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Member:	Ms MARTIN (Chief Minister)
Other Speakers:	Mr BURKE
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Ms MARTIN (Chief Minister): Madam Speaker, I would like to report to the House on what has been happening over the Territory's work that is being done in relation to Timor Sea Gas and getting that gas most importantly onshore, both for the Territory and for the benefits it brings to the country. I do not think anyone needs persuasion in this parliament, or in the Territory generally, about why we need that gas onshore, it certainly is critical in diversifying our economy. It will, for the Territory, reduce our dependence on Canberra and it will enable us to fund more effectively the Territory's key priorities, key priorities in areas like health and education, and it gives us the potential to become Australia's fourth gas hub.

The Timor Sea is an impressive resource, and the current challenge for producers is to match the huge reserves, those 22 currently identified TCFs in the Timor Sea, with customers. Our challenge – that is the challenge for the Territory, for this government, for TeamNT, has been to encourage the producers to find these customers onshore and maximise the benefits to the Territory and the country.

I know that everyone in here was very encouraged by the decision that was taken by the joint venture partners to review the domestic gas case. It is a very important initiative and one that means that it gives the Territory an opportunity to identify those gas customers, working in conjunction with Shell Woodside and Phillips - a real opportunity. One of the partners in the Sunrise field, Phillips, and ourselves have always believed that there are customers onshore for the gas. Now Woodside and Shell have said that, if they are there at the right price to make the project work, then they will support gas from Greater Sunrise coming onshore. I am convinced that the review which is now occurring, will be taking place with integrity. The partners have advised that we will have an answer by October.

I want to bring everyone up to date about what we have been doing since this parliament last sat. During the period 17 to 29 May, I sent my most senior officials to visit producers, potential customers, and senior officials in the Commonwealth government. These visits were enlightening and reinforced my government's position that there is a sound case for the domestic market for Sunrise gas.

On 5 June, the government made a presentation and gave briefings to Warwick Parer, the head of the COAC Energy Review Committee. We provided a very comprehensive case in the need for a unified national energy policy that acknowledges and incorporates energy security and supply as being vital to the national interest. The Commonwealth has a major role to play in ensuring that energy supply is secured for the benefit of Australia; the supply of gas from Sunrise being an integral part of such a policy.

It is now time for customers to take advantage of the window of opportunity presented to them, and my officers have spent much effort in encouraging them to do so. In fact, I and the Resources minister, met with a group of potential customers this morning to emphasise that message. From that meeting I'm even more convinced of our case, and have agreed with them that the Northern Territory government will help facilitate a more proactive approach to the process of review that we are now in. They clearly need gas for major project developments in the Territory, to help diversify southern supply and keep a cap on prices through competition. Bayu-Undan is coming onshore to produce LNG, and only awaits the ratification of the treaty

with East Timor.

Prime Minister John Howard and Prime Minister Dr Mari Alkatiri of East Timor signed the Timor Sea Treaty in Dili last month on 20 May. The treaty will now have to be ratified by both countries and to cover the period required for this process, an exchange of diplomatic notes was also made on 20 May. Australia is proceeding with its ratification process, which must pass through both Houses of parliament. We were advised at SEAOCC yesterday that this process will commence on 25 June. The unitisation of the Sunrise field, which Australia wants to be part of the treaty package, was not finalised in time for the treaty signing on 20 May. Therefore, both governments also signed a memorandum of understanding with respect to unitisation. This provides for the negotiations to be completed by no later than 31 December this year.

Other fields in the Timor Sea are also being promoted with the Bonaparte Gulf based on Woodside's Blacktip, and Santos' strategy to develop its resources, taking a high profile. In summary, Bayu-Undan is proceeding well and I have confidence that the process commenced by the Sunrise partners has a good chance of seeing gas onshore for industrial development. I have to tell this parliament that gas from Timor Sea is getting very close.

Mr BURKE (Opposition Leader): Madam Speaker, I thank the Chief Minister for her statement. I was hoping to hear some comments on some of the issues that are nearer, rather than further away. We all agree that Timor Sea gas coming onshore is most important for the Northern Territory, and I applaud the efforts of the government in that regard. I'd like to get - and I believe Territorians need - a better definition of what we talk about when we talk about Timor Sea gas. Are we talking about Bayu-Undan and therefore Timor Sea gas coming onshore? No, we are not; we are talking about the other fields. I believe Bayu-Undan is progressing well, as the Chief Minister has said, but I would have hoped that she could give some indication of the issue with regards to the maritime boundaries: the fact that Dr Alkatiri said that's still on the agenda; that the Commonwealth government, I understand, will not ratify the treaty regarding Bayu-Undan until the issue of maritime boundaries with Sunrise is settled. What is happening with regard to settling that particular issue in the time frame that Phillips themselves have called for?

We have looming environmental problems with regards to the Middle Arm locality. There are those who want an assurance from government that no other facility will be built at Middle Arm other than the Phillips LNG plant. I believe the government should give that assurance absolutely; it is something that they were strong about in opposition. It is an easy thing to do. I have concerns about environmental issues with regards to a 10 000 000 tonne LNG plant as opposed to what was approved – a 3 000 000 tonne LNG plant at Middle Arm. I believe that the government should be far more forthright in explaining to Territorians the difference between those two proposals.

The Chief Minister quickly mentioned issues with regards to progress in the Bonaparte Basin. What is happening in the Bonaparte Basin? What is happening with regards to bringing Black Tip gas onshore? What are the markets proposed for Black Tip, and will we see progress on this issue?

I raise these issues not in criticism, but if we are going to report on Timor Sea gas developments, let's get some detail on the table.

Ms MARTIN (Chief Minister): Madam Speaker, it is very disappointing to hear the negative attitude of the Leader of the Opposition.

Ms Carter: Asking questions. That's all.

Ms MARTIN: I would ask the member for Port Darwin to keep her remarks to herself, thank you.

It would have been good to see the Leader of the Opposition at SEAAOC yesterday. There was a very confident statement from the federal government about Bayu-Undan progressing well. The ratification of the important treaty between Australia and East Timor is progressing well. That confidence was shared by the 300 or so people who were at SEAOCC.

As far as Wickham Point goes, to listen to the hypocrisy that is now being mouthed by the Leader of the Opposition about Wickham Point and the plans that the Leader of the Opposition, when he was in government, had for Wickham Point…

Mr Burke: What are your plans?

Ms MARTIN: It's all very well to stand in here and be hypocritical. Let's see a much more constructive approach.