

The Coal Seam Gas Industry: Ecologically Sustainable Development?

The Coal Seam Gas industry is being foisted on the people of not only South East Queensland, but the whole of Australia, in a hasty and premature fashion. The mainstream media appear to be very supportive of the industry, and perhaps that is why there has been, to date, a lack of submissions to this hearing. This has now come to the notice of the networks of ordinary, caring Australians who are keen supporters of a moratorium on the coal seam gas industry. For this reason I thank the Senate Committee for extending this submission deadline. Following is my contribution to debate, and my submission to the hearing, about the effects of the coal seam gas industry in South East Queensland.

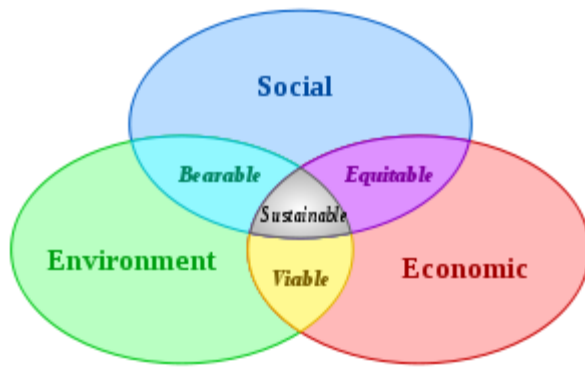
I study, I read, I draw my conclusions:

I am a tertiary student, currently completing a degree in Sociology, Writing and History, and as part of my course I have undertaken a subject based on Ecologically Sustainable Development (ESD). There are five recognised principles of ESD, and it is obvious that these principles are not being upheld in the coal seam gas industry. At a time when sustainability is not just a buzzword but a recognised necessity for the survival of our civilisation as we know it, the total disregard for these principles is abhorrent.

As a citizen of this country, and the South East Queensland region, I feel that my rights, the rights of my fellow citizens, and the rights of the ecological system that we know as our country, have been overlooked by two levels of government hell bent on collecting money. They act at the expense of the environment, the health and welfare of the people, the wildlife and the social fabric of our country. Further, I believe that these governments are carrying out this travesty of justice on the people and ecology of our country by stealth and misinformation.

The United Nations lists Ecologically Sustainable Development as a system that "meets the needs of the present without compromising the ability of future generations to meet

their own needs."¹ The current manner in which the coal seam gas industry is operating in this country simply does *not* meet this need.



*Environmental Sustainability*²

The United Nations 2005 World Summit Outcome Document refers to the "interdependent and mutually reinforcing pillars" of sustainable development as *economic development*, *social development*, and *environmental protection*.³ This is further reinforced by the five principles of ESD. These principles must be considered when any industry, let alone one of such

magnitude, is commenced. This industry has not been publicly considered before both state and federal governments have allowed operation. There has been extremely limited public debate over this issue. The current condition of the global environment, already severely compromised in the wake of Fukushima, and struggling to deal with climate change, demands that industry should be more closely examined before being given the green light by governments hungry for money.

It appears the state and federal governments are enabling corporate access to resources without due care for the residents of the land under which those resources lay, without due care for the society to which those people belong, and without fully understanding the industry it is letting in. While such cowboy politics might have once gone unremarked, it is now beholden to governments everywhere to take into consideration the principles of ESD when considering such potentially hazardous industry. As populations become increasingly aware of the dire conditions the globe is facing, the expectation that wisdom will prevail and that governments will act in the interests of the people and the environment in preference to corporate interest will continue to grow accordingly. When

¹ United Nations. 1987. "Report of the World Commission on Environment and Development." General Assembly Resolution 42/187, 11 December 1987.

² Adams, W.M. (2006). "The Future of Sustainability: Re-thinking Environment and Development in the Twenty-first Century." Report of the IUCN Renowned Thinkers Meeting, 29–31 January 2006.

governments deny such concern they must be considered to be out of touch with the people. When both of the major parties in Australia are out of touch with the people then it must fall to the senate to right this injustice.

Specifically, I would like to address each of the five principles of Sustainable Development in regards to the state and federal approaches to the Coal Seam Gas industry:

PRINCIPLE 1: Triple Bottom Line

The Triple Bottom Line demands that unless the development project under scrutiny meets sustainable targets for 1) the environment, 2) society and 3) the economy, then it does not meet this Principle.

1) The Environment:

There is ample evidence that suggests that the coal seam gas industry does not meet environmentally sustainable standards. There are a multitude of recorded instances of chemical spills, leaking gas wells, higher than permitted toxicity levels and so on, all of which will no doubt be presented to the Hearing and so do not warrant replicating here. The industry is largely self regulated, and with the government unaware of what chemicals are being used, this is a recipe for absolute disaster – a ticking time bomb. Stephen Robertson, whilst Minister for Mining, was interviewed by 60 Minutes. During that interview, he admitted that the government were not aware of the total makeup of the chemicals used in hydraulic fracturing processes, and when pressed by the interviewer with the question ‘shouldn’t the government know what chemicals are being used?’ could only reply with a blank look and a shrug. With drilling companies maintaining proprietary knowledge, this is an environmental disaster waiting to happen. We do not leave other potentially hazardous industries to self regulation (airlines for instance), so why is this happening in the coal seam gas industry, an industry that will affect the viability of our entire country? Is it just handy for governments who may not want to deal with the what-ifs associated with full disclosure of the chemicals being listed?

³ 2005 World Summit Outcome Document, World Health Organization, 15 September 2005

The potential for breaching of aquifers alone is sufficient grounds for the industry to be placed under an immediate moratorium until the full effects on local environments can be determined. There are amply demonstrated events of contamination of ground water in the United States that at the very least warrant further investigation before we continue with the same industries here. The very fact that we do not have a full understanding of the connectivity of the Great Artesian Basin warrants an immediate moratorium. The pretense to knowledge bandied about by various gas company executives and lesser employees is laughable. I have been told by a gas company representative that ‘THAT was in America... everything is different here’. How so? Where are the INDEPENDENT studies to prove that there is no threat? The National Water Infrastructure Committee identified the coal seam gas industry as a potential threat.

The Cornell University study co written by Professor Robert Howarth and Dr Anthony Ingraffea and a team of experts from Cornell University offers proof that the life cycle of unconventional gas production has a larger carbon footprint than coal. Given this information, coal seam gas is the last thing we need to be doing now if ‘reducing carbon emissions’ is the name of the game. It is misleading in the extreme for the government to promote the industry on the basis that it addresses climate change and carbon emissions when this study has proven otherwise. It is *not* ‘a clean transition fuel’.

Toxicologist Dr Theo Colborn’s work highlights the potential timebomb that hydraulic fracturing represents. Her work also builds the case for an immediate moratorium.

The extensive history of the industry in the United States as widely documented, and easily accessed through various press releases and journals, shows that the industry does not meet the standards of ESD, and until it does, it should not be allowed to proceed.

2) *Society:*

The dissection of land where gas wells are being sited, usually only able to be grasped through aerial viewing, cannot be said to be a minimal intrusion. The locking out of the landholder to these areas is disruptive to their use of their land, and many farmers that

have spoken on the issue report that it interferes with their farming practices. The siting of wells in close proximity to residential areas, individual farmhouses, public facilities such as hospitals, schools etc cannot be condoned. 200 metres is still too close, particularly where wells have been found to be leaking.

It is my understanding that *no* law, going all the way back to the *Magna Carta*, supports the governments or the mining corporations from walking onto an individual's land uninvited. Therefore, the law passed by Queensland's Bligh Government with support from the LNP opposition, to levy fines on landholders that resist is, I believe, unconstitutional, and to date has not been tested in a court of law. Be this as it may, the untried law stands as an unconstitutional bullying tactic that favours the corporations, and denies the rights of the landholder. That it remains untested in court is in part due to the inability of individual landholders to afford to fight in court, and the unwillingness to invite the stress of doing so into their lives, but it is also due in large part to the apparent unwillingness of the mining corporations to put it to the test. It remains, however, a scare tactic that works well in the face of an individual's attempts to keep the gas corporations out.

You do not have to look very far or very hard to hear of the stories coming out of the areas where coal seam gas is already holding sway. Whole towns and communities are being undermined and destroyed. This is eating at the very fabric of community. In towns like Chinchilla or Tara, which I have witnessed first hand, there is a divide formed between those who are suffering directly — usually larger land holders — and those who usually live in the towns, who perceive the increase in their businesses, and falsely believe this is an increase that is there for good. In some areas, such as Tara, open enmity seems to exist between the townspeople and the farmers from surrounding areas. The fact that the Gas companies are plying the townspeople with money expenditure is often misunderstood by the residents themselves, who are constantly bombarded on a daily basis by gas company propaganda and plied with 'goodies'.⁴ Many of the townspeople are not even aware of the environmental issues surrounding coal seam gas, and see only

the money expenditure in their town by the corporations. This sudden injection of funds, however, will be at the expense of the traditional industries of the area. Should the water table or soil become contaminated with toxic chemicals, farming will completely disappear, along with the mining companies, when they have taken what they have come for. The rural areas of our state and country face eventual disintegration and abandonment.

The flow on effects are enormous — these areas constitute prime cropping land, and make up a significant proportion of our foodbowl lands. The Bligh Government's supposed efforts at conserving some cropping land is merely tokenistic, and does not address this issue, preferring instead the promotional gains of carefully worded press releases and interviews, where the real extent of the potential loss of our foodbowl remains unmentioned. One report cites the possibility of future famine in Australia with the loss of our foodbowls.⁵ It also points out the possible added stresses to food security that global foodbowl collapses might engender, in particular the probability of increased food security issues in the light of refugee influx.

Mental illness is a real issue raising its head in the areas already under control of the gas corporations. Little wonder that the Federal government featured mental health as a prominent beneficiary in the recent budget.

It is because of these reasons, in part, that the industry fails to comply with the ESD principle of triple bottom line in the case of society.

3) The Economy:

Although at first glance the coal seam gas industry is spruiking an enormous benefit to the economy, I, along with many others, believe this is a red herring. There is now an accepted recognition that Australia is functioning under a 'two speed economy'. The

⁴ Propaganda is not restricted to adults either — I read a complaint made by one mother who took her children to the cinema to see a children's animated movie, only to have a cajoling coal seam gas ad played directly before the film. I find this offensive in the extreme.

⁵ 'Australia faces famine, expert warns' Sarah Collerton, ABC News, <http://www.abc.net.au/news/stories/2009/10/24/2723137.htm>

apparent boom is also driving up living costs for individuals, with land valuations impacting on rates.

Further, individual businesses are struggling to find employees. A recent article on the local ABC radio told of a mechanic workshop owner here on the coast who is struggling to find a mechanic to work for him, after he lost the last one six weeks prior to the mines. This is a pattern that has since been heard repeated over and over again in engineering and associated industries. The mechanic who owned this workshop was considering folding his business because he could not find staff. Many other business owners phoned in with similar stories. The demographics of the Sunshine Coast reveal the disappearance of 25-35 year old populations.⁶ Anecdotal evidence appears to support the notion that most are heading to the 'mines', including the coal seam gas industry, to seek work. Given the short term nature of much of the industry, there will follow a slump. That the government intends to alleviate the shortage of skilled workers with increased skilled migration will only later cause an excess of unemployment when the mostly transient jobs of the construction processes associated with coal seam gas are depleted.

With the shocking news that the mining industry is up to 83% foreign owned, it is highly doubtful that the resource boom is as big a boom as is being represented. The (empty) promise that the coal seam gas industry is injecting billions into our country is presented falsely to the population. The 83% foreign owned industry has been hidden from view, until recently. The promise of jobs in the coal seam gas industry is also over inflated. Wayne Swann declared that there were a potential 69,000 jobs in the coal seam gas industry across Australia; this to be added to the current 185,000 or so jobs that exist in the total mining industry. There are currently 500,000 farmers around the nation. How many of these people will lose their livelihoods, not only from the coal seam gas industry but from other mining industries that are currently running rife? Many of the jobs that are available in the industry are short term construction jobs which are conceivably multiply-filled by the same few construction teams moving around the country. Anna Bligh herself stated that there would be around 19,000 jobs created from the industry in

⁶Key group deserting the Coast, Carly Rees, Sunshine Coast Daily,
<http://www.sunshinecoastdaily.com.au/story/2011/07/06/key-group-deserting-the-coast-in-droves-youth/>

Queensland, but that there would be only around 2,000 maximum that would be long term jobs. In contrast, the Renewable Energy sector in Germany managed to create 250,000 permanent jobs last year alone. Why are we being so short sighted?

I perused the web site of the BG Group, the parent company of its subsidiary Queensland Gas Corporation, and found listed there a financial report to stockholders. Amongst the figures presented was the total income of the group from the last financial year. It was listed as a little over 15,000 UK pounds. The company is obviously a shell company.⁷ This suggests that if there were some kind of disaster that arose in a QGC controlled coal seam gas project that there would be very little chance of forthcoming funds to clean up any mess, as has been the experience of the people of Kingaroy at the hands of Cougar Energy, with the failed Underground Coal Gasification project leaving the people with a mess but insufficient funds to clean it up. In that instance, the levied fine from the government is also insufficient to clean up the mess, and makes a laughing stock of the already flimsy regulatory approaches.

Individual landholders are often left with de-valued properties, with no chance to sell, diminished returns from the interruption to their farming abilities, the prospect of possible contamination of soil and water, and fractured communities. Many farmers have walked off their land, or accepted losses.

These issues demonstrate ways in which the coal seam gas mining industry does not meet the triple bottom line principle of ESD in regards to the economy.

⁷ The BG Group website also voted recently at its AGM to grant the authority to every subsidiary company worldwide to spend up to 50,000 pounds (\$AUS75,000 approx) on 'donations to political parties', 'donations to political groups other than parties' and 'political activities'. This is an economic advantage that these corporations (and I am sure that all corporations have similar policies) use to pave their way. In Queensland alone there are two subsidiaries of the BG Group, potentially providing a minimum of \$AUS150,000 to spend on convincing politicians of the good of their industry. It would be prudent of the Senate to investigate where this corporation's, and others', 'political donations' were expended, and whether the state or federal governments received donations from other BG Group subsidiaries from other countries.

PRINCIPLE 2: Intergenerational Equity

What are we leaving behind for the generations of tomorrow? The youth of contemporary Australia are, like the youth of every other country of the global North, relatively ignorant of the future of their country. After the mines and gas wells have come and gone, and contamination has likely destroyed the farming land of our nation, will we have left them anything to sustain their adult lives? We will have only left them the fading echo of short term financial gain and the added burden of a depleted environment on which they must somehow eke out a living. Added to that, we will have forgone our responsibility to address climate change, and will be handing to them a potentially catastrophic time bomb... and we will have gone past the moment when we had the leisure of time and available resources to begin to set a viable future in place. Would they thank us? What would we say to them in our defence? We all have children, grandchildren and other children we love in our lives... what is wrong with the Government? It is certainly not a sustainable situation.

The youth of today are so busy with the distractions of a life co-opted into consumption that they are not aware of the unfolding tragedy that we are capable of stemming, yet we allow to flow unabated. The state and federal governments must side with the people against the corporations wishing to steal our children's future, or risk being made redundant. It is in part for the youth of Australia that many people are opposing this industry, with its proven track record in the United States of poor performance, environmental degradation, avoidance of social responsibility and lax safety and self regulation.

PRINCIPLE 3: The Precautionary Principle

The Precautionary Principle states that where there are questions over the legitimacy, the safety or the viability of a development project, then the project must be put on hold until such concerns are investigated and knowledgeably substantiated or dismissed. Stephen Robertson in the 60 Minutes interview stated: "we're learning as we go". This is completely at odds with the concept of the Precautionary Principle. There is little more to say on this matter. The sense of the principle speaks for itself. A substantial

proportion of the chemicals involved in the Hydraulic Fracturing process are not benign, and if released to the environment, pose a significant risk. The Precautionary Principle must be adopted if ESD is to be attained.

PRINCIPLE 4: Conservation of Biological Diversity and Ecological Integrity

Bio diversity and ecological integrity speak for themselves. Without a sustaining, diverse ecology, the sum of our lives is diminished. The ecology is a fragile balance, and our lives will be even more challenged in the future with burgeoning populations. Why make it harder still? The coal seam gas industry's main threat to these important components of a healthy ecology is obvious: the process is not 100% proven safe, and the chemicals involved threaten the environment, yet we are leaving the details to the companies themselves, and trusting them to self regulate because the government needs extra cash, or they are cajoled and bought by the corporations. We must learn from past errors. Nuclear power, Agent Orange, DDT and Thalidomide spring immediately to mind. Such understandings are not won without loss, and we do a huge disservice to humanity not to invoke conservation and integrity.

PRINCIPLE 5: Valuation and Incentive

The Principle of Valuation and Incentive holds that there needs to be a reasonable ascertainment of the value to all players of the debated development project. I believe that the coal seam gas industry is not of sufficient value to the country to warrant the risk it poses. Zero Carbon Australia has a plan that is researched and ready to go that would see Australia step up to the plate and convert to renewable energy in a short span of time. It is obvious that the reason that we have not embraced this plan and moved ahead with it is because corporate interest has swayed the government. Given Germany's track record of creating jobs in the renewable energy sector, it seems ludicrous that the government would be extending the life of dirty fossil fuels for a short term gain, mostly to private interest. Anna Bligh's recent unveiling of a retrograde solar power station requiring a gas

fired powerstation to boost it to provide base power is laughable. The technology has advanced beyond this, yet she has chosen to install this white elephant technology – presumably to create a market for gas at the necessary back up powerplant, or perhaps to support the popular notion that renewables cannot provide base load power. Either way, the net effect is that Australia will become not only the laughing stock of the world, but also a global quarry and gas field, with all its attendant health and environmental implications.

To hear an insightful interview with Matthew Wright or Zero Carbon Australia on ABC radio regarding this please go here:

http://blogs.abc.net.au/queensland/2011/06/proposed-solar-plant-for-chinchilla-matthew-wright.html?site=brisbane&program=612_evenings

The Incentive component of this ESD principle is here heavily invested in outcomes. The Governments, both state and federal, are presiding at a time when they have the choice to move purposely toward a renewable energy future, or they can choose to ignore the needs of the growing population and instead bow to the corporate giants that are desperately clawing at the fossil fuel that lies beneath our country. There does not appear to be a middle ground. The governments appear to have already made the choice, and coal seam gas is being seen as the answer to financial downturn; a much hyped claim that, with 83% foreign ownership, and limited job growth, is laughable. The people will decide at the next elections on the performance of the current elected powers, however, it does not alone rest with them. Both sides of politics in this country are in favour of corporate profit and public sacrifice, so the resort of voting the offending side out is no longer available to the people of this country. Therefore, it is urgent that the Senate assume the responsibility of acting on behalf of the interests of the people in this regard.

In closing

The final decision over a federal moratorium on this industry may lie with the powers of the Senate. I sincerely hope that the members of the Committee panel can distance themselves from the empty promises of endless wealth and job creation that are

continually pushed forward into the public arena. It is true that there are some mining industries that we cannot yet leave behind us, but there is a choice to be made at this juncture. If we carry on and try to scrape the last fossil fuels from our ground then the environment will rebel, long before we get to the bottom of the barrel. This is not just an issue of depleting resources, but of how much our ecosystem can cope with before it collapses. This is a view roundly endorsed by academia from around the planet. That it goes unheeded by politics simply identifies where the two major political parties of this country are sitting on this issue. It is not the welfare of the land and its people being considered here, but the pockets of the corporations who are set to profit.

I believe that given a choice, and with all the facts on the table before them, ordinary Australians would realise that that the corporations are not handing out profits. They would realise that the time has come. They would vote for hoisting up our collective trousers, rolling up our collective sleeves, and getting down to the work of retooling, reskilling and relearning our way toward renewable energy. That the governments are not bringing this notion to the table speaks volumes about where their interests lie... not with the people, but with the corporations. We have privatised ourselves almost beyond help.

A wise society will choose to divert the path of sure destruction before we pass the point of no return. That point is looming large in the roadway before us, and the Senate has, in this instance, an opportunity to effect change. I sincerely hope that the Senate sees the wisdom in leaving a future for our children, rather than a sentence.

Thankyou for your time.

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