

PRESS RELEASE

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Release Gas Resources Now – Tomorrow is Too Late

Energy users today have been condemned to accept continuing gas policy uncertainty, high gas prices, and- more worrying- the unpredictability of supply with the release of the Victorian Parliamentary Inquiry into Onshore Drilling and Fracking for Gas.

‘In a major blow to industrial gas users employing thousands of Victorians in already job-stressed regional communities, the recommendations from the parliamentary report condemn Victorians to the same supply uncertainty already gripping other parts of the eastern states,’ said Mr Phil Barresi, CEO of the Energy Users Association of Australia (EUAA). ‘It is disappointing that the once great gas advantage that made Victoria a stand out attractive industrial location with its affordable and secure energy is being put into jeopardy by a lack of bi-partisan agreement.’

‘Whether it be a five year moratorium as proposed by the Coalition members or an ongoing lifetime moratorium as recommended by the Labor government members of the Committee, jobs are at risk today,’ said Mr Barresi. ‘The existing moratorium is incredibly detrimental to Victorian manufacturing. Frankly, this is alarming in terms of the potential impact on industry, and by default, the communities supported by these industries.’

‘The revelation of a secret government committee reporting to the Cabinet as reported in today’s Herald Sun is confirmation that the cries for help from gas users is real and needs immediate action. Previously dismissed market intervention responses such as reservation or allocation now seem to be in contention,’ said Mr Barresi.

‘Industry looked forward to this Inquiry having the ability to provide clarity and assurance that conventional onshore gas drilling should not be confused with the more contentious fracking debate. A thorough investigation of the problem at hand would have been a minimum expectation, whereas instead we have a report that has by and large confirmed the well known existing political positions of all parties, and shrouded in the controversy of being under resourced – thereby distracting us from the real problem at hand.’

‘A lot of myths around drilling and fracking have been allowed to fester unchallenged,’ said Mr Barresi. ‘We accept that environmental standards and community concerns should be thoroughly addressed. In doing so let us not be hoodwinked into bracketing all onshore exploration and conventional drilling as part of the divisive fracking debate. Unfortunately, all too often these two separate issues of drilling and fracking as confused as one,’ said Mr Barresi. ‘The disappointing result being a moratorium incorrectly applied to both.’

‘We urge the State Energy Minister Lily D’Ambrosio in her official response to the Report to propose the development of a pilot scheme to demonstrate the application of rigorous safety standards, environmental concerns and land access for a scheme utilising conventional drilling,’ said Mr Barresi. ‘A pilot scheme would debunk the myths, and reveal the potential of this resource to alleviate significant pressure.’



‘At risk are tens of thousands of Victorian jobs in regional communities that depend on gas as both an energy source and feedstock to manufacturing process.’

The EUAA is the peak industry body for Australia’s energy users including manufacturers, retailers and resource-based industries.

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