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## Gas Reservation must deliver for Australian manufacturing

Please attribute to:

Ben Eade, Chief Executive Officer, Manufacturing Australia

The Federal Government's promise of east coast gas reservation is a welcome and important milestone for Australian manufacturing. Now it needs to deliver.

Five previous Federal Governments rejected gas reservation, to the detriment of manufacturing jobs, investment and competitiveness. By confronting past policy mistakes and charting a path to fixing them, the Albanese Government can instead show they mean what they say about supporting manufacturing.

The Government is backing a winner here. 73% of Australians support gas reservation and 85% support measures to lower gas prices for manufacturers. All other gas-rich nations have policies that prioritise local customers, while Australia has been a global outlier. Today's announcement rightly signals that domestic customers are just as important as international customers, and we need to strike a better balance.

But the hard work starts now. To be effective, reservation must materially reduce local gas prices. Price is what matters, and right now Australia's gas prices are wildly uncompetitive by global standards.

Gas reservation of 25% should be the centrepiece of reform, but it cannot be the only measure.

We need complementary policies to improve competition and transparency in a highly concentrated and opaque market, supported by robust monitoring of gas supply and pricing.

We need to speed up approvals and investment in gas production, transport and storage infrastructure. And critically, we need to see Australia's gas exports industry meet and increase its "net contribution" to the domestic market, both as individual companies and on an industry-wide basis.

The government should also re-consider a price mechanism for trade-exposed commercial and industrial gas customers. Pricing mechanisms exist elsewhere in Australia's energy market where market power drives unreasonably high prices. They're justified here too.

The Government has shown political courage to commit to gas reservation. It's in the national interest to stay the course and deliver meaningful reform in 2026.

Media contact: <u>0406641881</u>

