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More domestic gas for Australia is a good thing

The nation's peak oil and gas industry body today said the commissioning of Gippsland Basin Joint Venture's West Barracouta project is proof that Australia's oil and gas industry continues to deliver for the Australian economy.

APPEA Chief Executive Andrew McConville said the development will deliver additional gas to the Australian domestic market just in time for winter but more supply is still needed.

"Today's announcement is another reminder that unhelpful intervention by Government isn't needed to get more supply into the market."

"Not only have domestic gas prices consistently fallen since 2016, our industry is continuing to do the heavy lifting to provide more supply to domestic users despite some states not allowing onshore developments," Mr McConville said.

"The Gippsland Basin project will help curb the potential gas shortfalls predicted for Australia's southern and eastern states as early as 2023 under some scenarios.

"The oil and gas industry underpins around 80,000 direct and indirect jobs – and hundreds of thousands of Australian jobs rely on the reliable, affordable and sustainable supply of oil and gas.

"Australia's oil and gas industry is helping ensure we keep the lights on at home, and our hospitals and other public facilities operating, by continuing to deliver energy to the domestic market."

Mr McConville said the Gippsland project shows the industry is providing reliable supplies of gas to the east coast domestic market but more is needed and only with the right policy settings can that happen.

"AEMO has identified that additional supply is needed from 2023 to meet ongoing domestic natural gas demand," he said.

"New supply can only come from a new wave of investment across exploration, development, construction and operation.

"To make that investment at a time of growing international competition for capital, the industry needs policy certainty. It is no coincidence that the last wave of industry investment came at a time of greater regulatory stability.

"A recent EY report found that there is a \$350 billion economic boost and 220,000 jobs at stake if we can get the investment settings right."

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