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Victoria needs more natural gas not another lengthy inquiry

Science, state-of-the-art technology and 60 years of demonstrated gas industry operation in Australia have been ignored in favour of a year-long Parliamentary inquiry that will delay the development of new gas supplies in Victoria for years.

APPEA Chief Operating Officer Eastern Australia, Paul Fennelly said: "Restrictions, bans, delays and inquiries do not represent the 'immediate action' called for by the 2013 Victorian Gas Market Taskforce to facilitate new supplies for the largest natural gas consuming state in Australia.

"The decision raises serious questions about whether Victoria is a state that truly welcomes investment in developing onshore gas supplies, regional economic growth, job creation and additional farming income that comes with it.

"APPEA is urging the Victorian Government to immediately lift a ban on natural gas exploration to at least determine what resources are potentially available to Victorian manufacturers, businesses and households.

"The well understood process of hydraulic fracturing should also be allowed to continue on projects with licence approvals in place.

"The government can already look to the vast body of science and best-industry practice that underpins successful onshore gas development in other parts of Australia and overseas.

"Queensland for example has safely developed natural gas from coal seams for almost 20 years and more than \$60 billion is currently being invested in export projects that have created tens of thousands of jobs and will deliver economic benefits for decades to come."

Victoria's reticulated natural gas network supplies gas to more than 1.8 million households where it is typically used for cooking and heating.

The commercial and industrial sectors also rely heavily on natural gas and input for the manufacture of products such as chemicals, plastics, pharmaceuticals, fertilisers, paints, pesticides and cosmetics.

Mr Fennelly said: "To delay much needed gas development decisions to mid-2016 is neglectful of the urgent need to secure Victoria's gas supply as outlined by the Gas Market Taskforce."

"Victorians should be under no illusions. Rising gas prices will have a negative impact on Victoria's manufacturing base. Jobs and investment are at risk. Costs of living will rise and could



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Media Release

rise for longer if not addressed.”(Gas Market Taskforce Chair The Hon. Peter Reith AM, October 2013)

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