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WA Budget reinforces vital contribution of oil and gas

Western Australia's 2020-21 State Budget reinforces the critical role oil and gas plays in supporting local jobs and the economy, highlighted by the recent challenging months of the COVID-19 pandemic as well as the need for natural gas to generate low emissions baseload power as the economy recovers.

APPEA WA Director Claire Wilkinson said the 2020-21 Budget demonstrated the important contribution the industry makes to the State's bottom line, with Treasurer Ben Wyatt acknowledging that ongoing operations of the resources industry through the pandemic cushioned the negative economic impacts of COVID-19.

With the Budget also funding a number of new energy technologies, including renewable energy, natural gas will also be crucial to supporting development of these industries through its supply of baseload energy.

"Over half WA's energy supply comes from natural gas, powering our homes, school, hospitals and other industries like mining and manufacturing – it's an essential part of our everyday lives," Ms Wilkinson said.

"WA continues to play to its strengths by developing its natural gas resources, which aside from generating jobs, state royalties, and export revenue, also supports the fabric of our WA community.

"At no time has this been more evident than during the COVID-19 pandemic where, working with Government, the WA oil and gas industry has maintained safe operations and kept gas supplies flowing to support the economy and communities."

Ms Wilkinson said with the Government also focusing on new energy technologies such as solar, wind and hydrogen, natural gas-fired energy will remain an important part of the low emission energy future.

"When looking at the raft of renewable energy programs and initiatives the State Government is pursuing, natural gas will provide much-needed baseload power and reliability to partner these technologies when the sun doesn't shine and the wind doesn't blow," Ms Wilkinson said.

"To this end, supporting the responsible development of future natural gas resources, including the onshore sector in Western Australia, and maintaining an attractive investment environment will be critically important.

"APPEA looks forward to continuing to work with Government and other industry stakeholders to ensure we have a safe and sustainable oil and gas industry that provides energy security and supports our jobs and the economy into the future."

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