

Committee Secretary
Senate Standing on Rural Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sir/Madam

RE INQUIRY INTO THE MURRAY DARLING BASIS – IMPACT OF MINING COAL SEAM GAS

As a landholder, farmer, grazier and resident in the Moree District, I would like to make the following points on the economic, social and environmental impacts of mining coal seam gas on the following areas

1. Sustainability of water aquifers and future water licensing arrangements

The risk to the aquifers environmentally is of enormous concern.

Water aquifers provide our home *drinking water and our stock water*. If there is any shifting of, change in pressure or contamination of these aquifers, this would affect our livelihood and also mean we may not have access to the basic necessity of water. If we had to drop new bores to find new water, the cost would be a heavy burden on our operation.

As a major user of water, CSG mining should under the State Water Acts, pay for water used and be subject to strict regulation like other water users.

As in other countries, the hydraulic fracturing or "*fracking*" *should be banned*.

2. Property rights and values of landholders

Despite the fact that we do not want CSG mining on our property, ultimately under the law the CSG companies have the right to put up wells, pipes and roads across our entire property and with it bring huge amounts of people and machinery across our land. It is invasive of our home and family lives and our farming practices.

Unlike other forms of mining, CSG do not want to buy property, just occupy it at minimal or no cost. Suffering land values are a huge issue that may result in us being bankrupted. *Royalties* may be one way to correct this issue and ensure land values are maintained.

Just compensation is needed. It should cover not only the huge inconvenience of our business and home but also the risk should things go wrong (such as reduced or loss of Ag productivity or depletion and/or contamination of our drinking water and/or fall in land values).

A *government funded landholder advisor* is needed to help landholders to negotiate fair agreements and ensure that the CSG companies adhere to the land access agreements. Landholders do not have the means to protect themselves against any unscrupulous behaviour. The CSG companies are professional negotiators and often ride rough shod over landholders in the land access agreements.

3. Sustainability of prime agricultural land

As farmers, we have spent years adopting best practices for the long term sustainability & productivity of our farming land. With wells 750 mt apart and a criss cross of roads across our property between each well, it will be impossible to maintain best practices which will impact our long term productivity.

Our farming practices will be negatively impacted by:

- Control trafficking
- Create much more headland area (as we work around wells) which is far less productive – it does not just take out the area of production the well and roads cover but also reduced productivity of a significant area around it.
- Result in greater compaction on the roads they create and around the wells which will reduce the long term productivity of this land.
- Crisscrossing roads and wells will stop the natural flow of water during flooding and cause water entrapment which will cause over saturation of ground and destroy crops.
- Increased farming costs by having to work around wells and roads

Furthermore, if the CSG do “get it wrong” and spill *saline water* and/or allow the *residue brine* to contaminate our land, it will completely destroy the land.

Subsidence is an issue when horizontal drilling is practiced and upon removal of pipes

CSG Mining should not take place on Prime Agricultural land. Our food production is too important and the risks of CSG gas too great.

Again, funding is needed to do *benchmark studies* on soil quality, water quality, water flows during heavy rains, etc.

Funding is needed for help farmers get studies on their farms on well and road placements to minimise negative impact (otherwise they are dictated by the CSG companies and what they want).

And if any productivity is affected, there must be an accessible and guaranteed “*make good*” fund that covers the costs and/or lost future income.

4. Impact on regional towns and effective management of the relationships between mining and other interests

Moree has long held the title of the ‘Richest Agricultural Shire in Australia’; there are deeply formed rich self mulching clay soils for 50 to 120 km in every direction of the town centre. The districts contribution to national GDP through agricultural exports is unheralded. This town will always be a

centre dominated by agriculture – not CSG. The introduction of CSG will financially cripple the community mainly through lack of certainty for farmers. If CSG is imminent it stunts investment from farmers in the community i.e. they are not willing to invest in an area that may be subject to a loss in equity by the mere presence of CSG companies in the area. This lack of investment affects all the town business houses. In essence, the introduction of CSG will ‘rob Peter and pay Paul’ so to speak. The only way to ease these potential problems is through amendments to legislation so that landholders are treated equally under the law to mining companies – anything short of this will not pass muster.

The use of local roads with heavy vehicles for these wells is large, yet they do not pay rates and are not required to make compensation to our local council – the rate payers foot the bill.

Roads must be built from well to well, which will be an enormous drain on local gravel and would most likely deplete the area of gravel supplies. This will mean our rate payers foot the bill later as we pull gravel from further a field.

Moree town takes its drinking and general use water from the aquifers. Any depletion or contamination would be disastrous.

The Hot Artesian Spa Baths are a major tourist attraction for Moree. Depletion, reduced pressure or contamination of the aquifers would be disastrous for Moree.

Longer term (as CSG is only about 25 years long as per the companies own admission at the local forum recently held in Moree), agriculture is Moree’s lifeblood. Hence it must not be put at risk.

5. Other related matters

There is very little independent research done into the environmental effects and cost benefit longer of CSG mining on the towns. It is all done by the mining companies whose data should be treated with trepidation. The community needs independent research and data.

There is a major lack of government funded in departments to do studies needed and there is a lack of expertise in these department with regards to CSG mining i.e. hydrologists, geologists, seismologists to name a few.

There is no regulation (self regulation is not acceptable) of this industry.

Legislation is inadequate.

Landholders and the community at large is massively under funded and under resourced to defend themselves against these companies.

Thank you for your consideration of our issues.

Regards

Daniel Reardon