

News Release Treasurer Tom Koutsantonis

Minister for Finance
Minister for State Development
Minister for Mineral Resources and Energy
Minister for Small Business

Monday, 23 February 2015

South Australia's world-class oil and gas record highlighted to inquiry

South Australia's long history of well-regulated oil and gas exploration and production has been highlighted in a submission to a parliamentary inquiry targeted at the unconventional gas sector.

Mineral Resources and Energy Minister Tom Koutsantonis said the State Government's submission is an evidence-based response to the emotion and scaremongering that threatens to undermine oil and gas exploration in South Australia.

"Decades of experience in South Australia have shown fracture stimulation can be carried out safely and without harm to social, natural or economic environments," Mr Koutsantonis said.

"More than 750 petroleum wells have been fracture stimulated in the Cooper Basin in the far north of South Australia and more than 100 petroleum wells have been drilled in the Otway Basin in the State's South East. Again and again the outcomes have been demonstrably safe.

"South Australia is at the centre of a global energy revolution with record oil production and billions of dollars being spent in the search for oil and gas.

"Unlocking our unconventional gas potential offers great opportunities for investment and job creation in this State – particularly in our regional areas.

"Rather than succumb to scaremongering, it is essential that evidence-based arguments guide our policy deliberations and the further development of the industry in this State."

The State Government's submission to the inquiry was prepared by the Department of State Development, which is the chief industry regulator.

It includes input from the Department of Environment, Water and Natural Resources, the Environment Protection Authority, Primary Industries and Regions SA, Safework SA and SA Health.

The submission points out that South Australia's world-class regulatory regime has ensured exploration and production has not caused significant, perceptible, associated or negative impacts on natural environments, enterprises or the health and safety of people.

"South Australian has been independently assessed as one of the top three resource regulatory regimes in the world for shale and tight gas," Mr Koutsantonis said.

"It is our world-class regulatory framework that ensures that exploration and production can not go ahead unless projects meet our high environmental standards."

The parliamentary inquiry was established with the support of the Liberal Party, drawing unprecedented criticism from the sector and industry and business groups.

To view the State Government's submission visit:
<http://petroleum.statedevelopment.sa.gov.au/inquiry-into-unconventional-gas>