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Australia needs more gas – not more policies that kill gas projects

The gas reservation policy being pushed by the Australian Workers' Union would jeopardise future domestic gas supply, drive up energy costs for families, and ultimately cost union members their jobs.

The AWU is urging delegates at this weekend's Labor conference in New South Wales to support the forced cancellation of gas export contracts.

"The AWU's policy will not solve the problem of tight gas supply – it will make the problem worse," said APPEA Chief Executive Dr Malcolm Roberts.

"Australia has ample gas reserves to supply domestic and international customers. But states such as NSW and Victoria have prevented gas exploration and development. Those same states are now complaining about tight supply and higher prices.

"Rather than seeking to cripple the LNG export industry with more regulation – destroying jobs in the process – the AWU should urge the NSW Labor Conference to reverse the state ALP's opposition to responsible development of NSW's unconventional gas reserves.

"NSW imports 97 per cent of its gas from interstate. Unless gas development is allowed to happen in the state, NSW will soon have no local production.

"This situation leaves customers in NSW paying a hefty, unnecessary premium for their gas. It means NSW is gambling that other States will always produce the gas needed for NSW homes and industry.

"The east coast gas market needs up to \$50 billion invested to develop new supply to meet demand to 2030.

"Forcing gas exporters to cancel contracts would undermine Australia's investment reputation and deter further investment. Instead of boosting domestic gas supply, it would mean less gas for Australian homes and businesses and fewer jobs."

Dr Roberts said Queensland showed the benefits of developing onshore gas resources.

"A recent report by Queensland's independent GasFields Commission showed the industry was worth \$13 billion to the Queensland economy last year, had more than 4,700 full-time employees and had made direct payments of almost \$240 million to landholders," he said.

"Queensland really does provide a successful model which other states can follow."

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