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WA EPA guidelines put investment at risk

Guidelines released today by the WA Environmental Protection Authority (EPA) threaten to chill investment in Western Australia's major industries.

APPEA Chief Executive Dr Malcolm Roberts said the EPA's proposal to require new or expanding manufacturing, generation and resource projects in WA to offset their greenhouse gas emissions goes far beyond previous proposals.

"While experts agree that a market-based approach is the least cost way to cut emissions, the EPA wants to use the very blunt instrument of regulation," Dr Roberts said.

"The EPA admits that it has not considered the social or economic impact of its guidelines. Its approach targets WA's growth industries and will deter local investment, prompting projects to go interstate or overseas.

"WA relies heavily on its reputation as a stable investment destination – the EPA guidelines sends a worrying signal to prospective investors.

"As a general rule, APPEA does not support ad hoc state-based policies to tackle climate change – the industry sees a national, market-based approach as the sensible way to achieve our emissions targets at lowest possible cost. Selective regulation distorts markets and investment without necessarily achieving lower emissions.

"As far as the LNG industry is concerned, our exports are contributing to a cleaner energy sector in north Asia. According to recent federal government estimates, Australian LNG exports are reducing emissions by at least 130 million tonnes per year.

"APPEA urges the EPA and the WA government to put aside the guidelines while the state government completes its review of climate change policy."

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