Adam Giles
Chief Minister of the Northern Territory

Onshore oil and gas: building a social licence

18 November 2015

The Northern Territory Government today announced a range of measures to address community concerns about onshore oil and gas development.

Chief Minister Adam Giles said the Government had listened to community concerns and has responded with a range of measures to ensure onshore oil and gas activities, particularly hydraulic fracturing, can occur safely and responsibly.

“The Government has listened to concerns about where drilling can occur and the Government has listened to concerns about water,” Mr Giles said.

“We have responded with a range of measures to address these concerns. Separately, the Government has announced today a new regulatory regime for environmental assessment and approvals that will deliver a more robust and transparent system.

“The onshore gas industry needs to earn its social license from the community by building trust, operating transparently and talking to people on the land. The Government needs to reassure the community that it has the right regulatory settings to manage the industry,” Mr Giles said.

The Government announced today a clear articulation where oil and gas activities can be conducted.

Mr Giles said the government will not grant titles in residential areas as they are not considered as being compatible with oil and gas exploration or development.

“This process resolves the potential issue of defining specific areas that may have people treated differently depending on which side of an arbitrary line their property sits,” he said.

The Northern Territory Government will not grant acreage release and exploration permits where there is a land use conflict, based on the following criteria:

Urban living areas including rural residential areas – where land is not zoned, but the land use is consistent with these purposes, oil and gas activities will not be permitted

- Areas of intensive agriculture – the Department of Mines and Energy will assess the compatibility of land use, however oil and gas activities will not take place on areas such as melon farms, mango orchards and aquaculture operations.
Areas of high ecological value – as determined through the NT’s robust environmental assessment process

Areas of cultural significance as advised by the Aboriginal Areas Protection Authority – there is no change for Aboriginal land under the Aboriginal Land Rights or Native Title Acts

Areas that include assets of strategic importance to nearby residential areas – including areas with high potential for other uses such as tourism related development around Bitter Springs at Mataranka

The Government has also decided that mining and petroleum activities will now be the subject of the Water Act.

The impacts of mining and petroleum activities on water resources have always been managed and closely regulated by the Department of Mines and Energy.

However the Water Act, which regulates the allocation, use and management of water resources across all industries in the Northern Territory, does not apply to oil and gas activities.

“Today the Government has announced its intention to remove the exemption in the Water Act relating to oil and gas activities. This will further strengthen the management and protection of the Territory’s water resources,” Mr Giles said.

“These measures the Government has announced today are the result of us listening to Territorians and coming up with ways to address their concerns while still allowing a vital industry to continue to grow, provide jobs and reduce the nation’s reliance on coal as an energy source.”

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