



Tuesday 12 June, 2012

NSW Budget

Gas supply shortage looms while NSW dithers

Opportunities for more jobs, higher incomes and energy supply security remain idle as the NSW Government imposes new costs on a dormant gas industry.

APPEA Chief Operating Officer Eastern Region Rick Wilkinson said: "Today's budget shows the NSW Government is letting economic opportunity slip while the gas industry stands ready to increase production to the benefit of the state.

"There are ample gas reserves in NSW to secure our energy future but the NSW Government is yet to provide certainty for industry and investors through clear and workable policy settings. Instead the Government has chosen to add to costs by levying the industry to pay for compliance functions that other governments fund themselves."

Mr Wilkinson said Queensland is experiencing unprecedented economic growth through the production of natural gas for domestic and international supply.

An ACIL Tasman report on the economic benefits of coal seam gas to Queensland released only last week shows expansion of Queensland's gas industry would increase Gross State Product by half a trillion dollars over the next two decades, boosting employment, wages, and the state's reputation as an economic powerhouse.

Mr Wilkinson said: "Sadly NSW continues to let economic opportunity wane as National Account figures show."

National Account figures for the March 2012 quarter show Western Australia recorded a growth rate of 13.6% over the last 12 months, Queensland's growth rate was 7.8% yet NSW only grew by 2.1%.

Media contact: Chris Ward 0408 033 422 cward@appea.com.au

The Australian Petroleum Production & Exploration Association represents the upstream oil and gas industry in Australia. APPEA member companies produce around 98 per cent of Australia's oil and gas.