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E&OE

Press conference with Resources and Water Minister Keith Pitt

KEITH PITT: Thanks very much. Well, firstly, thanks for turning out. Secondly, it's good to be here with my good friend and colleague Angus Taylor, Minister for Emissions Reduction, Energy and Industry. We've seen reports today around challenges in terms of gas supply – around the world to be honest and the only reason that Australia is even in this discussion is because we are recognised worldwide as one of the most reliable suppliers of resources and energy that can be found. Now that is off the back of the hard work of the men and women of the resources sector, a sector that has gone from a forecast \$246 billion in the midst of the COVID pandemic to some \$379 billion forecast for this financial year. That is a phenomenal result. No matter what happens around the world, we are seeing for the reliability of our supply chains to the fact that we can and will deliver on our existing contracts and we will continue to do that into the future.

Now to the matter at hand – Australia, of course, stands ready to support its friends and allies. We have a well-developed gas resource. We have the capacity to deliver not only domestically but right across the world. We will, of course, continue to meet our contract demands for those arrangements that are already in place and deliver the domestic supply that is necessary for industry in this country and, of course, look for spot cargo opportunities elsewhere.

Now we have not received any formal requests for us to deliver that gas to any other locations. But, of course, Australia does stand ready to deliver where necessary. It is the fact of the matter, it is our reliability, it is the fact that we have supply chain that is ready and available, it's the fact that this government continues to invest in gas and onshore resources, including through strategic basin plans, including through supporting companies like Woodside and Santos

who have made significant investment decisions. In fact, Scarborough and Barossa are worth billions of dollars in terms of their investment into this country and into the future.

But we must make sure – we must make sure – we keep those supply chains alive and that we have a pipeline of projects. As we all know, gas fields do expire. They come to the end of their natural life and they need to be replaced. That's why we're investing in places like the Beetaloo Basin through the strategic basin plan. That is why we'll continue to support the sector, because it is so important for our national interests.

And I'd say again to Australian banks and Australian financiers and Australian suppliers of insurance, this is why I want you to reconsider the decisions you've made previously about providing finance to Australia's resources sector. It's incredibly important not only for our national security and for jobs of all Australians, but it's also incredibly important for our international ties, our trade opportunities and our existing contracts and like-minded countries. Now, Angus.

ANGUS TAYLOR: Well, thanks, Keith. It's great to be here with you. Australia's resource sector has performed at an extraordinary level throughout the pandemic and our gas sector, in particular, has performed extremely well. We've seen record levels of LNG exports in 2021 and that is natural gas which is helping to supply customers throughout Asia and the world, reducing their emissions, complementing investment in renewables and ensuring there's affordable, reliable energy there for those customers. But at the same time it's been able to provide the gas we need in Australia to complement our record level of investment in renewables, the highest rate of household solar in the world and it's that complementarity that has made the gas sector so important.

Now we stand ready always to support customers and countries around the world as well as our own domestic customers to provide them with the gas that they need, to provide that affordable, reliable energy as they bring down their emissions. And we will always stand ready beside our allies and our customers to provide that support. Our great success in recent months is evident. We've seen prices here in Australia domestically running at a quarter of what they're running elsewhere in the world and that's a great tribute to the extraordinary work that's been done to get supply up, to provide our export customers with what they need and at the same time have the affordable, reliable gas we need here in Australia for industry, for households and for small businesses. Happy to take questions.

JOURNALIST: How much surplus gas do we actually have and practically able to supply considering the contracts that are already in place?

KEITH PITT: So the long-term contracts that are in place are basically what's allowed us to build the gas industry in Australia. Billions of dollars in investment from a number of countries from a number of investors. I'm advised there were roughly seven spot cargos in December that were provided outside of those contracts. And, of course, this is all dependent on what's available in terms of production rates for existing facilities, facilities as they come online and, of course, in terms of the COVID pandemic.

JOURNALIST: And how practically would this actually work? Because it's quite hard to transport gas without a pipeline internationally.

KEITH PITT: Well, the same way as it works now – it's exported by ship. Clearly there'd need to be arrangements in terms of delivery at the other end. But given we are talking about a number of nations that already import LNG in a range of locations. But quite simply we know that there are mechanisms that can be used to ensure that gas is provided where necessary. Quite simply what we are saying to the world is we hear you. Australia stands ready to provide support if necessary. But, of course, we'll maintain supply to our existing contracts and our domestic market.

ANGUS TAYLOR: Can I add to that? Australia pioneered the development of LNG shipping facilities to the world. We've led the world on this. We're leading the world on the shipping of hydrogen, too. We're sending the first shipment of liquid hydrogen up into Asia as well. So we know how to do this. This is great area of Australian expertise. We've got the gas. Australia has the gas and that puts us in an extremely strong position to support customers and allies as they need it.

JOURNALIST: Would it be a matter, though, of Australian gas going all the way to Europe, or is it more likely that we would deliver gas closer to our base and then that gas that might go there otherwise go on to Europe?

KEITH PITT: Well, any of those arrangements can be made. As I said earlier, we haven't received a formal request, but we are indicating that, of course, we are ready to support our friends.

JOURNALIST: What does it indicate about the seriousness of the situation in Ukraine that a country on the other side of the world is being pulled into what's going on?

ANGUS TAYLOR: Well, we would like to see the situation de-escalate, as the Minister for Foreign Affairs has said in recent days, as the Prime Minister has said, and we saw some very encouraging signs this morning that there'll be continuing dialogue with Russia over the next couple of weeks. So we would encourage them to continue that dialogue, to look for a diplomatic solution, to

de-escalate tensions. Because, quite simply, a destabilisation around the world has a significant impact, particularly on prices like the price of oil, and we've seen that impact here right now.

JOURNALIST: And you mentioned the banks earlier in your opening statement. Are you being a bit opportunistic here using, you know, two countries being on the brink of war to pressure banks which are private institutions about what kind of investment decisions they might make?

KEITH PITT: Not at all. I've been absolutely consistent on this matter. I've had those discussions with the CEOs before. I'll say it again, I'll say it today and I'll say it tomorrow – that this is an incredibly strong sector. It provides employment to over a million Australians. It's got a very strong future, and we would, of course, want Australian financiers to support, particularly Australian companies and the jobs of over a million Australians.

JOURNALIST: But those kind of institutions answer to their shareholders, not to the Australian Government.

ANGUS TAYLOR: I think what the current situation highlights is the importance of investing in a full range of natural resources. We're investing heavily in solar in this country. But we have extraordinary natural gas resources as well and the world needs that as part of the transition that's going on. We're investing in it and we think that's an important part of the energy mix and will be for many years to come.

JOURNALIST: You mentioned seven spot containers earlier. Is that sort of the scale you're thinking about for this kind of situation if we were called upon?

KEITH PITT: Look, that was just the advice of what was delivered in December. I'm sure there would have been more through January, but that's the most current number I have.

JOURNALIST: If we do open up our gas supply on a large scale are we also opening up ourselves to any backlash from Russia as well, do you think?

ANGUS TAYLOR: Look, at the end of the day, we will always support our friends and allies with sensible commercial arrangements, and that's exactly what we're talking about here. As Keith said, there's been no official request, but we will stand by our allies. We do want to see Europe with a sensible, affordable, reliable supply of energy.

JOURNALIST: Just on another topic, if I can, the Central Land Council is also calling for Defence Forces to be called into the Northern Territory to sort of man checkpoints and provide assistance to deal with the COVID spread as well as targeted lockdowns. Will the government call in the troops?

ANGUS TAYLOR: The Northern Territory is with the National Party.

KEITH PITT: So there's been obviously discussions and ongoing discussions. And I'm sure the Minister for Health will have more to say on this matter. We always stand ready to provide support to the states and the territories in terms of the coronavirus. It's been running for quite some time, as we all know. We know that the challenges continue to change. They're different in each state and territory. But I'll let the Minister for Health provide detail.

JOURNALIST: And another question: the Australian Retail Association is also calling for the government to reduce isolation requirements to be extended to staff in that sector as well. Do you think that exemption should be broadened?

KEITH PITT: We've already provided exemptions for essential services around the country. I know there's a national cabinet meeting on right now, and I'm sure there'll be further discussions and other announcements to make. Now, as I said earlier, we will always stand ready to support all Australians right across the country no matter what state, no matter what territory, no matter what Premier, no matter what Chief Minister. It's a matter of what form that support takes. It is one that delivers the best outcome all Australians to ensure that they are safe, that they can work, that they can provide support for their families through their own income. And we do know we are looking to find our way through this current outbreak and I think that is being done quite successfully. There are some challenges; there is no doubt about that. There has been a loss of life which is tragic. But compared to other nations around the world, Australia is in a very, very much stronger position.

JOURNALIST: And just lastly, the Pharmacy Guild says that pharmacists are losing money under the Federal Government's concession card rapid antigen test scheme. Was fixed rebate short-sighted, and what do you think should be done instead?

KEITH PITT: Well, quite simply – and I'm sure Angus will add to this – for all of the aged pensioners who are out there, for those who are on concession cards, if it's a choice between buying food and being able to provide themselves an RAT test to give themselves confidence, particularly if they're unwell, then we're looking to provide that support.

ANGUS TAYLOR: We absolutely need to do the right thing by our pensioners, by those on concession cards and that's why we've put the rebate in place. I know pharmacists around the country are working extremely hard at the moment and doing a marvellous job, not just recently with testing, but also, of course, with vaccination. And I take my hat off to the hard work they and other health workers are doing around the country. And they are shouldering a big load and we ask them to continue to, but I'm sure they will, because that's exactly what

they do.

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