel security.

"Chris Bowen's open hostility to oil, coal, and gas has left Australia dangerously exposed during this national fuel crisis," Tehan said.

"Instead of slapping on a big new carbon tax, the government should be looking at existing mechanisms, like the Fuel Security Services Payment, to incentivise industry to invest more here in Australia.

Safeguard mechanism concerns

Taylor first announced the plan to scrap the Safeguard Mechanism earlier this month in Perth at a [Chamber of Minerals and Energy WA](#) event.

He highlighted his intention again today, saying: "Its heavy-handed policies have already forced one of Australia's refineries to export fuel, which weakened our domestic supply.

"Their approach is making us more dependent on overseas fuel, not less," the Coalition leader said in a statement.

The government's safeguard mechanism policy applies captures the nation's most polluting facilities across mining, oil and gas, manufacturing, transport and waste and requires them to reduce emissions by 4.9% each year or purchase offsets to make up the difference.

However, recent research says nearly a quarter of the industrial facilities covered by it could sidestep regulatory scrutiny by 2035 unless Canberra makes major changes to the design of the scheme.

Coverage is currently tied to a 100,000 tonnes CO₂-e a year threshold, which restricts the policy to about 200 of the nation's biggest emitters, including major coal and gas projects.

But [modelling](#) by consultancy [RepuTex](#) - who designed [Labor's](#) 2022 safeguard revamp - found more than 50 facilities would "fall out" of the mechanism over the next decade if the threshold remains unchanged, as emissions reductions push sites below the 100,000-tonne cut-off.

Earlier this month, climate change and energy minister Chris Bowen said a planned review of the policy would be pushed back to the end of 2026 due to the Iran conflict prompting a revision of government priorities.

RepuTex's research - commissioned by the [Productivity Commission](#) for its 2025 report on Australia's net-zero transition - recommended capturing more facilities by lowering the safeguard threshold to 25,000 tonnes.

RepuTex found introducing such a change from 2030 would add about 227 new medium- to high-emitting facilities, roughly doubling today's total.

Today Aaron Morey, the CEO of the CMEWA, said he broadly supports the Safeguard Mechanism as the primary means to deliver emissions reductions in the resources sector.

CMEWA CEO Aaron Morey | Credits: ENB

"CME looks forward to the Safeguard Review in 2026 and the consideration of the impacts on competitiveness for the sector alongside commercial and technology readiness of abatement technology.

"All policy settings need to be competitive, and major policy areas must be continually reviewed to ensure Australia remains competitive globally," he said.

Tim Buckley from Climate Energy Finance was less reserved, saying the scraping of the mechanism was "just serving their fossil fuel paymasters."

"When I talk to industry, they go look, at the end of the day, we want policy certainty, the safeguard mechanisms in place, the price is not high, like European carbon prices...it's not onerous.

"I really would treat this as as seriously as Angus commitment to close down the Clean Energy Finance Corporation and ARENA 12 years ago," he added.

Tim Buckley | Credits: LinkedIn

Regulatory barriers

Susan McDonald, the shadow resources minister, added her voice to calls for action to unlock Queensland's resource potential, warning regulatory barriers and a lack of government support are holding back critical investment in the sector.

"Queensland has plenty of untapped resources that would otherwise remain in the ground if we don't support the sector to drill and dig," she said.

"We urgently need to remove hurdles – regulatory, legislative, arbitrary taxation – to ensure Australia is an attractive investment destination now and into the future, so we can get more oil, gas, and minerals out of the ground.

Susan McDonald | Credits: ADGO

"Labor's failure to back our resources sector has never been clearer than it is today."

The measures come after last week's pledge to double the nation's fuel reserves if elected.

Taroom excitement

The Coalition's announcement regarding the Taroom Trough, comes a day after one of the region's major players said it is "moving at pace" in its efforts to capitalise on the region's potential.

In its quarterly update, Omega Oil and Gas - which has approximately 1.2 million acres in

Taroom – said "With strong structural tailwinds driving urgency around domestic energy supply, and clear Queensland government facilitation of a coordinated development plan, the Taroom Trough is well positioned as a strategically critical, large-scale, oil and gas resource play."

Trevor Brown | Credits: Supplied

"We have deliberately scaled our position to basin-wide significance and aligned our execution strategy to move fast and with maximum impact. Our expanded drilling program, now incorporating full-scale, production-ready wells with stimulation and flow testing, is designed to accelerate appraisal and demonstrate the repeatability and commerciality of the Permian play," said Omega's CEO and MD Trevor Brown.

"With a strengthened balance sheet and funding in place, Omega is fully equipped to deliver a high-impact program. Success for us will be defined by safe, efficient operations, continued de-risking of the resource, and, critically, proving the material scale and deliverability of the Permian reservoirs," he added.