

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Department of Industry, Science, Energy and Resources
Inquiry into Offshore Petroleum and Greenhouse Gas Storage Amendment (Benefit to Australia) Bill 2020
18 June 2021

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, SCIENCE, ENERGY AND RESOURCES

TOPIC: Number of Retention Leases

REFERENCE: Question on Notice (Hansard, 18 June 2021, Page 13)

QUESTION No.: 1

Senator HANSON: Well, my information may be wrong, but I've got that, of the 82 retention leases, half of them are more than 20 years old.

Mr Waters: I don't believe that's correct. I do have some information on that.

Senator HANSON: Can you find out the correct information for me?

Mr Waters: Yes.

Senator HANSON: These are just retention leases. They're not being worked at all, are they?

Mr Waters: Four are retention leases. There is a work program applicable.

Senator HANSON: But they're not utilising them; they're not actually extracting or producing.

Mr Waters: They're not producing—correct. In fact, it would be illegal for them to produce at that stage. A retention lease is for a specific purpose that does not include production.

Senator HANSON: How many of them are over 30 years old?

Mr Waters: Let me answer the question with the data I have. Forty-two of the 81 are in their initial five-year term—that is, 52 per cent. Thirty of them are either in their first or second renewal periods.

CHAIR: So that's effectively five to 10 years?

Mr Waters: Between five and 15.

Senator HANSON: Thirty are between five and 15 years?

Mr Waters: Yes. I will clarify this for you on notice, but I suspect the leases you're referring to are in fact no longer retention leases. They are in fact production licences. These are in the Scarborough, and they were converted from retention to production in December last year.

CHAIR: Perhaps on notice, could you get back to the committee with how many retention leases are over 30 years old, if any.

Mr Waters: Certainly. I'm happy to do that.

ANSWER

As at 21 June 2021, according to the NEATS website, there are currently 81 active petroleum retention leases in Commonwealth waters. No leases have been active for 30 years or more. Thirty-three leases are in their first or second renewal terms.