

**Questions on Notice from the 28 July 2015 public hearing for the Senate  
Environment and Communications Legislation Committee inquiry into the  
Landholders Right to Refuse (Gas and Coal) Bill 2015**

**Department of Industry and Science response**

**QUESTION 1:**

.....

**Senator WATERS:** Thank you. Mr Thompson, you mentioned that you have not seen any specific studies about coexistence and whether it could work. Has anybody done that kind of empirical work or evidence gathering at the federal level to assess coexistence? And I get that there are anecdotes, you say, on both sides; I have certainly heard more from one side than the other.

**Mr Thompson:** Our department is not undertaking any specific studies in that area. As you are aware, there are some specific examples of activities where farmers have been working in coexistence with coal seam gas and have been able to take advantage of it. The combination of roads, telecommunications and water supply has meant that farm operations have been able to intensify and change. I am not aware of any comprehensive study of that sort of thing. Various universities or research institutions may undertake those sorts of studies. We have not commenced any particular studies.

**Ms Sewell:** We have done a little work. Again, coming back to the Domestic Gas Strategy, one of the key commitments from the government was to put in place processes that would allow the government to better understand and respond to potential social impacts of coal seam gas. Our economic and analytical services division in the department has recently released a report which looks at the socioeconomic impacts of coal seam gas development in Queensland.

**Senator WATERS:** Could you table that for us or send us the link?

**ANSWER:** The first part of the study is contained in chapter five of the November 2014 edition of the Bureau for Resources and Energy Economics *Gas Market Report*, available at <http://industry.gov.au/Office-of-the-Chief-Economist/Publications/Documents/gas-market/gasmarketreport-201411.pdf>. The final report is expected to be published in September 2015.

**QUESTION 2:**

.....

**Senator WATERS:** So how is it that the government has decided that coexistence is therefore possible and something that they are working towards if they do not know if it can actually work? How was the position that coexistence was to be pursued reached?

**Ms Sewell:** Certainly from our department's point of view, we look at the existence of the coal seam gas sector in Queensland for many years now and some very successful examples of economic return flowing not just to individual property owners but the surrounding area at the same time as farm operations have continued in very much a business-as-usual model. We have certainly worked very closely with the Queensland government, the Queensland GasFields Commission, to look at

actual on-the-ground operations, particularly given Queensland's longevity as a coal seam gas supplier.

**Senator WATERS:** Thank you. Given the time constraints, could you perhaps on notice provide me with some more detail of the inquiries and the evidence base that you amassed through those channels and through any other channels, if there were some?

**Ms Sewell:** Yes.

**ANSWER:** Socioeconomic research being undertaken by the Office of the Chief Economist (see responses to questions 1 and 3), research reports, fact sheets, case studies and other information materials available from the Queensland Gasfields Commission ([www.gasfieldscommissionqld.org.au](http://www.gasfieldscommissionqld.org.au)), Commonwealth Scientific and Industrial Research Organisation ([www.csiro.au](http://www.csiro.au)) and the Gas Industry Social and Environmental Research Alliance ([www.gisera.org.au](http://www.gisera.org.au)) informs the Department's consideration of co-existence issues. The Department also monitors relevant media reports and company announcements.

The Multiple Land Use Framework (MLUF) was developed in recognition of the conflict arising over land access and land use. The MLUF was finalised and endorsed by the Standing Council on Energy and Resources (now the COAG Energy Council) at its 13 December 2013 meeting, following endorsement of a draft framework at its 14 December 2012 meeting. Further information and copies of the MLUF are available at follows:

- Energy Council summary of the MLUF and its development  
<http://www.scer.gov.au/workstreams/land-access/mluf/>
- Multiple Land Use Framework  
<http://www.scer.gov.au/files/2013/12/Endorsed-MLUF.pdf>
- Multiple Land Use Framework Background Document
- <http://www.scer.gov.au/files/2013/12/Land-Access-MLUF-and-CSG-Background-Document.pdf>

### QUESTION 3:

.....

**Senator SINODINOS:** I want to go back to the department of industry for a couple of questions. Have you completed a study on the economic impact of the CSG industry in Queensland? Was that something you were undertaking?

**Ms Sewell:** Yes, Senator. That is the one I referred to earlier.

**Senator SINODINOS:** I may have missed this, but what were the main conclusions from that examination?

**Ms Sewell:** We do not have anyone from the relevant area here. I will just see if one of my colleagues might like to take that one.

**Ms Hinton:** Our understanding is that there has been generally a net benefit, but again I do not have the report in front of me.

**Senator SINODINOS:** Perhaps that is something that can be taken on notice.

**Ms Hinton:** Yes.

**ANSWER:**

The first part of the study is contained in chapter five of the November 2014 edition of the Bureau for Resources and Energy Economics *Gas Market Report*, available at <http://industry.gov.au/Office-of-the-Chief-Economist/Publications/Documents/gas-market/gasmarketreport-201411.pdf>. The final report is expected to be published in September 2015.