Media Release

VICTORIA State Government

Tuesday, 17 March 2020

Premier

BACKING THE SCIENCE, PROTECTING FARMERS AND BOOSTING JOBS

The Andrews Labor Government is backing the science to create jobs and bolster energy supply with new legislation to lift the moratorium on onshore gas exploration and production, and ban fracking for good.

The Labor Government will introduce two Bills today. The first will enshrine the historic ban on fracking and coal seam gas exploration in the Victorian Constitution.

Fracking was banned in 2017 and at the 2018 election, Labor promised to put that ban in the Constitution – to make it harder for future Liberal and National governments to put our food and fibre sector at risk.

The second piece of legislation will allow for an orderly restart of onshore conventional gas exploration and development from 1 July 2021.

The decision follows three years of detailed investigation by the Victorian Gas Program, which found an onshore conventional gas industry would not compromise the state's environmental and agricultural credentials.

The investigation was overseen by Victoria's Lead Scientist, Dr Amanda Caples, who chaired an independent Stakeholder Advisory Panel including farmers, environmentalists, industry representatives and local councils.

These studies have identified potentially significant onshore conventional gas resources particularly in the Otway Basin, which stretches across the border to South Australia where a productive industry has been established.

Production of Victoria's estimated resources could generate more than \$310 million annually for regional economies and create 6,400 jobs over the lifespan of these projects.

The sensible, science-based approach will also bolster Victoria's energy security, with any gas produced from future onshore production licences to be prioritised for the domestic market – supporting local industry and consumers.

The Government will now work with industry and communities to develop rigorous engagement and transparency obligations, and improve the regulatory framework – to guarantee a world's best practice approach. Landholders will also be supported to better negotiate access rights and compensation with exploration companies.

The moratorium on onshore conventional gas exploration and development was set to expire on 30 June this year.

A new wave of offshore gas exploration is expected to start this year off the south-west coast – where gas has flowed from for decades. Companies will soon be awarded the rights over blocks in waters next to existing sites.

Gas will continue to play an important role in supporting Victoria's transition to a cleaner energy future, in line with the Government's commitment to net zero emissions by 2050.

For a copy of the Victorian Gas Program Progress Report No.4, go to <u>earthresources.vic.gov.au/gasprogram</u>.

Quotes attributable to Premier Daniel Andrews

"We're backing the science to create jobs, boost energy supply and support regional communities across the state."

"We promised to enshrine our historic ban on fracking in the constitution and we're delivering – to protect farming communities, and our huge food and fibre sector."

Quote attributable to Minister for Resources Jaclyn Symes

"Three years of research shows securing local gas supply for Victorians will not come at the cost of the state's groundwater supplies, agricultural industries or our farming's clean and green reputation." **Media contact:** Stephanie Anderson 0422 031 125 | stephanie.anderson@minstaff.vic.gov.au