



18th April 2012

Committee Secretary
Senate Standing Committees on Environment and Communications
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Parliament House
Canberra ACT 2600
Australia

By email: ec.sen@aph.gov.au

**Re: Senate inquiry into the Environment Protection and Biodiversity Conservation Amendment
(Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012**

The Australian Lot Feeders' Association (ALFA), the peak representative body for the beef cattle feedlot sector, appreciates the opportunity to comment on the above mentioned Bill.

The cattle feedlot industry has a value of production of \$2.7 billion and employs some 9000 people directly and indirectly. Nearly 25% of Australia's total beef supply, 80% of beef sold in domestic supermarkets and the majority of beef industry growth over the last 10 years has been due to the sector. Whilst the domestic market is the largest single market for grain fed beef, 65% of production is exported to more than 110 countries throughout the world.

There are approximately 600 accredited feedlots throughout Australia with the majority located in south east Qld; the northern tablelands and Riverina areas of NSW with expanding numbers in Victoria, South Australia and Western Australia. It is no coincidence that feedlots are located in areas that are in close proximity to cattle, grain supplies and water.

ALFA is concerned that the Coal Seam Gas (CSG) industry may irreversibly impact the quality, quantity and flow of ground water in affected regions. We believe that the approach of State and Federal Governments to implement adaptive management regimes in response to the current absence of sufficient hydrological science is risking the long term environmental, economic and social fabric of rural regions in favour of short term monetary gain. It will be decades before the current and cumulative hydrological impacts of CSG activity will be fully understood. We accordingly fear that by the time such impacts on the Great Artesian Basin are fully determined, they will not be able to be rectified through 'make good' or other legislative provisions. It is for this reason that ALFA supports the establishment of a sovereignty fund, where CSG companies are required to lodge annual contributions to help manage the unknown risks and potential damage that we cannot yet foresee. Such a fund will also help address the risks associated with companies who may in future become bankrupt or are acquired before such cumulative impacts become apparent.

We believe that whilst the CSG industry may well provide more benefits to state economies and employment than agriculture in the short term, the costs in terms of lost agricultural production, contaminated drinking water, health issues and lost biodiversity may well exceed such amounts. Regardless, cost benefit analysis of license approvals on an individual or cumulative basis is not undertaken so we may never know. Importantly, the full extent of such costs may not be fully understood for decades

to come, far too late for Government's or the CSG industry to rectify (even assuming this is possible). In addition, the short term benefits from this finite resource will inevitably be overtaken by the long term value of agricultural production particularly given future world food security requirements. However, whether agriculture will be able to deliver such production in the face of GAB damage due to CSG extraction remains to be seen.

ALFA also believes that increasing concerns regarding ground water contamination from CSG extraction aptly demonstrate that state and federal legislation needs to adopt a more precautionary principle approach. Refusal to recognise such concerns will eventually be to Government's peril, particularly if such contamination of the GAB cannot be 'made good' by the CSG industry –another issue where conjecture abounds.

Given many of our concerns regarding the CSG industry is intrinsically linked with science, we support the establishment of an independent statutory Committee to provide expert scientific advice (among other things).

Given that many scientists with expertise in this area have commercial linkages with CSG/ mining companies, we strongly recommend that the scientists appointed are as independent as possible and/ or be required to declare any vested interest in particular projects and be excluded from the provision of such advice when necessary.

ALFA supports the requirement that the Minister must take into account the Committees advice. We would also support the requirement that the Minister provide a public explanation if this advice was subsequently not supported.

We also support the recommendation that the 'clock be stopped' with respect to the prescribed time in which the Minister is required to make a decision on approvals. This is appropriate given the environmental risks involved.

ALFA believes that the proposal for the Committee be able to provide advice to the Minister about research priorities will improve scientific understanding of the impacts of coal seam gas and/or coal mining developments on water resources. However, we recommend that the delivery of such advice not be restricted by the requirement that it be only provided following a request by the Environment Minister. The Committee should be able to provide such advice irrespective of such prior requests.

Yours sincerely,

Dougal Gordon
CEO