Submission No 201

INQUIRY INTO COAL SEAM GAS

Name: Mr Brenden and Mrs Angie Smith

Date received: 4/09/2011

The Director

General Purpose Standing Committee No. 5

Parliament House

Macquarie St

Sydney NSW 2000

4th September 2011

Dear Members of the legislative Council

Re: Inquiry into coal seam gas

My husband and I welcome the inquiry into the coal seam gas industry in NSW. NSW is the new frontier for exploration and extraction of coal seam gas. It is imperative that governments get the science, food security, environmental and social impacts, property rights, energy needs and regulations right before it can proceed.

Looking to Queensland, the industry raced ahead and the government is now implementing policies to correct an industry facing many problems. It seems every day there is a newspaper headline causing concerns. The latest "Cancer causing chemicals found at five monitoring bores" does not help to gain public confidence.

My husband and I and our three children run a mixed broadacre farm east of Bellata. We grow wheat, chickpeas, dryland cotton and run beef cattle. Our farms are situated in PEL 470 and we were approached by a representative from Planet Gas to put an exploration well on one of our properties. We were told it was only one well and it was nothing to worry about. After further investigations, we found out it was going to be a series of wells with a pumping station on a neighbouring farm to join to a pipeline to take the gas to a major pipeline connecting to Gladstone in the North and Wellington and Newcastle in the south. It seems all this had been arranged without notifying landholders or local councils. How can this be allowed to happen? There needs to be more communication with landholders, shire councils and local communities by the government and coal seam gas companies. Community consultation is imperative so we can all make informed decisions.

The environmental effect on ground water and aquifers from coal seam gas is relatively unknown due to lack of data. Shocking images coming out of America have horrified many Australians. Some of the images coming out of Queensland are not much better. Any research carried out by the coal seam gas companies lack credibility. It is time to carry out creditable independent research, with coal seam gas activities halted until full environmental studies are carried out.

We have major concerns in our area with coal seam gas activities. Underground water is the lifeblood of rural NSW. None of us can live here without it. It is a necessity for domestic, stock and farming. Bellata is on the edge of the Great Artesian Basin and the shallow honeycomb aquifers recharge this wonder of mother nature which underlies 22% of Australia. Any change of pressure or shifting of the aquifer can lead to a drop in the water table and bores running dry. There is evidence of contamination of aquifers which effects water quality. Levels ,considered by regulatory authorities as unacceptable, of benzene,toluene and xylene have been found at five monitoring bores around Dalby. This led to calls from the Federal Environment Minister Tony Burke on 'Lateline' that "Every coal seam gas aquifer must be tested"'. Why is this not being carried out now? The Queensland mining magnate Clive Palmer recently slammed the coal seam gas industry as 'unproven' and 'unsafe' at a National Party conference. Coal seam gas is still being pumped from bores and no one knows the short or long term effects.

The residue commonly called 'brine' that is extracted from the ground during the coal seam gas activity is extremely saline and contains toxic chemicals. Seepage at the drill site from evaporation ponds, leakage during cartage , excess rainfall events or accidental causes can pose a huge threat to our soils which could become contaminated rendering them useless for cropping or grazing. It could also contaminate the water supply and kill native vegetation and wildlife.

We consider our land to be Prime Agricultural Land. Our soils are rich black basalt soils which grow magnificent crops but need looking after. Zero till farming, paddocks mapped by a GPS system for controlled trafficking, contour banks to minimise soil erosion, wildlife and natural vegetation corridors to minimise salinity are to name a few practices. Coal seam gas wells are placed in a grid system 500m apart with a gravel road to each well for access. Wells are joined by pipelines. Even if these pipelines are buried the impact on our farming would be detrimental to our business. Heavy rainfall leads to erosion of our black soil and pipes could easily be exposed. Gravel roads will divert water and lead to erosion. How do we farm a paddock with fenced off wells, gravel roads and pipelines? Controlled traffic would be almost impossible with more turning. This means more fuel, chemical and fertiliser being used.

70% of wheat grown on the eastern seaboard of Australian is domestically consumed. If we cannot farm how do we produce food to feed our nation? Prime agricultural land should be exempt from mining. No more prime agricultural land is being produced and Australia has less than 6% . Agriculture is under siege from mining. China has locked up big areas of land and is investing heavily in other countries, including Australia, to protect their own food security. Why isn't Australia doing the same? With a life expectancy of 20-25 years, coal seam gas mining is not a long term industry. Agriculture has been here for generations and will be here for generations to come if the water and land are not ruined by coal seam gas mining.

Hydraulic fracturing or fraccing has been banned in some countries. The controversial process has huge environmental impacts and would impact on our aquifers. Further research must be carried out for safe extraction methods.

Coal seam gas wells can be drilled as close as 200m to a dwelling. In rural Australia this is an invasion of privacy. These wells are accessed twenty four hours a day, seven days a week. Wells are noisy and equipped with lights. All this going on 200m from our home is inconceivable.

The coal seam gas industry currently is primarily self regulated as there is no industry wide set of rules. There needs to be funding provided for a powerful monitoring body to oversee all facets of the industry. Wells need to be checked regularly during their production life as well as after. Companies need to be held accountable for any environmental disasters that may occur well into the future as the landholder is not responsible.

Property owners have no legal rights over the land we have invested heavily in. Coal seam gas wells in Queensland have not added to property values, in fact quite the opposite. Land values have fallen and in some cases properties are unsaleable. How does a farmer explain this to the bank? At a recent senate inquiry into coal seam gas Easter Star was asked how much a well would make per year . After much deliberation a figure $800,000 was given. The government receives 10% and quote Senator Barnaby Joyce “The farmer receives a slab of beer”. Proper compensation must be paid to landholders. It is an insult to think a farming business would embrace an industry that would devalue their land.

Future energy solutions for our country could include solar energy. This has already been embraced by some. We have huge amounts of sunlight and this should be used utilised to its full capacity. There are even solar paints available.

You all have a huge job ahead of you. Trying to get the balance right with food security versus energy security is not an easy job. Just remember that you can’t eat coal and you can’t drink gas. If our farming systems are left unmined, future generations of farmers will be still feeding the world in the centuries to come.

Yours sincerely

Brenden and Angie Smith