



PRIME MINISTER

STATEMENT BY THE PRIME MINISTER, THE HON PJ KEATING MP

GAS REFORM TASK FORCE

I am pleased to announce today that Mr Ric Charlton, the former Chairman and CEO of Shell Australia, has agreed to chair the Gas Reform Task Force which is being created to oversee the implementation of reform in the national gas industry.

The Task Force will include a senior representative from the Commonwealth and each participating State and Territory and an independent project team to provide it with the necessary support.

It will be required to consult closely all relevant interested parties, including all sectors of the industry and users, environmental interests, consumers and unions.

This means that the Task Force, through Mr Charlton, will provide stakeholders in the gas industry with a direct involvement in the gas industry reform process.

Their involvement will be vitally important to ensuring that the arrangements implemented for the natural gas industry are technically, commercially and environmentally sensible.

The historic agreement on national competition policy reform reached in April this year set the framework for guiding competition reform across all industries.

It is now essential to ensure these reforms are implemented in key areas, such as the natural gas industry.

The first activity of the Task Force will be to produce a scoping report which identifies the actions required to implement the Council of Australian Governments' agreement to achieve free and fair trade in natural gas by 1 July 1996.

These actions would be in light of the related reform processes underway, including: the national competition policy reforms, specific reforms undertaken by the States, Territories and the Commonwealth, and the industry's own initiatives.

Part of this task will be to consider the extent of national coordination that is appropriate for the implementation of gas industry reform.

As well as large economic benefits, micro-economic reform in the natural gas industry will promote switching to gas from other fossil fuels and will therefore contribute significantly to reductions in greenhouse gas emissions.

The Government's *One Nation* initiatives recently resulted in the opening of the standard gauge railway line between Melbourne and Adelaide, linking for the first time Brisbane, Sydney, Melbourne, Adelaide and Perth via a common rail gauge. Through a consistent approach to reform in key areas, such as the natural gas industry, Australian governments are now in a position to ensure that these "rail gauge" problems do not re-emerge elsewhere.

CANBERRA
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