

COAL SEAM GAS

Analysis of this issue should give proper consideration to the economic environment which is defined by the GFC and Australia's extraordinary Foreign Debt.

I was born in Gunnedah NSW. Not far from the Breeza Plains which the locals reckon are the best black soil country on Earth. In 1973 I bought 10,000 acres East of there and still own it.

I understand the emotional reaction of land-owners and environmentalists who oppose any interference with this beautiful country. However their objections are entirely that – emotional. My property has 250 acres of public and private roads to allow the rest of the land reach its potential. The roads produce nothing directly and wouldn't do so even if they were in the middle of the black soil plain. The coal seam gas experts tell me that the impact on the surface of the land of their extraction is much less than that and that the pipes and infrastructure that carry the gas away could be almost entirely constructed within the existing roads. Any further land contribution would constitute a higher use than any conceivable agricultural production.

The value of coal seam gas to the Australian economy is so high that any reparation required would be easily funded.

Australia needs this production urgently. Australia cannot afford the levels of arrogance and complacency that have led to us being a trillion dollars in debt.

I emphasise the word "urgently". Firstly we need the revenue now. Secondly there is no certainty that any of Australia's exports will retain their present value. The Japanese disaster which has halted nuclear energy production may well have the medium-term effect of causing nuclear power technology to leap forward after the latest information and other technology is applied to it.

CONCLUSION

The dominant objective in relation to coal seam gas should be to get it out urgently and use it.

Secondary objectives are to spend an appropriate part of the proceeds on;

- a. Minimising the consequences of extraction
- b. Compensating land-owners for access, loss of production and inconvenience

Australia must reduce its Net Foreign Debt by rewarding production, which cannot be stolen, rather than profit which is easy to steal by overcharging. Coal seam gas extraction is a first class example.

Australia should repeat the work done by NAG and produce a long range financial plan for Australia using the disciplines required by that process. That plan should be apolitical.