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Gas sector will help drive the NT's economic recovery

The release of the Territory Economic Reconstruction Commission (TERC) final report has highlighted the key role the oil and gas industry can play in supporting the NT's economic recovery.

APPEA's NT Director Keld Knudsen said the report outlined key recommendations to improve the investment environment for the Northern Territory, focusing on smart, fit-for-purpose regulations and ambitious approaches for collaboration to encourage economic growth.

"It's clear the oil and gas industry is a central pillar to the TERC plan as the sector can play a key stabilising role in the Territory's economic recovery by providing jobs and investment along with taxation revenue to the Northern Territory Government," Mr Knudsen said.

Mr Knudsen said successful exploration, appraisal and development of natural resources could provide significant benefits of jobs, local business opportunities infrastructure and community investment for decades to come.

"With abundant natural resources, access to key markets in Asia and a skilled workforce, the Territory is well positioned to rebound from the COVID-19 pandemic and to capitalise on the emerging opportunities created by increasing global energy demand, particularly in Asia," Mr Knudsen said.

Importantly, the report highlighted mining and energy will have the biggest contribution towards increasing economic growth at 27.5 per cent.

"We have a tremendous opportunity to continue to turn the Territory's existing and prospective natural resources – including in the Beetaloo Basin – into long-term wealth and increase economic growth," Mr Knudsen said.

The TERC report also highlighted that "globally, the use of gas is expected to rise both as a feedstock and a source of power" driven by growing energy demands and a desire to implement cleaner energy solutions.

"The responsible development of natural gas resources will provide lower emissions energy to the local economy and globally through LNG exports to Asian customers. Emissions from natural gas generated electricity is 50 to 60 per cent lower than from coal generated electricity. Exporting gas as LNG also enables our Asian trading partners to reduce the emissions from their economies.

"Industry looks forward to engaging with the NT Government on the implementation of the report and continuing to create new opportunities for the Territory."

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