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OIL AND GAS INDUSTRY HELPS BANKROLL PUBLIC SERVICES DESPITE PANDEMIC CHALLENGE

Australia's oil and gas industry has delivered over \$5 billion in tax payments to the public, highlighting its contribution to supporting community infrastructure and services.

It takes the total taxes, rents and royalties paid by the sector to national and regional governments over the past decade to \$64.5 billion.

The Australian Petroleum Production & Exploration Association (APPEA) today called for a focus on getting investment settings right after the release of the sector's 2019-20 Financial Survey.

A total of \$5.35 billion was made in payments to state and federal governments during the year, despite the economic challenges from the COVID-19 pandemic which triggered uncertainty in the last half of the period.

APPEA Deputy Chief Executive Officer Damian Dwyer said the \$5 billion public contribution showed the community benefits of having a strong oil and gas industry.

"The industry has helped deliver crucial public services like schools and hospitals," he said.

"But there is a massive future opportunity for even greater benefits for Australians if the investment settings are right.

"A recent independent report found national economic output would increase by over \$350 billion and create over 220,000 jobs over the next two decades under the right policy settings."

While the total tax take represents a year-on-year decrease from 2018-19's figure (\$5.85 billion), the payments made to state and federal governments is significant because of challenging economic conditions faced by members.

The performance of the Australian dollar against its US counterpart and record low oil prices throughout 2020 resulted in a reduction in oil and gas revenue to \$67.75 billion (\$75.97 billion in 2018-19).

These factors, coupled with an increase in overall costs to \$81 billion (\$74.25 billion in 2018-19), resulted in an overall operating loss of approximately \$9 billion.

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