Gas in WA: The economy

WA is a globally significant gas exporter, but gas is insignificant in the WA economy. Gas royalties make up just 1.3% of the state budget, less than half the contribution of vehicle registration. Federal taxes paid by Chevron, Exxon, Woodside and Shell raise less money than beer excise. Just 0.7% of the state's workforce is employed in oil and gas extraction.

Mark Ogge, Rod Campbell

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Summary

If Western Australia was a country, it would be the world's third largest exporter of liquefied natural gas (LNG). Revenue from gas exports reached $56.3 billion in 2022-23, but West Australians see little of this money.

Royalties paid by the gas industry are insignificant in the Western Australian Government Budget, at $670 million in 2023-24 they will make up just 1.5% of revenue. Motor vehicle registration contributes almost twice as much to the state budget. Iron ore royalties are nine times greater.

The Australian Tax Office considers the oil and gas industry to be "systemic non-payers" of tax. The four biggest LNG producers operating in WA, Chevron, ExxonMobil, Woodside and Shell received combined income of $55.2 billion in 2021-22 and paid just $1.7 billion in corporate income tax and petroleum resource rent tax. ExxonMobil paid nothing at all.

Exxon, Woodside, Shell and Chevron contributed less to the Commonwealth Government than Australia's beer drinkers, who raised $2.5 billion through the beer excise.

Gas is a small employer. Just 10,600 people work in oil and gas extraction in WA. This is around 0.7% of the state's workforce. In other words, over 99% of West Australians do *not* work in oil and gas extraction, including LNG processing. For comparison, 20 times more people work in health and social services as the oil and gas industry, 12 times more work in education, 16 times more in the public service. Even within the resources sector, oil and gas is a small employer. Iron ore mining employs over 84,000 people, eight times as many people as oil and gas.

However, due to the oil and gas industry's influence on politics and the media, most Australians *perceive* the industry as providing a significant number of jobs. Australia Institute polling has shown that on average, respondents think that 5% of the workforce work in oil and gas, which would equate to 715,000 people. In reality only 19,900 people work in oil and gas in Australia, 0.07% of all jobs. This means that survey respondents perceive the oil and gas industry to employ 67 times more people than it does.

Because it is not a significant employer in WA or nationally, the oil and gas industry inflates its employment numbers by referring to "indirect jobs" or jobs that it "supports" in other industries. If all industries followed the oil and gas industry's

method and claimed credit for jobs in the industries that they make purchases from and provide outputs to, the total number of claimed jobs would be greater than the size of the actual workforce.

In fact, the oil and gas industry could have a *smaller* flow-on effect than other industries in WA because so many of its inputs are purchased overseas. For instance, Shell's Prelude floating LNG project was built not in Australia or Shell's base in the Netherlands, but in South Korea.

The gas industry enjoys large public subsidies. According to the WA Government, without its $8 billion in subsidies to the North West Shelf project, the project would not have proceeded. Its support was "massive and integral". Subsidies continue, particularly through investment promotion and infrastructure provision.

The gas industry clings to its social licence by exaggerating its economic benefits and hiding its negative economic impacts. In WA, the industry's close links to government and media outlets ensure that its spin is rarely contested.

Introduction

If Western Australia was a country, it would be the world's third largest exporter of liquefied natural gas (LNG) after Qatar and the USA.[1]

Revenue from gas exports reached $56.3 billion in 2022-23.[2] But West Australians see little of this money. The latest state budget expects just $670 million in petroleum royalty revenue—just 1.1% of the value of exports. The four largest gas companies operating in WA paid just $1.7 billion in federal taxes in 2021-22, the latest year of data available.[3]

The rest accrues to Chevron, Exxon, Shell, Woodside and the other companies that extract, process and sell the gas. Overall, LNG projects operating in WA are at least 83% foreign owned.[4]

WA does not get a fair deal from the multinational gas companies that operate on and off its shores. For comparison, the government of Qatar collected AUD $95.7 billion in oil and gas revenue in 2022–23.[5] While Qatar produces three times more oil and gas than WA,[6] its government receives 40 times more revenue. Per unit of production, Qatar receives around 13 times more revenue than the WA and Australian Governments.

How can WA get so little from an industry that produces so much?

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[1] According to the Statistical Review of World Energy, in 2022 the USA produced 119 billion cubic meters (Bcm), [4185 PJ] Qatar 114 Bcm [4009 PJ] and Australia 112 Bcm [3939 PJ] of which WA produced approx 60% or 67 Bcm [2356 PJ]. See Energy Institute (2023) *Statistical Review of World Energy,* https://www.energyinst.org/statistical-review/resources-and-data-downloads; WA Department of Mines, Industry, Regulation and Safety (DMIRS) (2023) *2022-23 Major Commodities Resource Data File*, https://www.dmp.wa.gov.au/About-Us-Careers/Latest-Statistics-Release-4081.aspx

[2] DMIRS (2023) *2022-23 Major Commodities Resource Data File*

[3] See section *Royalties and taxes* below, based on WA Government (2023) *WA Budget 2023–24, Budget Paper No. 3 Economic and Fiscal Outlook*, https://www.ourstatebudget.wa.gov.au/2023-24/budget-papers/bp3/2023-24-wa-state-budget-bp3.pdf

[4] Ogge and Campbell (2024) *Gas in WA: Exports and ownership*, https://australiainstitute.org.au/research/

[5] Qatar Ministry of Finance (2023) *Quarterly reports – detailed*, https://www.mof.gov.qa/en/Pages/StateBudget2023.aspx. Conversion to AUD at 1 Qatari riyal = 0.4 AUD based on historic data at www.xe.com.

[6] Qatar produced 7,000 PJ of gas and 3,000 PJ of oil in 2022 Energy Institute *(2023) Statistical Review of World Energy*

The answer is that the gas industry does not act in the interests of West Australians. This is evident not just in relation to economic impacts, but also to the supply of gas and LNG's contribution to the climate change that WA is already experiencing.

The gas industry's abuse of the West Australian community has gone on for too long. It is time for an honest public conversation about gas in WA. This report focuses on gas in the WA economy as part of a series that hopes to contribute to this public discussion. Related reports address supply and climate issues.

Royalties and taxes

Gas exported from WA generates huge profits for the global oil and gas companies that operate the state's LNG facilities. In 2021–22, gas companies enjoyed windfall profits of between $26 billion and $40 billion thanks to the energy price spike driven by the Ukraine war and the failing tax and royalty arrangements WA and Australian governments oversee.[7]

WA's gas industry makes minimal contributions to state and federal government revenue. Most projects pay no royalties, and many companies pay little or no company tax or Petroleum Resource Rent Tax (PRRT).

ROYALTIES

The payments collected by governments in return for the exploitation of finite natural resources are known as "royalties." The Western Australian Government describes petroleum royalties as follows:

> Petroleum resources are owned by the community and a royalty is a purchase price for the resource. The community expects a fair return for the loss of its non-renewable petroleum resources.[8]

As the purchase price for the resource, royalties are different from taxes, which are levied on profits. Resource companies should pay for the resources they extract and pay tax on their profits. While mining companies in Western Australia pay substantial royalties for iron ore and other minerals, the gas export industry pays no royalties on most of the gas it exports.

Figure 1 below demonstrates that royalties paid by the gas industry are insignificant in the Western Australian Government Budget, making up just 1.5% of revenue. In other words, 98.5% of the hospitals, schools, roads and other public services provided to Western Australians are not paid for by gas royalties.

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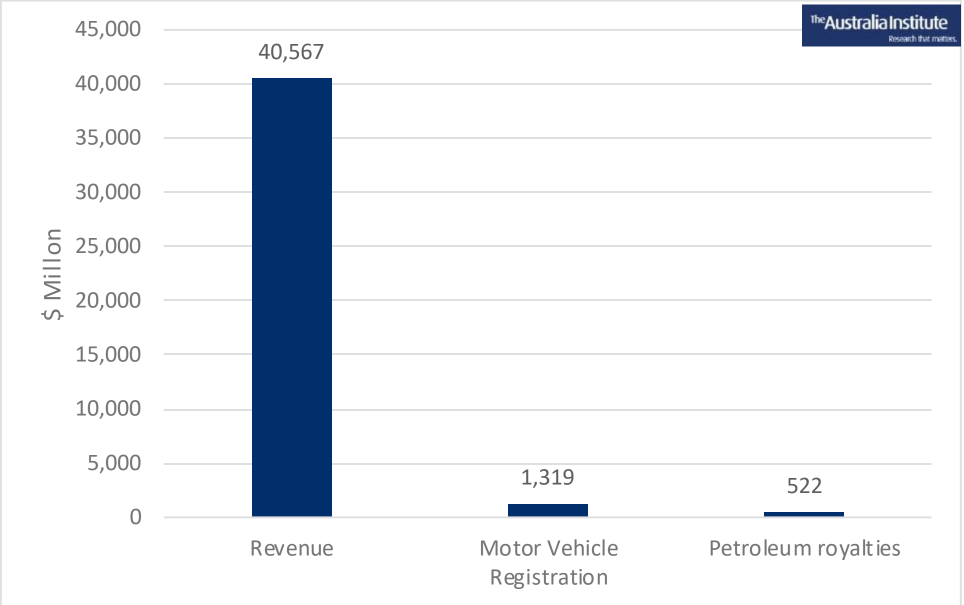
[7] Ogge (2022) *War gains: LNG Windfall Profits 2022*, https://australiainstitute.org.au/wp-content/uploads/2022/10/P1289-War-gains-LNG-windfall-profits-2022-Web.pdf

[8] DMIRS (2023) *Petroleum Royalties* http://www.dmp.wa.gov.au/Petroleum/Royalties-1578.aspx?busselect=8

Figure 1: WA Government revenue, petroleum royalty & vehicle registration, 2024-25



Source: WA Government (2023) *WA Budget 2023–24*, Budget Paper No. 3 Economic and Fiscal Outlook

Figure 1 shows that petroleum royalties provide less than half as much revenue as Western Australian motorists pay for vehicle registration. This is despite the four largest LNG exporters operating in WA—Woodside, Chevron, Exxon and Shell—collectively receiving $55 billion in revenue in 2021–22 (discussed below).

By comparison, WA iron ore royalties are budgeted at $6 billion in 2023-24, nine times larger than petroleum royalties.[9]

It is worth noting that the seemingly minimal petroleum royalties shown in Figure 1 are actually above long term trends due to the energy price increase that followed the Russian invasion of Ukraine. With prices now declining to long term levels, and production declining in the royalty-paying North West Shelf fields, North West Shelf payments are expected to decline further from $500 million in 2024-25 down to $286 million in 2026-27. Vehicle registration, by contrast, is expected to remain steady around $1.3 billion each year.[10]

The 2024-25 forecasts for North West Shelf payments ($500 million) and other petroleum royalties ($22 million) represent 1.3% of the total $40,567 million forecast for total revenue.[11]

[9] WA Government (2023) *WA Budget 2023-24, Budget Paper No. 3 Economic and Fiscal Outlook*, https://www.ourstatebudget.wa.gov.au/2023-24/budget-papers/bp3/2023-24-wa-state-budget-bp3.pdf
[10] WA Government (2023) *WA Budget 2023-24, Budget Paper No. 3 Economic and Fiscal Outlook*
[11] WA Government (2023) *WA Budget 2023-24, Budget Paper No. 3 Economic and Fiscal Outlook*

Most LNG projects pay no royalties at all. No royalty is paid on the LNG exported by Chevron's Gorgon LNG or Wheatstone LNG projects, Woodside's Pluto LNG or Shell's Prelude LNG. The reason that no royalties are paid by most projects is that they are located offshore, placing them under Commonwealth jurisdiction—and the Federal Government has chosen not to impose royalties on these projects. By doing this, two thirds of the gas exported from Western Australia is effectively given away for free.

The only gas export project in WA where royalties *are* paid on the exported gas is Woodside's North West Shelf (NWS) facility. This is because of the early government subsidisation of this facility, discussed below. NWS royalties are paid to the Federal Government and are shared with Western Australia via a royalty-sharing arrangement. In 2023–24, Western Australia's share of that payment is estimated at $660 million. This figure is projected to fall to just $286 million by 2026–27 as prices decline and the gas fields subject to royalties deplete. This would equate to just 0.7% of total government revenue for that year.[12] Beyond the NWS project, other petroleum production royalties, mainly relating to petroleum products other than LNG, are expected to contribute just $10 million to the Western Australian Budget in 2023-24.

TAXES

Oil and gas company profits are taxed by the Commonwealth Government. The two main taxes are company income tax and petroleum resource rent tax (PRRT); the latter is a tax on resource rents or "super-profits."

The Australian Taxation Office (ATO) has singled out the oil and gas industry as home to "systemic non-payers" of tax.[13] It is thus instructive to consider the tax paid by the four largest LNG companies operating in WA, which (by share of project production) are Woodside, Chevron, Shell and Exxon.

The most recent published data on tax paid by corporations in Australia is for the financial year 2021–22.[14] In this year, ExxonMobil reported $15.5 billion in income, on which it paid no company tax. Chevron reported $17 billion total income and paid $156 million in company tax, less than 1% of total income. Shell paid $118 million, or 1.3%, of its $9.2 billion income; and Woodside paid $559 million in company tax on its $13 billion income.

[12] WA Government (2023) *WA Budget 2023-24, Budget Paper No. 3 Economic and Fiscal Outlook*

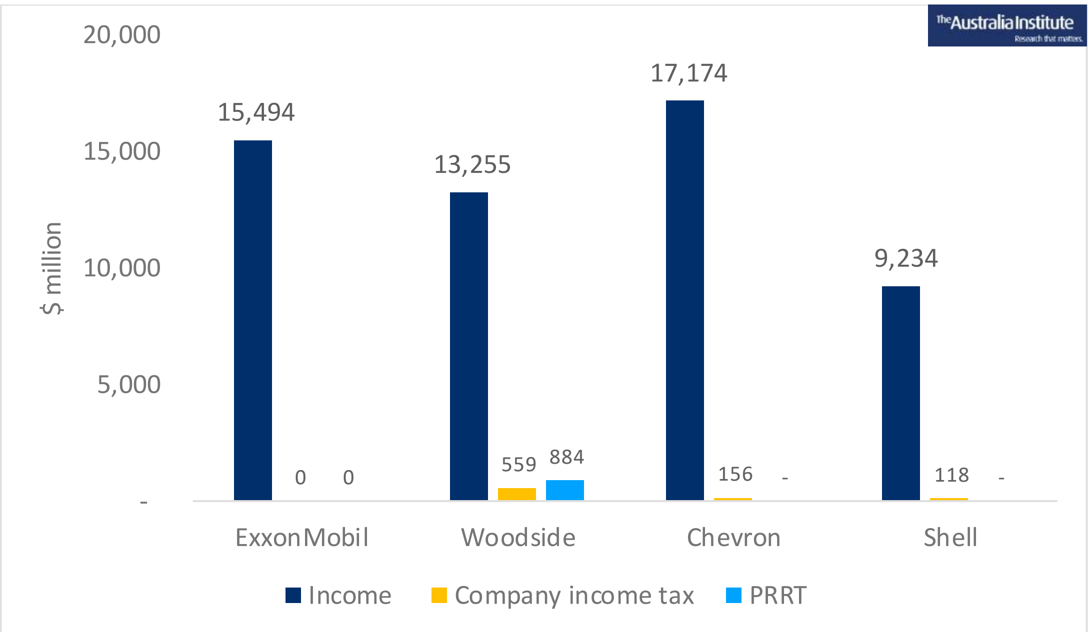
[13] McIlroy (2019) *Oil, gas 'systemic non-payers' of tax*, https://www.afr.com/politics/federal/oil-gas-systemic-non-payers-of-tax-20191211-p53iys

[14] ATO (2023) *Corporate Tax Transparency data 2021-22*, https://data.gov.au/dataset/ds-dga-c2524c87-cea4-4636-acac-599a82048a26/details

The only one of these companies to pay any PRRT was Woodside, with total PRRT payments of $884 million. However, these payments came not from Woodside's long-running operations, but from entities and projects that Woodside acquired in its 2022 merger with BHP's petroleum business. While some of these projects are in WA, ATO data shows that $695 million of Woodside's PRRT payment (78%) was from its Woodside Energy (Bass Strait) entity, which operates thousands of kilometers from WA, off the coast of Victoria.

Figure 2 below compares the company tax and PRRT contributions of these companies to their reported total income for the financial year 2021–22.

Figure 2: LNG company income, company tax and PRRT, 2021-22

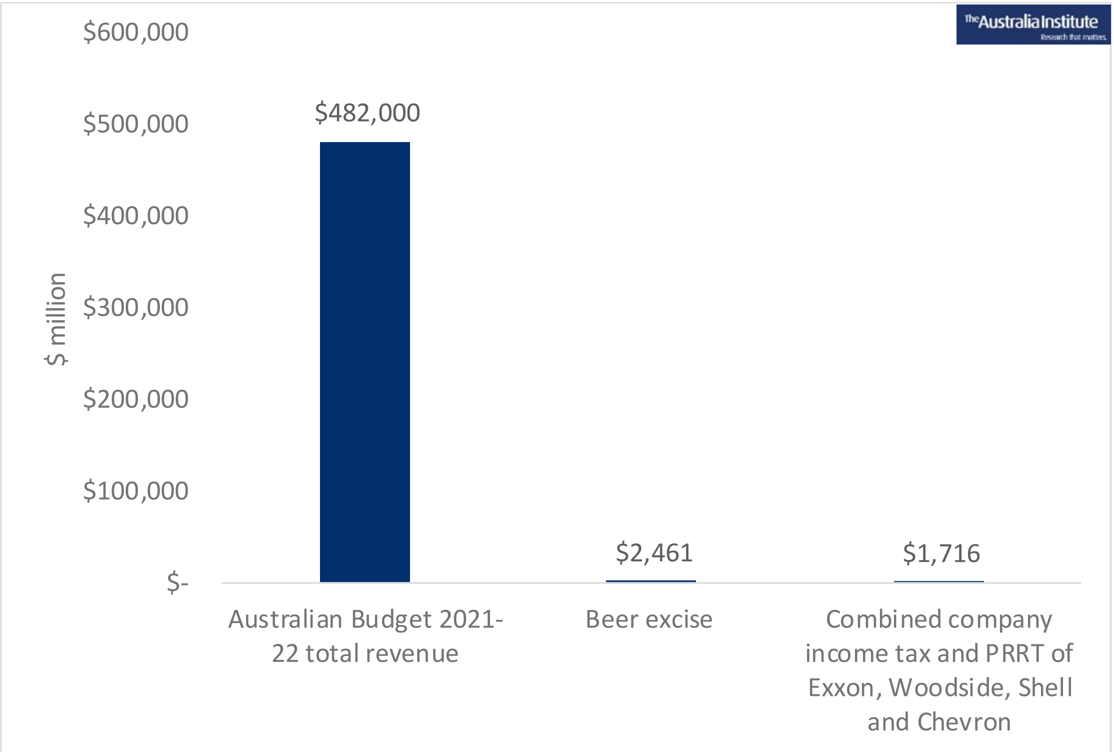


Source: ATO (2023) Corporate Tax Transparency data 2021-22. Note that Woodside income and company tax payments includes Burrup Facilities Pty LTD and Burrup Train 1 Pty Ltd, PRRT payment includes Woodside Energy (Bass Strait)

The combined income of these four companies shown in Figure 2 above was $55.2 billion—and the total corporate income tax and PRRT they paid was $1.7 billion. As Figure 3 below shows, this tax revenue represented less than 0.4% of the Commonwealth Government's total income in that year.[15]

[15] Australian Government (2023) *Budget 2023-24, Budget paper 1*, table 5.1 total receipts, https://archive.budget.gov.au/2021-22/bp1/download/bp1_2021-22.pdf

Figure 3: Government revenue, beer excise & LNG company payments, 2021-22



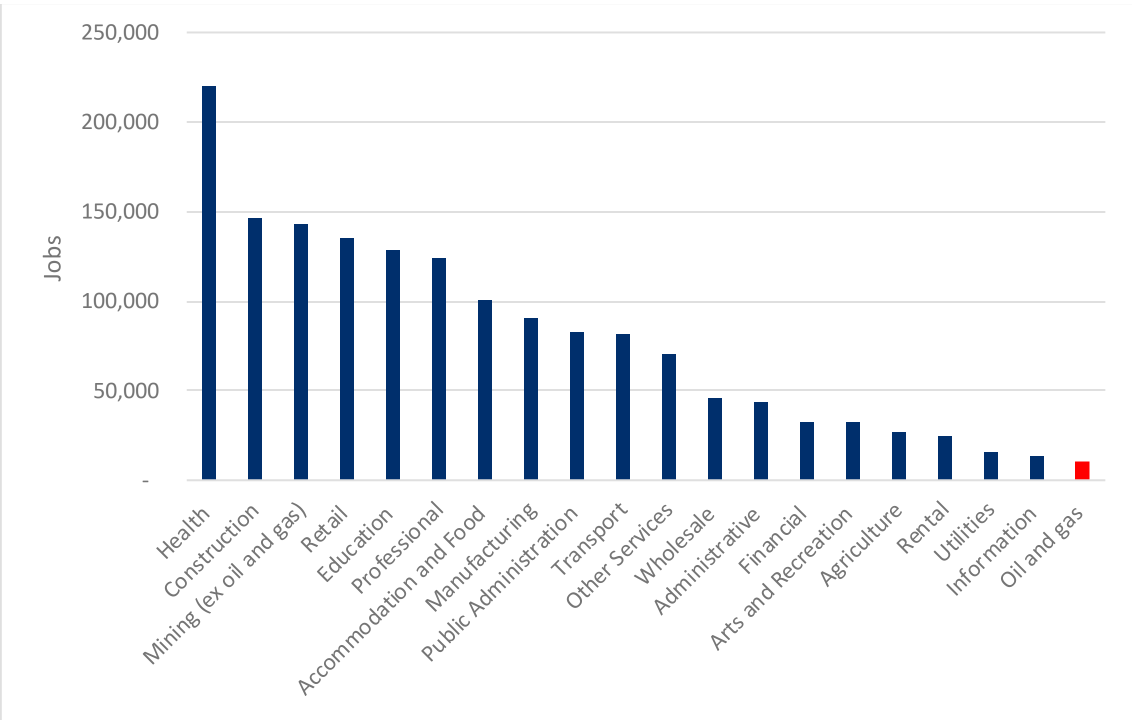
Source: Australian Government (2023) *Budget paper 1, table 5.1 total receipts*, ATO (2023) *Corporate Tax Transparency data 2021-22*

Figure 3 above also shows that Exxon, Woodside, Shell and Chevron contributed less to the Commonwealth Government than Australia's beer drinkers, who raised $2.5 billion through the beer excise.

Gas is a small employer

Despite the volumes of gas produced in and exported from WA, the industry is not a significant employer in the state. According to Australian Bureau of Statistics (ABS) data, 10,600 people work in oil and gas extraction in WA. This is around 0.7% of the state's workforce. In other words, over 99% of West Australians do *not* work in oil and gas extraction, including LNG processing. For comparison, 20 times more people work in health and social services as the oil and gas industry, 12 times more work in education, 16 times more in the public service.[16] Figure 4 below compares the number of people working in WA oil and gas extraction to those in other industries.

Figure 4: Employment in selected industries, WA



Source: ABS (2023) *Labour Force, Australia, Detailed*

Even within the resources sector, oil and gas is a small employer. Iron ore mining employs over 84,000 people, eight times as many people as oil and gas, as shown in Figure 5 below:

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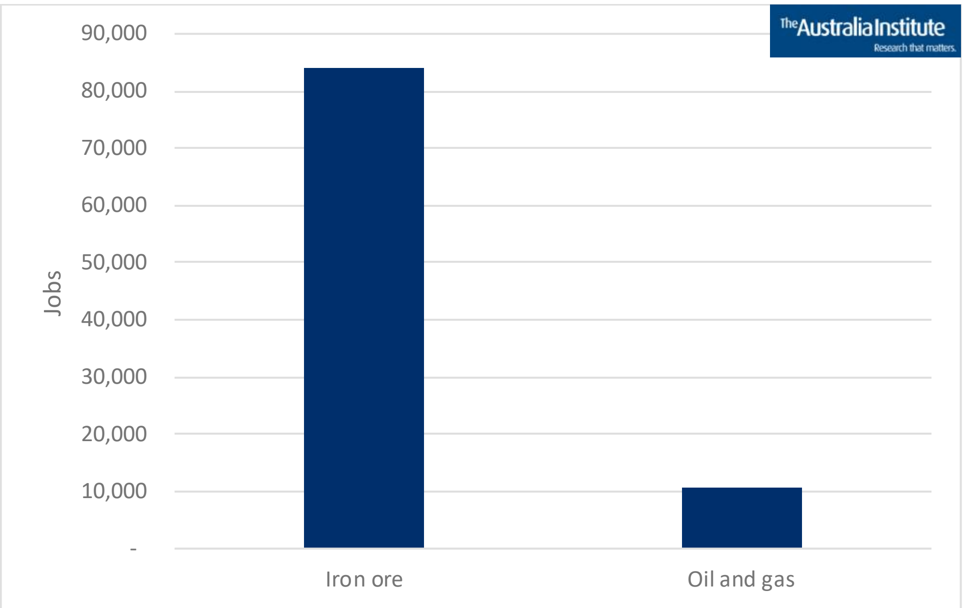
16 ABS (2023) *Labour Force, Australia, Detailed*, Table EQ06, averaged November 2022- November 2023. https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release

Figure 5: Employment in iron ore mining v oil and gas extraction, WA



Source: ABS (May 2023) *Labour Force, Australia, Detailed*

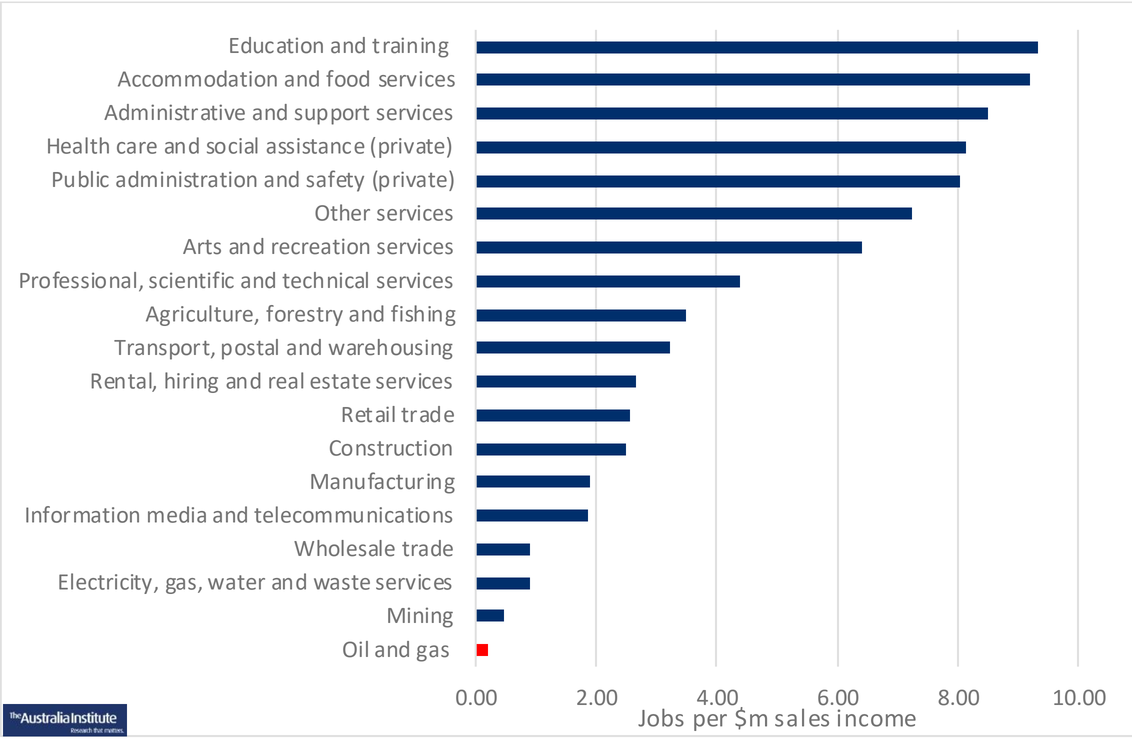
Figures 4 and 5 shows that oil and gas is a small employer in WA, as it is Australia-wide. However, due to the oil and gas industry's influence on politics and the media, most Australians *perceive* the industry as providing a significant number of jobs. Australia Institute polling has found that on average, Australians think that 5% of the workforce work in oil and gas,[17] which equates to 715,000 people. In reality only 19,900 people work in oil and gas in Australia, 0.07% of all jobs. This means that survey respondents perceive the oil and gas industry to employ 67 times more people than it does.[18]

The oil and gas industry employs few people because it is particularly capital intensive – it involves lots of pipes and machinery but very few workers. As shown in Figure 6 below, for every million dollars of output, the oil and gas industry employs just 0.2 workers, the lowest of all industries.

[17] Morison (2023) *Climate of the Nation 2023*, https://australiainstitute.org.au/wp-content/uploads/2023/09/Climate-of-the-Nation-2023-Web.pdf

[18] ABS (2024) *Labour Force, Australia*, Detailed, March 2024, Table 6, https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release

Figure 6: Job intensity of selected Australian industries



Source: ABS (May 2023) *Australian Industry, 81550DO001_202122, 2021-22* and 81550DO002_202122 Australian Industry, 2021-22, https://www.abs.gov.au/statistics/industry/industry-overview/australian-industry/latest-release#data-downloads

Figure 6 shows that the health, education and public service sectors each employ over eight people per million dollars of output. If the WA Government's objective is to create jobs, supporting any other industry would be more effective than supporting oil and gas.

WHAT ABOUT "INDIRECT JOBS"?

Because it is not a significant employer in WA or nationally, the oil and gas industry often inflates its employment numbers by referring to "indirect jobs" or jobs that it "supports" in other industries. For example, while ABS statistics show that oil and gas extraction employs around 10,000 workers in WA and 20,000 nationally,[19] the lobby group Australian Energy Producers (AEP, formerly known as APPEA) claims that the

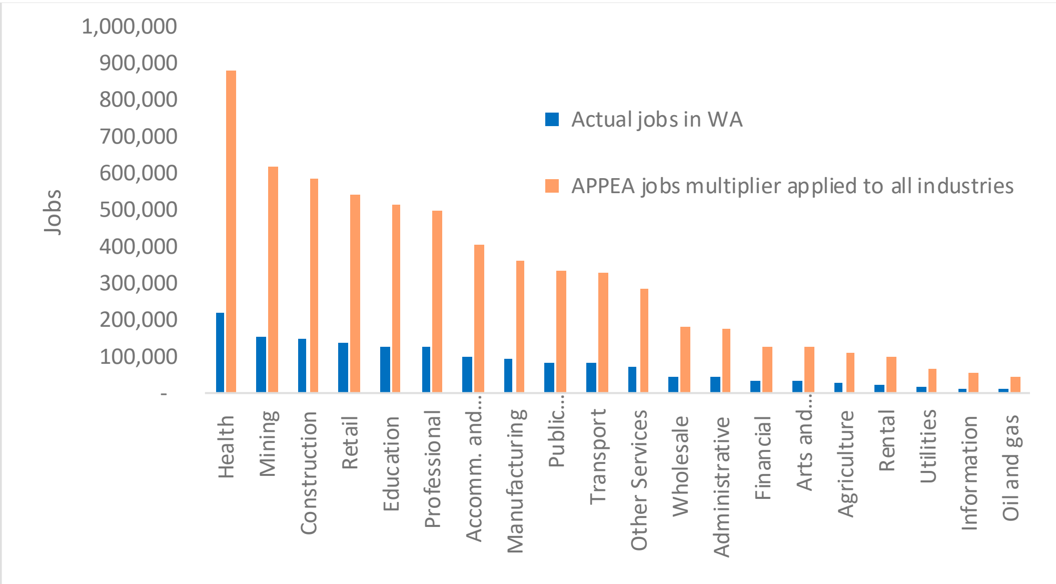
[19] ABS (September 2023) *Labor Force, Australia, Detailed EQ06*, https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/latest-release

industry “supports” 80,000 jobs “directly and indirectly” across Australia.[20] AEP’s claim assumes that for every person actually working in the industry, around three jobs are created indirectly by oil and gas companies and their workers spending money in other industries.

While this is no doubt a useful claim for a lobby group, these figures bear little scrutiny. Workers in *all* industries dine out and buy cars. All industries require infrastructure, goods and services to operate. Teachers and nurses require schools and hospitals, which are built by construction workers—who also dine out and buy cars.

If all industries followed the oil and gas industry’s method and claimed credit for jobs in the industries that they make purchases from and provide outputs to, the total number of claimed jobs would be greater than the size of the actual workforce. Figure 7 below shows that if this reasoning was applied to all industries in Western Australia, the number of indirect jobs created would be 6.3 million—four times the 1.6 million jobs that actually exist in the state!

Figure 7: Gas industry jobs multiplier applied to all industries



Note: Oil and gas employment figures include a proportionate share of Exploration and Other Mining Services. Source: ABS (May 2023) Labour Force, Australia, Detailed, Table EQ06; AEP (2022) APPEA Federal Budget 2022/2023 Submission.

In fact, the oil and gas industry could have a *smaller* flow-on effect than other industries because so many of its inputs are purchased overseas. For instance, Shell’s Prelude floating LNG project was built not in Australia or Shell’s base in the

[20] AEP (2022) *APPEA Federal Budget 2022/2023 Submission*, https://treasury.gov.au/sites/default/files/2022-03/258735_australian_petroleum_production_and_exploration_association.pdf

Netherlands, but in South Korea, where it employed up to 5,000 people with another 1,000 in "other locations across the globe".[21] Woodside's 30,000 tonne Scarborough floating production unit (FPU) will be engineered in Malaysia and built in China. Woodside's contractors boast the facility will "capable of being remotely operated and minimally staffed during normal production operations,"suggesting it will employ few Western Australians.[22]

This is not unusual. The three LNG facilities in Queensland were built by global infrastructure giant Bechtel. These "modular" LNG facilities were designed in Houston, New Delhi, and Shanghai; built in the Philippines, Indonesia, and Thailand; and floated to Queensland for assembly.[23]

GAS PROJECTS AND SKILLS SHORTAGES

During periods of high employment, large new resource projects do not create additional jobs, they simply divert jobs from other industries. Prominent economist Alan Kohler has argued this in itself warrants a moratorium on new fossil fuel projects.[24]

This means that despite being a small employer overall, the construction of large gas projects can contribute to shortages of workers with particular skills.

Western Australia is currently experiencing a skills shortage.[25] A decade ago, when similar claims of skilled worker shortages were being made, then-Woodside CEO Don Voelte acknowledged this impact of several large LNG projects:

[21] Shell (2012) *Major construction begins on the prelude flng project*, https://www.shell.com/what-we-do/major-projects/prelude-flng.html

[22] Offshore Energy (2022) *McDermott to build Scarborough floating production unit for Woodside*, https://www.offshore-energy.biz/mcdermott-to-build-scarborough-floating-production-unit-for-woodside/

[23] Bechtel (2023) *Curtis Island LNG*, https://www.bechtel.com/projects/curtis-island-lng/

[24] Kohler (2024) *Alan Kohler: Dire labour shortage warrants moratorium on fossil fuel export projects*, https://www.thenewdaily.com.au/finance/2024/03/28/alan-kohler-fossil-fuel-projects

[25] AREEA (2023) *MEDIA RELEASE: WA resources need 13,000 workers as skills shortage continues to bite*, https://www.areea.com.au/news-media/media-center/media-release-wa-resources-need-13000-workers-skills-shortage-continues-bite/

> When Gorgon gets up and gets into its peak construction, when we get Browse into construction and we get Pluto expansion into construction, then we're going to definitely have a problem.[26]

Yet the labor impacts are not considered in the assessment of offshore LNG projects. As far as The Australia Institute is able to determine, proponents of offshore LNG projects in WA have not been required to undertake economic impact assessments of impacts on other industries prior to approval.

By contrast, comparable LNG projects in Queensland *have* undertaken economic impact assessments, and these provide an illustration of how these projects can undermine local economies.

For example, the Environmental Impact Assessment (EIA) produced in 2011 for Arrow Energy's proposed LNG export facility in Gladstone acknowledged significant downsides for the rest of the economy. It predicted that constructing and operating the LNG facility would have the following impacts:[27]

- The loss of 1,600 jobs in some industries across Queensland and Australia, including 1,000 in manufacturing;
- The loss of $441.5 million of manufacturing activity;
- Upward pressure on inflation;
- Increased costs for small- and medium-sized businesses, possibly leading to some of these businesses shutting down;
- A decline in housing affordability for those not employed in LNG; and
- More upward pressure on exchange rates, adding to existing skill shortages

As Alan Kohler points out, if all the fossil fuel projects proposed in Australia were to proceed, including in Western Australia, they will come at the expense of other important construction and infrastructure projects including housing, transport and renewable energy:

[26] ABC (2010) *Severe skills shortage predicted for WA,* https://www.abc.net.au/news/2010-06-08/severe-skills-shortage-predicted-for-wa/858750

[27] Grudnoff (2012) *An analysis of the economic impacts of Arrow Energy's Gladstone LNG Plant*, https://australiainstitute.org.au/wp-content/uploads/2020/12/Arrow-energy-LNG-plant_4.pdf, Arrow Energy (2021) *Economic Impact Assessment, Arrow LNG Plant, Appendix 21*, https://eisdocs.dsdip.qld.gov.au/Shell%20Australia%20LNG%20(aka%20Arrow%20LNG%20Plant)/EIS/EIS%20Appendices/appendix-21-economic-impact-assessment.pdf

> Australia simply cannot build the solar, wind and storage projects required to be net zero by 2050, and build the houses needed to provide all its citizens with a home, and build 86 major resources and energy export projects. Not possible.
>
> The obvious thing to do is for the government to knock back the fossil fuel projects, using the environmental approvals process or the export licensing regime.[28]

New gas projects will not create additional jobs in WA, they will simply come at the expense of other construction and engineering projects. WA has a choice of whether it wants more housing, renewable energy and transport, or more gas projects.

[28] Kohler (2024) Op cit.

Subsidies

According to the WA Government, its subsidies played a “pivotal”, a "massive and integral role…in the development of the North West Shelf project.”

> Western Australian Treasury calculated that in 2010 net present value terms, the estimated cost of its commitments to assist the North West Shelf project (e.g. payment of subsidies to the State’s power utility to help cover the losses it initially incurred under crucial ‘take or pay’ gas contracts) is estimated to be around $8 billion… The State’s expenditure directly resulted in the development of the North West Shelf project.[29]

The WA Government’s largesse towards the gas industry continues to this day. Australia Institute research has estimated that the WA Government budget included close to $300 million in 2022–23 wholly or partly on assisting the gas industry, with $1.2 billion budgeted for the future.[30] These subsidies include:

- Funds administered by Department of Jobs, Tourism, Science and Innovation (DJTSI) that assist the development of the WA LNG export industry and fostering new downstream industrial gas consumption in the state: the $180 million Investment Attraction Fund, the $17 million New Industries Fund and the $100 million Industrial Land Development Fund;
- Project facilitation by DJTSI, the majority of which is for projects in the oil and gas sector. A recent example is the DJTSI working with Woodside to negotiate and execute agreements to secure new domestic gas supply and local job opportunities from the Scarborough to Pluto Train 2 LNG development; and
- International outreach to promote the LNG industry. An example is supporting a major trade mission to Japan and South Korea, which are the largest importers of LNG from WA. During this mission, then-Premier Mark McGowan “reassured the bosses of Japan’s powerful trading houses that WA gas will continue to meet the country’s energy needs for decades.”[31]

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[29] WA Government (2017) *Western Australia’s Submission to the Productivity Commission’s Inquiry into Horizontal Fiscal Equalisation*, https://www.pc.gov.au/__data/assets/pdf_file/0008/218564/sub015-horizontal-fiscal-equalisation.pdf

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Conclusion

Multinational gas companies are ripping off the Western Australian community.

These companies are damaging the climate and other aspects of the environment, yet provide few jobs and pay minimal tax or royalties. Almost all the benefits of gas exports flow to overseas investors, even though billions in subsidies have been paid by the WA Government.

The gas industry clings to its social licence by exaggerating its economic benefits and hiding its negative economic impacts. In WA, the industry's close links to government and media outlets ensure that its spin is rarely contested. Western Australians deserve an honest discussion of the role the gas industry plays in the state, who benefits and who pays the price.