

## **Victorian gas development progress welcome;**

Ai Group media release Friday 18 May 2018

Yesterday's release of offshore oil and gas exploration blocks by the Victorian Government is a positive step – one of many needed to help secure the State's longer-term gas supplies, Australian Industry Group Victorian Head Tim Piper said today.

"Victoria has benefited for decades from the responsible production of gas offshore and the use of gas in industry for heat, power and feedstock to support jobs and growth. Ongoing exploration and development of new sources is important as Victoria's existing gas reserves deplete and the market is transformed by exports out of Queensland. The latest acreage release will help in the long term, though there is a long journey between the start of exploration and gas delivered to industrial customers.

"The State will need more than this helpful step to address our energy woes.

"Victoria may have significant undiscovered onshore conventional gas resources but their development is currently banned. Both sides of politics have sensibly left room to revisit this – the Opposition immediately, the Government in 2020. Scientific work now underway will deliver the geological and environmental data to underpin sound decision making.

"Victoria does have onshore unconventional gas resources – coal seam gas and tight gas – but their development is also banned and neither side of politics is willing to revisit this.

"Imports of liquefied natural gas are also a live option that would increase competition and bolster supply security.

"Victoria needs to take advantage of enough of these offshore, onshore and import options to avert future supply shortages. But the costs of production and transport, and the irreversible opening of the local market to international price pressures, mean that gas prices are unlikely to ever return to the historic low levels that energy users have been used to. Even as we seek new supply on all fronts, greater productivity in the use of gas and substitution to other sources of energy will be essential. Industry is grappling with these realities. All sides of politics need to do likewise," Mr Piper said.

## **Oil and gas boosts economy by \$27 billion**

APPEA Wednesday 30 May 2018

Data released by the Australian Petroleum Production and Exploration Association (APPEA) highlights the nation-wide benefits flowing from Australia's oil and gas industry.

"The economic footprint of the oil and gas industry goes far beyond its production wells and eight liquefied natural gas (LNG) plants," said APPEA Chief Executive Dr Malcolm Roberts.

"Oil and gas is not 'just' a resources industry – the industry supports a vast supply chain of businesses in manufacturing, services and construction.

"That is in addition to the hundreds of thousands of jobs in manufacturing, transport and other industries which are supported by the oil and gas we produce.

"The latest APPEA member survey data shows that the oil and gas industry purchased more than \$27 billion in goods and services from local businesses in 2016-17."

Australia's oil and gas industry has invested more than \$300 billion in the economy over the last decade, and an October 2017 forecast demonstrated over \$230 billion worth of projects are in the pipeline ahead.

"The industry employs more than 32,000 Australians directly, with another 70,000 jobs created elsewhere in the economy supporting the industry," said Dr Roberts.

"With industry wages more than double the national average, it is not surprising that the industry paid more than \$5.3 billion in wages to its direct employees in 2016-17.

"These are impressive numbers in anyone's language. With the working life of projects measured in decades, the benefits will continue for many, many years."



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