



24 July 2015

## National interest test an unnecessary risk

The ALP must support sound, market-based policies if Australia is to reap the full benefit of its world-class gas export industry.

APPEA chief executive Malcolm Roberts said Labor had made the right decision at its National Conference today to reject a national domestic gas reservation policy.

“APPEA welcomes Labor’s rejection of a reservation policy and the party’s recognition of the economic and environmental benefits of natural gas,” Mr Roberts said.

“This is a sensible decision. However, industry is concerned that Labor proposes to introduce a so-called national interest test which could be used to restrict LNG exports.

“Applying a national interest test to gas exports would add significant regulatory burden to gas projects, duplicate existing processes and do nothing to increase domestic supply.

“Australia has a ‘once in a generation’ opportunity to build a world-class gas industry. More than \$200 billion worth of new export projects are underway despite intense competition from more than 20 other countries.

“The recent collapse in the international oil price is putting all gas development in Australia under pressure. Policies which undermine our global competitiveness and our ability to attract investment will compound this pressure.

“Australia cannot afford to increase sovereign risk and project costs if it wishes to convert its gas reserves into jobs, royalties and exports.”

Mr Roberts said the best policy response to concerns about domestic gas supply and rising prices lies in bringing more gas to market rather than discouraging investment and raising project costs.

“More gas, not more regulation, will put downward pressure on prices,” he said.

“The priority must be removing unnecessary regulatory barriers that discourage the safe and timely development of new gas supply, particularly in Victoria and New South Wales.”

**Media Contact: Kieran Murphy – 0408 151 922 – [kmurphy@appea.com.au](mailto:kmurphy@appea.com.au)**