

**Submission  
No 884**

## **INQUIRY INTO COAL SEAM GAS**

**Organisation:** Australian Property Institute  
New South Wales Division

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**New South Wales Division**

Level 3, 60 York St, Sydney NSW 2000  
T 02 9299 1811  
F 02 9299 1490  
E nsw@api.org.au

The Hon. Robert Brown MLC  
Chair  
General Purpose Standing Committee No. 5 – Inquiry into Coal Seam Gas  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Dear Mr Brown,

**Re: Inquiry into Coal Seam Gas**

This submission constitutes a response to the invitation from the General Purpose Standing Committee No.5 to respond to its inquiry into coal seam gas (CSG), as set out in the Terms of Reference of 5 August 2011.

The overall need for an investigation into the environmental, economic and social impacts of CSG mining as set out in Items (1) – (5) in the Terms of Reference is supported by the Australian Property Institute (API). In analysing the five items in the Terms of Reference, API has formed the view that some of the various matters canvassed are strongly interrelated and need to be responded to in an interrelated manner rather than separately.

**SUBMISSION**

The Australian continent comprises 7,741,220 square kilometres<sup>1</sup>, and it is reasonable to posit that most CSG mining endeavours will be land based and will on many occasions interact with other land uses such as agriculture, notably in NSW. Unfortunately, the majority of Australia's land mass falls within the categories of relatively poor to moderate agricultural potential, Flannery soberly observing:

*[c]urrently, 22 million hectares of arable land is being used in Australia. Much of this land would be considered marginal agricultural land on other continents. Yet it is by far the best of our arable land. The rest is decidedly marginal even by Australian standards, and is largely untested. Already, after less than 200 years of use, 70 per cent of that 22 million hectares is degraded and in need of soil restoration programmes.<sup>2</sup>*

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<sup>1</sup> *The World Guide: Global Reference Country by Country* (2007) 11<sup>th</sup> ed. (Oxford: New Internationalist Publications Ltd), 90.

<sup>2</sup> Flannery, TF (1994) *The Future Eaters: An ecological history of the Australasian lands and people* (Sydney: Reed Books) 367.

Arguably, the 70 per cent degradation of the 22 million arable hectares has increased since 1994.

Hence, a limiting factor in any discussion on the effect of CSG mining is the inherent poor fertility of many NSW soils which ordinarily require the addition of lime as a basic remedial practice to enable productive yield. Aridity and poor structural development of many Australian soils hinders the ability of the more rudimentary landscapes to be successfully farmed. As a result, truly arable soil is a precious resource.

Such arable land along the eastern seaboard of NSW, close to major coastal urban areas is particularly vulnerable to the effect of CSG mining. Arguably most changes of land use through rezonings are occurring in coastal and near peri-coastal areas of the State to accommodate urban expansion, notably housing. It is the strong view of API that the real impact of CSG mining on the remaining stock of arable land in these peri-coastal areas has not been considered. The importance of the peri-coastal areas surrounding Sydney in particular have been described by Sinclair as:

*...one of the State's food bowls. It produces \$1 billion of agricultural produce each year<sup>3</sup>*

Further, Sinclair points out that this area is a major supplier of perishable vegetable production for NSW providing:

*...91% of NSW Asian vegetable production, 90% of parsley, 82% of Mushrooms, 76% of capsicum and chillies, 70% of cucumbers, 63% of basil and coriander and 61% of cabbages. The dominance of the Sydney region is also evident with poultry, nurseries, flowers and turf.<sup>4</sup>*

Anecdotal evidence provided to API also strongly suggests that a similar threat to arable lands exists in the near peri-coastal areas of south eastern Queensland, notable in the rapidly urbanising south eastern corridor, while similar threats to arable lands surrounding Melbourne are also reported. Unfortunately, as stated earlier the majority of Australia's land mass falls within the categories of relative poor to moderate potential for food production.

The relentless consumption of precious arable land for expansion of coastal and regional cities is poorly recognised as having adverse implications. The competition for such land currently favours new more economically valuable land uses such as CSG mining, rather than the maintenance of this scarce arable resource. Before any change of land use is considered, API considers such action should be informed by upgraded spatial data on soil quality out of necessity.

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<sup>3</sup> Sinclair, I. (2009) "Planning for Sydney's Food Security: Part 1" *New Planner* (December), 21

<sup>4</sup> Sinclair, 21.

Given the above, it is strongly suggested by the API that consideration should be given to an extension of the existing triggers in the *Environment Protection and Biodiversity Conservation Act 1999* (Cwth.) (EPBCA) to protect increasingly scarce arable land in the national interest. In addition, in a complementary action it would appear reasonable for the *Heritage Act 1975* (NSW) to be extended to protect highly arable lands. This could be achieved in the manner of permanent heritage protection orders to deny encroachment by CSG mining in the near peri-coastal areas of NSW in particular.

It is clear amendments to the *Environmental Planning and Assessment Act, 1979* (NSW) (EPAA) will be needed in due course should the Commonwealth agree to amend the EPBCA to enlarge its referral triggers. The suggested introduction of an extension of State-based heritage protection for highly arable lands suggests that CSG mining impact assessment in planning and development controls will also become critical. As previously stated, arguably much CSG mining activity in NSW will be on arable land, primarily scarce highly arable land.

The API considers existing planning and development controls in NSW are currently wholly inadequate to provide protection for highly productive agricultural land uses. This is an important issue in the view of the API as such soil is obviously irreplaceable. It is problematic how the EPAA could currently respond to this issue, nevertheless as mentioned earlier it is the view of the API that significant amendments will be necessary.

The API has been pleased to provide the above submission and would be grateful for the opportunity to provide evidence to General Purpose Standing Committee No.5 when the public hearings are held. The NSW Division's Executive Officer, Ms Gail Sanders (telephone 9299 1811) can be contacted once the Standing Committee has a timetable established for the provision of evidence.

The Chair of the Institute's Government Liaison Committee, Professor John Sheehan, together with Ms Sanders will be providing the evidence to the General Purpose Standing Committee, and will be able to answer any questions that Committee members may raise in response to their perusal of the above submission by the API.

Yours sincerely



Robert Dupont  
API NSW President