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## Green Paper recognises importance of natural gas

The National Energy Green Paper highlights some of the reforms needed to enhance Australia's international competitiveness and improve the oil and gas industry's ability to supply both domestic and export markets.

An improved energy policy framework, including a reform of Australia's labour markets, would remove unnecessary barriers to continued investment in exploration and production and enable the industry to increase domestic gas supplies.

APPEA Chief Executive David Byers said: "APPEA commends the focus in the Green Paper on addressing the issues that detract from Australia's investment attractiveness.

"It is critical that the Government's final White Paper ensures Australia's oil and gas companies are not disadvantaged against international competitors or against producers of other energy sources in Australia.

"Australia has more than enough natural gas to service both domestic and export markets for decades and this puts Australia in an enviable position to maintain long-term energy security.

"Therefore, the Green Paper's message that Australia must be seen to be open for business - with a stable and predictable policy environment and appropriate taxes and regulation – is a positive one.

"A high-cost local environment and the emergence of new LNG competitors in East Africa and North America are major challenges to LNG industry growth.

"Industry welcomes the Australian Government's dismissal of domestic gas reservation policy as a solution to a tightening eastern Australian gas market.

"A policy of domestic reservation would not bring on new supplies for manufacturers or other users and the Green Paper correctly notes that increasing gas supply is the best way to ease gas market pressures.

"However the industry does not support inquiries by either the Australian Competition and Consumer Commission or the Productivity Commission into gas market operations.

"The 19 major domestic supply contracts or other commercial arrangements negotiated since the last White Paper was released in November 2012 are testament to the ability of buyers and sellers to reach an outcome."

The list of domestic contracts is available [at this link](#).

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