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SENATE

SELECT COMMITTEE ON AGRICULTURAL AND RELATED
INDUSTRIES

Reference: Food production in Australia

TUESDAY, 19 MAY 2009

GUNNEDAH

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**SENATE SELECT COMMITTEE ON
AGRICULTURAL AND RELATED INDUSTRIES**

Tuesday, 19 May 2009

Members: Senator Heffernan (*Chair*), Senators Fisher, Milne, Nash, O'Brien and Sterle

Participating members: Senators Abetz, Adams, Back, Barnett, Bernardi, Bilyk, Birmingham, Mark Bishop, Boswell, Boyce, Brandis, Carol Brown, Bushby, Cameron, Cash, Colbeck, Jacinta Collins, Coonan, Cormann, Crossin, Eggleston, Feeney, Ferguson, Fielding, Fierravanti-Wells, Fifield, Forshaw, Furner, Humphries, Hurley, Hutchins, Johnston, Joyce, Kroger, Lundy, Ian Macdonald, McEwen, McGauran, McLucas, Marshall, Mason, Minchin, Moore, Parry, Payne, Polley, Pratt, Ronaldson, Ryan, Scullion, Siewert, Stephens, Troeth, Trood, Williams, Wortley and Xenophon

Senators in attendance: Fisher, Heffernan, Nash and Williams

Terms of reference for the inquiry:

To inquire into and report on:

Food production in Australia and the question of how to produce food that is:

- a. affordable to consumers;
- b. viable for production by farmers; and
- c. of sustainable impact on the environment

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Committee met at 12.36 pm

CHAIR (Senator Heffernan)—I declare open this public hearing of the Senate Select Committee on Agricultural and Related Industries. The committee is hearing evidence on the committee's inquiry into food production in Australia and I welcome you all here today. This is a public hearing and a Hansard transcript of proceedings is being made. Before the committee starts taking evidence I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action would be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence.

The committee prefers to hear all evidence given in public, but under the Senate's resolutions witnesses have the right to request to be heard in private session. It is important that witnesses give the committee notice if they intend to give evidence in camera. If a witness objects to answering a question, the witness should state the ground upon which the objection is taken and the committee will determine whether it will insist on an answer, having regard to the ground which is claimed. If the committee determines to insist on an answer, a witness may request that the answer be given in camera. Such a request may, of course, be made at any other time. The committee has allocated some time at the end of the hearing for people in the audience to make brief statements.

[12.38 pm]

HUNTER, The Hon. Robert Leslie, QC, Private capacity

CHAIR—I welcome Mr Bob Hunter. Do you have any comments to make on the capacity in which you appear?

Mr Hunter—I was previously a Supreme Court judge, in the commercial section.

CHAIR—I now invite you to make an opening statement and then we will ask you some questions.

Mr Hunter—The structure of what I want to put to the committee is roughly to outline what I see to be the stages involved in this inquiry, to present a very basic written introduction to what I regard as stage 1 of the process, namely, fact finding. It is a very short document, and I want to supplement that with some oral submissions.

CHAIR—Are you tabling a document?

Mr Hunter—I will be.

CHAIR—Okay.

Mr Hunter—The submission proceeds on the assumption that this inquiry involves three steps. One is a fact-finding step, and I have assumed in that area that food production is food produced by agriculture and includes feedstock. I have also assumed that the fact-finding step will require the committee to ascertain (a) the nature; (b) the quantities; (c) the sources and locations; (d) the distribution and use; (e) the significance of the food production, domestically and internationally, recognising Australia's participation in international conventions; (f) the precedence of priority of areas of production based upon (1) the availability of food to meet needs and (2) the capability of different producing areas to meet those needs; and (g) whether food production is under serious threat of damage and, finally, the nature of that serious threat.

Stage 2, I have assumed, is the determination of what, if any, measures, regulatory or legislative, are needed to address findings reached in stage 1. Stage 3, I have assumed, is a determination of the constitutional basis to the implementation of any of those regulatory or legislative steps that are the subject of stage 2. I have a written factual document which I will distribute. I will refer to the document, but I do not invite the committee to read through it at this stage.

CHAIR—No, we won't.

Mr Hunter—I hasten to add that it is a preliminary document and it is directed only to some basic stage 1 introductory facts about food production in New South Wales with particular emphasis on the Liverpool Plains region. I will only comment in relation to stages 2 and 3 in the assumption. I would welcome the opportunity for further contribution if it were seen fit to do so

via the committee, but I only make the comment that in relation to stage 3, relating to the constitutional basis of implementing any regulatory of legislative measures that you think fit, I would not anticipate any insurmountable obstacle to identifying those constitutional bases. I will leave it at that.

In respect of the document I have circulated, I make a half apology. There is reduced availability of research material due to some state action in the abandonment of various research activities, and I understand the ADF only comes out every five years now as against annually. As a result, the material I have presented is based on 2003 and that on 2008 is still to come. But the point of the notes remains true. In summary, the notes I have submitted show that the Liverpool Plains is acre for acre the most highly productive agricultural land in New South Wales and by definition equal to any dry land farming area in Australia. This is the result of outstanding soil types, a favourable confluence of seasonal rainfall, temperature conditions, frost incidence and unique groundwater conditions. That would amount to nothing without the implementation of environmentally conscious timing practices, particularly no-till farming, strip farming and down the slope farming, in the production of both summer and winter crops in this region.

I very briefly refer you to a couple of aspects of the material I have handed up. Under section 2.1, headed 'Cropping statistics', you will find figure 3. That, I would suggest, is a remarkable insight into the productivity of this area. It is a comparison table between production in this region of cereal crops and the state yield. The source is given, by the way. The material is fully referenced in the reference material at the end of the paper. It shows that the average yield for wheat in the Liverpool Plains compared to the statewide yield of that cereal is 36 per cent higher. In relation to barley, it is 20 per cent higher. I think those stats speak for themselves.

If you go to table 1 on the same page you will find what, I submit, is another remarkable statistic. It is the production of sorghum—or summer crops, more accurately. You will find that the area produces 28 per cent of the state's sorghum supplies. I have no details on the comparison of areas between the Liverpool Plains and the rest of the state, but again I suggest that figure alone speaks for itself in terms of the productivity of this area, as does the percentage of sunflowers produced in this area—namely, 33 per cent. These are all expressed in tonnages.

Before I leave that I should just indicate that I have thrown in a reference to climate change. When I say 'thrown in', it is an area of great complexity and debate, but it is there. The submission that can be made in relation to it is essentially to be found in the last two pages of the paper. It is intended to show that the particular advantages that this area enjoys in all of the respects I have referred to—soil, water, climatic temperature and the like—stand to benefit, if anything, by comparison with other areas in relation to projected climate change. Table 2 at the top of the last page can probably be better explained by those more informed in the science of it, but you will notice that it is extracted from Mr Garnaut's paper. It refers to a no-mitigation case in a hot, dry extreme case. Those two cases are: you do nothing, the no-mitigation case, and the hot, dry extreme case, the extreme case. I will only refer to one figure—Dubbo will not be pleased to hear it nor will Moree—but if the hot, dry extreme case happens, they will not have a cereal harvest.

The same cannot be said about this area. There is a table, table 3, that I would recommend to the committee to look at in a quiet moment. The first column emphasises the areas of impact through climate change, and the last comment is Arche Consulting's comment. Arche is the

economic consultant, and I have had the benefit of the assistance of Mr John Madden. That column represents the ways in which the Liverpool Plains can accommodate climate change, and the overall comment about it is that it is highly favourably placed. That is all that I want to say about what I call the dry-land farming dry facts.

I want to, as it were, come clean. The presentation of the submission in relation to those factual matters is not my real reason for taking the opportunity extended to me by this committee to present a submission. I have given it the title *Elephants in the room*. It is almost beyond argument that in the course of this inquiry you will be confronted with the challenge that food production in Australia is a limited resource, with increasing world demand for food, which is likely to be adversely affected by climate change. I refer to the table in the information statement.

I also suggest that it will be impossible to avoid observing that those limited resources are under present and pending serious threat of irreversible damage by the competing interests of the mining industry, and nowhere is that more acutely felt than in the Liverpool Plains where Coal Mines and Shenhua currently hold permits to explore for coal, which they know is there. They are reputed to have paid several hundred of millions of dollars for the privilege of confirming what they know is there. At the same time Santos has farming agreements with several permit holders for the exploitation of the plains for mining and extraction of coal gas. They are the elephants in the room.

This is not a submission about antimining of coal or methane gas; it is about due process and the protection of the valuable resource of food from serious, irreversible damage. I want to say something about what I think is the duplicity of the dealings by the mining interests with the agricultural community. I do not make that submission lightly and I make it with regret. I want to make good those assertions and propose appropriate steps that the committee may see fit in addressing a question that in my submission is of obvious national interest.

Coal Mines Australia purports to operate under exploration licence 6505 signed by the Hon. Ian Macdonald MLC, as Minister for Mineral Resources, on 12 April 2006 in what is described as the Caroon project. It is for five years and covers an area of approximately 344 square kilometres, as shown on the attachment to the licence. It is a condition of the licence—this is an important matter—that Coal Mines comply with a schedule of conditions. There is the proviso that, if Coal Mines ‘fails to fulfil or contravenes the governance and conditions or to comply with any provision of the Mining Act with which it is required to comply, the minister may’—and I stress ‘may’—‘cancel the licence’. That is clause 3(a).

The conditions are divided into six sections. I will not go into the detail of those, though they are headed respectively: ‘Approval of prospecting operations’, ‘Special areas conditions’, ‘Environmental management conditions’, ‘General conditions’, ‘Exploration performance and reporting conditions’ and, most importantly, ‘Special conditions’, and I will come to that later. Section A identifies three categories of prospecting: category 1 is superficial, category 2 is slightly more invasive and category 3 involves shaft sinking, tunnelling and the like. It is in category 3 operations that the minister may require an environmental impact statement.

Section (c) is more concerned with such things as Aboriginal cultural heritage, threatened species, vegetation and the use of roads. On my reading of it, I do not see anything there about

agricultural land. Under section (e): Coal Mines are required to lodge reports—Mr Chair, is it impertinent for a witness to ask whether the provision of water is the exclusive domain of the committee—

Senator FISHER—Certainly not.

Mr Hunter—or does a witness get allowed a glass?

CHAIR—Can I tell you what it is?

Mr Hunter—I know what it is. You want to keep me short!

CHAIR—It is in the purview of this committee to hurry you up or you are going to run out of bloody time, mate!

Mr Hunter—I have got the watch here.

CHAIR—Because we have started late, this is an opener. We are happy to receive further evidence.

Mr Hunter—Good.

CHAIR—But we are short on time today because, unfortunately, we are a little behind schedule.

Mr Hunter—Do not worry; I am not going to impose on you.

CHAIR—Press on. Drink up and press on.

Mr Hunter—Section (f) is the interesting one. It provides for obligations for the licensee to ensure that all work programs—that is the important one—further studies. Other commitments include exploration, mine planning and feasibility, hydrological—another important one—and other environmental studies are satisfactorily completed. That is clause 49. They have to contribute to some detailed investigations into a rail track and they also have to investigate the ‘potential for development of a regional, independent power plant’—that is a coal fired power plant—‘as part of coal utilisation studies in this catchment area’. They are required to establish a new regional headquarters in this area and so on. Finally, they are required to make data relating to completed hydrological studies available to the public.

CHAIR—Thanks, Mr Hunter. Could you just explain to the committee whether they are the details of the exploration agreement or of the—

Mr Hunter—They are the conditions of the licence.

CHAIR—For the exploration or the mining?

Mr Hunter—The exploration.

CHAIR—We have not been able to find anyone who actually got their hands onto the legal document.

Mr Hunter—I will give it to you.

CHAIR—This is the document that says that, in return for \$300 million in the case of Shenhua and \$100-something in the case of BHP—

Mr Hunter—You will not find those precise figures in that document, but you will find the document.

CHAIR—No, but this is the document that the money changed hands for.

Mr Hunter—I will provide it.

CHAIR—Okay. So is there subsequent to that, in that exploration document—and you will provide the full document to this committee—

Mr Hunter—I will.

CHAIR—what I call a drop-dead consequences clause? For instance, if the water study says that it is true—and we have a long way to go with this—that the recharge of the aquifer in this area is going to be intercepted or contaminated in some way, is there a drop-dead clause in there that gives the government the power to say, ‘Despite your \$300 million, old mate, you have to go back to where you came from’?

Mr Hunter—I would like to say two things about that. I read out certain parts of these conditions requiring them to set up regional places, do all of these sorts of studies and make commitments. They read ‘done deal’.

CHAIR—Yes, I already have that message here.

Mr Hunter—However—

CHAIR—The government is not turning back and the mines are going to go ahead, but that is not our agenda. We want to give everyone a go, including the capacity, if need be, to subpoena these people to this inquiry. But as far as your reading in your legal eminence of the document, is there a capacity in the document to protect the government, the ratepayers of this shire and the landowners of this shire in the event of some science turning up that says, ‘This is a no-go zone for mining’?

Mr Hunter—Yes, there is a provision, which I think covers your question, in relation to category 3 activity. But that is getting into the area where they are actually digging big holes in the ground and where they can be called upon—I think it is ‘may be called upon’—by the minister to provide an environmental impact study. I think that is the answer to your question.

CHAIR—My question really is: can they start the mining, not the exploration, before the science is complete?

Mr Hunter—Yes, I think they can.

CHAIR—Righto. Other questions?

Senator FISHER—In terms of that feasibility study, Mr Hunter, is that your best answer to Senator Heffernan's question? Is that the protection? Is that the only hook that you would see as the protection?

Mr Hunter—I think it is. Why I used the expression 'done deal' is that the whole structure of this licence is taking hundreds of billions of dollars, as reputed, from this government for the privilege of exploring for coal that they know is there. You can only read into that with the other add-ons that this is a deal to mine not to explore. They are the words but the objective is to give these companies the mining rights. I have something very briefly to say about that and I am coming very close to that.

Senator FISHER—You had better say it.

CHAIR—Yes, of course. This is not the last time you are going to hear from us.

Mr Hunter—I understand that, Mr Chairman, I will be very quick. There is one important matter to emphasise. Last year BHP Billiton came out with an interim report. It was circulated locally in a glossy with all the local newspapers. I would like not to read the whole lot to you but I want to quote from it because it is important. The publication is described as providing the community with important information—that is the communities on the Liverpool Plains. Significantly that important information, which BHP stated, was that: 'It is not considering longwall mining underneath the flood plain of the Liverpool Plains, or underneath the deep alluvial irrigation aquifers, or underneath the Mooki River, or the Quirindi Creek or open cut mining on any part of the Caroon exploration licence,' and that 'It will focus future exploration on the ridge country away from the high value agricultural land.'

Now there are two things in that statement. It is an admission of what this country is really worth and it is an admission that they should not go within a bull's roar of it. They said that but their conduct since making that announcement belies, or if it does not belie their attention, has given the community great concern at their willingness to take it at face value. That has been exacerbated by a refusal by BHP to provide information that would, you think, be readily available and should be produced. I am thinking of, for example, work programs. Let us know what you intend and are doing.

Senator NASH—Mr Hunter, can I just interrupt there. The mining company cannot guarantee that any of that mining activity that will occur on a ridge will not affect the alluvial plain, can they?

Mr Hunter—Absolutely not, no. I am not buying into that right now.

CHAIR—In relation to the information that is not available would you like, at an appropriate time, to let the committee know what is the pertinent information that in your view we should seek to clarify the questions that you have raised?

Mr Hunter—I have about a page and a half to come if I have that much time.

CHAIR—You could table that because we are actually running late. But if you want to make a few pertinent points out of it, please do so.

Mr Hunter—I would love to have had it in that form, but time has been against me. But in any event—

CHAIR—We do not mind if it is in handwriting.

Senator FISHER—Even better. Your handwriting would be very elegant.

CHAIR—Your handwriting would be much better than mine.

Senator FISHER—Hear, hear.

Mr Hunter—If it is, you ought to be ashamed of yourself!

Senator NASH—Not just for his handwriting!

CHAIR—Don't blame me; blame the nuns. Could I just say that it seems to me, and I have had some casual conversations in the last few hours, including in this building, that there is an assumption that this is a done deal and no-one seems empowered to do anything about it. Regarding the ridges versus the flat, when we capped the rivers in the Murray-Darling Basin in 1996, all the farmers got busy on the groundwater licences. We are all likeable rogues in the bush. A whole lot of groundwater licences were issued before the scientists realised that the groundwater is actually connected to the river. Forty per cent of the water that flows into the lower end of the Murray-Darling Basin is groundwater. So I would have thought that some lessons for this district and for the government would have been learnt, because it is the same government as when Paul Landa was the minister and Neville 'Nifty' Wran, God bless him, was the Premier. They deliberately and with full knowledge mined the Namoi aquifer, which of course caused so much distress to farmers. They got a note in the mail saying: 'We're going to take 75 or 80 per cent of your water back. Explain that to the bank.' They are the same sorts of lessons that we ought to have learnt from before we started this episode to understand the connectivity of the recharge of the aquifer.

Mr Hunter—I will finish in this way. I suspect there are many in this room today who do not, but if we take BHP's statement at face value it raises two questions: (1) why haven't you applied for an amendment to your licence conditions to excise the Liverpool Plains from your area of exploration, and (2) why haven't you produced a work program that accords with your stated exclusion of the rich, high-grade country from your explorations? They will not do it—well, I should not say that. I am unaware of them having done it and I would be amazed if they have. I am unaware of any action being taken by the minister about this. I am unaware of any attempt to find out what this great idea of putting a coal fired power station in the catchment area entails and what due process has been involved there.

For those reasons, it is my submission—if I can read my own handwriting—that to enable this committee to understand the effect of damage to food production on the Liverpool Plains: (1)

Coal Mines Australia should be brought before this committee and be required to (a) disclose its current or planned exploration programs, mining plans, whether in draft or final and (b) produce details of its current and planned activities on or in relation to the plains, (2) Coal Mines should produce documents relating to its feasibility studies of a coal fired power station in the catchment area, (3) Coal Mines should show cause in view of its interim report and disclaimer why it should not (a) apply for a variation of its permit to excise the plains region and (b) obtain approval for an amendment to its work program to accord with its disclaimer, (4) Santos should be required to appear before the committee and disclose its work or mining programs and, in particular, the extraction and disposal of coal gas water—an interesting study about that was just produced by the department in Queensland this month—and (5) Shenhua should be required to appear before the committee and disclose similar information to that required of BHP.

I will finish with two propositions and I will try to keep emotion out of it. Leave aside the niceties of legal rights. Leave aside the ethics of corporate behaviour. This community is entitled to more respect than it has been given to date. It is a community that consists mainly of families who have worked this area for generations. The yields that I talked about earlier are not just statistics; they are the work of these families who have applied state-of-the-art practices, and the results show for it. As I said, they are entitled to more respect—any respect. They have been given none, apart from lip service, by these foreign mining corporations.

The second proposition I want to put to you I put with respect. You should accept these submissions and other submissions you receive in the knowledge that you are the only body that this and like communities can come to. We cannot go to our state government. I think they are in the pocket of the mining company in every sense of the word. We cannot get any real relief from the courts. The Mining Act makes sure of that. What I have seen of the impartiality of some of the things that have gone on disturbs me as an old lawyer. I saw an arbitrator's award in relation to an access dispute with BHP which was published on government paper with a covering letter on government paper attaching the award—unfavourable, of course, to the landholder—but saying that the arbitrator had appointed an appeal date for the hearing of the appeal of the decision on the basis that the arbitrator understood that the landholder would want to appeal. That smacks of mining influence. The right of an appeal and the right to make that decision and to obtain a hearing date that is appropriate were the rights of the landholder. The only reason that was given, in my submission, was to shorten the time between the award and the hearing of the appeal, and who would that advantage? The mining company. That was either real bias, perceived bias or plain ignorance, and it should never have happened.

CHAIR—Mr Hunter, I am going to have to ask you to wind up.

Mr Hunter—I just want to add this. You really are the only avenue this and like communities have got to achieve not a privilege but a just hearing and just action reflecting genuine needs. I will not be around when mining companies do what they want to do, and I am a newcomer—we have only been here about 30 or 40 years. But the reality is that I have a huge affection and respect for the plains, and that is one of the reasons I am here. I am not here out of enjoyment of the occasion.

CHAIR—Thank you very much for your evidence. Can I just say on behalf of the committee that it is the intention of this committee to hear both sides of the story; to invite the mining companies along. We do have the power to subpoena people. We would like to do with the

pleasant way. We would invite you to make a further written submission to this committee. We intend to explore, from front to back, the issues surrounding this. I would be interested even to see what the lurching program around these decisions has been, as well the money that has changed hands and the written agreements and what the drop-dead clauses are, because there is a sort of fatal view in the community that this is a fait accompli. If we are ever going to learn from the mistakes of the past, where we have overallocated rivers and done all sorts of dreadful things, there is no time like the present to come to terms with all that. Thanks very much.

Mr Hunter—Thank you.

[1.17 pm]

BANKS, Mr Robert, Private capacity

BROWN, Mr Geoffrey William, Private capacity

ROBERTS, Dr Pauline, Private capacity

CHAIR—Welcome. I invite you to make an opening statement.

Mr Banks—Thank you, Chair. I have been asked by some of the members of the southern Liverpool Plains community to present some backgrounding information for your committee and to outline how that aligns with what is happening in coal exploration and intended mining in the district. I used to work as a soil and salinity researcher for the Soil Conservation Service and its successor organisations in New South Wales, based out of Gunnedah. For the last five years I have run my own company, continuing in the same vein of work in a private capacity. My experience is fairly wide in Australia. I have worked in soil and landscape work and salinity work, across Australia and internationally. The main thrust of my work in the last 19 years in the district has been developing productive, healthy farming systems and grazing systems which are in balance with issues such as groundwater use and salinity. I have published several books on the district, such as this one—which you need to be a NASA engineer to understand parts of!

CHAIR—Are you offering to table that for the committee?

Mr Banks—I have summarised it in my submission.

CHAIR—Surely you don't want me to buy it off you! You would not be that crass.

Mr Banks—I have summarised this information in my written submission.

CHAIR—We would be interested to have the book as well as the summary, if you have a spare copy.

Mr Banks—There are four of them, for four different localities, and associated maps. I can leave this here and provide you with the other three. Basically we would like to outline the physical environment of the southern Liverpool Plains—

CHAIR—Before you do that, could I ask: Dr Pauline Roberts and Mr Geoff Brown, are you going to make separate submissions?

Dr Roberts—That is correct. We are going to do five minutes each.

Mr Banks—And I am supposed to be seven, and I have already taken up three. This is in very simple note form, for people who are not familiar with the district and so on. Essentially, the Liverpool Plains area, particularly south of Gunnedah, are areas with black soils which are in deep sandstone valleys filled with some of the highest clay-content soils in the world—hence our

tremendous fertility. The soils are more productive than almost any other cereal cropping soils in Australia, and they are almost as good as coal. They represent a permanent income to the community and they provide for permanent food production. I believe that this is the first time in New South Wales that the productivity of the land, in terms of its turnover per hectare, is of the same order of magnitude as that of coal production. I think this is quite important when you start to compare us with the less productive lands of the Hunter Valley, which have been mined.

We also have very high-quality, high-yield groundwater in the southern Liverpool Plains, which gives crop security to those who have irrigation licences. The New South Wales water reform process that has been happening has seen a lot of the groundwater levels in the Liverpool Plains stabilise or rise, and so it has been a successful albeit very painful bloodletting for the people who have the licences and have received cuts.

In terms of the value of the land in the southern Liverpool Plains, between 1990 and 2005 a lot of vegetation, salinity and soil research and surveys have recognised the value of the land from a productivity and biodiversity point of view and that the vegetation that is still left in that landscape is relatively sacrosanct because of the way it is behaving in terms of water balance and provision of biodiversity values which affect adjacent farming land. In fact, some of the vegetation protection laws which were brought in in New South Wales were brought in because of the value of the vegetated lands on ridges for controlling salinity. It was a major push when section 46 came in, and its subsequent legislation.

During my time in this region, the farming systems, in very small part through my work and that of other researchers but mostly through the hard work of the community and the adaptability of this community to take on new ideas and systems, most of the farming systems in question—where the exploration licences are, and particularly on the black soils—have become some of the most efficient farming systems in Australia, especially with crops such as sorghum, which may have yields up to 10 tonnes per hectare or even in excess of that. This is why the sorghum futures index is called Liverpool Plains sorghum, because we are the highest producers of sorghum in the world on a per acre basis.

I am trying to give an overall picture without naming names or focusing on any particular farms, so in terms of risk from mining systems being introduced to the Liverpool Plains, in terms of open cut mining on ridges, we risk a removal of biodiversity which controls a very tight water and salinity balance. The biodiversity also has some controls and benefits for farming systems around it. In terms of the farming systems themselves, there is the obvious question of subsidence of very flat farming lands. The area in the BHP exploration lease, the northern section just south-west of Breeza, is in fact the flattest piece of land in New South Wales. Over about a 10-kilometre area there is no elevation change at all; it is dead flat—and that is before it was developed for irrigation agriculture.

CHAIR—Pretty handy in a wet year.

Mr Banks—Extremely handy in a wet year, as we all know. Another community resource, aside from people who are living on the land and producing food, is groundwater. We were very concerned about the disruption or destruction of high-quality, high-yield groundwater which fuels irrigation agriculture. I might point out that the way irrigation is running at the moment there is a lot of saline water in that area which is perched above the good groundwater. The

irrigation systems, if they are managed well, are keeping the pressure off that saline system, so we actually have a lot less salinity here than we did when I arrived in the 1990s.

I would like to refer you to two maps at the back of the handout. They are both of the same image. My wife reckoned it was better if it was coloured in and I reckoned it was not, so you have both! There is a summary of the groups of soil and geology groupings in an area which roughly represents the exploration leases. I have not cut them out exactly. Very interestingly, if you take time to view that when you take this stuff back to Canberra, 56 per cent of the small parcel of land on that map is very high value farming land and has the capacity to produce that 10 tonnes per hectare of sorghum. That is 155,000 hectares of land just on that small slice of a map, which represents approximately \$100 million in annual turnover. Twenty seven per cent of that land is very highly productive grazing land and 17 per cent of that land represents recharge and biodiversity values—the ridges are too steep to graze and farm.

When you look at this in context and compare it with other districts, you are looking at something that is far and away different from, for example, the area around Muswellbrook, which is dominated by more of those recharge areas which are clear—

CHAIR—You don't have to keep rubbing it in! We know it is good country and we have a drought down on our way.

Mr Banks—I am aware of that. I am quite proud to come from this area because it is quite interesting and magic country. I will leave you with that.

CHAIR—Have you actually got the figures that have aged the water?

Mr Banks—The ages of the water?

CHAIR—The ages of the water. Really we need to understand the science of the recharge.

Mr Banks—I have some figures on ages of the water.

CHAIR—Has the science on the recharge been done? That begs the question: is this coalmining going to intercept the recharge?

Mr Banks—That is a subject of hot discussion. There is dating done on the water; it has not been put to that purpose yet, that I am aware of.

Senator NASH—So there is no guarantee that it will not intercept it?

Mr Banks—None at all.

CHAIR—Anyhow, that work needs to be done.

Senator WILLIAMS—Mr Banks, you have been involved in soil nutrition for many years, I would imagine. It is a fact, is it not, that healthy soil is required to grow healthy foods so you have healthy people. It is all linked. The health of human beings has a relationship to the health of the soil—is that correct?

Mr Banks—Yes, that is correct.

Senator WILLIAMS—That is a well-known fact among soil nutrition scientists around the nation?

Mr Banks—Yes.

CHAIR—Who did I hear on the radio yesterday on that? It was very good.

Senator WILLIAMS—Me!

CHAIR—He hears his own voice all the time! Dr Roberts, would you like to make some comments?

Dr Roberts—I am an independent research scientist and naturopath on the Liverpool Plains. My submission is No. 89, which you probably have not had an opportunity to read fully yet, so with your permission I will do a very short summary of it. Thank you very much indeed for coming up here and listening to us today.

It is my belief that the health of any country that grows adequate food for its own population can be directly linked to the health of the land that produces that food. Effectively, a food's nutritional value in terms of baseline nutrition—its minerals—cannot rise higher than the source and the nutritional value of that source is directly linked to the quality of the soil and the water and to the underlying geology of the region that generated it. You have heard from Robert about soil and the nutrient density that we have here. We do, however, have a veritable Pandora's box of non-beneficial strata on these plains but, luckily for food production, they are buried deep below. These deep sedimentary mudstones and shales do not make the productive soils we rely upon nor do they offer the nutrients you would want in your Weet-Bix. Instead of health-giving calcium and magnesium in abundance, you get concentrations of antinutrients such as lead, cadmium, arsenic and uranium. Instead of clean water, you get saline saturated with toxic manganese, chromium and nickel salts. The list goes on but I promise to be brief. Thus the parent rocks and resulting soils are as similar as chalk and toxic cheese.

Exhuming such strata to the surface in food-producing areas by long-wall or open-cut coalmining ensures the air, the water, the soil and the people here and the food grown here will be contaminated with heavy radioactive and excessive metals. This contamination is already verified in the Hunter Valley. The national pollution inventory's figures—this government's own figures—show that the once-agricultural but now industrial town of Singleton receives 70.3 metric tonnes of heavy and excess metals into its environment—into the air, the water and the land—every single year. This figure is only for metals and does not include the tens of thousands of tonnes of fine-dust particles nor take into account the carcinogenic benzenes or the noxious sulphur, fluorine or nitrous gas emissions produced by coalmining. Quirindi, a wholly agricultural area, produces 0.4 of a kilogram. The contrast is stark and the base products—one, fuel, and one, food—are consequently very different.

If there is one law in geochemistry it is that every element goes somewhere. Once liberated we cannot stop plants picking up antinutrients as they fall onto the soil and into the water. From there they relentlessly enter our food chain into the milk we drink, into the meat we eat and into

our crops supplying the bread for our sandwiches—and I trust you did get lunch. Calcium and magnesium have jobs to do in plants, in animals and in humans. Lead, arsenic and uranium do not. Heavy-handed and persistent, they stop proper brain function and nervous system function and weaken bones and organ systems. Our kidneys are especially vulnerable.

Acute poisoning is relatively easy to diagnose. Chronic bit-by-bit poisoning is not. It is insidious, it is latent and it is poisoning which mimics and promotes many other disease states. It is no surprise that the independent Hunter Valley Research Foundation's 2008-09 report into Newcastle on the Hunter shows increased mortality, lowered life expectancies for babies born now, increased rates of lung, skin and colorectal cancers and increased rates of death from breast, cervical and prostate cancers compared to those of New South Wales in general. The body can only take so much.

Every single element, once liberated from safe storage underground, goes somewhere. Very small amounts are needed to affect the development of children—millionths of a gram, a speck on the tip of a teaspoon. Pregnant women and children are the most affected by antinutrients because of their faster metabolisms, their higher rates of absorption and their demand for nutrient supply. If calcium is not available for growth they pick up lead instead. It is similar in bio-electrical charge but it is wholly dissimilar in action. One helps life; the other hinders life. The women of this area have asked for coal trains to be covered to stop the black dust spreading onto water tanks and playgrounds. 'They are working on it,' we are told, 'studying the options. Just keep on complaining.' Every 100-tonne coal wagon contains around a kilogram of particulate lead. That is using conservative washed coal figures. Washed coal is a lot cleaner than the stuff they dig out. Our soil is great for growing vegies but not near train tracks these days.

The European Food Safety Authority is now lowering the levels of heavy metal contamination they will accept in food. The Liverpool Plains, as you have heard, is 40 per cent more productive per hectare than anywhere else in Australia. If mining comes here, do we want our export grain prevented from entering these markets because it is contaminated? What about our over \$110 million we produce here in beef alone? Why do Meat and Livestock Australia ask farmers in their risk assessment livestock production assurance audit: 'Do stock have access to leaking electrical transformers, capacitors, hydraulic equipment or coalmine wastes?'

Further, they explain PCB residues—and they are only interested in the PCBs, not the heavy metals; that one is going to come out of Pandora's box and we are going to need every penny in the health system to fight that—have been found in soil below leaking electrical transformers on former coalmining leases and in materials such as coal washery wastes, which people are encouraged sometimes to put down on stockyards, and it is on the Gunnedah show flooring if you go out to the big Gunnedah Show. What farmer would rear stock on industrial wastelands? Yet we are told that mining and agriculture can coexist.

So that is the choice we need to make on the Liverpool Plains, something that I ask this inquiry into food production to please consider. What will it be: clean food production or toxic rock production? One or the other—we cannot safely have both. Never mind the geochemistry, never mind the biochemistry, God-given common sense says that this time we cannot have our cake and eat it too. Thank you for your attention.

Mr Brown—I am a farmer on the Liverpool Plains and my involvement in this is that I am a biological farmer progressing towards organic status. I am a second-generation farmer on the plains. My farm produces both winter and summer cropping. We have a beef cattle operation and a free range egg operation on the farm as well.

My interest in this is purely in the soils. We have heard about the contaminations and what they can do to our human health. I will just give you a little bit of information about what I do on my farm and why I see these contaminations as destroying what I want to do in farming. I see my position as a farmer to produce food for people to eat and if I cannot produce good food for people to eat—and I understand that food security is what this is all about—I really should not be there. What drives me is producing a good-quality product and that is why I have gone down biological organic line.

I am concerned about the life in the soil as well as the life around us. As a biological farmer I have got to look after the micro-organisms that are in the soil. They make the nutrients available for our crops to survive and, if we get the bacteria and fungi there out of balance, we have problems. We get disease in our crops and insect attacks. All of those things come into play when we get everything in balance. By understanding where we should be with those biological micro-organisms we can produce better cropping and better food for our people.

The biology in our soil needs the same as we need as humans—oxygen, water, food and shelter—and it needs a stress free environment to live in. If we go without any of those factors, we suffer, and so does our soil biology. On my farm I am trying to provide that environment for my soil and to look after my soil in order to produce food. If I have contaminants there, that affects what I do.

We have been doing this on my property for nine years going on 10 years and we have learnt a lot of lessons over that time. We pride ourselves on producing good food for people around us, and that is so important to me. I am not out to become the wealthiest man in the district or anything like that. I consider it a privilege to be able farm on these plains.

One of the things that hinder our progress in producing good food is the infringement of the mining companies on us and the affect they will have on our water and on our soils. To detox that system is just impossible once we get, like Pauline just mentioned, the heavy metals and those sorts of things in our soils. It is so detrimental to what we do and to our future survival as human beings. I read an article a couple of years ago and I put it in my submission. It says:

About 1.2 billion hectares, or 10 per cent of the world's arable area, is affected by serious degradation. 300 million hectares is unusable for farming. There is a continuing loss of five million to 10 million hectares a year.

This is worldwide. It goes on:

Eighty per cent of the remaining arable land is degraded to some degree.

That is from Julian Cribb, who is a professor, and you have probably all heard of him. I see it as being a real shame if we go down that track and if we lose these lands to mining companies instead of producing the food. We cannot produce any more good land. To keep up and produce

quality food we need to preserve these lands. On my land, my ambition is to do that and to leave my land in better condition than I found it.

CHAIR—Thank you very much for that. I am sorry we are going to have to impose some discipline on the room because we are going to run out of time if we do not. Bear in mind, do not be frustrated, this is the beginning and not the end and tonight when you all go to bed and hear the bugle, it is the cavalry coming. Because we are short on time if there are any urgent questions we will take them.

Senator NASH—I think, Chair, the witnesses are doing a very good job of giving us the information that we need.

Senator WILLIAMS—We are totally convinced how important the land is.

Senator NASH—Can I just say that I think Mr Brown has made an extremely good point saying that we cannot produce any more good land and that is the key to this whole debate. If it disappears we cannot get it back.

Senator FISHER—If I may ask one question of Mr Brown. Taking up where Senator Nash has left off, you are trying to do more with less in terms of going organic and you say you have been doing it for nine years. What if you were not an organic producer, would you see the same threats?

Mr Brown—Definitely.

CHAIR—Thank you.

[1.43 pm]

NANKIVELL, Mrs Rosemary Margaret, Chairman, Methane Gas Subcommittee, Caroon Coal Action Group

CLIFT, Mrs Phoebe, Private capacity

MACKERRAS, Mrs Carol, Private capacity

CHAIR—Welcome. Would anyone like to make an opening statement?

Mrs Nankivell—I am a third generation farmer and my concerns are about the impact of coal bed methane gas production. I am very concerned about the mining as well as our area has been targeted by Santos for coal seam exploration

Mrs Mackerras—I am a partner in an irrigation farm on the Liverpool Plains. I am in the enviable position of owning some of this rich black soil with an irrigation licence, but in the unenviable position of having it completely covered by the exploration licence.

Mrs Clift—I am the managing director of a nationwide business. I am also a mother of two children. They are the seventh generation on this land. I also own land myself.

CHAIR—What is the company?

Mrs Clift—It is a recruitment agency through Sydney, Melbourne and Brisbane.

CHAIR—It is not Mrs Rudd, is it?

Mrs Clift—It is a similar business probably. I do not know that I would like to be aligned there.

CHAIR—Do you want to make a joint opening statement or would you each like to make a presentation?

Mrs Mackerras—We are actually covering separate areas.

CHAIR—Okay.

Mrs Nankivell—I am a bit overwhelmed by the experience of everyone who has gone before me. No doubt you have my written submission already on coal seam gas. I will reiterate my concerns. What coal seam extraction will do to the aquifers in the Liverpool Plains, which is part of the Murray-Darling Basin and the Namoi catchment, will be disastrous. For example, this is a sample of water I took from my garden tap this morning. Compare it with this sample, which is rubbish. They will release drilling fluids and fracking fluids in huge quantities into the aquifers on the Liverpool Plains. It is a no-brainer. A huge amount of contamination will come from coal seam gas.

As per my submission, to extract one unit of gas you have to dispose of 13½ times the volume in waste water. That is waste water that cannot be recycled or reused. The gas companies still have no method of disposal for it. I understand Queensland—

CHAIR—Off Gladstone—

Mrs Nankivell—Yes. They are thinking of putting it under plantations. That will have to go through a desalination plant and the energy costs of it going through desalination are huge. I would prefer to look at what Santos release in the paper as being a little bit of public relations while they are still trying to work out what they are going to do with that amount of water. Once they get rid of the water there are huge volumes of salt, toxins and things like that. What are they going to do with that? Is there a cure for that?

CHAIR—So that is the long and the short of it?

Mrs Nankivell—Yes.

CHAIR—I will give you a quick summary on that. This is a lesson for all Australians. When we gave Esso an exploration licence for off the southern tip of Victoria there was no environmental work done about what they do about the recharge of the aquifer. In the next 40 years, as a consequence of the Esso gas and oil field, there is a better than 45 per cent chance that there is going to be major coastal subsidence into the sea in the Gippsland. That is because they did not do the science. The science for what you are talking about needs to be done. There is no question about that. Do you feel as a member of the community pretty helpless in the fact that they will have the might to go ahead and find some weasel way round—

Mrs Nankivell—They do not need a weasel way; they just go ahead and do it. It is the complete loss of our rights as farmers.

CHAIR—Have you seen the exploration agreement for your property?

Mrs Nankivell—I asked Santos for one and they would not give it. They said they have to tailor-make it for each individual farmer. I have seen one from Sydney Gas.

CHAIR—I think it would have been a reasonable request for this committee to see it.

Mrs Nankivell—That is right.

CHAIR—We will get it.

Mrs Nankivell—I could ask Santos again and see how I go. I have one from Sydney Gas and I also believe I am getting one from Eastern Star. Those are the other two gas companies operating.

Senator WILLIAMS—Where did you get the sample of dirty water from?

Mrs Nankivell—That came from a dual sump from when we did a site inspection that Santos had done near Caroon for the gas. It is pretty outrageous. We do not want that sort of water in the Murray-Darling Basin or anywhere.

CHAIR—We better press on.

Mrs Mackerras—Thank you for the opportunity today. The challenge for the coming generations of farmers is to double food production using only half to two-thirds of the currently available water. This implies a 200 per cent gain in water efficiency use across all irrigation crops in every country in the world or else a massive switch to rain fed agriculture for which the land does not exist—this is a quote from Julian Cribb. Productive land and clean water are essential for food production. As elaborated by Cribb, both are in limited supply and decreasing not just in Australia but in the world. For humans to continue to thrive on this planet we have to show care and respect for the water and land on which we rely or face starvation on an unimaginable scale. We cannot achieve a 200 per cent gain in water efficiency when we allow inappropriate land use to waste and poison that water, nor can we ignore the vital role that well-managed irrigation has to play in producing food in the future.

As you have heard, the Liverpool Plains is highly productive agricultural land with fertile black soil, well-managed, good quality aquifers and a moderate climate, and it is a reasonable distance to major population centres. The agricultural output from this region is diverse, reliable and abundant. The area is natural plains country with some native bush coverage surrounded by hills, providing a basin for capturing rainfall. Irrigation has been used, as the chair noted, on the plains for several decades and has undergone a major restructuring in the last few years with the recognition by state and federal governments and the landholders of the need for better water management.

CHAIR—You are obviously reading your submission. There is no need to.

Mrs Mackerras—Okay. I wanted to get it in *Hansard*, that is all.

CHAIR—That is all printed and we all have it here. But we would like you to make some additional comments if you want to and then we can ask you a couple of questions. Do you have any additional comments to make?

Mrs Mackerras—No, I think I have pretty well summarised it in here.

Senator NASH—Thank you, Mrs Mackerras. It is the issue of the productive land. This is probably going to sound like a fairly simplistic question, but if we reduce the amount of productive capacity that we have in this country and our need for that land continues to escalate, isn't it simply a no-brainer, completely stupid, that we allow mining to occur and take away that productive land?

Mrs Mackerras—Absolutely. We cannot just say that we currently produce more than we need therefore we can afford to cut down on that, because none of us have problems with silos full of grain. The market is there. We know we are big exporters of grain. Are we to deny providing other countries in the world with our surplus? Australia plays an important role in having that surplus. Again, it is all about having the land.

Senator NASH—It is very concerning to me. In the last couple of rounds of estimates that we have had I have questioned the federal minister about this and about the potential impact. Her response has simply been to say that it is a matter for the state government. I would have thought that anything that is going to affect the Murray-Darling Basin would have been within the purview of the federal minister, so I will try again next week at estimates, but is the fact that the federal minister does not seem to understand the potential impact on the basin something that concerns people in the community?

Mrs Mackerras—Absolutely, and I think we have tried to engage similarly with our correspondence and had a similar reply.

Senator FISHER—Have you got a reply from the federal minister?

Mrs Mackerras—Which one?

Senator NASH—I was referring to Penny Wong.

Senator FISHER—I thought you were saying that you had corresponded with Minister Wong, to whom Senator Nash was referring. Have you got a response?

Mrs Mackerras—Not directly, no.

CHAIR—Anyhow, I think *Four Corners* will sort that out.

Mrs Mackerras—I think the other issue is that we have talked about trying to protect prime agricultural land as retaining that land use. The resistance we have met there is the need for people to have the right to use the land for whatever or to sell it to the highest bidder, but I think we are reaching the point in our history where that cannot apply anymore. If you have valuable agricultural land, it has to stay there. Plus, at the moment, as a farmer I do not have the right to keep on farming if the state government can then assign a mining lease to my land.

Senator WILLIAMS—Senator Wong has given \$1.5 million to undertake a water study in this area. Has that study made any progress? Obviously this is going to cost a lot more than \$1.5 million. Has it progressed anywhere? Because under the federal laws now they cannot proceed to mining until that study has been carried out. Do you know where we are up to with that study?

Mrs Mackerras—As far as I know, it has gone back to the state minister for agriculture.

CHAIR—They need \$12 million, don't they?

Mrs Clift—They need the support of the mining companies, isn't that correct?

Mrs Mackerras—The terms of reference have been agreed, and it has gone back to the minister. But it is our understanding that regardless of the outcome of the study it will not have an impact on whether or not the mine goes ahead.

CHAIR—Excuse me, can't you hear the bugle?

Senator WILLIAMS—We are just waiting for another amendment—

CHAIR—We just want to get the material together.

Senator WILLIAMS—Stick with us on that one.

Mrs Mackerras—Thank you.

CHAIR—Can I just point out to the room that Carnarvon have got a little irrigation area over there which is peculiar—1,000 hectares which produced \$80 million in one year. It is 40 times as efficient as the Ord in the return of money from a megalitre of water and 20 times as efficient as the Murray-Darling Basin, across the basin. So you can do a lot more with a lot less if you go about it the right way. They draw it out of the sandbed of the Gascoyne River, the adjoining aquifers are saline, but they have proven, with Spanish and Israeli technology, that if you get the science right you can produce a lot. They produce—what would produce three million dollars worth of cotton—\$80 million worth of capsicums, table grapes, lunchpack bananas, et cetera. So the message has got to be to the mob that are behind all this: Let's get the science right.

Mrs Mackerras—But it is not just the science, because, whilst we are happy to adapt new technology, whilst we have this uncertainty about our land tenure it is a waste of money.

Senator WILLIAMS—You are living in limbo.

Mrs Mackerras—Exactly.

CHAIR—Thank you very much. We had better press on.

Mrs Clift—I just want to say: this district is full of very astute farmers. They are very impressive farmers, very successful. You have also got to think about why they are fighting this, when a mining company comes in and offers you many multiples of what the land is worth. We are fighting it for the reason that we are fighting it for all Australians: for the food production and for the security of the water as well.

My discussion today is about subsidence. I had a meeting, with my husband, with Stephen David from BHP. I think he took us for very dumb farmers. Anyway, he showed us a little map and it showed the seams of coal, which I think come to a total of approximately 30 metres in depth. They are all on different levels, et cetera, and he said that they would not take all of them. It is longwall mining, and if you take 30 metres from these plains I would hate to even think of the subsidence. You have got to think of all of that coming out, and what are they going to replace it with? It has the aquifers on top of it plus, as we heard earlier, the saltwater as well.

I do not have a PowerPoint presentation but I brought my own here to give you a bit of an idea. It is actually a floodplain as well as natural lakes. This here is natural lake and that is about one-tenth the size that it is now. This all goes underwater. It is very productive. It is productive when it goes underwater and it is also productive when it is not underwater, if that makes sense.

Senator FISHER—When was that taken?

Mrs Clift—This was taken eight years ago—

CHAIR—We were there this morning.

Mrs Clift—Yes, you were. This is Caroonna in the background here, and this is the other ridge that they are planning on mining as well. The lake and also the floodplain—when it goes underwater it really goes underwater, and that is approximately every eight to 10 years.

One other point, which I also brought up in my submission, is that farmers have obviously worked this land for generations. Although it is not proven unless we have this water study, they are saying that they can mine the ridges and not do any damage, but you have to be slightly thick if you do not think it goes through the mountains. I hate to put it very colloquially there, but if they think that they come in and just do that and it is not actually going to either wash down or ruin some aquifers or break water systems in some way, then I think that they are trying to blindfold us. That is my submission; thank you.

Senator FISHER—You have damn good dirt here and damn good, astute farmers, in your words.

Mrs Clift—Incredibly, yes.

Senator FISHER—You say you are fighting this to continue to be able to produce food for Australia, but aren't you also fighting before this happens somewhere else? Isn't that one of the reasons why the Australian Farmers Fighting Fund has been giving a helping hand? Today the Liverpool Plains are under threat and it will be somewhere else tomorrow.

Mrs Clift—Yes, I believe so. I just think it is very short-sighted. Considering the United Nations discussions around food security, I think it is so short-sighted to even consider mining such productive agricultural land. Yes, this is probably the forerunner of many to come.

Senator FISHER—Thank you.

CHAIR—Thank you very much, ladies.

[2.00 pm]

BOWMAN, Mrs Wendy Georgina, President, Minewatch New South Wales

DUDDY, Mrs Patricia, Private capacity

LYLE, Mr John Ranken, Private capacity

CHAIR—Welcome. I am curious to know if the mining interests are represented in the room today. Does anyone have enough courage to put up their hand to say they are representing the mining interests? No? I would have thought it would be in their interests to be here. I invite the witnesses to state the capacity in which they appear and make an opening statement.

Mrs Duddy—I am from Rossmar Park, Quirindi. My husband is Clive Duddy. The family have lived at Rossmar Park since the 1930s. They take this situation very seriously. For three years we have had the worry and the concern of the area being made available to two separate licences under the circumstances of the property being subjected to the BHP situation and the Shenhua licence just recently, only taken up as late as last year.

If I am allowed to give my presentation, I feel it will cover entirely where I am coming from. You visited the site today. You know that we have been there for nine months. This is not a casual thing that people our age with our interest are prepared to undertake. It is because we appreciate there are quite contradictory activities going on within the state legislation and decision making and certainly in terms of the development of the coal industry within our very valuable valleys. Certainly at this moment in our state forests and on our ridges already exploration is most assuredly being undertaken on a daily basis. So I draw the attention of the Senate to these problems.

I would like to welcome the opportunity to speak to the senators of this select committee on some very special issues—special in terms of local and broader issues encompassing the terms of reference laid down by the Senate in the inquiry into food production within Australia. The people I come from are based on the Liverpool Plains and its surrounding ridges. They are located on some of the richest and most diverse agricultural land in Australia. They are nurtured by predominantly long settled culture—Indigenous, squatters, settlers and graziers, farmers and irrigators. The soils are black self-mulching clays interspersed by red conglomerate and black basalt along pine, box, wattle and gum ridges. The watering systems of this geographic region are unique in terms of the total geographic formation. Creeks and streams rise and flow to the north in an arc from the Liverpool Range to the plains to the west of Narrabri. They fall into creeks such as the Yarraman, the Warrah and the Coxs and then to rivers the likes of Mooki and the Namoi. Transacting this catchment basin is Lake Goran, of which you have just seen a photograph, and it fills an area of over 9,000 hectares in times of significant rainfall events.

The waters in this system all flow to the north-west, eventually to the western reaches of the Darling and then into the Murray. The waters that are left behind infiltrate into the ground and nurture the wonderful and valuable aquifers that set this area apart, making words such as those used in your very terms of reference—most importantly ‘food’, ‘affordability’, ‘sustainability’,

‘production’, ‘impact’—the language that we speak and the culture that we are part of. We are capable, both by geographics and education, to make all these terms of reference both relevant and achievable.

CHAIR—Thank you very much. Obviously you have been reading from your submission.

Mrs Duddy—It is exactly my reading of that.

CHAIR—A beautiful submission and thank you very much for it.

Mrs Duddy—Thank you.

Mrs Bowman—My submission, which I will send to you later—not being a computerised person I have to wait for somebody else to do it for me—is the story of what has happened to me. I live in the middle of the Hunter Valley in the midst of all those 30-plus coalmines and three coal-fired power stations. In 1984 my husband passed away, aged 51. Within six to eight months I firstly had Energy Australia wanting to put 35 KVA lines right through our lucerne farm and dairy farm, which caused quite a bit of confusion for a while. Then about 18 months later I discovered that right next door with no buffer zone there was to be an open-cut coalmine. We had a very large dairy. This Ashton property was a beautiful property. The northern and western boundaries were bounded by Bowman’s Creek, a well-known creek because it had such marvellous underground aquifers and was never known to really dry out in any of the droughts. The Bowman family have been in Australia since 1798 working on the land.

CHAIR—Did they come from Dunedoo?

Mrs Bowman—They are all part of the same. As for the Bowman’s Creek country, any of the areas around these creeks in the Hunter Valley have beautiful alluvial soils. So our northern and western boundaries were that creek. Our southern boundary was the Hunter River, with the area of black soil, and our eastern boundary was Glennies Creek. It was probably the best watered property in the whole of our area, running a very large dairy plus beef cattle and lucerne production.

In approximately 1998-97 this mine started to operate and with no buffer zone the blasting, being open-cut mining, started. On some days the men living on the property could not see their front gate from their front door due to the thickness of the dust that fell from the blasting and from the draglines that worked within 200 metres of the property. Those draglines kicked up dust as well when they dumped into trucks. At night, because it went for 24 hours a day, lights were swinging on the draglines and of course for the men in the cottages those lights were very unpleasant for them. We then discovered that the dairy herd cattle at one stage would not eat the green irrigated feed. I contacted an agriculture consultant who spent a lot of time and a lot of my money trying to determine what the problem was. We discovered that it was the dust. This particular feed was barley with little tiny hairs on the leaves which held the dust. It meant that the cattle would not eat it, and it just did not matter what we did.

The next thing we found was that the lucerne in the Bowman’s Creek country was dying. We contacted the mine next door because we thought it was because of just too much dust. They brought in a lucerne expert from Victoria who walked along the paddocks kicking the lucerne

with his boots saying, ‘You’ve got nematodes.’ When I asked to see the nematodes he just continued to walk on; he could not show me any. But we discovered, a few weeks later, that it was the water. I then discovered that the so-called expert was running a coffee shop with his wife in Victoria, so I was not too sure about the expert part of it.

When we realised it was the water, I discovered that upstream of Bowman’s Creek a number of years earlier Coal and Allied had been allowed to mine under Bowman’s Creek. One of the landholders up there told me that the bottom of the creek had broken and gone down into the longwall. These were not like the longwalls now. They were the ones that left piers. The water was coursing through those, picking up all the heavy metals. It came up again two kilometres downstream in a spring and continued to flow on down to the river through our place, which meant that I lost the use of four irrigation pumps and probably a kilometre of alluvial soil where we grew all our feed. That contaminated water flowed into the Hunter River. Upstream of that convergent point was a mine next door, an open-cut mine, with one a kilometre up further. They were both allowed, each as well as the other, by the old SPCC, now the EPA, to discharge two megalitres of saline water into the Hunter River per day. We had the Hunter River Salinity Trading Scheme after that and we stopped a lot of that.

Our one pump that was left in that area was the Hunter River pump, which of course was getting all of this stuff, which was starting to kill the lucerne on the river. I got a water expert to come and look at it and we were told the only thing we could do was to get a tester and test the water. Every time we turned on the irrigation to see if we could use the water we had to test it. We found that at one stage during one January there were 12 days that we could not irrigate on. If you know anything about dairying, you know that in January and February you have to irrigate every day to keep the feed up for a very large herd. At that stage it was a very dry period and the river had turned into quite a narrow channel. A foot valve for a pump has to go down low so it does not suck up air, which is where the heavy saline water rests. The problem then occurred that we could not irrigate enough to feed the herd so I had to drive off half the herd. We had a share dairyman. He was only making half his income because of this, so he had to leave. I was able to find two retired people to continue with the dairy.

We then got on to the mine next door and said it was about acquisition because we could not stay there. It took nearly five years before that was done with very nasty dealings. I can tell you dealings with mining companies are not very pleasant. I have had to do them twice on the farm and where I lived on a grazing block further down towards Singleton. They are not very nice people to deal with and this particular company was pretty dreadful. Part of the deal was that I had to keep that dairy going because they were going to prove that dairying and mining could coexist. I had to borrow money during this negotiation period to keep the dairy running at half size. We finally sold and two years later the mining company closed the dairy because they realised that it could not be run with the dust and with the contaminated water. So that was the end of a property that the family had had since 1893.

Senator WILLIAMS—Did the mining company buy that property?

Mrs Bowman—We finally made them buy it after, as my solicitor said to me, what were some of the worst deals he had ever had to make with people who were so disinterested in what was going to happen to us. They were probably some of the nastiest people I have ever had to

deal with. The thing is that this has not only happened to me. This has happened to many, many other families in the Hunter Valley.

All you have to do is fly over it and look at the 500 square kilometres that look much like a moonscape. There are ridges of rock rubble that are now in place from where they blew up the ground to get the coal. That has brought all the toxic rocks up onto the surface: the rock ledges between the coal mines have the same heavy metals as the coal itself—and if you have driven through there you will have seen how high these mountains are. Every time it rains it leeches those heavy metals out and they go down eventually into the gullies, into the creeks and into our rivers. There is very little really fresh water left in the Hunter now. It was one of the richest and most diverse valleys—although certainly not the richness of the soils up here—from growing various grains; from dairying, which was a very big thing in those days but they have nearly all gone because of mining; and from vegetable growing. You name it; it has been done in the Hunter. And now the Hunter is just like an industrial area; there is very little left except on the east side of Singleton.

Senator FISHER—Mrs Bowman, prior to the sale of your dairy, had you signed an agreement with BHP about the coexistence of your dairy and the mine?

Mrs Bowman—No, it was not BHP.

Senator FISHER—Sorry, with the mining company.

Mrs Bowman—No, they were just given consent to open a mine. When your land is part of an ELA, an exploration licence area, you are not notified; you have to read it in the government *Gazette*. You are not told. So in our area there are a lot of small blocks and dairy farms, and I do not mean to be nasty but a lot of these people have not had the education that a lot of people up here have had. When there was a new mine proposal, we would contact the people in the area and say we were having a meeting on a certain date and invite them to come and talk about this mine, and they would all arrive and say, ‘What mine?’ Now, I have been down to the departments of planning and mineral resources, and they say: ‘No, no; we couldn’t possibly notify people. They might make extra money out of it.’ That is the ridiculous nonsense that we have had to deal with down here.

We have had a terrible time for the last 30 years, all of us. I started a group called Minewatch in 1991, basically, to help people who did not understand what they had to deal with, because you were not told the procedures, you were not told what was going to happen. Mineral Resources in New South Wales are there to find the metal and dig it out. Partner planning only gives them the conditions to work under. So we farmers were left in the middle of nowhere really. In the days when you could have a commission of inquiry, we could speak out and put our position. But, with our ‘best friend’ Frank Sartor and his part 3A, you cannot do anything now.

Senator FISHER—Is there anything stopping you from speaking about your experience with mining companies to others? Is there any restriction on your speech?

Mrs Bowman—I have spoken. I think people in our area are very sick of listening to me on the radio.

CHAIR—What Senator Fisher is asking you is: you haven't signed a confidentiality clause that restricts you, have you?

Mrs Bowman—No, I would never do that. But they still do that with people. Now, I live in a—

Senator FISHER—How do you know?

Mrs Bowman—Sorry?

Senator FISHER—How do you know they still do that with people, and who are 'they'?

Mrs Bowman—Because they tell me. We have meetings all the time. I live in an area now called Camberwell. It is a little village. It was started in the 1820s and there have been people living there ever since. They have a mine over a ridge at the back of them, about 500 metres away. These people have been subjected to the worst noise, dust and everything you could possibly imagine. A lot of people have sold out to the mining company. Others have come in to rent the houses, and they have to sign a confidentiality agreement—or an agreement that if they rent they are not allowed to make any complaints whatsoever.

Senator FISHER—So what do they say the confidentiality clause says—no complaints?

Mrs Bowman—No complaints at all about any environmental problems that they have. But they rent at about tuppence ha'penny a week so they are very happy. They are mostly young people with—

Senator FISHER—So, putting it another way, their silence is bought.

Mrs Bowman—Their silence is bought, and the other thing with these mining companies is that when they are doing a deal in an area where they have to buy a number of properties—these are smaller places—they come to you and say, 'We will do this deal with you, but don't you tell so-and-so next door or what we have offered you'—

CHAIR—Yes, we are familiar with all of that. The MISs do the same thing.

Mrs Bowman—Yes, exactly. We call it 'divide and conquer'. It divides the community.

Senator FISHER—The union movement learnt that long ago.

CHAIR—We get the message. We are going to have to move on. It sounds to me that you got a bit of the Ok Tedi treatment, if you know what Ok Tedi was.

Mrs Bowman—Exactly.

CHAIR—In other words, 'Up yours.'

Mrs Bowman—One thing I would like to finish with is that in this Camberwell area, with all the dust and the pollution with our three coal fired power stations, the people can no longer drink their tank water. They cannot bear the taste. They cannot bear the smell. We have had it tested, and the first test that I had done showed 20 times the WHO level of lead in one, 10 times in another and four times in mine. But what they do not realise is that I did not do mine—somebody from Newcastle university came and did mine. Since then we have had Hunter New England Health come and do the water testing—after the worst of the drought was over for us down there and after the mining company had cleaned out the tanks, so of course it was fine, wasn't it? There was no great lead problem. There is an aluminium problem, because aluminium is contained in—

CHAIR—There would be nothing to stop people from getting the test done on the tank water at the right time, though, or randomly? Let's not clean the tank out. Let's test the water.

Mrs Bowman—No. People are having it done now.

CHAIR—Would someone be prepared to provide this committee with samples of water from their tanks and we will get them tested?

Mrs Bowman—Yes. We can have them done, but you have to do it in specific—

CHAIR—I have just been razzed here, but we did that with fertiliser. We tested some fertiliser.

Mrs Bowman—That certainly can be done, because a lot of people are very worried.

CHAIR—Listen, you are a very powerful mother-in-law. I have to move on. Mr Lyle?

Mr Lyle—Thank you. I am a farmer on the Breeza Plain and passionately involved with the area. We have been in the area since 1927 and we are hands-on. I don't know how much longer I will be hands-on, but I am, with my son Tim and wife, Susan. I will endeavour to pull out bits and pieces that have not been discussed, because I can understand you. I got this down to nearly five minutes, too, which was pretty good.

Senator WILLIAMS—If the chairman starts talking it will take an extra 10.

Mr Lyle—There are a few things I want to back up before I put forward a few ideas. Firstly, roughly six per cent of Australia is arable. There is virtually none in this country we are talking about here—there really isn't. You are looking at very, very small areas. I will touch on areas that have not been hit on so far, but I think approximately 2½ years ago or something like that BHP had an open day here in Gunnedah, which I attended. Stephen David was there representing BHP, which he still is, and I put to him the two points that have concerned us—firstly, the aquifers. I will not say that he was out of his depth, but what he said was that it was an area that they had not been involved with to any great degree. So they were in an area where they were looking for a way out, so to speak. Secondly, I put to him the column of subsidence. That is the big problem down on the plain. I said, 'Stephen, everything drops around about three metres, 250 metres wide—is that correct?' He said yes, and I said, 'Right—what are you going to do about that when you pull back out? You've been onto the plain God knows how far and you'll

pull back out.’ He said, ‘There’s nothing we can do about it.’ On that comment, I said, ‘Well, why don’t you get the hell out of here and leave us alone?’

Senator WILLIAMS—Politely leave?

Mr Lyle—Yes. So that was that. He stated all that. There is no doubt about that. Farming practices have been mentioned. I think the farming practices in this area, particularly on those black soil plains, is second to none—it really is, with all the no-till farming, tramlining, general conservation and all the rest of it.

I would like to mention too that, from Gunnedah, the chemical liaison committee was set up in 1995 to legislate. All of the rules and regulations that you are meant to go on with, and we do, that are involved with aerial spraying and ground ridge spraying and that sort of thing are now nationwide. That all came from here. The area has always been pretty passionate about what is going on as far as the environment is concerned. You are all very aware about food prices. The farmers do not set food prices. It never happens. It is always supply and demand. We take the peaks and the troughs.

Senator WILLIAMS—We are price takers.

Mr Lyle—It just comes and goes. Now, are we prepared to sacrifice any of this? I think things have gone along reasonably well and you just cannot afford to have any foul-ups anywhere with anything at this stage of the game. Good farmers—and there are a stack of them in this room here—are created over generations. They do not come from books and they do not come from ag colleges. Both books and ag colleges help, sure; but that is not the whole story. They are born, they come into the scene and they are developed over a long, long period of time.

Now, onto the problems. I have put a stack of problems together as far as the whole set-up is concerned. First of all, at the top of my list of problems with what is going on at the moment with mining, is risk management. BHP do not want to know about it. They very, very reluctantly—and I will touch on it later on—agreed to it as far as the Pam Allen study is concerned. Another area that has not been addressed today, and which I really think a lot of thought has to go into it, is freehold land. Freehold land today really means absolutely nothing. It really does not. I always thought that freehold land meant that you had some sort of control over what was going to happen, but it damn well does not. It really does not. Against mining, that is it. Inequities are just incredible with your water, your clearing, pollution and everything else that goes on with the mining sector. They seem to do what they like. I think the federal government—and I do not want to be harsh here—have to walk right away from blaming the states for anything. I think you guys really are our last chance, and I make no bones about that. That has been mentioned today on a few occasions; you really are. But, as for blaming the states for things, I think it has to be put into perspective and you just have to say, ‘We have to do something about this.’

Carbon credits is another very interesting issue that has come up. I am probably putting forward ideas here that a lot of people have spoken to me about before they knew that I was coming here, but I will just put these forward. Surely the answer to carbon credits is that, if you are polluting the atmosphere and you are way over the limit, you are damn well fined. What is the point in trading off one against another and another and another and achieving at the far end

down here absolutely zero? Maybe that is a bit too simple; I do not know. We are still surviving competing against the subsidies of the US and Europe. The level playing fields are at an angle, but we are still surviving. There are national vendor declarations now, as was mentioned before regarding cattle. If you are near a mine or that sort of thing, it all has to be stated. It is all coming through. That will certainly go on with the grain belt and what goes on down on the plain.

As far as I am concerned, I am appalled, to be quite honest with you, about what is going on in this area. I just cannot believe it. It is something that engrosses you. You are out there on the farm thinking about it all the time. I have talked to guys involved with mining and it has almost been a bit of a ‘ha, ha, ha’ scene when they say: ‘Oh well, we just go home. We get paid at the end of the week. What do we give a damn about it?’ We are living with it all the time. What the hell is going to happen to the farm? What is going to happen to the neighbours? What is going to happen to the whole area? It does not seem to worry them, but maybe it will one day.

CHAIR—It will one day. We drink recycled water now. Eventually they will have to eat recycled you know what.

Mr Lyle—Yeah. But the day might come too when there are not a hell of a lot of people being employed in the mine itself. Who knows? But it is really out of control. I do not know. As far as the act is concerned, and correct me if I am wrong here, is it a hand-me-down from World War II? I think it was. I think the initial idea was for the government of the day to be able to go in and claim whatever they wanted to as far as the war effort was concerned. I gather that is where it all started and it is still there. I do not think anything has really happened to that.

The Chinese are certainly a worry here, as far as we are concerned. They have openly stated that they want to buy the whole 196 square kilometres of the Watermark area, and I have been in the room when that has all happened. My wife got on the website the other day and I looked at it, and there was a statement from Shenhua in their splurge that they were the main exporters of coal from China. Don’t you find that a bit odd? Here we are digging a hole and yet they are exporting it from China, and that is on the web. If it is wrong, it is on the web.

The water study was brought up a little while ago. I am not on the committee. Michael is and few others were on the committee before. It was asked before mining commences and before the water study is completed, if the water study is not completed and these fellas have done a deal somewhere or other it will go ahead. That has been a very, very sticky point.

CHAIR—What would be the legality behind that?

Mr Lyle—That would be the state government ruling, I would imagine.

Senator WILLIAMS—Can a federal law overrule a state law?

Mr Lyle—That is up to you guys.

Senator FISHER—Yes, to the extent of the inconsistency.

Senator WILLIAMS—The point I make is both the House of Representatives and the Senate have passed legislation that, in these areas we are talking about, mining cannot proceed until an independent water study is carried out.

Mr Lyle—I think you will find that is definitely not the case. I agree with you but I think you will find that that might not happen as there is very, very little confidence in the state minister.

Senator WILLIAMS—Can you comment on that?

Senator NASH—That is the wording of the legislation.

Senator WILLIAMS—It has been passed by both houses of parliament.

CHAIR—There are heads shaking down here.

Senator NASH—What Mr Lyle is cleverly alluding to is that there are ways around these things, I would imagine.

Mrs Duddy—We are advised at local government level, do not make the assumption that this water study will hold up this development because it is not so.

CHAIR—We are here to hear every version of events that are around, and we will be recalling the other side of these equations in due course. In the meantime we will give it a shove along.

Mrs Duddy—That is why everybody here is so terribly concerned.

Mr Lyle—You are right, Fiona, in what you are saying. What is going to happen in the water study, who knows? We are onto aquifers and subsidence with the risk element. It must be commissioned as soon as possible, obviously, and it must be independent. At the moment it has to go back to the minister and he is going to give the thing his nod. Why? Everybody in the room—is that correct, Michael?—agreed to what the terms of reference were.

CHAIR—Can I ask a pretty dumb question? If the study is \$12 million and the state government has put in one million and a half—

Senator WILLIAMS—The feds have put in one million and a half.

CHAIR—The feds have put in one and a half million. How much has the state government put in?

Mr Lyle—I think at the moment we have one million and a half from the federal government, but I do not think we have anything much else from anywhere.

CHAIR—Someone said this morning that there was a proposition the mines would put the money in.

Mr Lyle—Yes.

CHAIR—Wouldn't that taint the process?

Mr Lyle—Exactly. We have been saying all along that the state and federal governments should fund it, and no-one else should have anything to do with it.

CHAIR—We can make a recommendation along those lines because if there is \$3 billion for pink batts surely we can get some.

Mr Lyle—I just wonder, Mr Chairman, if it is going to cost \$12 million could I have a bit of a helping hand?

Senator NASH—Can I just clarify that? There was actually a question that came back from estimates in February on precisely that question of the funding. The federal minister committed that the government: 'Is prepared to contribute up to \$1.5 million towards a study into service and groundwater resources in the Namoi region subject to matching funding from the New South Wales government and the mining industry.' So they are still hedging their bets.

Mr Lyle—Minister Macdonald at the moment is making a big thing about the fact that he is the one that set all this up; he did this, he did that, and all the rest of it. The Caroon Coal Action Group set this up. They were the ones that started all this, right back. If they had not sat on their dig and done what they have done, nothing would have happened.

Senator FISHER—It still has not achieved anything.

CHAIR—Thank you, keep going.

Mr Lyle—I am nearly there—do not worry about it. As was said earlier on, your committee is really our last chance. We have our backs against the wall big time. You go on and on, and if you talk to people nothing happens.

CHAIR—I understand that. We are grateful for your acclamation, but we are only as good as the evidence we receive.

Mr Lyle—Okay. I do not want to be arrogant here, but I will finish on this question to the committee: do you want us, as farmers, to exist or not? Do you want us to grow food for this nation or not? I am not being smart alec in saying that. It is becoming a very sensitive question that has to be answered, and it has to be answered pretty quick smart. Thank you so much for your time and thank you for coming Gunnedah. I note this is the only hearing out of the cities.

CHAIR—That is not quite accurate. We are very grateful for all the evidence we have received today. The committee represents all the political persuasions in the parliament but, due to other circumstances and not because of any political snub, the Labor, Greens and other members of the committee were unfortunately unable to attend today. This committee, along with the reference committee that Senator Fiona Nash now chairs, is a committee that does not play politics with people's livelihoods. We do not make political dissenting reports. We try and deal with the facts. The facts that face mankind are that, if we grow the world population to nine

billion by 2050, the world food task is going to double; 50 per cent of the world's population will be poor for water; if the science is 40 per cent right, 30 per cent of the productive land in Asia, where two-thirds of the world's population is going to live, is going to go out of production; and there will be 1.6 billion people on the planet possibly displaced. If you watch *60 Minutes* on Sunday night you will see the first of them, the Maldives, starting to think about packing up. We are in serious trouble with the food task. The world has been concentrating on the energy task. What we want to do is get some focus on the food task. You all have an important role to play in that. We are grateful for your input.

Mr Lyle—Finally, approximately three-quarters of the Gunnedah shire is either under exploratory licence or is going to be. It is a huge area, virtually the whole shire.

CHAIR—You will be famous, and you have the world's youngest mayor as well!

[2.38 pm]

BLOOMFIELD, Mr Derek, Executive Officer, Liverpool Plains Land Management

BLOOMFIELD, Ms Kirrily

STRANG, Ms Ruth

WALKER, Mr David

WILMOTT, Ms Margaret

CHAIR—If anyone in the audience wants to make a statement or put a view, now is their opportunity. Stand up, state your name and say what you want to say.

Mr Walker—My name is David Walker and I am Executive Officer of Liverpool Plains Land Management, a natural resource organisation in this catchment. Your inquiry is about food production in Australia, and I think that we need to look at it from the point of view of ecologically sustainable development. That means that we make the best use of our resources for our current needs, making sure that we do not alienate those resources for the use of future generations. Chair, you just mentioned the huge task we have in this world to feed our population in the near and further future. Alienating productive land from food production for short-term gain would be a shocking thing for us to do to those who follow us.

CHAIR—Are there any further statements?

Ms Strang—Yes. There is a way of carbon dating water. It is done very adequately by ANSTO in Lucas Heights.

CHAIR—So it is just a matter of doing it. But it needs to be done.

Ms Strang—Yes.

Mr Bloomfield—I am a farmer and grazier down at Carroona. There has been a lot of talk today and in the press about the statistics around production here in the Liverpool Plains and the value of it. Nearly the absolute majority of that has been about commodities—producing grain, producing tonnes of beef et cetera. It is not just around the corner, but I think the day will come when you can forget commodities out here on the plain. This is literally going to be a produce bowl. People will not be growing a thousand acres of wheat, but will—

Senator WILLIAMS—A thousand acres of cauliflower or whatever.

Mr Bloomfield—That has been done before at Breeza. Caulies have been grown there on a big scale. So there will be masses of produce grown that will actually feed people directly. That is something that is harvested one day and within a week it is eaten—none of this being stored

for 18 months and then milled into something else that something else then uses and then turns into a product that looks nothing like it did originally.

CHAIR—While we are waiting for the next speaker, I might say that, if the community invites me back, I can do a 40-minute PowerPoint presentation about food production and the future of the planet. And you will all have your jaws on the floor if you invite me back to give the presentation. That was an ad!

Ms Wilmott—I am part of a farming family on the Liverpool Plains. I was just wondering about your submission process which finalises in November this year. While all this is going on, the mining companies are still approaching farmers looking for agreements and access. All of these decisions are still going on. What is your timeframe after November? What timeframe are we looking at for possible actions that might help us—or your ‘bugle’, as you say?

CHAIR—We will try to expedite this. We are very flexible, but each of us has only got one head and two legs, as you have noticed. We will be as immediate as you and we feel it needs to be, but obviously we need to now put out some further offers for submissions from the people who have not appeared here today. And obviously there will be some political signals given also. Can I just say that, in the recent Queensland election, there was, in my view, a demonstration of political gutlessness by all politicians of all persuasions, because there was not one statement on water. In the context of a political election, it is a state issue. And there is a proposition still in Queensland—which is a worry to me, having heard this evidence here today—and that is the disgusting plan for the Lower Balonne, where they are going to issue a licence for 469,000 megalitres to a property which is unsustainable, and issue it in the full knowledge that they are going to have to buy it back. Politicians will do anything if they get the leverage. We need some political guts, and we will try to call up that guts. There are a couple of politicians represented here today who probably will be part of the solution.

Senator FISHER—Chair, if I may add: the word ‘water’ did not pass the lips of either the Prime Minister or the Treasurer with the recent budget, either. You may well say that this committee is your last chance, and it may look like that at the moment; however, you are your last chance—and please do not underestimate the powerfulness of you and this community action.

CHAIR—Hear, hear!

Senator FISHER—It is very, very powerful and pervasive, and you are using it very well. We can get from you a little insight into what it takes, but we cannot understand because we are not you. But you have you: keep going.

Ms Bloomfield—I am farming at Carroona. With regard to the letters that many of you may have received about food production in the area, some of the replies that we received indicated that Australia exports a lot of food so this really is not relevant.

CHAIR—Can I have a copy of the replies?

Ms Bloomfield—You may. About half have replied at this stage. Further to Derek’s point, this area can produce. Yes, we export a lot of the food that is produced but the biggest exports are

things like wheat and beef. They grow that out in the country out at Forbes et cetera where you cannot grow anything else. You can grow lots of other things here—veggies and things.

Senator WILLIAMS—In Junee and those places where you do not grow much!

Ms Bloomfield—If we get ourselves into a situation where we need to import food, will you be happy eating food that comes from a country where—

CHAIR—We get your message.

Ms Bloomfield—the food may be sprayed with something that is not even registered in this country.

Senator FISHER—We already eat some of that.

CHAIR—I do a lot of that. Watch the estimates next Monday and Tuesday and you will see a little demonstration of how dopey we are!

Senator FISHER—As a country, you mean, Chair!

CHAIR—Yes.

Ms Bloomfield—I just wanted to reiterate something that was said—you might have said it, Chair—that is, that so much of the water in the Murray-Darling system comes from groundwater, which is the issue that we are talking about.

CHAIR—Can I just give a demonstration of that? Cape York Peninsula is 17½ million hectares. For crass political purposes, Peter Beattie told me, actually, when I was chairing the Traveston inquiry that they put in the wild rivers legislation—this is political gutlessness—to do a deal with the wilderness society for green votes in the city. That is fair enough; that is politics. But in Cape York Peninsula, which is the size of Victoria and off the coast with a population of only 4,000 people. There is an estimated 20,000 feral cattle, 800,000 feral pigs and 14 pastoral companies—and the rest of it is sit-down Indigenous freehold country. The Indigenous people want to have a crack at an economic opportunity there. I am going to a meeting in the News Limited boardroom tomorrow night with Noel Pearson to that end. We have taken a decision—a so-called political decision—to turn that into a World Heritage area and lock up the productive capacity of all the rivers for the first kilometre all the way up the Cape. It is absolute madness. I apologise to the committee for blowing my trumpet.

Mick Keelty said 18 months ago—and no-one took any notice—that the greatest threat to Australia's sovereignty without a doubt was the impact of the changing climate. He was referring to the 1.6 billion people who could possibly be displaced. I say here today that, if we need to develop the opportunities that Mother Nature is giving us. We are going to have to reconfigure the way we are doing business in rural and regional Australia. You are going to do all right here, but the south is going to get a lot tougher. If we do not do it, someone else is going to come and do it for us.

I think we will draw this to a close and consider this to be round 1. Thank you very much.

Committee adjourned at 2.48 pm