



**Gas Appliance
Manufacturers
Association of
Australia**

ACCC repeats call for lower gas prices

Gas Today 6 June 2019

A new report from Australia's consumer watchdog has reinforced the struggles domestic gas users face due to high prices.

The Australian Competition and Consumer Commission (ACCC) has released the newest instalment of the Gas Inquiry 2017–20 Interim Report, which shows some of Australia's largest and most prolific commercial and industrial gas users will pay more than \$11/GJ for gas this year.

The ACCC has been warning for some time that high gas prices are a serious threat to industry on the east coast, with ACCC Chair Rod Sims cautioning last year that manufacturers would be forced to shut down or move away if things didn't improve.

Speaking at the APPEA Conference in Brisbane last week, Mr Sims reiterated this message, pointing to this week's news that Dow Chemical would close its Melbourne manufacturing plant as evidence.

"Commercial and industrial gas users have been telling us for some time that at those gas prices, their operations are not sustainable in the medium to longer term," he said.

"Businesses that rely heavily on gas are increasingly likely to relocate from the east coast or wind up their operations."

Businesses in Sydney and Queensland have also suffered, with RemaPak and Calypave both entering administration recently, citing high gas prices as a contributing factor.

"Many other manufacturers are close to making critical decisions on their future operations," Mr Sims said.

"If wholesale gas prices do not soften, it is just a matter of time before they follow Dow, RemaPak and Claypave.

"If more businesses start to fail, pressure will inevitably ramp up again on governments to do more."

Mr Sims has previously described the gas market as "dysfunctional" and said he had "absolutely no sympathy" for gas producers who had complained about the prospect of government intervention to bolster domestic supply.

Today, he called on gas companies to continue plans for exploration and production, and local governments to facilitate new gas projects. Read more [here](#)

Queensland releases hydrogen strategy

Gas Today 6 June 2019

The Queensland Government has released its \$19 million plan to help establish a hydrogen industry in the state.

The [Queensland Hydrogen Industry Strategy 2019-2024](#) lays out the state's plan to facilitate hydrogen as a new energy source, including investing \$15 million to support an industry development fund.

The strategy is focused on five areas:

- supporting innovation
- facilitating private investment
- effective policy frameworks
- building community awareness and
- facilitating skills development.

Queensland Premier Anastacia Palaszczuk said the fuel could be as beneficial to the state's economy as natural gas has been.

"In the 60s it was the space race. This century is all about energy," she said.

"Queensland is at the forefront of hydrogen development."

Reda full article [here](#)

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