



**HON ALAN CARPENTER MLA
PREMIER OF WESTERN AUSTRALIA
APEC GAS FORUM (APGAS)
HYATT HOTEL, PERTH
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- **It's a pleasure to welcome to Perth so many guests from the 21 country members of APEC for this third APGAS Forum.**
- **I'd like to begin by acknowledging:**
 - **The Hon Ian Macfarlane, Minister for Industry, Tourism and Resources; and**
 - **His Excellency Mr Viset Choopiban, Minister for Energy from Thailand; and**
 - **Mr Joseph Kelliher, Chairman of the US Federal Energy Regulatory Authority**
 - **Ladies and Gentleman**
- **I believe these occasions give us an opportunity to build on the relationships that have been formed in previous successful forums, and to develop favourable new relationships for the future.**
- **The Forum gives us an opportunity to collaborate on constructive ideas to promote the energy solutions that will underpin the growth of the APEC region.**
- **It's clear to see that the APEC region is of major significance - global importance.**
- **APEC accounts for 40 per cent of the world's population; 48 per cent of its trade; and more than half (56 per cent) of its GDP.**
- **Importantly since APEC was established, it has accounted for around 70 per cent of global economic growth.**
- **Economic growth and development requires energy and power.**
- **In short growth needs energy; and if we're to achieve sustainable economic development, gas has to be a central component of the energy that will build successful economies.**

- **We're all aware of the challenges that confront us in obtaining the required energy:**
 - **Security of supply of energy and associated price spikes;**
 - **Gaining access to reliable long-term supplies of gas as countries move quickly to lock in supplies and diversify their energy sources; and**
 - **The challenge of growing economies with more environmentally friendly forms of energy such as gas to minimise adverse environmental impacts.**

- **I believe that given the speed of economic growth in the APEC region, we have to act quickly and decisively in a number of areas:**
 - **We need a region-wide consensus across APEC countries – involving governments, industry and the community – that gas is the energy of choice for development;**
 - **We then have to give practical experience to that understanding by creating the necessary financial, regulatory, legal and physical infrastructure to make it happen; and**
 - **As this growing trust, transparency and confidence in the future of gas materialises into demand, we need to open investment regimes so that the gas discovery-to-delivery timeframes are shortened and profitable investment opportunities at every stage of development are created for all to share.**

- **Creating secure sources of competitively priced energy through efficient infrastructure networks is one of the most important building blocks to a sustainable APEC region with high living standards and a rising quality of life.**

- **With Perth now the permanent host of APGAS forums, I see that as a great honour for our city – and that honour brings a responsibility for us in Western Australia to work hard to ensure successful outcomes from these Forums.**

- **Western Australia is already a great energy state; and it's going to be much more significant in future.**

- **We account for 70 per cent of Australia's oil production and 66 per cent of its gas output.**

- **For over a decade our petroleum sector has grown by 13% per year, and last year's production was worth close to \$14 billion dollars, of which almost one third was LNG.**

- **But with 80 per cent of Australia's gas reserves – around 120 trillion cubic feet – Western Australia's position as an energy state is about to move to a significantly higher threshold.**
- **The State's current LNG capacity is 11.7 million tonnes per annum –we're looking to lift that to more than 50 million tonnes per annum by 2015 – a five fold increase in less than a decade.**
- **The ever-increasing thirst for energy to power economic development will feed the global demand for LNG. However it's not the only factor.**
- **Another factor behind our expanding LNG sector is a proven record for cost competitiveness and reliability that's hard to beat anywhere in the world.**

We've got:

- **Competitively priced gas;**
 - **A skilled and productive workforce;**
 - **Politically stable government across all three tiers of local, state and federal government;**
 - **Supportive government policies in areas like approvals and infrastructure;**
 - **A growing base for research and development; and**
 - **World-class resources, with the potential for more major new discoveries.**
- **Western Australia has got a tremendous opportunity to develop as one of the great centres of the world's petroleum industry.**
 - **In the course of building that global reputation, we want to see Western Australia at the forefront of the gas industry – developing exploration techniques; production technology; research and development; and gas processing industries.**
 - **The State Government is investing in the necessary infrastructure for such development through an \$18 billion dollar capital works program.**
 - **With Federal Government support we can work together on infrastructure to maximise the huge potential our country has.**
 - **The issue of gas for Western Australian domestic use is also important.**
 - **This State like our trading partners is keen to ensure that we have long term energy security.**
 - **We have had a long standing policy of reserving some gas for our own use and this policy will continue.**

- **We are working with industry to ensure this policy provides security to the domestic market, but flexibility for the companies involved.**
- **It is important to stress that State Government has, and will, continue to be a strong supporter of the LNG export industry.**
- **All Western Australian Premiers since Sir Charles Court have pro-actively worked in the region to promote our excellent LNG industry.**
- **In recent months, I have visited China, Japan and Korea - firstly to celebrate the initial shipment of LNG to China, and then to continue to promote our LNG to the Japanese and Korean markets. I have also visited California to promote our LNG as an energy supply source for that powerful economy.**
- **A great example of how Western Australia is investing to encourage the development of these abundant resources is the Australian Marine Complex.**
- **Just south of Perth, an Australian Marine Complex has been established to cater for the huge growth in the State's shipbuilding, defence and engineering fabrication for major projects in the resources sector.**
- **It's one of the most exciting maritime industry clusters in the Asia Pacific region and a growing centre of excellence for manufacturing, fabrication, assembly, technology, repair and maintenance for the offshore petroleum industry.**
- **It's a relatively new development, but two offshore petroleum platforms have been assembled at the AMC and are now in operation on the North West Shelf and a third platform has been exported.**
- **The Western Australian Government is considering supporting the creation of a specialised sub-sea cluster at the Australian Marine Complex and we're working with the petroleum industry to that end.**
- **Fabrication work at the AMC is complemented by the growing research and development capabilities in petroleum in Western Australia.**
- **We're also focusing on the necessary research and development to do things more innovatively and to get more value from own abundant natural resources.**
- **Chevron's announcement last night of Perth as the location for its Energy Technology Centre is testament to the opportunities available here in this city.**

- I congratulate Chevron for its investment in the Centre, and the full complement of its 100 new employees will add weight to the Government's goal of diversifying the economic base and encouraging innovation.
- I appreciate the involvement of the California-Western Australia Business Forum and the Western Australian Trade Office in Los Angeles in this project.
- BHP Billiton has recently opened their Perth Technology Centre in Bentley and I encourage other companies to establish such facilities here in Perth.
- The Western Australian Government is also a partner in the Western Australian Energy Research Alliance.
- This is a cooperative partnership between the Commonwealth Government's main science organisation, the CSIRO; two of the State's leading universities; and major petroleum companies like Chevron and Woodside.
- The Energy Research Alliance is at the forefront of some technological frontiers – such as accessing 'stranded' gas reserves in remote and challenging conditions and developing solutions to the challenges of carbon dioxide sequestration.
- I want to see Perth to be a major global hub for petroleum technology and innovation.
- I'm enthusiastic about the prospects for the gas industry in Western Australia.
- There are numerous attractive investment opportunities opening up here and there's a tremendous need for gas right now throughout the Asia Pacific region.
- I hope that these forums can help to secure mutually beneficial outcomes that promote the economic, social and environmental performance of the wider region.
- We can take forward the ideas raised and recommendations developed here in Perth to the next meeting of the APEC Energy Ministers in May 2007.
- This is an exciting opportunity for our region; and I hope it's a great success for all participants.

Ends.