

**Submission
No 364**

INQUIRY INTO COAL SEAM GAS

Name: Cr Doug Batten
Organisation: Gilgandra Shire Council
Date received: 08/09/2011

The Director
General Purpose Standing Committee No. 5
Parliament House
Macquarie St
Sydney NSW 2000

COAL SEAM GAS INQUIRY

As Mayor of Gilgandra Shire Council I write this submission to the Committee on Coal Seam Gas (CSG).

There are three main areas of concern for our community that I believe need improved legislation and closer examination.

- Underground Water and Aquifer interference
- Land Access Agreements
- Contributions to Infrastructure
- **Water**

All primary producers in the Gilgandra Shire are reliant on underground water supplies for stock and domestic use. With an abundance of examples from Queensland and overseas of CSG activities causing interference with aquifers, I believe there needs to be greater scrutiny on CSG exploration from all levels of Government.

In addition to the concern from the farming community about the impact of CSG activities on individual farms water supply, as Mayor, I am concerned about the water supply of the township of Gilgandra. Council currently operates a network of nine bores to supply water to the people of Gilgandra. My concern is that the worst does happen and there is contamination to aquifers supplying the Gilgandra Township, where do 2800 people get their water?

CSG companies active in the region have assured our community publicly they will "make good" any instance of damage to water supply. How do you supply a town of 2800 people with water when their only supply is no longer potable?

"Make Good" is not an acceptable term and the current NSW Legislation does not provide significant protection for communities and individuals if these circumstances unfortunately occur. Small fines are literally minutes of profits

for some of these companies and potentially lives and communities are damaged or altered beyond repair.

- **Land Access Agreements**

These agreements are being used as a tool to “divide and conquer” with some land owners getting a great deal, whilst others are receiving next to nothing. In relation to water and the MDB, the activity of your neighbour has an impact on your farm. When individuals sign an agreement that prohibits them to discuss the activities on their property, this is a step in the wrong direction for water management, environmental protection and the control of pest and diseases.

There is the need to have standardised legislation that details specifically what is required in land access agreements and sets a standard that must be followed in all States and Territories.

- **Contributions to Infrastructure**

Local communities' infrastructure is being stretched to cope with the impact of CSG operations. With no mechanism at a State or Federal level to deliver contributions from mining companies back to communities directly; local ratepayers are footing the bill to maintain roads and other infrastructure. The mining companies make small highly publicised, sporadic contributions to local organisations and Councils but no formalised contribution under a legislated scheme. If an industry was established on a particular road, they would be required to contribute to upgrade the road and or make Section 94a contributions to public amenities. A mining company pays royalties to the state with little if no compensation flowing back into the local community.

A program such as the Western Australia – Royalties to the Region would give communities some long term benefit for resources mining and extraction. The concern is once a gas field is established there are very few long term jobs and our community does not benefit economically.

Thank you for the opportunity to make a submission on this issue.

Yours faithfully

Cr Doug Batten
Mayor