

Media release

29 July 2013

Gas industry's multimillion dollar fib

The gas industry's claims that new gas supplies are needed to bring down energy prices are misleading and incorrect, according to The Australia Institute.

APPEA has today launched a national multimillion dollar campaign claiming that without developing new gas supplies Australia will lose jobs and energy prices will continue to soar.

But research from The Australia Institute shows gas supply has nothing to do with rising prices.

"We found that coming increases to gas prices are because of plans to export gas from eastern Australia," The Australia Institute's Senior Economist Matt Grudnoff said.

"Selling gas overseas means linking with the world price and that means wholesale prices will rise and could even triple."

The paper *Cooking up a price rise* found that giving gas companies access to Coal Seam Gas (CSG) won't bring prices down.

"While APPEA is careful not to refer to CSG in this new campaign, it's clear that's what it is talking about," Mr Grudnoff said.

"The mining industry has already used a massive campaign to defeat the super profits mining tax, now the gas industry is trying to shout down serious community concern about CSG.

"Alarming, with gas prices and gas profits about to soar, the gas industry can easily outspend farmers and this deceitful campaign shows that's exactly what the industry is planning to do."

Note for editors:

A copy of 'Cooking up a price' rise is available for free download at www.tai.org.au. Senior Economist Matt Grudnoff is available for comment.

For media enquiries, please contact:

Caelin Worthington 0421 552 664