

6th May 2009

The Secretary

Senate Select Committee on Agricultural and Related Industries

PO Box 6100

Parliament House

CANBERRA ACT 2600

Dear Sir

Submission to the Inquiry into Food Production in Australia

On behalf of the Carroona Coal Action Group and the landholders and supporting industries of the Liverpool Plains, I submit this paper for your consideration. We welcome the opportunity to make this submission to the Senate Select Committee on Agricultural and Related Industries in Food Production in Australia.

The Carroona Coal Action Group.

The Carroona Coal Action Group was formed over 12 months ago in response to the exploration licenses granted by State Government to explore for coal on the Liverpool Plains. Recently exploration licenses have been granted to various companies for the Coal Seam Methane (CSM) Industry. As a result of this, many concerned landholders have come together to preserve this wonderful agricultural area. Issues raised in this submission relate specifically to the CSM extraction industry.

A Brief Outline of the Importance of the Liverpool Plains to food production and security in Australia.

The Liverpool Plains, approximately 450kms north-east of Sydney, is prime agricultural land and recognized by many to be the best farming country in the world. Its fertile black soils have a high water holding capacity with reliable summer and winter rainfall. Over the last forty years, there have been perhaps four where crops have "failed". Improved farming practises have very nearly eliminated these types of years reoccurring. It is an area which yields 40% above the national average and grows a diverse range of crops such as wheat, sorghum, oats, soybeans, barley, corn, sunflowers and cotton. It has a beef industry worth \$110 million per annum. It also produces chickpeas, soybeans, mungbeans, canola, olives, turkeys, chickens, pigs, lamb and wool. The area is unique in that it produces two crops per year, unlike the majority of farming areas. The Liverpool Plains contribute **\$332 million to the GDP** annually.

Water.

The Liverpool Plains is part of the Namoi Catchment which feeds into the Murray Darling Basin. It is underlaid by well-managed high output aquifers which contribute immensely to its productivity as well as the ability for the soils to retain moisture. The preservation of these aquifers is the overriding concern of those who have farmed successfully and innovatively for decades. The National Pollutant Inventory confirms that the Liverpool Plains does not produce food in an environment contaminated by any industry that liberates tonnes of toxic metals, fine silica dusts or carcinogenic petroleum hydrocarbons. It is a pristine area that is not polluted by any industries that leave a legacy of mine drainage, poisoned rivers and creeks, highly saline evaporation ponds and unpredictable methane scalds. This enviable situation must be preserved. If CSM exploration and resulting extraction occurs, the Liverpool Plains will lose the purity and volume of its aquifers. The productivity of these plains will be destroyed. Australia's ability to produce clean, uncontaminated food will be damaged irrevocably.

A Summary of the Coal Seam Methane (CSM) Industry.

The extraction of Coal Seam Methane is a relatively new industry in Australia. Commercial production was not significant until 2004 in Queensland. There is ample evidence from America and other countries which illustrates the fallacy that CSM is a new clean green energy source. There is emerging alarming evidence in Australia of the environmental damage that has already occurred.

Methane gas, drilling fluids and the highly-toxic saline water extracted from the coal seam beds have been shown to migrate throughout aquifers and poison water supplies. Given the interconnective nature and vastness of aquifers under the Liverpool Plains, this contamination would be widespread, ultimately destroying our rivers and creeks and contaminating our town water supplies.

With gas extraction, comes the lowering of water tables. Extraction requires the aquifers under the coal seam to be dewatered to allow the gas to escape. This of course results in the creation of voids. These voids lead to subsidence causing cracking and draining of rivers, waterways and aquifers long after extraction has finished. Our farming country will be damaged irreparably.

Locally sourced high quality water is used to aid in dewatering of the aquifers. Both types of water are not fit for use as the fresh potable water has been contaminated by the highly saline, toxic coal seam water. It is currently left to evaporate in ponds, the liners of which generally have deteriorated. The remaining toxic water is absorbed by the environment into our aquifers. The salty residue blows away in the wind turning productive land barren. Gas companies have yet to find an economically viable and environmentally friendly way to dispose of this water. For every unit of methane gas produced, 13.5 times that amount of contaminated water has to be disposed of. This is a huge unresolved issue as these "ponds" can take up hectares of land.

Gas sites are industrial areas. The amount of gas dictates the location of these sites and wells can be as close as 200mtrs apart. There are high levels of noise, heavy machinery and associated activity. Gas leaks, methane and salt scalds, and even well explosions are all part of the methane industry. This is certainly a horrifying contrast to the quiet, sustainable productivity of the Liverpool Plains.

The industry is poorly-regulated with little respect shown to the environment or the landholders. In other areas, drilling has taken place dangerously close to primary schools and town water supplies with local councils powerless to intervene.

Conclusion.

Clearly the CSM industry will destroy the pristine nature of the Liverpool Plains. Our productivity will be slashed. Our sustainable long term industry will be destroyed in favour of a short-term opportunistic industry that will leave the environment irreparably damaged. Prime farming country all over Australia is under threat from not only urbanisation, but these short term unsustainable extractive industries. We have the opportunity now to preserve agricultural land and save future generations from food shortages while contributing to the GDP and slowing climate change. It is vital that the Liverpool Plains be preserved for agricultural production.

Please do not hesitate to contact me to discuss this paper.

Yours faithfully

ROSEMARY NANKIVELL