Terry Mills
Leader of the Opposition

Timor demand a threat to Territory

28 October 2004

Basing all production of the Greater Sunrise oil and gas field in East Timor is not an option for the Northern Territory and East Timor posturing may well cost the Territory and the tiny emerging nation the multi-billion dollar project, CLP Leader Terry Mills said today.

Mr Mills said it would be disastrous for the Territory if East Timor was successful in its new demands that production of the vast Greater Sunrise field be based in East Timor.

"And it would be equally disastrous for East Timor if the consortium behind the project decides it's become all too hard and simply walks away and pours its money into another project." Mr Mills said.

"The threat is real and the consortium has made it clear that a lengthy delay in negotiations would force them to reconsider the worth of going ahead with the project.

"I'm hoping this is just last minute posturing but raising the stakes like this has jeopardised the negotiations over a permanent seabed boundary between our two countries.

"There has been a genuine endeavour to work in partnership and be reasonable by our Federal Government and the offer of greater revenue in return for East Timor giving up its sea boundary claims has been fair.

"But we need to be conscious of the fact that by East Timor putting up demands such as this there is a serious prospect of the project stalling for years if the two governments do not agree by Christmas."

Mr Mills reiterated that Sunrise gas production on shore in the Territory is the only option for Territorians.

Ends