



Summary of the 2005 PIRSA Petroleum Industry Survey – regulatory and promotional results

EM Alexander and TB Cotton

Report Book 2005/13



Government of South Australia
Primary Industries and Resources SA

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2005 PIRSA PETROLEUM INDUSTRY SURVEY – REGULATORY AND PROMOTIONAL RESULTS

EM Alexander and TB Cotton

ABSTRACT

A consultant to PIRSA interviewed 43 national and international upstream petroleum industry personnel who represented companies with an interest in SA from February-March 2005. The aims of the survey were to measure the Petroleum Group's performance in promoting and regulating the petroleum exploration and production industry in SA as well as customer service. Information gathered will be used to improve performance. These aims are consistent with those of previous surveys in 1996, 1999 and 2001 and the survey format was designed to ensure that key performance trends over time can be followed. PIRSA remains the only upstream petroleum agency to conduct regular industry surveys and publish results. This summary focuses on regulatory and promotional performance.

PIRSA's performance was rated against comparable Commonwealth and State petroleum agencies. New Zealand Crown Minerals was included for the first time. In general the Group rated very well, again being perceived as the best overall in Australia. Petroleum Group staff are also perceived as the best in all aspects of interaction with the industry (regulation, promotion, data and service quality). A common theme from the *ad hoc* comments was that PIRSA is appreciated mostly for the attitude of staff, and for its supportive flexible, practical industry focus, compared to similar organisations within Australia. While the overall performance was generally well regarded, there were a few respondents who for the first time consistently gave PIRSA low ratings.

This survey is the first since the Petroleum Act 2000 and the Petroleum Regulations 2000 were proclaimed on 25 September 2000, and is therefore the first 'test' of industry's experience of this new cutting edge legislative regime, since the 2001 survey. Key tenets of the new legislative framework are practicality, transparency and flexibility, and the industry response to questions on the regulatory regime would appear to indicate that these aims have generally been achieved. Negative views were expressed by a minority relating to the increased costs of compliance – the transfer of compliance costs to the licensee from the agency was implicit in the legislation.

The survey is also the first to test SA's approach to Native Title land access issues since 2001, as evidenced by the Right To Negotiate agreements successfully concluded for 29 Petroleum Exploration Licence areas in the Cooper and Officer Basins. Positive feedback was received about the timeframe and content of agreements in the SA Cooper Basin, compared to other States. Concerns were raised by some respondents about PIRSA focus on the Cooper Basin and delays in progressing agreements in frontier basins. Right to negotiate processes for areas that were the subject of competitive work program bidding are always instigated so soon as practical. PIRSA remains prepared to recommend the instigation of Right to Negotiate processes where over-the-counter applicants guaranteed a material work program and demonstrate a willingness and capacity to cover relevant costs.

The survey also gathered feedback on PIRSA products and services and the website, the results of which will be used internally to make improvements where necessary. Industry perceptions of basin prospectivity and critical uncertainties will be incorporated into plans for future PIRSA basin study projects.

The Petroleum Group management team and staff will review all survey results and formulate appropriate responses through the Petroleum Group Strategic Plan and Branch work plans. The next Petroleum Industry Survey is due in 2007, and the survey document will be refined in the interim to improve usability for the consultant and industry representatives and enhance the clarity of results.

SURVEY METHODOLOGY

The survey was carried out between February and March 2005, by an Adelaide-based petroleum consultant, Mr Steve Mackie. The survey aimed to interview at least 30 industry personnel to attain a statistically valid sample and good cross section of the industry. Respondents were questioned to gain an indication of their perceptions of PIRSA Petroleum Group's:

- promotional and regulatory performance, and
- products and services.

Information was also gathered on their perceptions of the petroleum prospectivity of the sedimentary basins in SA and which exploration uncertainties were critical.

Both Australian and international industry representatives were interviewed. Interviewees were treated anonymously (i.e. PIRSA did not expect to know who was interviewed, or what their individual responses were), as it was felt that this would elicit the most honest and candid responses. Participants were invited to give their name and contact details, if particular issues or enquiries required follow up. Most interviews were conducted face to face, with overseas interviews being conducted over the telephone.

The first petroleum industry survey was conducted by Mr Peter Austin in 1994, but the questions in that survey are not easily compared to later surveys. Similar methodology and questions have been used since 1996 when Mr Gerry Carne conducted the survey and 1999 when it was run by Mr Jack Mulready. The survey questionnaire was revised by Sharon Wibrow, Australian Bureau of Statistics prior to the 2001 survey and there is now a basis for comparison over the last nine years and trends are emerging in these data (Morton; 1996, 2000, 2001). The survey was further modified this year by PIRSA Petroleum Group to include more detailed questions on the website and new promotional products. Further improvements are planned prior to the 2007 survey.

The purpose of this summary report is to present the survey results pertaining to the regulatory and promotional performance of PIRSA and comparable agencies in other States, the Commonwealth and New Zealand. These agencies are:

- Commonwealth – Geoscience Australia and Department of Industry, Tourism and Resources;
- International – Crown Minerals, New Zealand;
- Interstate – Minerals and Energy Group Northern Territory Department of Business, Industry and Resource Development; Queensland Department of Natural Resources and Mines; Mineral Resources Tasmania Department of Infrastructure, Energy and Resources; Victorian Department of Primary Industries, Western Australian Department of Industry and Resources.

It is recommended that this document is read while referring to the Survey Questionnaire (App. 1) to ensure full understanding of the results for each question.

CHARACTERISTICS OF RESPONDENTS (QUESTIONS 1 TO 12)

COMPANY PROFILES

In total, 56 companies were approached to participate in the survey, of which 13 (23%) either declined to participate or did not respond. Of the remaining 43 participants, 39 (93%) were interviewed face-to-face and 3 (7%) by telephone interviews. The foci of companies surveyed were:

Petroleum	32
Geothermal	4
Pipeline	2
Coal seam methane (CSM)	3
CO ₂	1

Of the companies surveyed, 81% had participated in SA petroleum exploration licences since June 2001, and 75% were operators of tenements in SA. The majority of companies (95%) indicated that they would either continue, or would consider, participating in SA licenses in the near future. A total of 5% indicated they would not.

The respondents were asked to characterise their company position and over half were exploration managers (either with a geological or geophysical background):

Responsibilities	%
Exploration Manager (Geologist)	38
Exploration Manager (Geophysicist)	21
Engineering Manager	12
Non Technical Manager (e.g. CEO or Managing Director)	26
Agent-Consultant	2

Location

The geographical location of the industry representatives were as follows (2001 survey results in brackets):

Perth	9 (7)
Adelaide	10 (7)
Melbourne	4 (4)
Sydney	8 (3)
Brisbane	7 (5)
International (all USA)	5 (4)

Previous SA experience

The proportion of respondents that had participated in SA petroleum licences in the last two years (i.e. since February 2003) was 77%. Of those, 71% (i.e. 55% of total respondents) participated as operators in SA, the remainder as partners.

Approximate annual expenditure on petroleum exploration in Australia by respondents

The average estimated annual expenditure on petroleum exploration in Australia for 40 of the respondents was \$9.37 million (down from \$13.8 million in 2001). In total, the respondents spend \$375 million per year (up from \$344 million in 2001) on Australian petroleum exploration. The budget distribution was as follows (2001 survey results in brackets):

Total Australian exploration budget (A\$)	%
<10 million	75 (73)
>10 million <100 million	25 (3)
>100 million	0 (7)

OVERALL PERFORMANCE (QUESTIONS 13 TO 16)

The interviewees were asked how they rated the overall performance of PIRSA in managing the petroleum industry (Q.13), and then how PIRSA compares to other similar state and government organisations (Q.14).

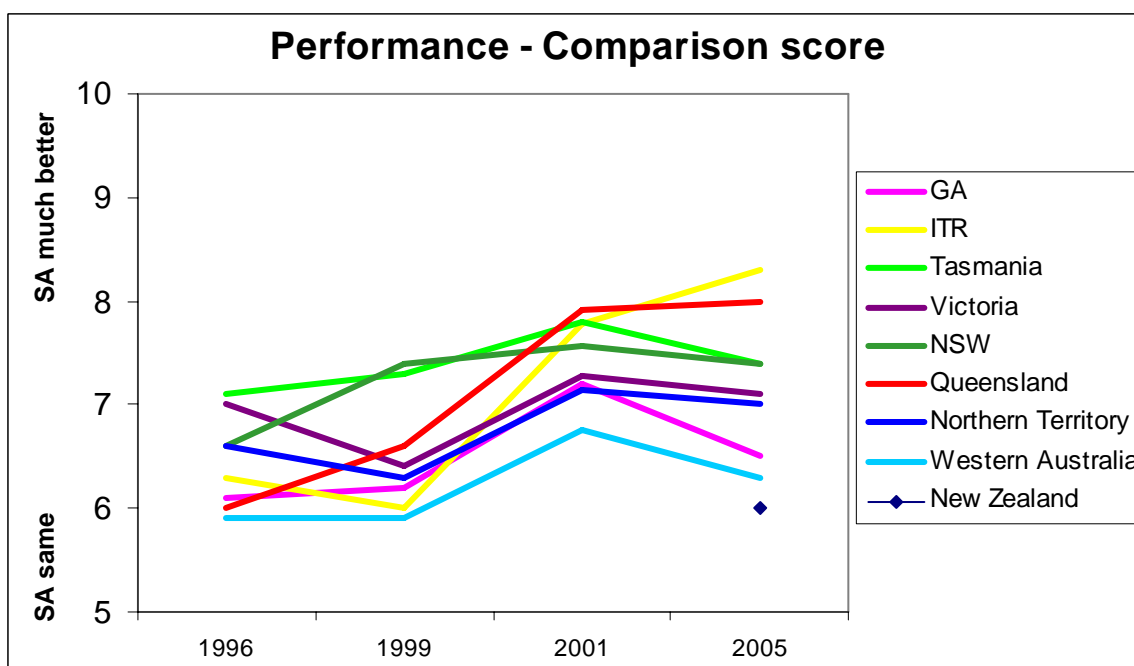
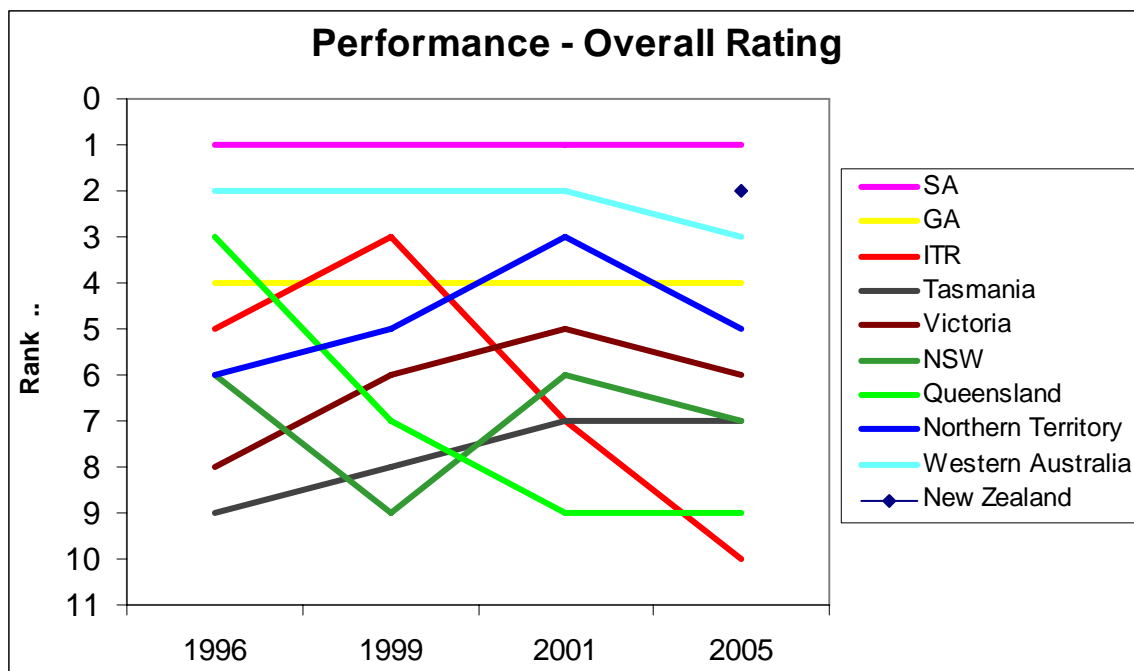
For PIRSA, a score of 10 = excellent performance, 5 = average performance, 1 = very poor performance.

For comparing the other organisations, a score of 10 = PIRSA performs much better, 5 = same performance, 1 = PIRSA performs much worse.

Score	Q. 13 PIRSA	Other organisations, % of respondents (Q. 14)								
		GA	DITR	TAS.	VIC.	NSW	QLD	NT	WA	NZ
1										
2						13%			6%	
3	2%					5%				
4		9%					5%		6%	25%
5		9%				5%	5%	27%	6%	
6	2%	27%		20%	21%		5%	9%	25%	50%
7	28%	45%	25%	20%	37%	13%	15%	27%	38%	
8	28%		50%	60%	11%	50%	30%	9%	19%	25%
9	23%				16%	25%	25%	27%		
10	16%	9%	25%		5%		15%			
Total no. of respondents	43	11	4	5	19	8	20	11	16	4
% >6	95%	55%	100%	80%	68%	88%	85%	64%	56%	25%
Average score	8.1	6.5	8.3	7.4	7.1	7.4	8.0	7.0	6.3	6.0
Rank	1	4	10	7	6	7	9	5	3	2

* PIRSA has been ranked number 1 because all average scores from Question 14) indicate PIRSA performance was ranked better than all other organisations (i.e. a score ≥ 6). The other rankings are derived from ranking lowest to highest average scores, with the highest score indicating that PIRSA performed much better than that organisation.

Comparison with previous surveys



Conclusions

PIRSA, Qld, Victoria and WA attracted the greatest number of respondents (>16). Although PIRSA maintains number one ranking with most respondents rating the organisation as the same or better than others, a number of respondents rated PIRSA performance as the same or worse than other organisations (i.e. score <5, see table), which has not occurred before. PIRSA was however rated 'much better' than GA, DITR, Qld and Victoria (i.e. score >9). New Zealand's first appearance is at number two (4 respondents), at the expense of WA, however WA and Geoscience Australia continue to be rated similar or only slightly below SA's performance. ITR has shown a steady decline in overall rating, while Queensland's rating decline over the last few surveys has stabilised.

REGULATORY ROLE (QUESTIONS 17 TO 26)

APPROACH TO PETROLEUM REGULATION

The interviewees were asked how they rated PIRSA in regulating petroleum exploration and development activities, and how PIRSA compared to the performance of similar state and Commonwealth organisations with whom they had experience. Of the companies surveyed, 81% had participated in SA petroleum exploration licences since June 2001, and 75% were operators of tenements in SA. This indicates that the majority of respondents will have experienced PIRSA's regulatory determinations.

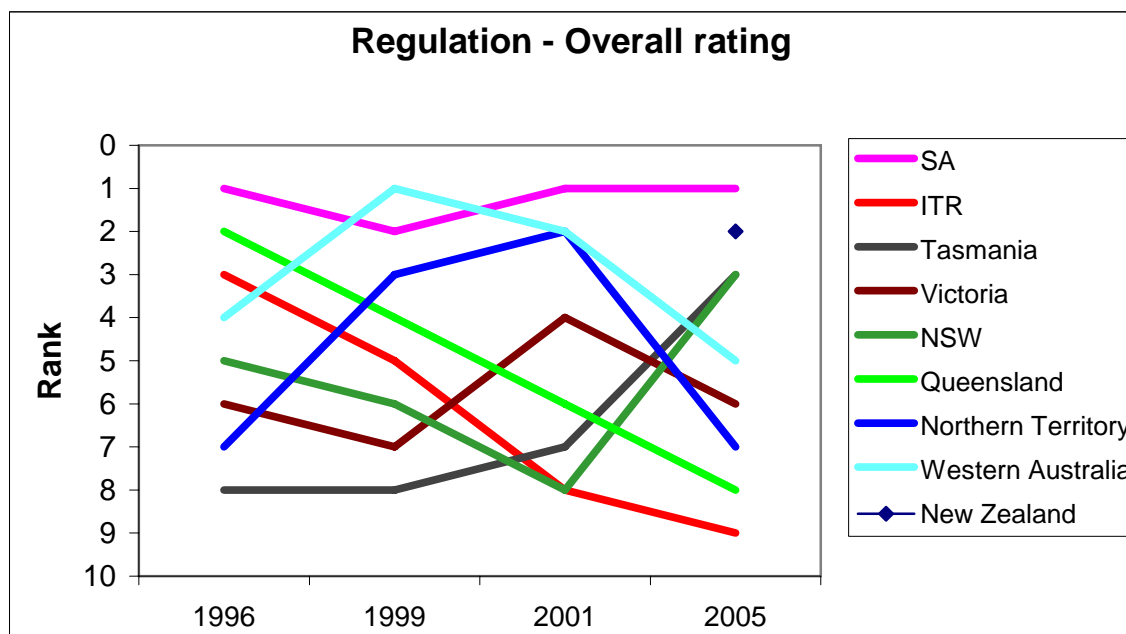
For PIRSA, a score of 10 = excellent performance, 5 = average performance, 1 = very poor performance.

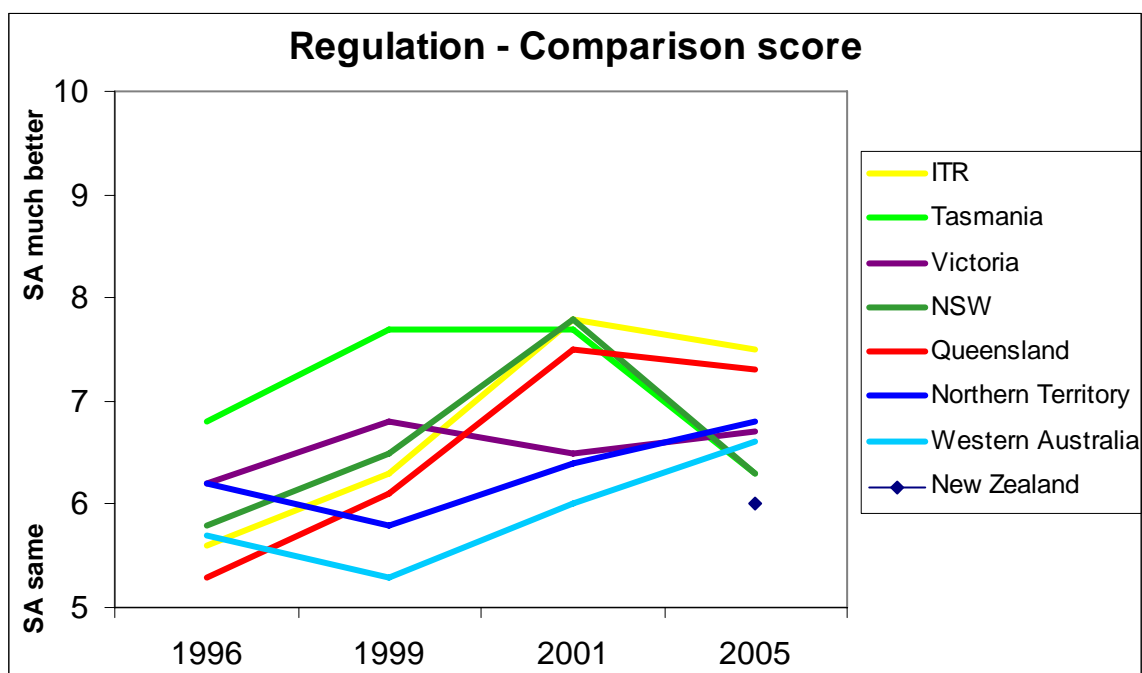
For comparing the other organisations, a score of 10 = PIRSA performs much better, 5 = same performance, 1 = PIRSA performs much worse.

Score	(Q. 18)	% of respondents (Q. 19)							
	PIRSA	DITR	TAS.	VIC.	NSW	QLD	NT	WA	NZ
1	3%								
2									
3	3%								
4	3%			9%	33%			11%	33%
5	8%			9%		13%			
6	8%		75%	36%	33%		50%	33%	33%
7	30%	50%	25%	18%		7%	33%	33%	0%
8	22%	50%				27%		22%	33%
9	14%			27%	33%	33%	17%		
10	11%					7%			
Total no. of respondents	37	4	4	11	3	15	6	9	3
% >6	76%	100%	25%	45%	33%	73%	50%	56%	33%
Average score	7.2	7.5	6.3	6.7	6.3	7.3	6.8	6.6	6.0
Rank	1	9	3	6	3	8	7	5	2

* PIRSA has been ranked number 1 because all average scores from Question 19) indicate PIRSA performance was ranked better than all other organisations (i.e. a score ≥ 6). The other rankings are derived from ranking lowest to highest average scores, with the highest score indicating that PIRSA performed much better than that organisation.

Comparison with previous surveys





Conclusions

PIRSA, Victoria and Queensland again attracted the highest number of responses (>11). PIRSA's overall performance in regulating the petroleum industry is once again ranked first, however 24% of respondent have given PIRSA scores <5 (i.e. average to very poor performance). A majority of respondents (76%, compared with 75% in 2001) believe that PIRSA's performance is above average (i.e. score >6), and no respondents rated any other department's regulatory performance as better than SA. All other departments with the exception of Tasmania and NSW have recorded a slight decline in overall rating in the latest survey, however the spread is low (5-8 points) – overall ratings for Qld and ITR have been in decline since the first survey.

PERFORMANCE OF PIRSA REGULATORY ACTIVITIES

The interviewees were asked to rate the performance of PIRSA in conducting regulatory activities (i.e. policy of decisions, activity approvals etc.) in terms of consistency, flexibility, practicality, transparency, timeliness and compliance cost effectiveness.

A score of 10 = excellent performance, 5 = average performance, 1 = very poor performance.

Score	Performance criteria (PIRSA)					
	Consistency	Flexibility	Practicality	Transparency	Timeliness	Compliance cost
1					3%	
2						3%
3		3%	3%		3%	
4	3%	3%	3%		3%	14%
5	3%	5%	5%		5%	6%
6	16%	8%	14%	9%	3%	17%
7	32%	30%	22%	31%	5%	22%
8	13%	19%	19%	37%	41%	19%
9	26%	27%	22%	11%	27%	8%
10	6%	5%	14%	11%	11%	11%
Total no. of respondents	31	37	37	35	37	36
% >6	75%	81%	77%	88%	85%	60%
Average score	7.2	7.2	7.4	7.5	7.8	6.9

Comments

The majority rated PIRSA's regulatory performance above average to excellent, however a number rated PIRSA from average to poor. These respondents were asked which activities they had in mind when assigning scores, and 11 responded. Eight were referring to experiences with either licence grant or compliance reporting requirements in answering Question 22:

Environmental objectives — 1

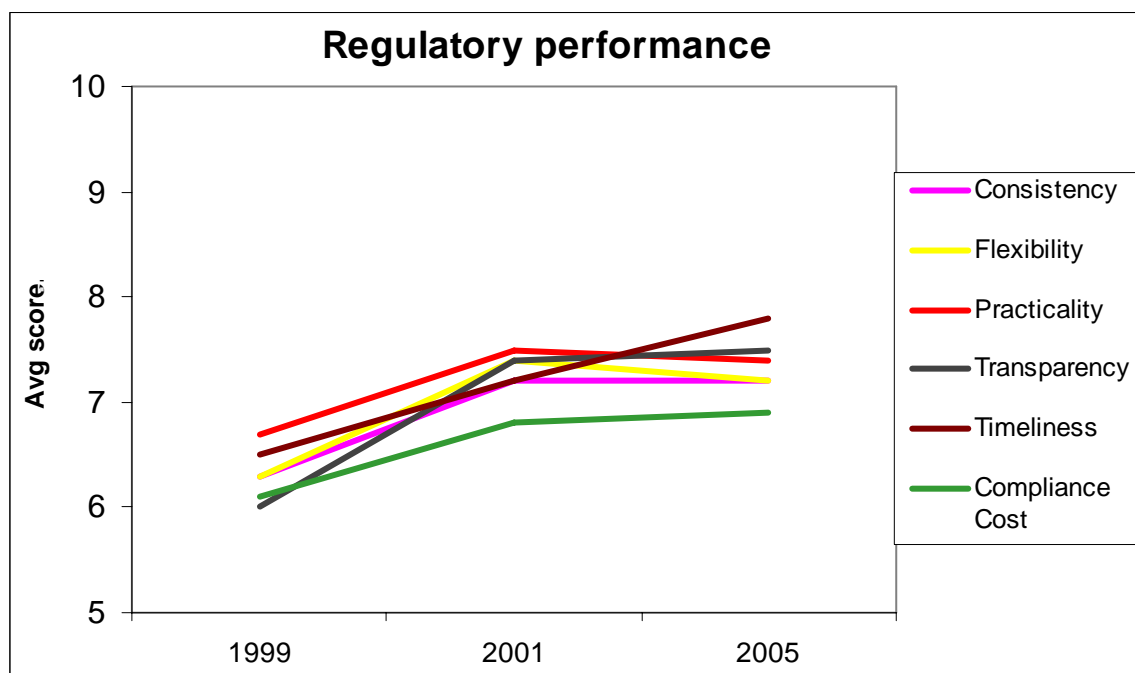
Operation approval — 1

Operation approval conditions — 1

Licence grant — 5

Compliance reporting requirements — 3

Comparison with previous surveys



Conclusions

The perception of the performance of PIRSA's approach to regulation is regarded well in most categories with scores >6. If the average scores from previous surveys are reviewed, the trends show steady improvement in perceptions of timeliness and modest improvement in terms of compliance cost. However, since the Petroleum Act 2000 was promulgated, there has been a slight decline in perceptions of practicality, flexibility, transparency and consistency.

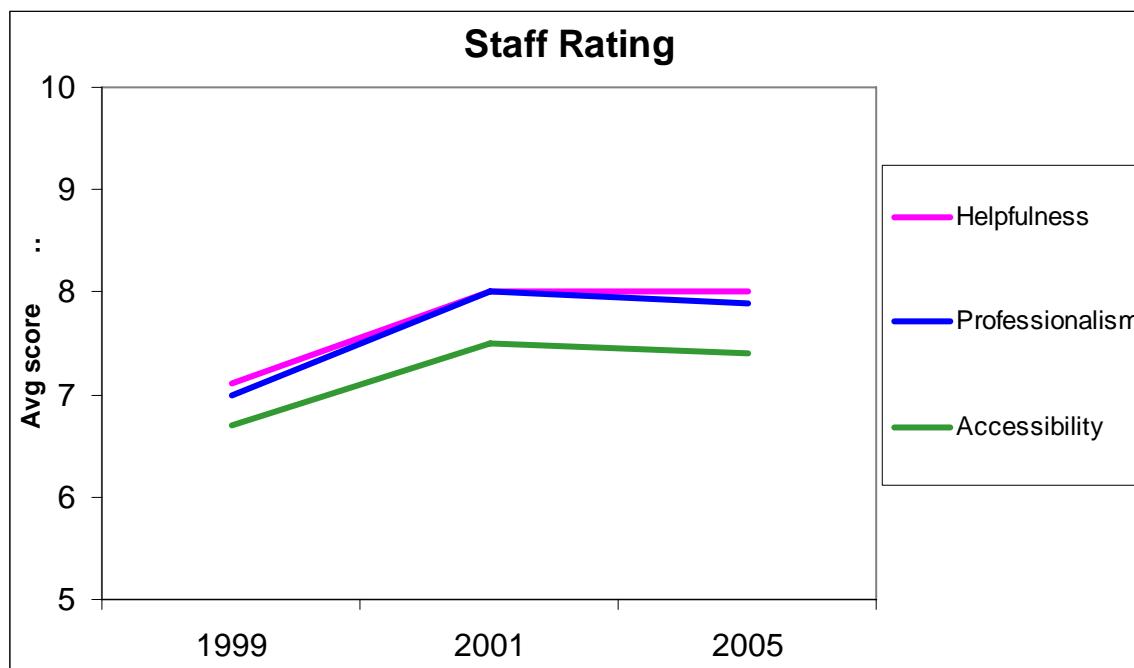
PERFORMANCE OF PIRSA REGULATORY STAFF

The respondents were asked how they rated PIRSA's Petroleum Group staff for helpfulness, professionalism and accessibility in regard to regulatory advice and approvals.

A score of 10 = excellent performance, 5 = average performance, 1 = very poor performance.

Score	Performance criteria (PIRSA)		
	Helpfulness	Professionalism	Accessibility
1			
2			
3	3%	3%	
4			
5	3%	3%	
6	3%	8%	19%
7	16%	16%	16%
8	43%	38%	32%
9	19%	22%	19%
10	14%	11%	14%
Total no. of respondents	37	37	37
% >6	92%	86%	81%
Average score	8.0	7.9	7.9

Comparison with previous surveys



Conclusions

The perception of the performance of PIRSA's regulatory staff is generally regarded very highly in all categories (scores >6), however there is a slight decline in perceptions of professionalism and accessibility. A minority (<19%) of respondents rated the performance of PIRSA staff as average to poor. More responses providing feedback on regulatory staff were recorded compared to the 2001 survey.

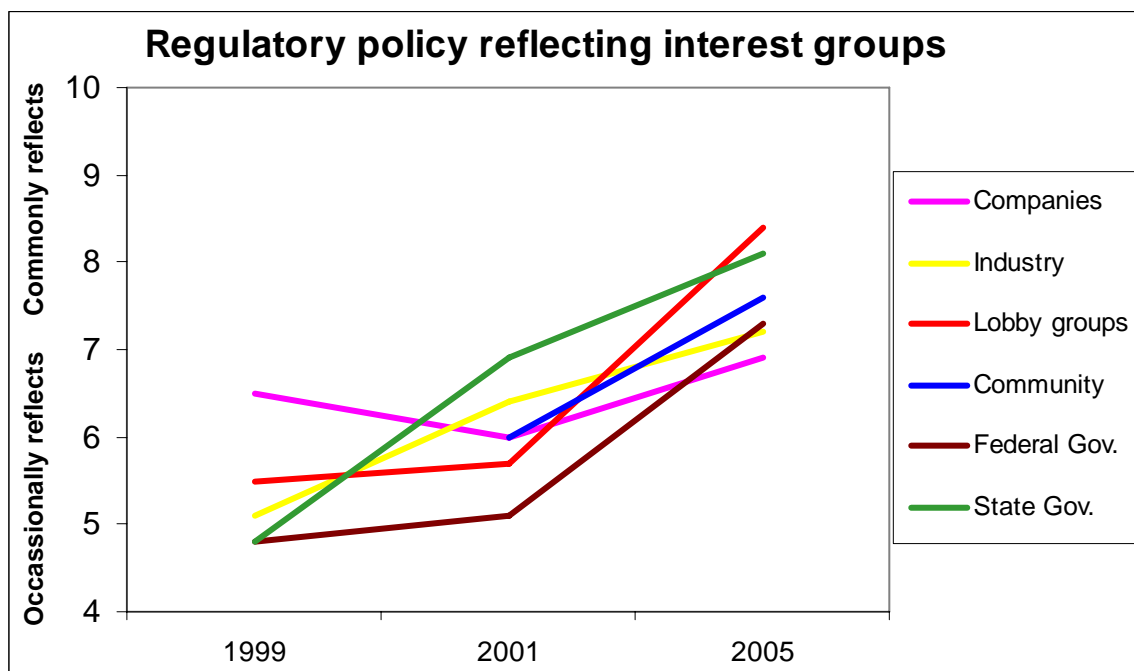
REGULATORY POLICY

The final question in the regulatory section asked respondents how often they considered that regulatory determinations exercised under the Petroleum Act reflected the interests of particular stakeholders. It is considered that good regulation should reflect the interests of a broad range of stakeholders.

A score of 10 = commonly reflects this groups interests, 5 = occasionally reflects this groups interests, 1 = never reflects this groups interests.

Score	Regulatory policy – PIRSA decisions reflect the interests of:						
	Individual companies	Industry as a whole	Lobby groups	Community as a whole	Federal government	State Government	Other
1							
2							
3	3%						
4		3%			6%		
5	11%	13%	3%	6%	9%	3%	
6	19%	13%	9%	18%	21%	11%	14%
7	33%	24%	9%	15%	12%	19%	
8	19%	29%	24%	29%	26%	27%	29%
9	14%	16%	32%	32%	24%	24%	29%
10		3%	24%		3%	16%	29%
Total no. of respondents	36	38	34	34	34	37	7
% >6	67%	71%	88%	76%	65%	86%	86%
Average score	6.9	7.2	8.4	7.6	7.3	8.1	8.6
Rank	7	6	2	4	5	3	1

Respondents noted that other stakeholders whose interests were represented included drilling contractors, lawyers, Native Title/Heritage, the Minister, SA Environmental Protection Authority, themselves.



Conclusions

The trends indicate that since 2001, respondents are perceiving PIRSA as favouring the interests of certain stakeholders in making regulatory determinations (scores in a range of 5–6 would indicate no particular group is favoured). In 2005, PIRSA’s determinations were seen to reflect the interests firstly of lobby groups, followed by the State Government and community. The interests of individual companies were ranked last – falling from first place in 1999, which was then related to concerns in the broader industry about the expiry of Santos Joint Venture PELs 5 & 6 in the Cooper Basin.

PROMOTIONAL ROLE (QUESTIONS 27 TO 40)

APPROACH TO PROMOTING PETROLEUM EXPLORATION INVESTMENT

The interviewees were asked how they rated the approach of PIRSA in promoting petroleum exploration investment opportunities.

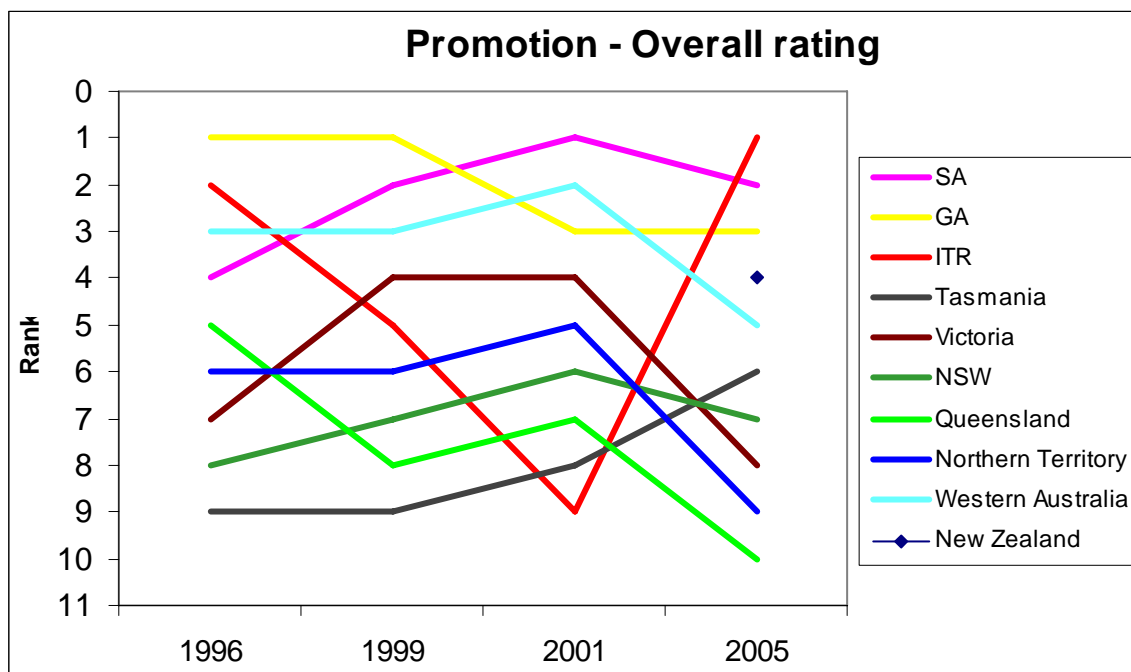
For PIRSA a score of 10 = excellent performance, 5 = average performance, 1 = very poor performance.

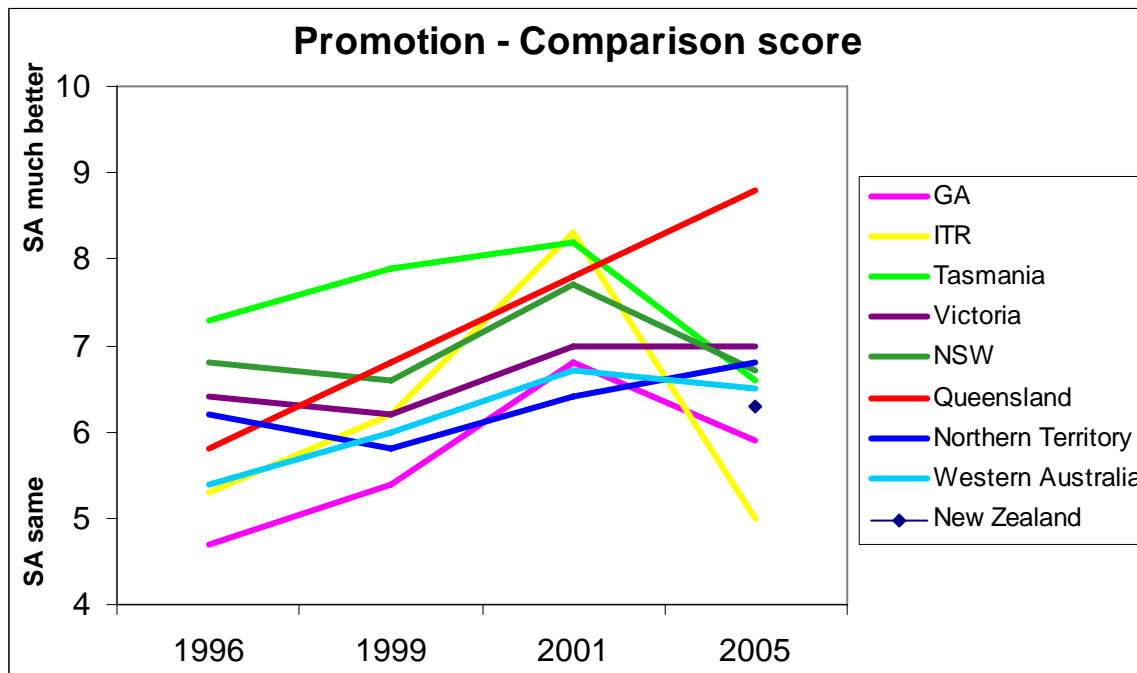
For comparing the other organisations, a score of 10 = PIRSA performs much better, 5 = same performance, 1 = PIRSA performs much worse.

Score	PIRSA Q. 27	GA	DITR	TAS.	VIC.	NSW Q. 28	QLD	NT	WA	NZ
1										
2										
3		9%								
4	3%		50%	20%	6%	29%			7%	25%
5	3%	27%			6%			10%	7%	
6	8%	27%	50%	20%	31%	14%	6%	20%	27%	50%
7	16%	27%		20%	25%	14%	6%	40%	53%	
8	34%	9%		40%	13%	14%	18%			
9	24%				6%	29%	41%	20%	7%	25%
10	13%				13%		29%	10%		
Total no. of respondents	38	11	2	5	16	7	17	10	15	4
% >6	87%	36%	0%	60%	56%	57%	94%	70%	60%	25%
Average score	8.0	5.9	5.0	6.6	7.0	6.7	8.8	7.3	6.5	6.3
Rank	1	3	1	6	8	7	10	9	5	4

* PIRSA has been ranked equal number 1 because DITR recorded a score =5.0. The other rankings are derived from ranking lowest to highest average scores, with the highest score indicating that PIRSA performed much better than that organisation.

Comparison with previous surveys





Conclusions

This survey, PIRSA ranked first with DITR (2 responses), however it attracted the most responses (38) and the majority (87%) scored the Group >6. Victoria, Queensland and WA attracted >15 responses. GA was ranked third followed by New Zealand. Perceptions of WA's and Victoria's promotional approach showed dramatic change relative to other States this year, despite positive comments about Victoria's VIMP reports throughout the survey. Queensland was rated the lowest, and this was reflected in comments from some respondents.

Based on comments received, PIRSA was seen as having more resources for promotional activities, had a good organisational culture, provided data efficiently and had a profile through promotions at APPEA, articles in PESA News etc.

PERFORMANCE OF PIRSA PROMOTIONAL STAFF

In regard to prospectivity advice over the last three years, the respondents were asked how they rated PIRSA Petroleum Group staff for helpfulness, professionalism and accessibility in regard to prospectivity advice.

A score of 10 = excellent performance, 5 = average performance, 1 = very poor performance.

Score	Performance criteria (PIRSA)		
	Helpfulness	Professionalism	Accessibility
1			
2			
3			
4			
5	3%	3%	3%
6			6%
7	15%	15%	29%
8	29%	44%	21%
9	41%	29%	32%
10	12%	9%	9%
Total no. of respondents	34	34	34
% >6	97%	97%	91%
Average score	8.4	8.2	8.0

Comparison with previous surveys



Conclusions

The performance of PIRSA's promotional staff is regarded very highly in all categories, and appears to be slightly improved from the previous survey. Only one of the 34 respondents (up from 24 respondents last year) ranked PIRSA <6, in common with the regulatory part of the survey however there are more scores >6 compared to previous years. Staff accessibility has dropped slightly, helpfulness and professionalism have slightly improved, but all were rated above average.

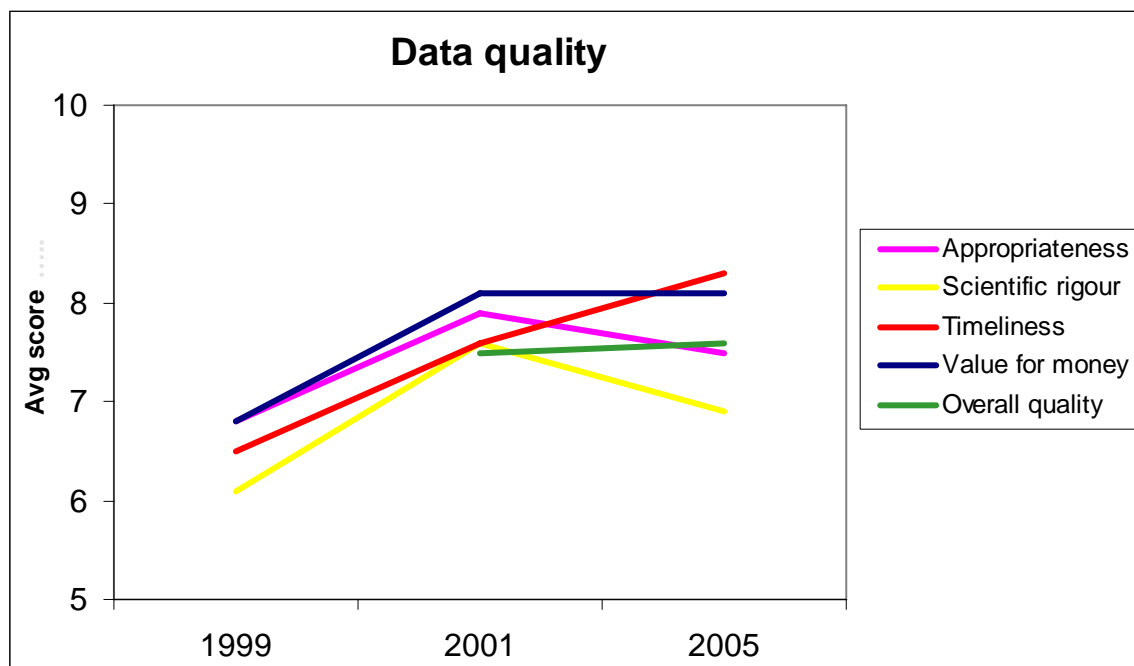
PIRSA PROMOTIONAL DATA

The respondents were asked how they rated PIRSA's prospectivity exploration data for appropriateness, scientific rigour, timeliness, value for money and overall data quality (Question 32).

A score of 10 = excellent, 5 = average, 1 = very poor.

Score	PIRSA Promotional Data				
	Appropriateness	Scientific rigour	Timeliness	Value for money	Overall data Quality
1					
2					
3		3%		3%	3%
4		3%			
5	16%	15%		3%	3%
6	5%	21%	5%	8%	14%
7	22%	21%	14%	24%	28%
8	30%	24%	38%	22%	19%
9	19%	6%	32%	14%	28%
10	8%	9%	11%	27%	6%
Total no. of respondents	37	34	37	37	36
% >6	78%	59%	95%	86%	81%
Average score	7.5	6.9	8.3	8.1	7.6

Comparison with previous surveys



Conclusions

PIRSA's prospectivity data appear to be generally well regarded by industry with all categories rated over 6, however in common with other areas, there were more responses <6 in this survey. Timeliness was rated most highly and has been steadily improving since 1999. Value for money was also highly rated. Overall data quality is scoring reasonably well at >7. The drop in appropriateness may be driven by a significant number of comments elsewhere in the survey that respondents now had their own databases or access to operator databases and did not require PIRSA data any more.

Scientific rigour has consistently been an area of concern and again scored worst of the data measure. In addition, a number of respondents made specific comments about this. It may reflect that some respondents wish to develop their own interpretations of basic data, rather than rely on government exploration concepts or interpretations.

Overall data quality is scoring reasonably well at >7.

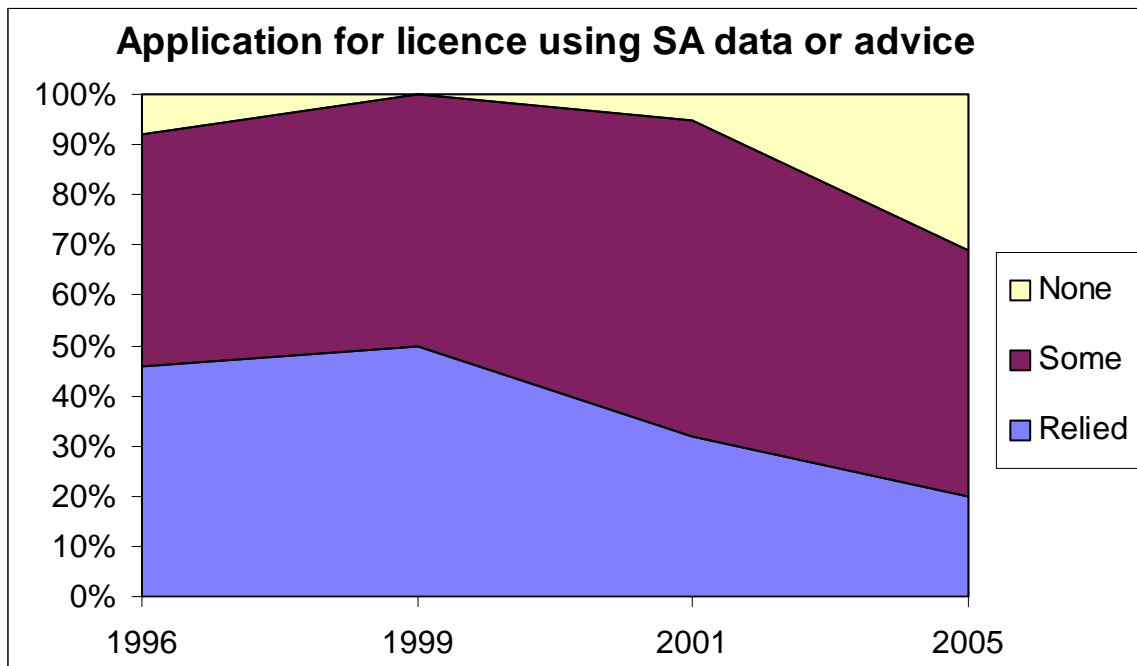
USE OF PIRSA DATA AND ADVICE FOR LICENCE APPLICATIONS

Respondents who had applied for an exploration licence in SA in the last two years were asked how much they believed that their application relied on data and advice supplied by PIRSA (Questions 33 and 34):

Relied on data and advice from PIRSA	8
Used some data and advice from PIRSA	19
Did not use data and advice from PIRSA	12

Comparison with previous surveys

Previous surveys in 1996 and 1999 asked a slightly different question: whether they relied on data and advice to 'substantial', 'supporting' or 'not at all' degree in making their application. For comparison, these have been equated to the 'relied on', 'used some' or 'none' categories above.



Conclusions

Since 2001, there have been 7 acreage releases with a total of 8 applicants (two did not attract any bids). Therefore a discrepancy exists between the number of actual applicants and the number of responses received for this question (39) – perhaps some respondents recalled applications for the three Cooper Basin releases in 1998-2000 or evaluated blocks but did not lodge applications? The authors recommend that this question is modified to ensure clarity in the next survey.

Regardless of the above, the proportion of the respondents who had applied for a licence in SA in the last two years, and believed that they had relied or used to some degree data and advice provided by PIRSA, shows a decrease.

COMPARISON OF DATA QUALITY

The respondents were asked how they compared prospectivity exploration data from the last two years from PIRSA with data from other government agencies (Question 35).

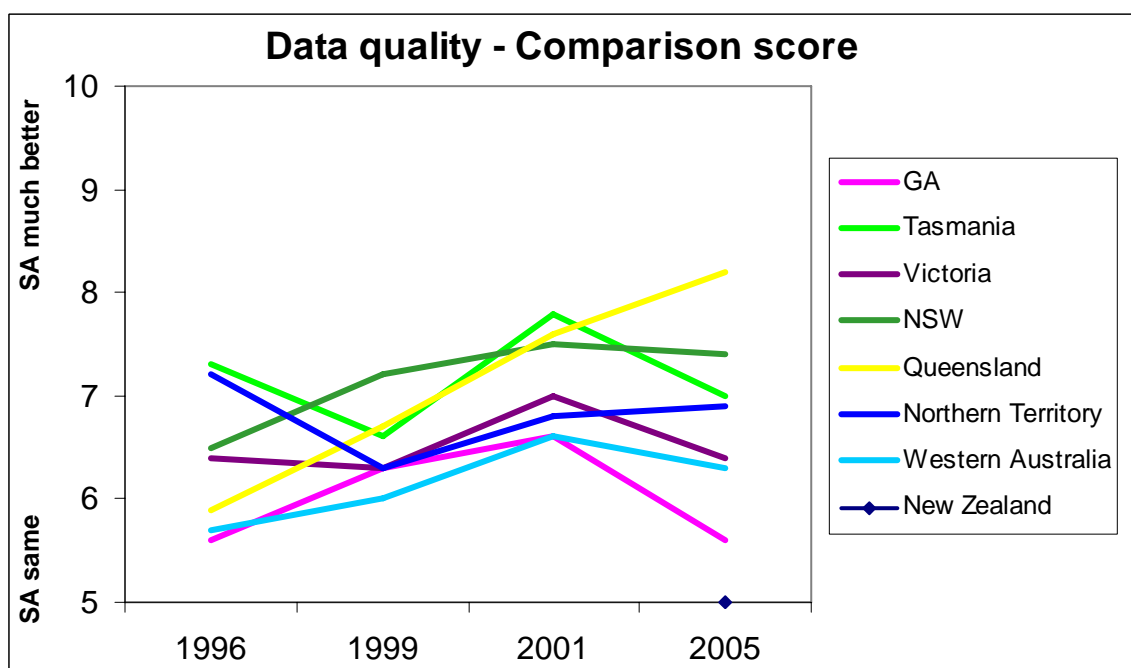
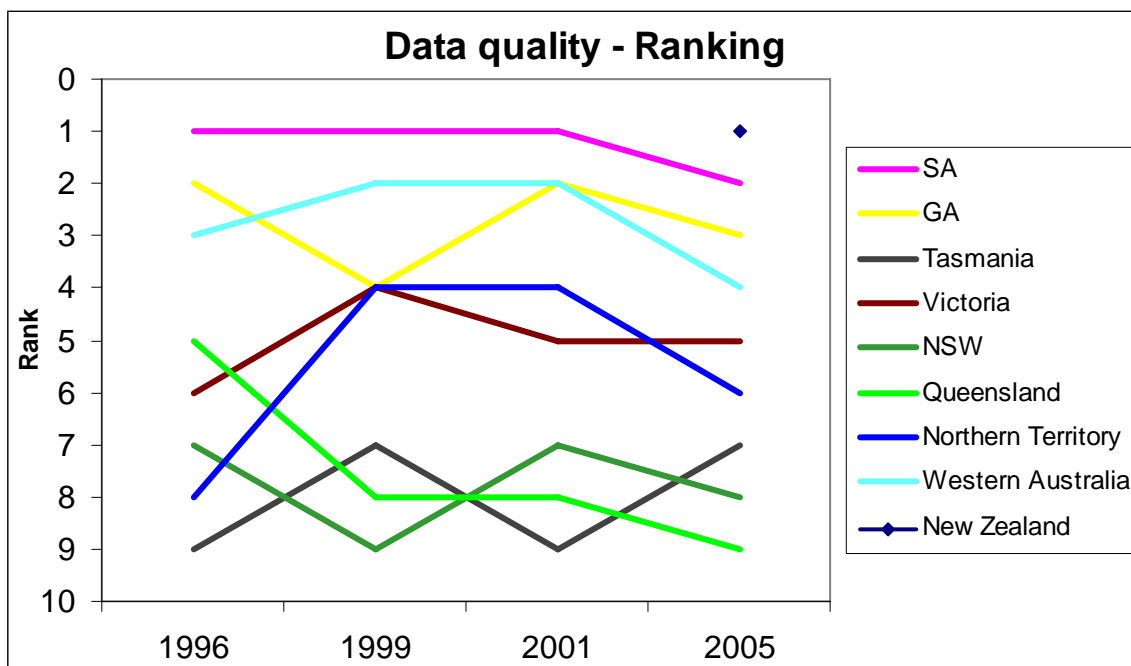
For PIRSA, overall data quality (Q 32) was scored as follows: 10 = excellent, 5 = average, 1 = very poor.

For the other organisations, a score of 10 = PIRSA performs much better, 5 = same performance, 1 = PIRSA performs much worse.

Score	PIRSA (Q 34)	GA	TAS.	VIC.	NSW	QLD	NT	WA	NZ
1									
2									
3	3%								
4		13%					13%		33%
5	3%	38%		29%	20%	6%	13%	20%	33%
6	14%	38%	50%	29%		6%	25%	40%	33%
7	28%		25%	29%	20%	12%	13%	30%	
8	19%	13%		7%	40%	29%	13%	10%	
9	28%		25%	7%	20%	35%	13%		
10	6%					12%	13%		
Total no. of respondents	36	8	4	14	5	17	8	10	3
% >6	81%	13%	50%	43%	80%	88%	50%	40%	0%
Average score	7.6	5.6	7.0	6.4	7.4	8.2	6.9	6.3	5.0
Rank	2	3	7	5	8	9	6	4	1

* PIRSA has been ranked number 2 because NZ recorded a score < 6. The other rankings are derived from ranking lowest to highest average scores, with the highest score indicating that PIRSA performed much better than that organisation.

Comparison with previous surveys



Conclusions

New Zealand was ranked first but with only 3 responses. SA fell to second place (36 respondents), followed by GA and WA, consistent with previous surveys. Victoria and Queensland again attracted the most responses, after PIRSA (14 and 17 respectively). Queensland has recorded a steady decline since 1996, all of the other States except for Victoria and Tasmania also showed declines. More states are now being rated between 5 and 7 so the differentiation with PIRSA data quality is reducing.

COMPARISON OF SERVICE QUALITY

The respondents were asked how they compared prospectivity exploration data delivery service from the last two years from PIRSA with service from other government agencies (Question 38).

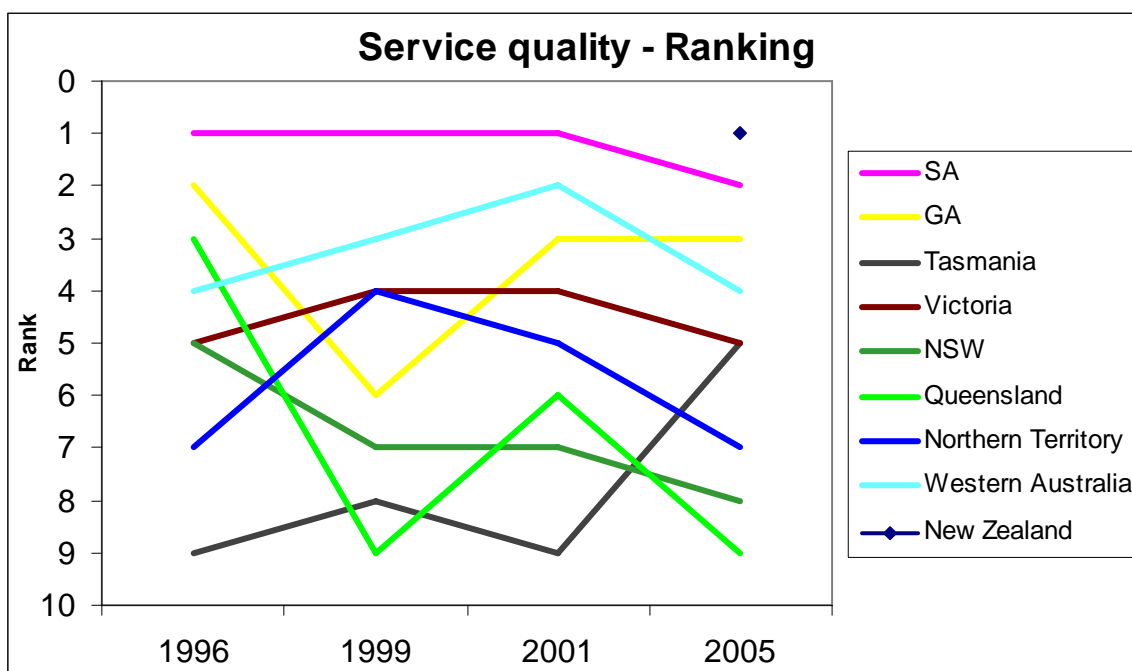
For PIRSA, service delivery (timeliness, Question 32) was scored as follows: 10 = excellent, 5 = average, 1 = very poor.

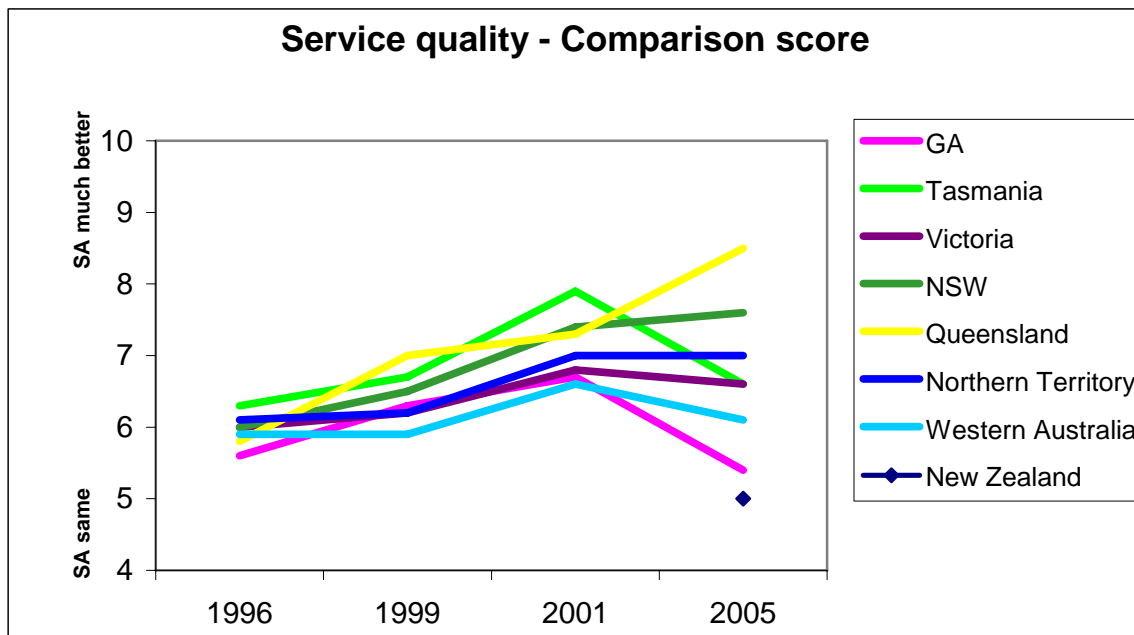
For the other organisations, a score of 10 = PIRSA performs much better, 5 = same performance, 1 = PIRSA performs much worse.

Score	PIRSA (Q. 32)	GA	TAS.	VIC.	NSW	QLD	NT	WA	NZ
1									
2									
3									
4		33%							33%
5		11%	20%	15%		6%	14%	27%	33%
6	5%	33%	20%	38%	20%	6%	14%	45%	33%
7	14%	22%	40%	31%	20%	6%	43%	18%	
8	38%		20%		40%	24%	14%	9%	
9	32%			15%	20%	35%	14%		
10	11%					24%			
Total no. of respondents	37	9	5	13	5	17	7	11	3
% >6	95%	22%	60%	46%	80%	88%	71%	27%	0%
Average score	8.3	5.4	6.6	6.6	7.6	8.5	7.0	6.1	5.0
Rank	2	3	5	5	8	9	7	4	1

* PIRSA has been ranked number 2 because NZ recorded a score < 6. The other rankings are derived from ranking lowest to highest average scores, with the highest score indicating that PIRSA performed much better than that organisation.

Comparison with previous surveys





Conclusions

SA has consistently ranked first in Australia for service quality in previous surveys, however this year New Zealand was ranked first but with only 3 responses. SA fell to second place (37 respondents), followed by GA and WA who have also historically been strong performers. Queensland and Victoria again attracted the highest response (>13) after PIRSA, although Queensland rated the lowest and attracted a number of negative comments about data provision and service. There is now a greater spread across other organisations relative to PIRSA with perceptions of the performance of all States except Tasmania (5 responses) dropping. Comments indicate that PIRSA is seen as properly resourcing data management and having good processes in place.

CONCLUSIONS

Biennial surveys of the upstream petroleum industry by an 'arm's length' consultant are a useful tool to gather feedback and measure PIRSA Petroleum Group's performance in promoting and regulating the petroleum exploration and production industry in SA and customer service quality. Information gathered is used to improve Group performance. Previous surveys were conducted in 1996, 1999 and 2001 and key performance trends over time are now becoming apparent. PIRSA remains the only upstream petroleum agency to conduct regular industry surveys.

The 2005 survey was well timed to measure industry's experience of two major new initiatives in the early 2000s:

- the Petroleum Act 2000 and Regulations, proclaimed on 25 September 2000; and
- SA's unique approach to Native Title which produced the first access agreements for the Cooper Basin in 2001.

PIRSA's performance was rated individually and against other Commonwealth and State petroleum agencies and in general rated highly. PIRSA was again perceived as the best overall in Australia. Petroleum Group staff were also rated best in all aspects of interaction with the industry (regulation, promotion, data and service quality). While the overall performance was generally well regarded, there were a few respondents who for the first time consistently gave PIRSA low ratings.

The Petroleum Group management team and staff will review survey results and formulate appropriate responses through the Petroleum Group Strategic Plan and Branch work plans. The next Petroleum Industry Survey is due in 2007, and the survey document will be refined in the interim to improve usability for the consultant and industry representatives and enhance the clarity of results.

APPENDIX 1 – INTERVIEW QUESTIONNAIRE

Petroleum Group 2004/5 Industry Survey

Interview Information

Type of interview	Face to face <input type="checkbox"/>
	Telephone <input type="checkbox"/>

Participant number	
--------------------	--

Date	/ /
------	-----

Reasons for collection

This survey of petroleum and geothermal companies is being conducted on behalf of PIRSA Petroleum Group by an independent industry consultant. Its purpose is to determine the effectiveness of PIRSA Petroleum's role in promotion of investment opportunities and will seek your perceptions of prospectivity of various South Australian basins. In addition, the survey will address some regulatory issues for those respondents who have direct regulatory experience with PIRSA Petroleum. The survey is being undertaken as a series of face-to-face interviews with senior personnel of Australian based companies, and as telephone interviews for overseas based companies.

The interviewer has been asked to particularly seek and record accurately any comments offered by interviewees in response to the questions asked.

PIRSA Petroleum aims to interview companies who have had an interest in SA in the last 3 years, or may have in the future. All existing licensees over the last 3 years will be approached to participate in the survey. In addition, some agents/consultants who are actively attracting companies to SA will be approached.

The interviewer will keep both the companies and people interviewed confidential from PIRSA Petroleum. However, you may wish to give your contact details to the interviewer to allow follow up by the department if you wish. PIRSA Petroleum has provided the interviewer with a contact list of licensees in SA over the last 3 years, and other companies which have shown an interest in SA in the last 3 years.

The interviewer will provide PIRSA Petroleum with the raw completed survey forms (minus identification details) and a summary of the geographic location of interviewees. PIRSA Petroleum will undertake the evaluation of the data. This report will be publicly available from PIRSA Petroleum by end of May 2005. Should you wish to access this report, please contact PIRSA Petroleum after this date.

Previous surveys can be found on the website (www.petroleum.pir.sa.gov.au) in the section entitled "About Us".

OPTIONAL

Company name	
--------------	--

Respondents name	
------------------	--

Address	
---------	--

Telephone number	()
------------------	-----

1 The first few questions are about you and your company.

(Interviewer: Show prompt card 1)

Which of these best describes your present responsibilities?

Tick one box only

- Exploration Manager (Geologist)..... 1
- Exploration Manager (Geophysicist) 2
- Engineering Manager 3
- Non technical Manager (e.g. C.E.O or managing director) 4
- Agent/Consultant 5
- Other *(Please specify)* 6

2 Sequence guide

If Q1 = 1, 2, 3, 4, 6 ► Go to Q 3
If Q1 = 5 ► Go to Q 9

3 Has your company participated in South Australian petroleum licences in the last 3 years, that is since June, 2001?

Yes ► Go to Q 4
No ► Go to Q 5

4 In what capacity has your company participated?

- Operator 1
- Non operator..... 2

5 Is it possible that your company will continue to/would consider participating in SA licences in the near future?

Yes ► Go to Q 6a
No ► Go to Q 6b

6 a What are the main reasons for considering investment in SA?

b What are the main reasons for not considering investment in SA?

7 What is your companies approximate annual expenditure on petroleum exploration in Australia?

Enter amount in millions \$,000,000

8 Sequence guide

If Q3 = 'No' and Q5 = 'No' ► Go to Q 78
Otherwise ► Go to Q 13

9 Have you acted for a company interested in South Australia in the last 3 years, that is since June, 2001?

Yes ► Go to Q 13
No ► Go to Q 10

10 Are you actively seeking companies who may consider participating in SA licences in the near future?

Yes ► Go to Q 13
No ► Go to Q 11

11 What could PIRSA Petroleum do to influence you in attracting companies to South Australia?

12 Sequence guide

► Go to Q 78

13 The next few questions are about the performance of PIRSA Petroleum and other similar organisations over the last 3 years.

(Interviewer: Show prompt card 2)

Looking at this rating scale, how would you rate PIRSA Petroleum's overall performance in managing the petroleum and geothermal industry?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know 11

14 (Interviewer: Show prompt card 3)

Thinking about overall performance in the last two years, how would you compare PIRSA Petroleum to

a Geoscience Australia?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

b Industry, Tourism and Resources?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

c Tasmania?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

d Victoria?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

e New South Wales?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

f Queensland?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

g Northern Territory?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

h Western Australia?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

i New Zealand (Crown Minerals)

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

15 Sequence guide

If any of Q 14 a-i = 1,2,3 ► Ask Q 16a
 If any of Q 14 a-i = 8,9,10 ► Ask Q 16b
 Otherwise ► Go to Q 17

16 a Why did you consider <interviewer state organisation(s)> to be much worse than PIRSA Petroleum?

b Why did you consider <interviewer state organisation(s)> to be much better than PIRSA Petroleum?

17 Have you had regulatory experience with PIRSA Petroleum in the last 3 years, that is since June 2001?

Yes ► Go to Q 18
 No ► Go to Q 25

18 (Interviewer: Show prompt card 2)

Looking at this rating scale and thinking about the last 3 years, how would you rate PIRSA Petroleum in regulating petroleum and geothermal exploration and development activities?

Very poor Average Excellent

 1 2 3 4 5 6 7 8 9 10
 Don't know 11

19 (Interviewer: Show prompt card 3)

Thinking about the regulation of petroleum and geothermal exploration and development in the last 3 years, how would you compare PIRSA Petroleum with

a Industry, Tourism and Resources?

Much worse The same Much better

 1 2 3 4 5 6 7 8 9 10
 Don't know/no experience 11

b Tasmania?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

c Victoria?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

d New South Wales?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

e Queensland?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

f Northern Territory?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

g Western Australia?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

h New Zealand (Crown Minerals)

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

20 Sequence guide

- If any of Q 19 a-h = 1,2,3 ▶ Ask Q 21a
- If any of Q 19 a-h = 8,9,10 ▶ Ask Q 21b
- Otherwise ▶ Go to Q 22

21 a Why did you consider <interviewer state organisation(s)> to be much worse than PIRSA Petroleum?

b Why did you consider <interviewer state organisation(s)> to be much better than PIRSA Petroleum?

22 (Interviewer: Show prompt card 2)

Thinking about the last 3 years, how would you rate PIRSA Petroleum's regulatory activities in terms of

a consistency?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

b flexibility?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

c practicality?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

d transparency?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

e timeliness/ responsiveness?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

f compliance cost effectiveness?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

23 Sequence guide

If any of Q 18 a-f less than 5 ► Go to Q 24

Otherwise ► Go to Q 25

24 (Interviewer: Show prompt card 4)

Which regulatory activities did you have in mind when answering the last question?

Tick one box only

- Environmental objectives.....a 1
- Operation approvalb 2
- Operation approval conditions.....c 3
- Licence grantd 4
- Compliance reporting requirementse 5
- Other (Please specify)f 6

25 (Interviewer: Show prompt card 2)

Thinking about regulatory advice and approvals during the last 3 years, how would you rate PIRSA Petroleum staff for

a helpfulness?

- Very poor Average Excellent
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

b professionalism?

- Very poor Average Excellent
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

c accessibility?

- Very poor Average Excellent
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

26 (Interviewer: Show prompt card 5)

Thinking about regulatory policy in general, how often do you think regulatory determinations exercised under the Petroleum Act reflect the interests of

a individual companies?

- Never Occasionally Commonly
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/ no experience 11

b the industry as a whole?

- Never Occasionally Commonly
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

c lobby groups?

- Never Occasionally Commonly
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

d the community as a whole?

- Never Occasionally Commonly
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

e Federal Government?

- Never Occasionally Commonly
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

f State Government?

- Never Occasionally Commonly
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

g other stakeholders (Please specify)?

(Interviewer: Enter the other stakeholders considered, as well as the rating given)

- Never Occasionally Commonly
-
- 1 2 3 4 5 6 7 8 9 10
- Don't know/no experience 11

27 The next few questions are about PIRSA Petroleum's promotional activities over the last 3 years.

(Interviewer: Show prompt card 2)

Looking at this rating scale, in general how would you rate PIRSA Petroleum in promoting petroleum exploration investment opportunities?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

28 (Interviewer: Show prompt card 3)

Thinking about the promotion of petroleum exploration investment opportunities in the last 3 years, how would you compare PIRSA Petroleum with

a Geoscience Australia?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

b Industry, Tourism and Resources?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

c Tasmania?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

d Victoria?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

e New South Wales?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

f Queensland?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

g Northern Territory?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

h Western Australia?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

i New Zealand? (Crown Minerals)

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

29 Sequence guide

If any of Q 28 a-i = 1,2,3 ▶ Ask Q 30a
If any of Q 28 a-i = 8,9,10 ▶ Ask Q 30b
Otherwise ▶ Go to Q 31

30 a Why did you consider <interviewer state organisation(s)> to be much worse than PIRSA Petroleum?

b Why did you consider <interviewer state organisation(s)> to be much better than PIRSA Petroleum?

31 (Interviewer: Show prompt card 2)

Thinking about prospectivity advice over the last 3 years, how would you rate PIRSA Petroleum staff for

a helpfulness?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

b professionalism?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

c accessibility?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

32 Thinking about prospectivity exploration data provided by PIRSA Petroleum to industry over the last 3 years, how would you rate PIRSA Petroleum data for

a appropriateness?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

b scientific rigour?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

c timeliness?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

d value for money?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

e overall data quality?

Very poor Average Excellent

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

33 Have you applied for a petroleum or geothermal exploration licence in South Australia in the last 3 years, that is since June 2001?

- Yes ► Go to Q 34
- No ► Go to Q 35

34 Did your application for this licence use data and/or advice supplied by PIRSA Petroleum? (Interviewer: If yes, prompt 'Did you rely on this?')

Yes, relied on data and advice from PIRSA Petroleum 1

Yes, used some data/advice 2

No, did not use data or advice from PIRSA Petroleum 3

35 (Interviewer: Show prompt card 3)

Thinking about prospectivity exploration data for the last 3 years, how would you compare PIRSA Petroleum data with data from

a Geoscience Australia

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

b Tasmania?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

c Victoria?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

d New South Wales?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

e Queensland?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

f Northern Territory?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

g Western Australia?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

h New Zealand (Crown Minerals)?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10

Don't know/no experience 11

36 Sequence guide

If any of Q 35 a-h = 1,2,3 ▶ Ask Q 37a

If any of Q 35 a-h = 8,9,10 ▶ Ask Q 37b

Otherwise ▶ Go to Q 38

37 a Why did you consider <interviewer state organisation(s)> to be much worse than PIRSA Petroleum?

b Why did you consider <interviewer state organisation(s)> to be much better than PIRSA Petroleum?

38 (Interviewer: Show prompt card 3)

Thinking now about prospectivity exploration data delivery service for the last 3 years, how would you compare PIRSA Petroleum data delivery services with

a Geoscience Australia?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10
Don't know/no experience 11

b Tasmania?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10
Don't know/no experience 11

c Victoria?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10
Don't know/no experience 11

d New South Wales?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10
Don't know/no experience 11

e Queensland?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10
Don't know/no experience 11

f Northern Territory?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10
Don't know/no experience 11

g Western Australia?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10
Don't know/no experience 11

h New Zealand (Crown Minerals)?

Much worse The same Much better

1 2 3 4 5 6 7 8 9 10
Don't know/no experience 11

39 Sequence guide

If any of Q 38 a-h = 1,2,3 ▶ Ask Q 40a

If any of Q 38 a-h = 8,9,10 ▶ Ask Q 40b

Otherwise ▶ Go to Q 41

40 a Why did you consider <interviewer state organisation(s)> to be much worse than PIRSA Petroleum?

b Why did you consider <interviewer state organisation(s)> to be much better than PIRSA Petroleum?

APPENDIX 2 – PROMPT CARDS

Prompt card 1

Exploration Manager (Geologist)

Exploration Manager (Geophysicist)

Engineering Manager

Non technical Manager (e.g. C.E.O or
managing director)

Agent/Consultant

Other (*Please specify*)

Prompt card 2

1 Very Poor

2

3 Poor

4

5

Average

6

7

8 Good

9

10 Excellent

Prompt card 3

1 Much worse

2

3 Worse

4

5

The same

6

7

8 Better

9

10 Much better

Prompt card 4

Environmental objectives

Operation approval

Operation approval conditions

Licence grant

Compliance reporting requirements

Other (*Please specify*)

Prompt card 5

1 Never

2

3

4

5

Occasionally

6

7

8

9

10 Commonly

Prompt card 6

www.agsp.gov.au

www.isr.gov.au

www.dier.tas.gov.au

www.nre.vic.gov.au

www.minerals.nsw.gov.au

www.dme.qld.gov.au

www.dme.nt.gov.au

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