Minister for Business Peter Styles has told Parliament the Opposition Leader’s announcement he’ll ban onshore gas exploration in the NT is already hurting thousands of Territorians and their families.

Mr Styles said Michael Gunner’s pledged moratorium is putting at risk 6,300 future full time positions in the NT and predicted additional Government revenue of up to $460 million a year.

“This proposed gas ban is directly impacting the livelihoods of fencing contractors, truck stop workers, truck drivers, hospitality workers, pipeline contractors and workers aboriginal communities just to name a few,” Mr Styles said.

“All of these people are part of our small business community...the backbone of the Territory.

“They are all now second guessing whether they should make decisions on their future, like whether to upgrade their homes, take out a mortgage, buy a new car....live their lives.

“Not to mention more than 900 jobs to be generated during the construction of the North East Gas Interconnector (NEGI) pipeline, 600 of which will be for locals and 100 contracts for local businesses worth about $112 million.

“A number of industry authorities have expressed deep concern over the ban and the impact it will have on investment in the Territory.

“The Sturt Plateau Best Practice Group which represents around 30 pastoral stations in the region south of Katherine has said the gas ban puts a gas company’s planned $100 million upgrade to roads in the region in serious doubt and with that the benefits it would provide businesses and families in the region.

“The leader of the opposition has put all of this in jeopardy.”

Mr Styles said the NT is said to contain one of the world’s largest supplies of onshore gas, enough to potentially meet Australia’s combined domestic and export needs for 200 years.

A recent study commissioned by the Australian Petroleum Production & Exploration Association and produced by Deloitte Access Economics suggests the NT may be sitting on a new gas bonanza.
According to the Deloitte analysis, gas in the NT could drive significant long-term economic growth, create thousands of new jobs and generate almost half a billion dollars of additional government revenue every year. This is a significant increase on the $6 billion NT budget.

The study examined two potential growth scenarios based on the development of onshore gas for the NT, east coast and export markets between 2020 and 2040.

Deloitte found that under the highest growth scenario examined, the cumulative increase in Gross State Product could reach $22.4 billion in net present value (NPV) terms, an increase of 37 per cent. The same growth scenario would result in a long-term employment boost of 6,300 full time positions in the NT and additional revenues to the NT Government of up to $460 million a year.

Mr Styles said the Opposition Leader must stop his weasel words and tell Territorians how long his ban will be.

“His ill-conceived and irresponsible policy has already caused a wave of uncertainty to sweep through the industry,” he said.

“I’ve been advised that at least two businesses involved in the gas sector have already put on hold plans of being part of major investment initiatives.

“The Opposition Leader’s clear lack of understanding around the importance of the onshore gas industry to Territory jobs has caused immediate damage to confidence in the sector and to the livelihoods of thousands or Territorians.”

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