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AWU still barking up the wrong tree on natural gas

The Australian Workers' Union (AWU) would be better served arguing for the immediate development of NSW's plentiful natural gas resources instead of advocating imposing unworkable laws on other states to subsidise gas supply to manufacturers, businesses and households.

APPEA Acting Chief Executive Paul Fennelly said: "The AWU's misguided campaign for gas reservation offers no sensible or viable solution to impending gas challenges.

"Rather, it's a certain investment killer that suggests NSW's future energy security can be found in asking other states to forego economic opportunity and underwrite NSW inaction."

A report undertaken for the Australian Energy Market Operator – *Eastern and Southern Australia: Existing Gas Reserves and Resources* – estimated that NSW has up to 85,000 petajoules (PJ) of undeveloped gas resources. To provide context, the state's current demand is about 156PJ per annum.

Mr Fennelly said: "Despite potential resources to meet the state's current gas demand for the next 500 years, NSW continues to import 95 per cent of its supply.

"All sides of politics need to explain what they are doing to harness the benefits of a safe, affordable and abundant natural gas supply for NSW because saying 'no' to natural gas has serious consequences for the state's 1.3 million gas users.

"Today's *Daily Telegraph* editorial got it right – it's time for unions to support the exploration and development of natural gas from coal seams.

"Queensland has done so to incredible effect – creating a \$65 billion industry that has employed 40,000 people at its peak and is continuing to deliver benefits to rural communities and farmers.

"No one is proposing an industry of similar scale in NSW, but there are Australian companies standing ready, willing and able to develop the state's resources for use in NSW. They should be allowed to get on with the job. The AWU membership probably stands to benefit as much as anyone."

Last year, the Council of Australian Governments (COAG) Energy Council, made up of Federal and State Ministers, dismissed possible gas market interventions via a 'gas reservation' policy or 'national interest test' – a clear recognition that such calls present no viable way to securing gas supply and putting downward pressure on gas prices.

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