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New study highlights economic benefits of NT shale gas

The development of a shale gas industry in the Northern Territory could drive significant long-term economic growth, creating thousands of new jobs and generating almost \$1 billion of government revenue, a new study has found.

Commissioned by the Australian Petroleum Production & Exploration Association (APPEA) and produced by Deloitte Access Economics (DAE), the study is the first comprehensive assessment of how a new shale gas industry could benefit the NT's economy.

It examined two potential growth scenarios based on the supply of shale and tight natural gas to the NT, east coast and export markets between 2020 and 2040.

DAE found that, under the highest growth scenario examined, the cumulative increase in Gross State Product could reach \$22.4 billion in net present value (NPV) terms.

The same growth scenario would result in a long-term employment boost of 6,300 full time positions in the NT and a cumulative increase in NT Government revenues of \$961 million NPV.

APPEA Chief Executive Malcolm Roberts said the report confirmed that shale gas had the potential to generate significant long-term economic benefits for the NT.

"The Territory economy is already outperforming much of the nation thanks to the development of the Ichthys liquefied natural gas (LNG) project in Darwin and investment in other natural gas projects," Mr Roberts said.

"While still in its very early stages, shale gas could underpin a new wave of investment delivering jobs and economic opportunities for decades to come.

"Shale gas could become the industry that reinvigorates regional centers such as Alice Springs and Katherine and provides new training and employment opportunities in Indigenous communities.

"It could also become a game-changer for future NT governments by delivering a new source of revenue to fund better services and develop infrastructure across the Territory."

Mr Roberts said while the benefits could be significant, the successful development of a local shale gas industry could not be taken for granted.

The recent collapse in the international oil price had put all gas developments in Australia and around the world under pressure. Proponents and governments must now work harder to reduce costs and attract new investment.

"The NT must provide a stable, secure and competitive investment framework if it wants to turn its shale gas resources into jobs, royalties and exports," Mr Roberts said.

The DAE report can be found [at this link](#).

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