

ENERGY USERS WELCOME ACTIONS TO BRING MORE GAS TO THE EAST COAST MARKET

The Energy Users' Association of Australia (EUAA), which represents many of Australia's largest energy users, has welcomed Federal Labor's commitment to bring more gas to the east coast market by unlocking gas supply in the Gaililee and Bowen basins and connecting Beetaloo to Darwin and the east coast.

"Bringing on new supplies of gas along with supporting new participants will help increase competition and lower costs which are some of the steps we need to take to resolve the current east coast gas crisis," said EUAA Chief Executive Officer, Mr Andrew Richards.

"We welcome the Federal Labor announcement which follows similar suggestions from the EUAA's National Gas Strategy Discussion Paper that was released last week."

The EUAA's National Gas Strategy Discussion Paper was released with the aim of refocusing attention on gas markets that have been largely ignored in recent months. The EUAA have called on the next Federal Government to solve the gas crisis threatening Australian manufacturing, food processing, building products and chemical industries.

Gas plays a central role in the manufacturing of many essential items such as bricks and health care. The increase in gas prices by up to 300% in recent years has put added pressure on manufacturers who are struggling to remain competitive in the Australian market. Added to this, gas plays a central role in the electricity market - it is used for short term response and in doing so, it effectively sets the electricity price.

Without addressing the cost of Australian gas, not only will the negative impacts on manufacturing continue but we will struggle to get electricity prices down.

"Ideas that fast track gas into the east coast market are a great step forward. The next consideration must be ensuring that any new gas can meet the needs of the domestic market."

Combined, EUAA members employ over 1 million Australians, pay billions in energy bills every year and include industries such as food production, packaging, mining, raw materials, building materials, paper production and healthcare – creating essential items used by the Australian community every day.

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