

**Submission  
No 469**

## **INQUIRY INTO COAL SEAM GAS**

**Name:** Ms Pam Seccombe

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Committee Members  
General Purpose Standing Committee No. 5  
NSW Legislative Council

Dear Sir/s,

Thank you for the opportunity to provide initial comment on the environmental, economic and social impacts of coal seam gas mining in NSW. I am a resident, ratepayer and landholder in the Upper Hunter LGA. My property, which I bought in 1995 and moved to Feb 1997 is in PEL 452. I am yet to be approached by Santos or Dart Energy whose PEL it is.

May I ask that you regard my comments as initial ones at this point please. I have spent considerable amount of time over the past 4 – 6 months learning about the CSG industry. This included attendance at community and industry forums locally in the Hunter as well as in Sydney (the most recent of these just yesterday and Monday Sept 5 & 6 at the two day public forum on coal and coal seam gas organised by the UHSC in Scone); visits to the gas fields in NSW to see pilots around Gunnedah and Narrabri and in QLD to see operating wells and processing plants around Roma and Dalby; and to date many hours of desk research and reading. With the mass amount of information to absorb and integrate, I am yet making sense of the industry as a whole. I do however have some specific comments to make about the area in which I live, the Upper Hunter Shire.

I would like to start by relating a very old fable:

Aesop's fable: "the Goose and the Golden Egg" is the story of a poor farmer who one day visits the nest of his goose and finds at her side a glittering golden egg. Though he suspects it to be a trick, he decides to take it home, where he learns, to his delight, that the egg is actually pure gold. Every morning thereafter the farmer gathers one golden egg from the nest of the goose and soon becomes fabulously wealthy. As he grows rich, however, he also grows greedy and impatient with the output of the goose. Finally in an attempt to get at once all the gold in the goose, he kills and opens it, only to find nothing.

The moral of this fable I am sure you will agree has a very modern ring to it. True effectiveness is a function of two things: what is produced (the golden eggs) and the producing asset or the capacity to produce (the goose).

Like the foolish farmer, in Australia it seems we often emphasise short term results at the expense of long-term prosperity. Our capacity to produce (our land, our soil, our water, our climate) are indeed golden, particularly in the Upper Hunter at the top of the catchment for rivers that feed the mighty Hunter River.

What is produced is equally golden; champion thoroughbreds, world class performance horses, premium cattle, first class sheep, superior crops, natural beauty and heritage to attract new residents and to capture the elusive tourism dollar to name the most obvious ones. All of these are here in abundance in the Upper Hunter LGA and have been since the early 1830's. Yet it seems we may be prepared to kill our golden goose for the short term gain of an industry that won't be here in 20 – 30 years.

The overwhelming impression from the trip to Qld is one witnessing a massive "GAS RUSH" - an industry that is exploding (sometimes literally which is part of the problem!). Gas companies are falling over themselves to relentlessly grab land and mineral rights wherever they can – to fill the lucrative contracts in Japan, Korea, China. We are told 'Gas is good' – we need it to embrace renewal energy. Yet the gas - at least from the QLD gas fields - will be heading straight to Gladstone and on ships out of the country.

Yet coal and gas are not the only thing we export to Asia. Our horses from the Hunter, both thoroughbreds and performance horses, are increasingly being exported to Asia - China in particular - and this market for the first class horses of the Upper Hunter has only just begun. What will become of this industry if the Gas Rush is allowed to reach us?

One only has to take a short drive into the Muswellbrook Shire to see the magnitude of what unchecked coal mining can do to what was once an agriculturally productive LGA. And coal seam gas? This industry is on the march unchecked from Qld into the same (currently) pristine, agriculturally productive area of the Upper Hunter LGA.

Among the lessons learnt from the trip north is the size of the footprint required for fully fledged gas fields – one only has to fly over Chinchilla as we did to see the maze of wells, roads, evaporation ponds, processing units. This lesson was repeated and reinforced on the ground around Roma and Dalby. It is one thing to have these in the wide open spaces of Central Qld. I have no idea how you can drop such massive footprints into the intensive farming areas of the Hunter.

I am sure I don't have to remind you that the Hunter Valley is home to Australia's multi-billion dollar Thoroughbred Breeding Industry:

- Internationally recognised and acclaimed
- 1 of 3 International Centres of Thoroughbred Breeding Excellence
- Largest domestic producer of Thoroughbreds
- Largest exporter of Australian Thoroughbreds
- Largest supplier of premium Thoroughbreds at national sales
- 2<sup>nd</sup> largest concentration of Thoroughbred Studs in the world (behind Lexington Kentucky)
- 2<sup>nd</sup> largest Stud Book in the world
- Unique environment for producing Australian Champions
- Home to the most influential Breeders in the world

- Home to Australia's most sophisticated network of equine support industries
- Employer of thousands of people directly and indirectly in the region and supports hundreds of thousands of Australian jobs across its value chain nationally.
- \$5 billion to national economy; \$2.4 billion to NSW economy annually

Do I also need to remind you where our food and fibre comes from? The farming land to the west of Scone towards Merriwa is some of the best in the State, producing precious food and fibre for both local and overseas consumption. Money from coal mining or gas extraction might buy food but it can't buy food if there isn't any.

We are the driest continent on earth. Yet we are prepared to allow the relentless march of industries that have the potential to contaminate our waterways at best; denigrate our water supply; irrevocably impact our productive agricultural land; and cut the heart out of our prime industry and our local communities.

My question is when does enough become enough? What has to happen for us to wake up and see the rapid decline of agricultural land? The denigration of our water ways? Will we too follow in the footsteps of the short term thinking of the greedy farmer? What is our future after the coal and gas industries pack up and go home in 20 – 30 years time?

The Dept of Industry and Investment may well ask what the people of the Upper Hunter want. We are saying no to coal mining; many are saying no to coal seam gas; some have certainly said no to wind farms **in the wrong places**.

What we are unanimously saying yes to the protection of the precious assets we have; our rich agricultural industry; our state significant thoroughbred industry; our world famous horse industry. We are saying yes to protecting the one thing that makes us different to many other shires in the state; we don't have coal mines, we don't have coal seam gas mining (yet); we don't have power stations. We offer something very precious; a quality rural lifestyle PLUS significant, long term agricultural industries that will support our State – and Nation – years after the coal and gas companies have packed up and gone back to China, India, England, Brisbane, Sydney or wherever else they came.

We need to make significant change to the way we view ourselves and the world around us. This is not about mines and gas extraction vs horses; it is about the future and well-being of a pristine, extremely productive part of the world that supports industries that have been here for nearly 200 years.

So what do I ask you to consider as an acceptable way forward?

To quote the NSW Liberal-Nationals Strategic Regional Land use paper.

*“Strategic Land Use planning is the process that will be used for identifying and **defining land use priorities for different areas of land within a region**.... The process will identify the best place for agriculture, mining, coal seam gas extraction, viticulture, thoroughbred*

*breeding, conservation, urban development and all other types of land uses in regional areas”.*

When planning for future coal and gas mining, options other than ‘to mine it as fast as we can for the next 25 years then see what is happening’ need to be adopted.

The Upper Hunter LGA is the best place for agriculture, horse breeding (including the thoroughbred industry) and conservation. The total exclusion of coal mining and coal seam gas extraction in the Upper Hunter LGA - **ring fencing** referred to on page 4 of the policy document - needs to be put right around our LGA.

Recommendations for Action:

Listed below are my initial recommendations and I would like to add and revise this list as I continue my education and assessment of CSG and its environmental, social and economic impacts.

- Recognise the Hunter Valley’s Thoroughbred and Stock Horse Breeding Industries as industries of state significance
- Recognise the Horse industry as a major, **sustainable** contributor to the economy and the amenity of the Upper Hunter LGA
- Recognise the “Scone Horse Capital of Australia” brand that has been developed over 150 years and its clean and green image is a unique point of difference in attracting industry, tourism and residents to the Upper Hunter LGA
- Recognise that the cumulative effects of mining and resource extraction in the rest of the Hunter have pushed the area to a tipping point which if allowed to extend into the Upper Hunter will destroy the Horse industry here and cause the area to lose its unique identity
- Recognise that the science regarding the environmental and human health effects of coal seam gas extraction is currently inadequate
- Develop a sustainable land use plan for NSW – including recognition of the Upper Hunter LGA as an area of state significant industry that is exempt from coal seam gas extraction
- Reform NSW Mining policies and laws to respect Landholder property rights

In conclusion may I request - no in fact plead - for you not to take the path of the greedy farmer and think to the long term health and well being of our State.

Yours faithfully,  
Pam Seccombe