

**Submission
No 47**

INQUIRY INTO COAL SEAM GAS

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If a high profile miner bags the CSG industry that is enough for me.

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Palmer blasts 'poisonous' coal seam gas industry

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[TRANSCRIPT OF ABC NEWS STORY]

Mining magnate Clive Palmer has launched a scathing attack on Australia's coal seam gas industry, saying the technology is unproven and could have a devastating environmental impact.

Concerns have been raised about the impact of the industry on water sources and its inability to find a permanent solution for waste disposal.

There is also a community outcry over the inability of landholders to say no to gas companies wanting to search for gas on their properties.

A Senate inquiry is examining the economic, social and environmental impacts of coal seam gas.

Speaking to the National Party's Federal Council in Canberra, Mr Palmer said a leading Chinese firm had raised issues with him about the Australian industry, saying extraction techniques they abandoned 20 years ago are still being used here.

The Queensland mining billionaire told the crowd that his Chinese counterparts had delivered a stern warning.

"Coal seam gas technology currently used in Australia is lethal and will kill Australians, poison our water table and destroy the land," he said.

Speaking to the ABC after making his address, Mr Palmer said international firms are worried that companies undertaking exploration in Australia do not have sufficient expertise.

"The discussions I've had with overseas companies that do extract coal seam gas and are in operations and are using different technologies ... they're concerned that maybe the people who are doing it in Australia are not as skilled, not as well trained and do not have the same technological background that they do," he said.

Mr Palmer says it is up to the Government to ensure the industry does not destroy regional Australia.

"The risk if they don't get that right is the contamination of the water table with things like arsenic and other carcinogens," he said.

"We don't want that to happen because that affects stock and it could affect human life when we're eating the stock and drinking the water.

"I think it will be devastating in certain areas and that's what we've got to worry about."

When pressed on what the specific issues were with the technology being used Mr Palmer declined to elaborate, saying he is not a technical expert.

One controversial technique is hydraulic fracturing, known as fracking, which involves the injection of chemicals, sand and water to crack rock and release the gas.

A recent opinion poll, commissioned by the Greens, found that two-thirds of Australians want a moratorium on coal seam gas mining until more is known about its environmental impacts.

PHOTO: A miner works on a coal seam gas bore hole near Narrabri. (Eastern Star Gas)
Mr Palmer says he is worried that community opposition to the coal seam gas industry could begin to impact on his operations.

"Well, that's certainly a concern, [but] I don't think we have anything to worry about coal mining itself, because a mine only takes over a defined area where the pit will be," Mr Palmer said.

"It's not something that's going to destroy hundreds of acres of land, but of course, water has the ability to move through the land and this is what we've got to worry about."

The Nationals Leader Warren Truss says some coal seam gas companies are responsible for provoking a community backlash.

Mr Truss told the meeting that some landholders have been poorly treated and it may be too late to repair the damage.

"Some companies have left it too late to build a relationship with their communities and they've allowed ill will to fester."

Mr Truss called on the industry to build a social alliance with the community as it continues its rapid expansion across regional New South Wales and Queensland.

"The giant gas or coal companies cannot move like a juggernaut through properties and communities just because they're big," he said.

"They also need a social license from the community and they've got to earn that every day by being corporate citizens and continuous contributors to the areas they're working."

The Nationals Federal Council passed a motion calling for water quality issues arising from coal seam gas to be properly evaluated before exploration licences were approved.

But the party has ruled out supporting a proposal by the Greens that would make it a legal right for landholders to refuse entry to coal seam gas companies wishing to explore for gas on their property.