

Australia's natural gas the answer to Climate Summit goals

Imagine a world with no warmth for clean cooking and heating, no sustainable fuel for power stations to provide electricity and drive our machinery as our energy mix changes, no glass, no clothing, no mobile phones, no steel, no concrete, no computers, no paints or plastics and much more.

This would be a world without the oil and gas industry, it is a simple fact vested interests choose to ignore time and time again.

But facts never get in the way of a good story for some people.

For example, you can provide facts such as natural gas is abundant and versatile and is the cleanest-burning hydrocarbon, able to partner with renewable energy sources but critics won't listen. They don't want to listen.

This week the world will watch as US President Joe Biden, Australia's Prime Minister Scott Morrison and forty other world leaders sit down to discuss climate change.

The main talking point will be if the US and China can agree on climate policy. In short, the US wants China to cease building coal-fired power stations and to stop financing coal ventures abroad. China wants the US to give more cash to developing countries to obtain clean technology and adapt to climate change.

It also wants the US to announce a deep cut to its own emissions. These are the headlines, but the real story is if Australia seizes the moment and embraces natural gas we can both lower emissions and help turbocharge our economy.

Right now, the industry has invested more than \$450 billion over the past decade and supports 80,000 jobs directly and indirectly.

But this will need to ramp up significantly to support Australia's and indeed the world's reach our climate goals.

The International Energy Agency says natural gas demand in South East Asia will double by 2040 in a scenario consistent with achieving global net zero emissions by 2050. We in Australia must be prepared to capture this enormous opportunity – for jobs, for our economy and for countries that want energy security and better environmental outcomes.

Get the policy settings right and limit intervention and Australia could capitalise on any deal between China and the US to stop building new coal-fired power stations.

Australia's natural gas could continue, as it has over the last decade, help China become cleaner and greener and therefore helping the world reduce emissions.

Australia is already the largest source of China's LNG imports and so Australian gas is right now playing a key role in the world's most populous country as they look to reduce their emissions and lower air pollution in their largest cities.

In fact, the Australian government estimates that our exports of liquefied natural gas help reduce emissions in importing countries by about 170 million tonnes each year — the equivalent of almost one-third of Australia's total annual emissions.

Natural gas-fired power plants are more reliable and longer lasting than battery storage and produce much lower levels of noxious substances such as sulphur dioxide, nitrogen oxides and fine particle emissions compared to coal.

This could be a game changer for Australia and our economy.

We need to back initiatives that will allow the oil and gas industry to unlock new investment.

Investment drives job creation and skill development opportunities, promotes domestic spending, provides energy security for homes and businesses, and ensures long-term and sustained contributions to government revenues.

A recent EY report showed with the right policy settings, the oil and gas industry has the potential to increase economic value to the Australian economy by \$350 billion and create 220,000 new jobs over the next twenty years.

National Energy Resources Australia estimates each oil and gas worker sustained 10 jobs across the supply chain.

If we get this right, then the prize for Australia is immense. We need to be bold in Australia and we must commit to getting the policy settings right for long-term investment.

There is further opportunity for investment on the horizon. Australia has significant resource basins waiting to be developed, and these can be developed provided that Australia's investment environment is stable, attractive and globally competitive.

We have an opportunity here to turbocharge our industry and through it, the Australian economy.