

Submission
No 342

INQUIRY INTO COAL SEAM GAS

Name: Mr Chris Pavich
Organisation: Mid Western Community Action Network
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The Chairman

General Purpose Standing Committee No. 5

Parliament House

Macquarie St

Sydney NSW 2000

7th September 2011

Dear Hon. Robert Brown MLC,

On behalf of the Mid Western Community Action Network (MWCAN) executive committee I would like to make this submission to the Legislative Council inquiry conducted by the General Purpose Standing Committee No. 5 into coal seam gas (CSG) mining.

1. The environmental and health impacts of CSG:-

1.a. Effect on ground water and surface water systems:-

CSG mining is a very young industry. The impacts of CSG extraction and mining on our water resources are not fully understood.

Our understanding of Australia's groundwater systems is also poorly understood. What we do know is that Australia is a very dry continent and our ground water is a vital and precious resource.

To commence CSG mining in areas without knowing the full impacts that this mining will have on the groundwater systems and without detailed hydrological mapping of that area is irresponsible and short-sighted.

1. b. and c. Effect on use of chemicals and hydraulic fracturing:-

Many of the chemicals used in the hydraulic fracturing process have not been fully assessed by the National Industrial Chemicals Notification and Assessment Scheme (NICNAS).

To pollute our groundwater with any chemicals is serious enough, to do so without any understanding of just how dangerous they might be does not make any sense at all.

This pollution will be far reaching above and below ground. All environments downstream may be affected by contaminated water.

The damage that the hydraulic fracturing process itself causes to the vast, complex and pristine aquifer systems, often present where the mining occurs, is irreversible. Together with chemical pollution, raised salinity levels will also result when the fracturing process allows saline sedimentary rocks both above and below the target coal seams systems to contaminate aquifers.

Coal seams naturally host sulphide deposits, a normal feature associated with the decomposition of organic compounds while coal is being formed. Accelerated movement of water through the coal, necessarily associated with gas extraction, will lead to solution and oxidation of these sulphides to produce sulphuric acid. Higher levels of acidity in the production water will further exacerbate the serious issues associated with heightened salinity. Environmental degradation will follow wherever this water either naturally seeps out of the aquifers or is disposed of by the gas producers.

The extraction process uses extremely high volumes of water. This water is essential for our agriculture and the survival of this long-term and sustainable industry. It is not possible to grow food without water.

1.d. Effect on Crown Lands including stock routes and State Forests:

Some CSG companies are adopting an extraction method which will enable drilling to occur up to a kilometre horizontally. Some of these companies have already indicated their intention to drill under National Parks and other Crown Land. Again the impacts this mining will have on the natural environments above are unknown but almost certainly irreversible and destructive. More research, consultation and planning must be undertaken before such processes are approved.

These lands benefit graziers and the wider community with drought feeding, forestry production, and recreational use. All these uses will be seriously compromised.

Stock routes, State Forests, and other Crown Lands are frequently the only natural or semi-natural areas remaining in the wheat/sheep belt of NSW. Consequently they are essential for the conservation of local native plant and animal species. It is staggering that such significant and valuable areas have been and will be targeted for mining and associated infrastructure development. It is apparent this is the case

only because freehold land can consequently be avoided. Many native plant and animal species may become locally or totally extinct through this short sighted and profit driven activity.

1.f. and g. Effect on greenhouse gas and other emissions, air quality and environmental impacts:

Claims that CSG is cleaner than coal conveniently ignore a large part of the process of mining CSG. Emissions produced by the processes involved in set up and production e.g. infrastructure transportation combined with the fugitive emissions caused as a result of production are not taken into account. When they are taken into account, CSG has higher emission levels than conventional coal mining.

2. The Economic and social implications of CSG activities:

2a. Legal rights of property owners and property values:

The growing public concern regarding the rampant and uncontrolled expansion of the CSG industry is very well highlighted by the large number of public rallies and protests being regularly held across the State. Unsurprisingly, and to the detriment of the reputation of the government, a large amount of media coverage is being given to the topic.

Property owners have little or no rights when it comes to preventing CSG exploration and mining on their land. The public must be able to have input by way of formal impartial inquiries and consultation. Associated regional planning must follow and be implemented before any further CSG development takes place.

Any kind of mining has a negative impact on property values when the entire community is taken into consideration. Numerous examples in the Mid Western Region (e.g. Ulan and Wollar) and the Hunter Valley illustrate this.

2.b. and c. Food Security, Agricultural Activity, Regional Development, Investment and Employment.

The mining boom is causing the death of many rural communities in regional NSW. Vast tracts of land purchased by the mining companies as 'carbon offsets' are lying dormant and the communities no longer thrive as a result.

Agriculture and tourism are examples of two industries that cannot operate side by side with CSG extraction no matter what is suggested. Contamination of ground water, visual pollution, noise and property interference are just a few of the reasons why. Both these industries (agriculture and tourism) are long term and sustainable, the CSG industry is not.

Where are the promised Regional appraisals of the Agricultural value of potentially

mined lands ? The new government promoted such pre-mining planning prior to the election to ensure high value agricultural lands were not downgraded by mining activities.

2d. Royalties payable to the State

The short term value of royalties from the CSG mining may fall far short of the long term losses resulting from the mining. A full cost benefit analysis surrounding the CSG industry must be undertaken. Infrastructure, health costs, social costs to the community, property value loss, loss of short and probably long term agricultural output, environmental rehabilitation including water decontamination and aquifer repair must all be taken into consideration in this analysis.

Infrastructure including rail, roads, housing, and other social infrastructure will all need to be either maintained or removed following the few decades it has value during mining development. In many localities such infrastructure may become an unwanted liability.

2e. Local Government including provision of local/regional infrastructure and local planning control mechanisms.

At this point the local government has virtually no input or control over CSG mining in its region. Surely the local community should have input into choosing which industries are appropriate for the future growth, health and long-term sustainability of its region.

Surely the local community should be able to decide whether it wants the questionable financial gains of a truly destructive, money driven, short-term industry in its region.

3. The Role of CSG in meeting future energy needs of NSW

The CSG industry is export driven, therefore it is not about and never was about the future energy needs of NSW. If the Government would invest time and finance into renewable energy, as so many smart, forward thinking countries are doing overseas (e.g. Germany and Spain) our health and future would be secured.

Conclusion:

NSW's long term future is much better served with the tried and true industries that have stood the test of time and support the long-term sustainability of Australia as a nation.

Candidates now sitting as the new NSW Liberal - National Government indicated

before the last election they would place the interests of the majority of voters, our children, and following generations above that of short-term financial gain. This will not appear to be the case should gas and coal mining be approved before the planning and consultation referred to above is undertaken.

Yours faithfully

Chris Pavich
Vice President MWCAN

Barbara Hickson
President MWCAN

Robbin Binks
Secretary MWCAN

MWCAN
PO Box 1354
Mudgee NSW 2850