

**Submission
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INQUIRY INTO COAL SEAM GAS

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(Prepared by Terry Ryan, HOPE member)

COAL SEAM GAS INDUSTRY ON THE DARLING DOWNS

INTRODUCTION:

This paper reviews some of the issues associated with coal seam gas (CSG) extraction on the rich pasture and farmlands of the Darling Downs. The review gives paramount importance to triple bottom line reporting – economic, social and environmental considerations. However, as the economic views have already been comprehensively outlined by corporate and political interests, the emphasis is on social and environmental matters.

The announcement of the Surat Basin CSG proposal was given major coverage in the *Courier Mail* on Thursday 25 March 2010 with Queensland Premier Anna Bligh referring to it as “a historic day for Queensland”.

The carefully crafted news item supported by aerial photography, maps and diagrams emphasized the staggering benefits:

- A \$10 billion liquid natural gas (LNG) project at Curtis Island
- A 450 km pipeline from the Surat Basin to Gladstone
- Enough power to meet Queensland's needs for 40 years
- 8,500 new jobs
- \$800 million a year into the state's coffers from royalties.

Plenty of information about economic benefits, but scant reference to social and environmental impacts! You might have thought that as this massive proposal was taking place on one of the nation's premier food and fibre producing areas, a more balanced overview would have been presented, but it wasn't to be.

Fortunately, the community was quick to identify the obvious risks that attended the proposals and this has resulted in a fairly uncommon alliance of farmers, environmentalists, local councils and communities concerned about threats to strategic farmland.

Fortunate also, that the Commonwealth Minister for the Environment will have to sign off to the project before it can proceed.

The Commonwealth government has previously shown some courage in rejecting the Traveston Dam proposal on which the Queensland government had already expended millions of dollars on property acquisitions. The Commonwealth refusal must throw considerable doubt on the validity of the environmental impact assessment which made up part of the Queensland submission.

Any environmental impact assessment of the Surat Basin CSG project must be transparent, open to scrupulous scientific and peer review and to public comment.

A *Courier Mail* article of 10 September 2010 mentions a Senate report last December on mining impacts on the Murray-Darling Basin which found:

“It is possible existing mining operations in the Darling Downs are largely compliant with the current regulatory framework.

“However, a lack of scientific knowledge can make it hard to know whether it is actually protecting water resources and water quality within the basin.”

THE VALUE OF PRIME AGRICULTURAL LAND AND THE OBLIGATION FOR CONSERVING IT

Australia is now importing fairly substantial amounts of food annually. With the nation’s population predicted to rise from the present 22 million to 35 million by the middle of this century, the conservation of remaining food producing land is critical.

The value of food production in Australia **LOST** each year to land degradation and urban encroachment into farmland amounts to billions of dollars.

In many Asian countries, farmers have worked the same land for a thousand years or more while maintaining or even enhancing the soil’s fertility. Australian farmers will need the unstinting support of governments if they are to provide the nation’s food and fibre needs in a very challenging future. Farmers can certainly do without the threat from mining interests.

It must be remembered that farmland soil is an outstanding natural capital resource which, if managed sustainably, will produce a rich return for evermore. Mining, on the other hand, may be financially lucrative, but only for a relatively short time.

THREATS TO FARMLAND

In addition to legitimate concerns about the impact of mining on their livelihoods, farmers face immense challenges in coping with the impacts of Climate Change, Peak Oil and Peak Fertiliser.

Climate Change is predicted to bring more frequent droughts and worsening water shortage.

Peak Oil predicts that the economic recovery of oil has already peaked and will come to an end about the middle of this century. This will mean that not only will farmers be without the fuel on which their farm machinery runs but also the many other products that are byproducts of the petroleum industry – low cost artificial fertilizers, pesticides, fungicides and herbicides. Transport costs will become a major problem.

Peak Fertiliser refers to the fact that two of the three major fertilizer nutrients, nitrogen and phosphorus, are becoming scarce. **Phosphorus** is manufactured from phosphate rock which experts tip to peak by 2030 with known reserves to be depleted within 50 – 100 years. About 97 per cent of **nitrogen** fertilizer is made using natural gas, supplies of which are predicted to run down over the next 25 – 50 years. The

third of the big-three of the fertilizer group, **potassium** is made from potash, another non-renewable source, although its future availability is currently not of great concern.

All these fertilizers are vital for the successful growing of food crops but Australian soils in particular, are generally deficient in phosphates.

These threats, Climate Change, Peak Oil and Peak Fertiliser, are probably greater than any others ever to face farmers and unfortunately, there is little evidence that governments have been proactive in engaging farmers, interest groups and the general public in how we can meet those threats and transition to sustainable farming practices that meet our future food and fibre needs.

RISK ASSESSMENT

At a time when major environmental disasters have resulted from drilling operations, it has been reported that as many as 40,000 wells could be drilled on the Darling Downs for CSG extraction.

Queensland Conservation has listed some of the risks in their draft position paper of July 2010:

1. Groundwater extraction and potential impact on adjacent aquifers and the Great Artesian Basin.
2. Disposal of CSG associated water salt, toxic and hazardous substances.
3. Removal of millions of tonnes of salt and other toxic substances.
4. Reuse of treated CSG associated water.
5. Escape of fugitive methane emissions that are 74 times more damaging to the atmosphere than CO₂ over a 20 year period.

Queensland Conservation also proposes actions for each risk. Go to info@qccqld.org.au and www.qccqld.org.au for more information.

HOPE'S POSITION

- (1) HOPE joins in the call for a moratorium on approving CSG projects until there is scientific certainty that environmental and human health impacts can be safeguarded.
- (2) As with Climate Change, the public can only arrive at an informed view based on reliable scientific data. We therefore request that the Queensland and Commonwealth governments liaise with a view to appointing a team of scientists from such bodies as CSIRO and Snowy Mountains Engineering Corp to investigate and report on the environmental impacts and risks associated with CSG extraction.
- (3) We call on the Queensland government to institute a program of public consultation on the issue and to invite groups representing farmers, environmentalists, community and other interest groups to nominate representatives to a Consultative Committee. The government to meet regularly with the committee - the first item of business for which would be to decide on an agenda for continuing the consultation and exchange of information and views.
- (4) Major reports associated with the proposed project to be made available for public scrutiny and comment.

(Abstract of media release issued January 2011)

"Coal Seam Gas threatens our food producers"

Householders' Options to Protect the Environment Inc (HOPE) joins the call for a freeze on Coal Seam Gas (CSG) projects in Queensland, New South Wales and elsewhere until there is scientific certainty that environmental and human health impacts can be safeguarded.

HOPE believes that as with climate change, the public can only arrive at an informed view based on reliable scientific data.

Although there has been considerable positive publicity about the economic benefits of this development, the organisation believes the environmental and health impacts have been greatly ignored.

HOPE urges the Queensland, New South Wales and Commonwealth government's to appoint a team of scientists from organisations such as CSIRO and the Snowy Mountains Engineering Corp, to investigate and report on the environmental impacts and risks associated with the CSG extraction.

According to Frank Ondrus, HOPE President, the state government also needs to begin a process of public consultation and talk to the community groups who are concerned about the threats of coal seam gas to food producing areas.

"This issue has resulted in a fairly uncommon alliance of farmers, environmentalists, local councils and communities," he said. "We believe that the government needs to be talking directly to these people."

"Furthermore, we believe that major reports associated with the proposed project should be made available for public scrutiny and comment."

Mr. Ondrus says we are in an era of growing food scarcity and increasing environmental pressures on productive agricultural land, he believes that any developments that could have adverse effects on a resource as important as our food producing areas should come under the sharpest form of scrutiny.

"Let us have a fair and balanced debate on the merits of coal seam gas development incorporating the full spectrum of economic, social and environmental considerations."

For further information please contact Frank Ondrus on 4639 2135 or email office@hopeaustralia.org.au.

(A copy of HOPE's Coal Seam Gas position paper (final draft) is available on request.)