

7 August 2019

Domestic gas reservation policy just one of many reforms needed to sustain local industry, jobs

The Victorian Chamber calls for Australia's eastern states to unite on measures to lower domestic gas prices and improve supply.

The Federal Government's intention to work with Victoria, New South Wales and Queensland on a domestic reservation policy on new gas fields is welcome news for manufacturers and other industries reliant on energy.

But this is just one of many reforms needed to avoid the energy and feedstock crisis affecting all Australian businesses. The Victorian Chamber is calling for:

- An integrated national energy policy to ensure reliable supplies of affordable and clean electricity and gas
- Lifting of the moratorium on conventional onshore gas exploration in Victoria (the Chamber does not support fracking)
- Greater attention on bringing forward investment to develop offshore gas fields
- Victoria's support for an eastern state's domestic gas reservation scheme
- Increased transparency and competition in the gas market, pipelines and storage.

Victorian manufacturers use about 30 per cent of the natural gas consumed in the state and have been severely impacted by uncertainty around gas prices for the past few years.

Other industries that rely on energy are hospitals, cold storage, aluminium, pharmaceuticals, paper and packaging, food processing and building materials.

To be attributed to Victorian Chamber of Commerce and Industry Chief Executive Mark Stone AM:

"The Victorian and Commonwealth Governments face a choice: bring gas prices back to historic levels or see more businesses and jobs go overseas.

It is staggering that Australian businesses dependent on affordable and reliable gas and energy are going under because of high gas prices while Australia continues to export gas at record levels.

The Australian Domestic Gas Security Mechanism could give Governments the power to force gas producers to limit their exports in the event of a domestic shortfall.

High gas prices put Victorian businesses at risk, and the Victorian Government needs to participate in a domestic gas reservation policy and lift the moratorium on onshore gas exploration if it is serious about stemming job losses and keeping Victorian businesses afloat."

Media contact: Anne Wright, media@victorianchamber.com.au, 0423 883 945

Background – About the Victorian Chamber of Commerce and Industry

The Victorian Chamber of Commerce and Industry, established in 1851, is the most influential business organisation in Victoria, informing and servicing more than 15,000 members, customers and clients around the state.