



Energy White Paper confirms WA is on its own.

The DomGas Alliance says the Federal Government's new Energy White Paper has left Western Australian industry and jobs, and our gas-reliant economy, out in the cold.

Despite the enormous contribution Western Australia makes to the national economy, our State's unique energy challenges do not even rate a mention in the 74-page Energy White Paper.

The Energy White Paper makes numerous references to gas challenges on the East Coast but its only meaningful reference to WA is an attack on the State's successful domestic gas reservation policy – the policy which has brought some security of gas supply for WA industry.

The Energy White Paper:

- Makes numerous references to the importance of the national gas market to meet Australia's domestic gas challenges – but WA is not connected to this market;
- Makes no mention of oil and gas producers hoarding gas reserves under Commonwealth retention leases, despite the Minister promising a crackdown on this practice;
- Makes no reference to the policy challenges of floating LNG, leaving the technology to be introduced into a public policy vacuum;
- Remains silent on the competition-destroying joint-marketing exemptions granted to oil and gas producers;
- Calls for more sources of gas to be developed but offers no assurance that any of this gas would come to the domestic market ahead of the LNG export market;
- Fails to address the inability of Australian industry to secure long term gas supply contracts needed to underwrite domestic investment and jobs;
- Talks of the need for greater transparency in the market place but then simply commissions another review;
- Claims that gas reservation policy would reduce investment and future gas supply, despite nine years of evidence from WA of record investment and production under a reservation policy.

DomGas Alliance Executive Director Matt Brown says the Energy White Paper shows a lack of leadership on the management of our energy resources.

"This was the government's opportunity to make the small but important step of stating that the first priority of our national energy policy should be to ensure that the energy needs of Australian industry are met," Mr Brown said.

"At every turn, this government has failed that simple test. This paper should be re-named the Energy Export White Paper. It's not about Australia's energy needs.

“Apart from some repetitive platitudes about the need for competitively priced energy to drive our business success there is nothing in this paper which will address Australia’s domestic gas needs.

“Regrettably both sides of Federal politics appear to be more interested in keeping gas prices as low as possible for foreign purchasers while turning a blind eye to damage being done to Australian jobs and industry by rapidly escalating domestic gas prices.

“Australia needs the LNG export industry but the LNG export industry needs access to our gas – so we should be aiming to strike a fair balance.

“Where is the balance when a Federal government provides open slather to the LNG export industry, including generous taxation concessions, training subsidies, a stable political and security environment and streamlined approvals, but then won’t even ask for that industry to ensure Australia’s energy needs are considered?”

For further information or comment contact Matt Brown on 0419 813 171.

09/04/15